Professor Jill Trewhella  
Deputy Vice-Chancellor (Research) 

10 February 2010 

Professor Margaret Sheil  
Chief Executive Officer  
Australian Research Council  
GPO Box 2702  
Canberra ACT 2601  

Dear Professor Sheil,  

The University of Sydney welcomes the opportunity to provide feedback to the ARC on the proposed changes to Linkage Projects (LP). We appreciate the reasons behind the proposed changes and hope that we can contribute to finding a way forward that meets both the needs of the ARC and the institutions.

The ARC Linkage Scheme provides important opportunities to build productive collaborations between researchers in higher education and industry, and as such we are concerned with the short timeframe for consultation and the proposed timing for implementation of new arrangements. In combination they really do not allow for adequate consideration of the potential impacts of the changes being discussed to one of the ARC’s key National Competitive Grants Programs (NCGP). Recognizing and appreciating the current funding and administrative pressures on the ARC, we still do not believe the proposed changes serve the intent of the scheme; indeed implementation of the proposed quite radical changes for the 2010 application round for funding from 2011 would be detrimental to the objectives of the scheme.

With respect to the particular proposal to move from two to one funding round per year, we are concerned that this would undermine the scheme’s core objective to develop long term strategic research alliances between the higher education sector and partner organizations. Although lead times between submission and the outcome of applications may not have shortened with two rounds per annum, the lead time between conceptualizing an idea and submitting an application will lengthen considerably if there is only one round per annum. This extended lead time is a significant disincentive for partner organizations that need to commit funds to solving problems more rapidly and responsively than is permitted by one round per annum.
We are attracted to the idea of allocating funding for APA(I)s as a block grant as this would enhance the capacity of institutions to invest in areas of strategic priority. However, without more detail about how such an arrangement would work in practice, it is difficult for us to make a proper assessment of the proposals. Further consultation, and in particular more detail about the proposed allocative mechanism and practical issues such as what happens to unallocated scholarships in any given year, is required before any decision is made to implement this proposal.

Rather than take the approach proposed to address the current pressures, we would like to propose the ARC give consideration to alternative models of funding, including the model advocated in the Group of Eight submission for ‘responsive mode funding’ as used by funding agencies in the United Kingdom; or a block grant scheme that would allow institutions to allocate both project funding and scholarships according to their strategic priorities. We understand that a fundamental change of this sort would require extensive consultation and take time to implement. In the interim we believe that the current arrangements best serve the intent of the Linkage scheme, noting that many full LP applications are well advanced for the May 2010 round that is advertised on the ARC website. Any further delay to submissions in November 2010 inevitably will mean that partner organizations withdraw support and the applications will not proceed, thus undermining higher education/research partner collaborative arrangements already in place and those being developed between higher education institutions and research partners in industry and government.

The University of Sydney has provided the ARC with more detailed comments in the required format, and I look forward to discussing these and broader issues if we can find a mutually convenient time.

Yours sincerely,

Professor Jill Trewhella
Deputy Vice Chancellor (Research)