

The Research Funding Issues
(Peter Kiddle, 24 Feb 03)

It is important that the RRAC reassesses both the monetary value, short and long term economic benefits and political approach that we should take to ensure that the ongoing research activity in Ofcom is maintained at the levels we believe are essential to achieve both the technical research projects in support of our 'basic research themes' and the necessary 'Cave research' support requirements.

In my discussions with Rolande Anderson last year I indicated that over the next 4 year period the total research activity costs would need to increase from £7.5M (2003) to £20M(2006) which would include both SES contributions and other regulatory bodies technical research needs (2005 onwards) in a fully integrated Ofcom technical research activity.

As you are aware through the additional efforts of both the ERU and Barry Maxwell what I consider as phase 1 financing was satisfactorily achieved for 2003 i.e. £7.5M. Phase 2, i.e. the 2004 budget, requires I believe a total activity cost of £11M comprising £7.5M for the TF project budget and £3.5M SES contribution. However the following issues need to be considered:-

- a) SES funding was only agreed for 2003 and Ofcom will need to make new applications and justifications to Treasury if money is to be made available in the future.
- b) With regards to future TF budget it is essential that the ERU fully commit it's present budget.
- c) We need to agree with the RA the role the RRAC takes with Ofcom management in presenting both the case for increased TF spend and SES renegotiations with Treasury for future funding. I suggest we consider submitting a proposal from RRAC, as a semi-independent body with detailed technical/resource support from ERU may be the best political approach.
- d) If we proceed as above then we need to have a case prepared by mid year, as I believe the establishment and integration of Ofcom will remain on time schedule.

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