Russell Group input to House of Commons Science and Technology Committee inquiry

Role and priorities of UK Research and Innovation (UKRI) Interim Chair

# Summary

* We support the Government’s commitment to maintain and build on the world-class research and innovation taking place at our leading universities. However, the scale of change being proposed to the UK’s research funding architecture is significant, and takes place at a particularly sensitive time in the wake of the Brexit vote. Care must be taken to ensure we continue to have a successful system that **allows us to punch above our weight internationally.**
* As an essential part of the dual support system we particularly want to ensure the Research Councils are able to retain their identities and **autonomy** in order to continue to support excellent research in the UK and play a key role in sustaining the UK’s position as a global leader in science and research.
* We welcome the added legislative protection for **dual support** in the Higher Education and Research Bill through the introduction of the balanced funding principle. How the principle of ‘reasonable balance’ in funding for the Research Councils and Research England is determined will be critical. The combination of stable core funding and competitively awarded grants ensures the diversity and breadth of research in the UK.
* The **Haldane Principle** should be respected throughout UKRI, ensuring the allocation of research funding, and the decision making processes and procedures relating to research more generally, remain with those who have the appropriate scientific expertise and experience.
* Russell Group universities deliver outstanding research hand in hand with excellent teaching and this is central to the student experience they provide. With Ministerial responsibility for teaching and research now split between the Department for Business, Energy and Industrial Strategy (BEIS) and the Department for Education (DfE), clear mechanisms to **ensure UKRI and the Office for Students (OfS) work closely together** will be essential in order to ensure the higher education sector continues to benefit from clear strategic leadership.
* There is a risk that the efficiencies gained through merging Research Council back office functions may be offset by the **costs** of setting up and running UKRI. It will be important that costs are contained here. It will also be important to secure a smooth transition from the current system to the new one and particularly to ensure key tasks, such as preparations around the next Research Excellence Framework (REF), are not disrupted.
* **Innovate UK** must not be integrated into UKRI without its concomitant funding. Innovate UK should not be seen as the only Council of UKRI with responsibility for innovation; indeed, there may be opportunities for better alignment or closer working between Research Councils and Innovate UK on innovation activities under UKRI.

# Context

## The purpose of The Russell Group is to provide strategic direction, policy development and communications for 24 major research-intensive universities in the UK; we aim to ensure that policy development in a wide range of issues relating to higher education is underpinned by a robust evidence base and a commitment to civic responsibility, improving life chances, raising aspirations and contributing to economic prosperity and innovation.

## We welcome the opportunity to highlight some key issues in relation to the development of UKRI and propose some suggested questions the committee may wish to raise with the Interim Chair, Sir John Kingman, when he gives evidence to the committee on 12 October. We have collated all questions proposed throughout this paper in **Annex A** for ease of reference.

# Autonomy

## The Research Councils are greatly valued by their communities and we support the recommendation in the Nurse Review that the identities of the Research Councils within a new overarching body should remain distinct, with holding budgets and discipline leadership preserved at the level of the individual Research Councils as at present, and the strengths of autonomy maintained.

## We have some concerns that the Higher Education and Research Bill as currently drafted could limit the autonomy of UKRI and its constituent Councils, which would impact their effectiveness as organisations.

## Nevertheless, there could also be opportunities to align more closely some of the policies and practices in the current system, such as aligning definitions of impact, designing compatible open access rules and making research information systems more interoperable, as well as creating more opportunities for inter-disciplinary work.

Suggested questions

* Can the Interim Chair provide reassurance that the autonomy of the Research Councils will not be unduly reduced under UKRI?
* The Minister has been clear that UKRI should operate “at arm’s length from government” – is the Interim Chair confident that the organisation will have sufficient autonomy to do this?
* What areas has the Interim Chair already identified where policies or practices in the current system could be more closely aligned?

# Dual support and the ‘balanced funding’ principle

## We welcome the legislative protection being given to dual support in the Higher Education and Research Bill. However, how the principle of ‘reasonable balance’ in funding for the Research Councils and Research England is determined will be critical in order to ensure QR funding is not eroded over time.

## We would be particularly concerned if QR funding was used to fill gaps in Research Council funding because of over-commitments made e.g. in support of capital projects which have not been given proper resource funding.

## As noted by the House of Commons Science and Technology Committee, “any significant changes to this [dual support] system, including the balance of funding between research councils and university funding councils, would require a clear justification, which has yet to emerge.”[[1]](#footnote-1) Enshrining transparency as a key principle of UKRI would allow for scrutiny and help to protect funding, but a stronger mechanism may also be needed by which evidenced justification would have to be provided for altering the balance between the two funding streams.

## The ‘reasonable balance’ referred to in the Bill could also reference the need to support research excellence and to sustain research, research infrastructure and the wider research environment in the UK for the long term.

## Due regard should also be given to the particular national complexities posed by folding-in HEFCE’s functions for QR into UKRI. As UKRI will be responsible for QR funding in England, and Research Council funding at UK level, moving funds between these budget lines would have knock-on implications for different universities depending on their location in the UK.

Suggested questions

* Has the Interim Chair considered how protections could be put in place within UKRI to prevent the erosion of QR funding over time? What is his interpretation of ‘reasonable balance’?
* Would the Interim Chair support proposals to make surebudget lines within UKRI are made completely transparent, with a commitment to report annually on the amounts allocated to QR and each of the Councils in order to ensure the separate lines in dual support do not become blurred?
* How will the particular national complexities posed by UKRI (with some UK-wide responsibilities and some England-only responsibilities) be handled?

# The Haldane Principle

## We welcome the indirect reference to the Haldane Principle made in the Higher Education and Research Bill, which states that where a grant to UKRI is for functions of Research England, the Secretary of State cannot impose conditions relating to particular programmes of study or research. This protection is welcome, but we would argue this should be consistently applied when making grants to the Research Councils as well.

Suggested questions

* How will the Interim Chair ensure the Haldane Principle will be respected consistently across UKRI?

# Maintaining the links between teaching, research and innovation

## Teaching, research and knowledge exchange are closely interlinked within our universities. Strong strategic links at all levels of UKRI and the OfS (and BEIS and DfE) will be crucial in ensuring higher education continues to benefit from clear strategic leadership and prevent a decoupling of teaching and research.

## OfS and UKRI are likely to be quite different types of bodies, with the former acting as a regulator and the latter as a strategic funder for research. Nevertheless, there are a number of areas where UKRI and OfS will need to work together and we would hope the two bodies are able to do so cooperatively. Formal cooperation will help to avoid unnecessary duplication of effort (or vital effort being dropped) in other areas.

## In particular we wish to see UKRI and OfS required to cooperate on:

### Knowledge exchange funding and activities: Higher Education Innovation Funding (HEIF), for example, is financed from both the teaching and research grant

### Authorising a provider to grant research awards: it will be UKRI which has the expertise necessary to be able to make decisions in this area

### Issues of financial sustainability of higher education providers.

## Close cooperation is also needed around responsibilities for postgraduate students on taught and research programmes.

## The sustainability of research and other activity crucially relies on universities having the autonomy to make financial decisions which allow them to direct funding to where it is needed. HEFCE has until now played a valued role in maintaining an overview of the financial health of the higher education sector, raising important issues with the Government over the long-term financial sustainability of English institutions.

Suggested questions:

* How will the Interim Chair ensure close cooperation and working with OfS and mitigate against the risk that UKRI and OfS could take fundamentally different views on shared issues within higher education?
* How will the Interim Chair ensure UKRI works with OfS to maintain a comprehensive overview of the higher education landscape?

# Costs

## Whilst we welcome the real-terms protection for research funding in the Spending Review, public investment in our research base and universities is still far lower than our international competitors. The UK’s decision to leave the EU may reduce overall UK university research funding levels further. It is therefore essential the establishment and running costs related to the new research architecture are closely monitored in order to prevent them from becoming an expensive distraction at this crucial time.

## It will be important to secure a smooth transition from the current system to the new one in order to ensure key tasks, such as preparations around the next Research Excellence Framework (REF), are not disrupted. We welcome the involvement of Sir John Kingman in establishing UKRI, but would like to learn what other support the Government and UKRI will provide to ensure our critical research environment is not damaged during and after this change.

Suggested questions:

* How will the Interim Chair minimise disruption during the transition to the new system and in particular to minimise costs?
* What administrative savings can be made by aligning the Research Councils under one body?

# Innovate UK

## We welcome the Government’s intention to strengthen collaboration between Innovate UK and the research base. There is potential for Innovate UK to work more closely with world-class universities to tap into existing centres of excellence and maximise the impact of Innovate UK’s investment. Closer relationships with the Research Councils could unlock additional synergies between Innovate UK and Research Council funding streams.

## However, it will be important for Innovate UK to retain a completely separate budget within UKRI and Innovate UK must not be integrated without its concomitant funding. The way in which Innovate UK is governed and its accountability is structured will also need careful consideration under the new proposed model in order to maintain Innovate UK’s distinctive focus.

Suggested questions:

* What opportunities does the Interim Chair see for more closely aligning research and innovation policies and activities under UKRI?
* Innovate UK should not be the only Council of UKRI responsible for innovation activities – how will Innovate UK and the Research Councils work together to complement each other’s different approaches to innovation funding and activities?
* How will it be ensured that the integration of Innovate UK into UKRI will not impact on research funding via Research Councils and Research England?

# Global context

## The Minister outlined his vision for UKRI in a speech on 30 June 2016:[[2]](#footnote-2)

Now, more than ever, as these [research and innovation] communities face a unique set of global challenges, we need a powerful voice to represent UK research and innovation on the world stage and ensure we maximise opportunities from all our global research collaborations.

Suggested questions:

* What role does the Interim Chair see for UKRI in promoting a strong voice for UK universities and science in the upcoming Brexit negotiations?
* How will UKRI promote UK science overseas and ensure UK institutions and researchers are able to collaborate effectively with international partners?

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Annex A – Summary of suggested questions

* Can the Interim Chair provide reassurance that the autonomy of the Research Councils will not be unduly reduced under UKRI?
* The Minister has been clear that UKRI should operate “at arm’s length from government” – is the Interim Chair confident that the organisation will have sufficient autonomy to do this?
* What areas has the Interim Chair already identified where policies or practices in the current system could be more closely aligned?
* Has the Interim Chair considered how protections could be put in place within UKRI to prevent the erosion of QR funding over time? What is his interpretation of ‘reasonable balance’?
* Would the Interim Chair support proposals to make sure budget lines within UKRI are made completely transparent, with a commitment to report annually on the amounts allocated to QR and each of the Councils in order to ensure the separate lines in dual support do not become blurred?
* How will the particular national complexities posed by UKRI (with some UK-wide responsibilities and some England-only responsibilities) be handled?
* How will the Interim Chair ensure the Haldane Principle will be respected consistently across UKRI?
* How will the Interim Chair ensure close cooperation and working with OfS and mitigate against the risk that UKRI and OfS could take fundamentally different views on shared issues within higher education?
* How will the Interim Chair ensure UKRI works with OfS to maintain a comprehensive overview of the higher education landscape?
* How will the Interim Chair minimise disruption during the transition to the new system and in particular to minimise costs?
* What administrative savings can be made by aligning the Research Councils under one body?
* What opportunities does the Interim Chair see for more closely aligning research and innovation policies and activities under UKRI?
* Innovate UK should not be the only Council of UKRI responsible for innovation activities – how will Innovate UK and the Research Councils work together to complement each other’s different approaches to innovation funding and activities?
* How will it be ensured that the integration of Innovate UK into UKRI will not impact on research funding via Research Councils and Research England?
* What role does the Interim Chair see for UKRI in promoting a strong voice for UK universities and science in the upcoming Brexit negotiations?
* How will UKRI promote UK science overseas and ensure UK institutions and researchers are able to collaborate effectively with international partners?

1. Report on ‘The Science Budget’ (November 2015). [↑](#footnote-ref-1)
2. ‘Leading the world in the new age of global science’, speech by Jo Johnson MP at the Wellcome Trust: <https://www.gov.uk/government/speeches/leading-the-world-in-the-new-age-of-global-science> [↑](#footnote-ref-2)