



HOUSE OF COMMONS

Science, Innovation and Technology Committee

Oral evidence: Work of the Department for Science,
Innovation and Technology, HC 39

Wednesday 13 December 2023

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Members present: Greg Clark (Chair); Chris Clarkson; Tracey Crouch; Dr James Davies; Katherine Fletcher; Rebecca Long Bailey; Stephen Metcalfe; Graham Stringer.

Questions 1 - 86

Witnesses

I: Rt Hon Michelle Donelan MP, Secretary of State, Department for Science, Innovation and Technology; Sarah Munby, Permanent Secretary, Department for Science, Innovation and Technology.



Examination of witnesses

Witnesses: Michelle Donelan and Sarah Munby.

Chair: We are now going to broaden our focus a bit. Having talked for an hour about artificial intelligence, we are now going to look more broadly at the work of the Department. To kick off our questions on that, I am going to turn to my colleague Rebecca Long Bailey.

Q1 **Rebecca Long Bailey:** In February you set out six priorities. What progress have you made so far?

Michelle Donelan: One of those priorities was in essence about scale-up. That is one of the key priorities in advancing our abilities to become a science and technology superpower. We have taken a number of initiatives, but also supported by the Treasury on things like the Mansion House reforms and LIFTS agenda. We also published our response to the spin-out review just last week, which included a £20 million fund for proof of concept.

One of the other priorities was around research and development. We have pledged and are on track to have £20 billion spent by the taxpayer on R&D by next year. One priority was around our international work, in essence. We have secured an agreement around Horizon. We did the Atlantic declaration. We have a wealth of MOUs. Another priority was around our legislative agenda. We are on track in terms of progressing our data Bill and our digital markets Bill. There was also a priority around the Online Safety Act. We completed the Online Safety Bill and it is now an Act. We have been making tangible progress on all those.

In addition, we now have a strategy or a vision for every single one of our five critical technologies. One of the first things we did as a Department when we were formed was to produce the *UK Science and Technology Framework*, which I describe as the blueprint to which our Department is working. It is more than just our Department. This is a cross-Whitehall document. Our role, as this new Department, is to hold the other Government Departments to account to make sure that we are delivering on that and that we have much more cohesion and synergy on this agenda.

Q2 **Rebecca Long Bailey:** One piece of good news yesterday was the announcement of your second DSIT HQ in the city of Salford. If I might be indulgent on this point, Chair, I would like to address two points on this.

First, I note that your own personal tweet on this mentioned that the HQ is going to be in Salford, but a lot of the marketing information and videos that were sent out by the Department referred to it as being in Manchester.

Michelle Donelan: I believe that technically Salford is in Greater Manchester.



HOUSE OF COMMONS

Q3 **Rebecca Long Bailey:** It is in Greater Manchester. It is not in Manchester.

Michelle Donelan: It is still Greater Manchester.

Chair: This Committee has many north-western MPs for whom these matters are very delicate.

Michelle Donelan: I am all right to talk about it. I am from the north-west. My dad is from Manchester. I have a bit of legitimacy here.

Q4 **Rebecca Long Bailey:** It was quite disheartening, really. There was a video reel that lauded great achievements in the city of Manchester whilst also announcing the birth of the new DSIT HQ in Salford. The Department could address that going forward and make it clear that it is in the city of Salford.

Michelle Donelan: I have noted your feedback.

Q5 **Rebecca Long Bailey:** More importantly, I would like to see the new HQ benefit the residents of Salford. What action are you going to take specifically to ensure that employment opportunities in the new Department are awarded to people from Salford?

Michelle Donelan: The reason why we are setting up Departments across the country and making sure that we have lots of hubs is so we can open up those opportunities in our civil service and it is not concentrated on London and the south-east. With that in mind, we want to make sure local that people have access to those jobs.

Sarah Munby: As you can imagine, we have a lot of passionate Salfordians, if that is the appropriate alternative to Mancunians, in the office. It is a wonderful opportunity. They are beginning to do work and reach out to local schools and universities. There is a really thriving tech scene in the area, which we think gives us huge opportunities to access talent. We are really enthusiastic, not just for DSIT but for the other digital and technology parts of Government based in the area, including GHCQ. We think we can work together to attract brilliant talent into the Department and to help fill our goals.

Q6 **Rebecca Long Bailey:** That is very encouraging. Might I offer my own services and the services of Salford City Council in working with you on that basis to ensure that we have a detailed strategy for outreach in Salford?

Sarah Munby: Thank you.

Q7 **Rebecca Long Bailey:** Going back to the wider departmental priorities, in the main estimates for 2023-24 the administration costs for the Department as a whole have been reduced by 12.5%, with some larger reductions of 20% in core areas such as staff costs. What will be the implications of this reduction for the running of the new Department?



HOUSE OF COMMONS

Sarah Munby: I would probably need to see exactly what number you are comparing to what number, but those are probably technical adjustments. A 20% reduction in admin positions is certainly not, in any sense, happening on the ground.

Q8 **Chair:** Just in terms of administration costs, UKRI is the biggest source of the Department's funds. Do you have an understanding of the administration costs there and whether they are being reduced as they are in central Government?

Michelle Donelan: There was the Grant review to assist with the reform of UKRI because it is a very large organisation that has hoovered up many by its nature. We want to make sure it is as efficient and effective as possible. In fact, I met with Ottoline and Andrew just last week. We have regular meetings on this agenda and they are making good progress on the Grant review.

Sarah Munby: Specifically on your question about UKRI admin, at the last spending review some quite ambitious targets were set for UKRI opex and headcount. We work very closely with UKRI to make sure that we can deliver against that programme. It is a very active set of work with clear targets that we have been asked to achieve.

Q9 **Chair:** One of the ambitions for UKRI, when it was created following the Nurse review, was that it should have an agility or a pacy-ness of response, especially to investment opportunities, when there was the possibility of commercial investment being backed by Government investment. Have you made an assessment of how well it is doing in terms of that agility in being able to land investments?

Michelle Donelan: There is definitely still room for improvement. That is why we are working with UKRI and we are ensuring that progress is made on the Grant review. In general, we want to make sure that we are bringing in more private investment to supplement taxpayers' money. For every pound the taxpayer spends on research and development, we estimate that it generates about £2 in private investment.

If you look at some of the recent work we have done with the biobank, where we got Eric Schmidt and Ken Griffin to contribute in terms of philanthropy, that shows how we are trying to make sure that it is not just the same old approach of taxpayer funding.

Q10 **Graham Stringer:** Can I say, Minister, that I am quite relaxed about whether you call it Manchester or Salford? I represent both. You say you want this country to be a scientific superpower. How would you define that?

Michelle Donelan: That is a really good question. We have a whole framework that is dedicated to that mission. There are many different ways that you can define it. One of them is to make sure that we are continually punching above our weight.



HOUSE OF COMMONS

We are already one out of only three economies in the world that have a tech sector worth over \$1 trillion. We are one of the world leaders when it comes to life sciences. We have the second highest number of companies in quantum in the world. We really are excelling in a number of these areas, but the international competition on these agendas is really fierce. We want to make sure that we are not slipping backwards, but we are also channelling in inward investment.

There are 10 strands to the science and technology framework. There are several different areas that we need to be progressing so we can then achieve that goal by 2030. We have a number of metrics that are also in our internal documents.

Sarah Munby: Yes, that is right. As part of the ODP, we define metrics right across our picture. Without wishing to bore you, it is important to note that there is no single metric for this. It is always going to be a basket of indicators. That goes right from Government and private R&D investment through to measures about citations and patents, VC and equity investment levels, and GVA in some of the specific sectors that Michelle was talking about.

Michelle Donelan: There is also the soft power influence. If you look at what we did with Bletchley and the AI summit, that was not quantifiable in terms of figures, but it really did demonstrate that we were a world leader when it came to AI safety.

Q11 **Graham Stringer:** You mentioned slipping back. Just under 12 months ago, Kate Bingham made a pretty excoriating attack on the Government's science policy. She was a heroine of the Covid time, but she said that all the knowledge, all the information gained in that, which allowed us to be genuinely world leading in developing vaccines, was being lost and stifled by civil servants, and that we had lost investment in this country because GSK and AstraZeneca had invested elsewhere. There is that side.

At the same time, the Society of Chemical Industry has said almost the opposite of Kate, but it is the same basic point: that we are not doing as well as we should. It thinks that the chemical industries are not getting the support that they need. In a private meeting last week we heard from astronomers that there are now fewer PhDs and postdocs in astronomy than there have been in the last quarter of a century. I know it is not easy and there is not one metric. I accept that, but do you accept that there is reason to be concerned there?

Michelle Donelan: You focused predominantly there on life sciences. We had the Life Sciences Council the other week. As far as I am aware, we are the only country in the world that has such a powerful forum. We also had the Global Investment Summit the other week, at which many life sciences companies were represented. That is certainly not the mood music that I was hearing.



HOUSE OF COMMONS

Equally, I had a roundtable conversation with a number of them the other day too. They said to me that there were some issues and the Government have listened and acted. We did the O'Shaughnessy review into clinical trials. We published our response in line with the autumn statement. We have secured the VPAG deal, which was providing a lot of uncertainty for a while as well. We did a £650 million life sciences growth fund. In the autumn statement we also had over £500 million for life sciences, for manufacturing.

We have had some really important announcements like the BioNTech announcement. I mentioned the biobank before. We have seen reform of the MHRA. Yes, there were issues that had been raised, but the mood music that I was certainly hearing is that this is a Government that have listened and acted.

Q12 Graham Stringer: One of the benefits of leaving the European Union was that we were no longer constrained by some of its regulations. We have lost most of our agrichemical industry because of the EU's regulations on GM foods. Do you think we should be moving to allow more GM technology than was allowed under European regulations?

Michelle Donelan: We published our "National Vision for Engineering Biology" just last week, or the week before. The weeks have merged into one. We were saying that we want to be on the front foot on this agenda. We have dedicated £2 billion and we have set out the strategy. We have also created a steering group to look more deeply at the issues, but we do need to have in mind safety and synergy with other international counterparts. We should utilise Brexit for the opportunities that it presents, but we should not utilise it to lower standards.

Q13 Graham Stringer: I agree. More than 2 trillion meals have been served around the world with food that has been produced using GM technology. It is fairly well proved that it is not dangerous. There are other areas of medicine as well as food where GM technology would be used. It has become an ideological battle, not a safety battle. I would have expected—given that when we were in the European Union both the Conservative party and the Labour party argued that we should be allowed to develop GM technology—more progress than has been made since we left the EU. Do you think we should make more progress?

Michelle Donelan: We have tasked the Regulatory Horizons Council to look at the regulation in this space. One of the announcements that we made with the autumn statement is £5 million dedicated to a sandbox on engineering biology. We are looking at how we can make our regulations more flexible and more agile to be able to support industry in this respect.

Q14 Graham Stringer: As a comment, we could move a good deal more quickly. I have a final question. Looking back on Covid and reflecting on both ministerial and science involvement, two things strike me. The first is that, of all the Ministers involved, there was a glaring absence of a



Science Minister. I am pleased that we now have a Science Minister in the Cabinet. If there is an epidemic—and hopefully there will not be—would you expect to be involved in a way that no Science Minister was involved last time? I will come to the second part of the question later.

Michelle Donelan: Obviously the independent inquiry is going on at the moment. I do not know whether this is something that it will identify as a lesson learned. This agenda was in BEIS at the time and I am sure that the Secretary of State responsible was privy to a number of the conversations. You are quite right: we now have this Department dedicated to science, innovation and technology. Given that life sciences itself is partially in our Department and the Department of Health and Social Care, I would anticipate that, should there be another pandemic like that—god forbid—we would play a leading role in that, absolutely.

Q15 **Graham Stringer:** You may not remember, but at the end of the last Labour Government Alan Johnson, the Home Secretary, had a huge bust-up with his scientific advisor about the regrading of cannabis and where it would be. The advisor suggested the restriction should be moved to a lower category and Alan Johnson said, “No, I am a politician”. At the end of that discussion and debate, it was agreed that scientific advice should be published separately and independently. Obviously, at the end of the day, Ministers and politicians have to take the decisions, because we are elected.

During Covid—we do not need the end of the inquiry to debate or discuss this—it was quite clear that the scientists were not giving their independent thoughts in public. They were coming out with a line at that time. Do you think that was a mistake?

Michelle Donelan: I was not in those Departments at the time. I was in the Department for Education, so I cannot speak to what was or was not happening. There is an independent inquiry looking at all of these topics.

Q16 **Graham Stringer:** Yes, but we all saw what happened. It is common information. You only have to pick up a newspaper now and you have scientists saying, “Well, I thought this, he thought that and she thought the other”.

Michelle Donelan: There is always going to be scientific disagreement.

Q17 **Graham Stringer:** Do you not think we as politicians—not to mention the public—should have been privy to those independent scientific views, rather than coming up with one view? The area of biology and medicine is not like astronomy or physics, which can be very precise. There are often different interpretations of the science. Do you not think we should have been privy to that debate?

Michelle Donelan: We do have a Chief Scientific Adviser, Angela McLean. They sit within my Department and will obviously lead the thinking on the scientific agenda. It is important that I do not speculate too much on these topics, because there is an independent inquiry into lessons that could have been learned from Covid. I was not within those



HOUSE OF COMMONS

Departments to have seen firsthand what was and what was not happening, so I am unable to speak from a knowledge point of view on this.

Q18 Chair: Just relating to the questions that Graham asked you about life sciences, Graham and other members of the Committee went to the Rosalind Franklin Laboratory outside Leamington Spa, which was set up to be a state-of-the-art testing facility for viruses and other purposes, operating at great scale. It had been in receipt of over £1 billion of taxpayers funding to set it up and to establish it. It was run by Dame Anna Dominiczak, one of our most distinguished scientists.

It has popped up for sale on Rightmove, which is a matter of astonishment to members of the Committee and members of the science community for whom this type of technical space is at a premium if we are to avoid the decline that Graham described. Are you aware of this? Have you given any consideration to stepping in to prevent this fire sale?

Michelle Donelan: We are regularly working with the sector and hearing concerns. If there are issues then we will consider where we should and should not support.

Sarah Munby: I do not have any further details on the Rosalind Franklin Laboratory specifically. Obviously I am very happy to come back with more detail on that one. It sounds like a really specific point that it is definitely worth us taking a look at.

Q19 Chair: You are the Department for Science, Innovation and Technology. This is the country's flagship testing facility, which was established partly, it has to be said, to avoid some of the poor practice at the beginning of the pandemic, when we did not have testing capacity to be able to be surged. That is a separate matter as to whether its closure is going to repeat our lack of preparedness, which we can consider separately.

I am interested in your responsibility as the Science Department for the loss of a fully specified research and testing facility that the public has invested £1 billion in. Surely that should not only be on your radar, but be something that you are stepping in to secure for the nation.

Sarah Munby: I am absolutely sure it is on the Department's radar. It is not something I am briefed to talk in detail about today, but I am very happy to come back to you rapidly with all of the information you might need.

Michelle Donelan: I can tell you there are conversations going on, but we are not in a position to detail any exact responses at this moment in time.

Q20 Chair: It is on Rightmove at the moment, so it is open to anyone interested in speculative property acquisition to buy, which does not seem to be a very satisfactory thing for an institution of our science base.



Michelle Donelan: We are in conversations and, when we are at a point that we can detail that more, we will be able to write to you.

Q21 **Stephen Metcalfe:** I have a quick question around the thinking process that takes place in the Department. There are a number of reviews that take place, which you are then, as a Department, required to respond to. For example, there was the independent review of university spinouts. How does that align with previous reports that have been published, perhaps the Nurse report, and then your response? Are you using all these reports to build a strategic, structured thinking way forward?

Michelle Donelan: Yes, we are. They inform our general knowledge base, yes. We should not be reinventing the wheel and starting all over again. That would be a complete waste of resource. We also need to make sure that we are not just constantly doing reviews and documentation, but actually delivering and producing outcomes, which is something that I am relentlessly focused on. That is the way that we will achieve on the 10 pillars of the science and technology framework.

Q22 **Stephen Metcalfe:** This is my ignorance: have you published a response to the independent review on university spinouts?

Michelle Donelan: Yes, we did that in line with the autumn statement.

Q23 **Stephen Metcalfe:** Would I be able to look at that and find how that tracks back to the Nurse review?

Michelle Donelan: You would see that we have accepted all the recommendations of that review. We dedicated £20 million towards a proof of concept fund. The Nurse review said that we needed to make sure not only that we have more diversity in the landscape, but that we had more security and more resilience as well. Via the spinout review, we are making sure that we get some of those ideas and innovations out of our universities in to be commercialised. That is something that we are good at, but in summary we could be even better.

Q24 **Stephen Metcalfe:** As a Committee, some years ago we looked at improving that spinout process and how we can cross what was called the valley of death. We have looked at it more than once. Do you then look at the work? There has been a gap of quite a few years. Do you look at previous work? When you were responding to the review on university spinouts, did you look at our reports at all?

Michelle Donelan: We do. We obviously have teams that work on supporting it, and we do look at previous iterations of things and previous areas. Obviously this was an independent review that was conducted. They not only looked at previous work, but they also spoke to an enormous amount of people actually on the ground as to the challenges that they are facing today.

Q25 **Dr Davies:** I have a question about policy coherence. The Department has a science and technology framework. It has six priorities, as we have



discussed. It has 15 or so strategies or visions. Who is responsible for ensuring coherence between all those key technologies and how?

Michelle Donelan: Ultimately I am the Secretary of State of the Department, so it would be me and the Permanent Secretary. It is not just down to our Department. That was the whole point of doing the science and technology framework, because it is a cross-Whitehall document. Our job now is to hold other Government Departments to account, to make sure that we are on track and we are delivering against those 10 pillars, and to make sure that, when we are spending on research and development, we are being strategic and we are being co-ordinated. We have also set up a grouping of those Departments so that we can have better clarity and better cohesion between us all.

Sarah Munby: This is a very boring answer to an important question, but in a boring, procedural way we have a central strategy and co-ordination team, which sits at the heart of the Department and is responsible for looking after the science and technology framework in its entirety, including supporting the cross-Whitehall activities the Secretary of State was talking about, but also working across our Department, for example, to make those important linkages between AI and quantum, semiconductors and AI, or telecoms and space.

One of the really powerful things about DSIT is the strength of that web of connections across the Department that lets us act in the system-oriented way described in the framework, rather than always looking at a point solution to an individual issue.

Michelle Donelan: That was harder before the establishment of the Department. I was in DCMS, so we had the majority of semiconductors, but not all of it. It was half and half, basically. We had some of AI, but not all of AI. This makes it much easier to be strategic and have that oversight.

Q26 **Dr Davies:** That is important. Leading on from that, a key element of the framework is the cross-departmental work to embed science, innovation and technology across Government. How are you ensuring that that is the case? What tools do you have to assist you in that?

Michelle Donelan: We are working across Whitehall, both at a ministerial level and at an official level. We have set up processes in the form of committees, really, to ensure that we are bringing Government Departments together. We also have a series of bilateral meetings, both at my level and between junior Ministers in the relevant Departments. For instance, yesterday I met with the Secretary of State for the Department for Education, as one of the key pillars in that science and technology framework is skills.

Q27 **Dr Davies:** Is that process working well?

Michelle Donelan: Yes.



Q28 **Dr Davies:** When can we expect DSIT's outcome delivery plan to be published?

Michelle Donelan: We said we would do it within a year and that is what we are going to do, in line with the anniversary of the Department, in essence. We want to showcase the progress that we have made, but also the progress that we still have to make. This is a continual journey and we want to be ambitious.

Sarah Munby: With apologies for a slight technical correction, what the Secretary of State is talking about there is the science and technology framework update. You asked specifically about the ODP. The science and technology framework update will cover a very great deal of content from the ODP, but as a technical matter you may well have seen in the letter from CST and the MCO to Select Committees that ODPs across Government are remaining internal this year. We would expect that update that the Secretary of State was talking about to be a really good opportunity to set out actually what is the majority of our ODP in a public forum.

Q29 **Stephen Metcalfe:** There are a number of technologies that the UK is trying to steal a march on, whether that is AI or quantum. One of them is engineering biology, which we are doing well in. What specific measures are the Government taking to support that aim, in terms of both regulation and resources?

Michelle Donelan: We just published the "National Vision for Engineering Biology", and we have attributed £2 billion towards that. It is one of our five critical technologies and it is a key focus of our activity and energy. We do believe that it is one of the areas that will really help power the growth of our economy. As you say, we want to remain in our position of leadership on this agenda.

One of the things that we have identified is making sure—and this goes across the whole Department—that we utilise regulation as a tool for innovation. That is why at the autumn statement we announced £5 million for a regulatory sandbox, and also why we have tasked the Regulatory Horizons Council with doing a review.

Q30 **Stephen Metcalfe:** Obviously that £2 billion is a big investment, but that must be because you think that this is going to be worth it as a Government, and that it will attract inward investment and potential growth. What figure can you put on that?

Michelle Donelan: You are quite right: it is also about giving industry the clarity, the roadmap and the certainty to choose the UK to invest and to grow. That is why with all these technologies our approach is one that is long term. Most of the strategies and the visions are for the next 10 years, or at least to 2030, to give industry that confidence and know that the UK is not just backing it in the short term. This is a considerable focus of our investment. In general we say that for every £1 we spend it garnishes at least £2 of private sector investment.



HOUSE OF COMMONS

When we talk about these technologies, it is not just the monetary return on value. When we look at engineering biology and the impact that it can have across the board in our NHS, et cetera, the real-life impact is important, as well as the monetary return on value.

Q31 Stephen Metcalfe: You talk about those figures, and I get the bit you are talking about in terms of the health aspect to this, but let us say that every £1 invested delivers £2 of economic growth. Are those independently verified figures, or are they just an assumption that you use internally to justify investment in technology?

Michelle Donelan: In Government, and much more broadly than that, there is not as sophisticated an evidence base as you would want on which components of your R&D spend have the biggest return. That is something that as a Department we really want to look at. Those broader rules of thumb around the economic return from R&D spending are very well underpinned by a wealth of academic literature, so I do not have concerns at that level, but I just thought it was interesting to note that what you would like to know is, "Exactly how much more will you get from your engineering biology pound versus your quantum pound?" That is a really challenging technical question to answer.

Sarah Munby: They all interlink as well.

Q32 Stephen Metcalfe: Do you think it is possible to answer that question?

Sarah Munby: Not in its entirety, I am sure, but, now that we have this remit, over the coming years you would rightly want us to make that a serious investment of our analytical talent and time.

Michelle Donelan: That is what we are focusing on. While we have also focused on getting more coherence across the R&D spread across Government, we are also focusing on how we can gain a better oversight and insight into the outputs that that money is getting us. But, as I said a moment ago, it is not just financial.

Q33 Stephen Metcalfe: You are undertaking that work at the moment.

Michelle Donelan: Yes.

Q34 Stephen Metcalfe: Have you any idea when that might be published? Will it be published, or is it internal?

Michelle Donelan: We want to be as transparent as possible and to illuminate the value for money that the taxpayer is getting, because at the end of the day it is not the Government's money; it is their money. We should be publishing as much as we can. That is a piece of work that we are doing with other Government Departments, because we want to be able to illuminate that across the R&D spend across Government.

Q35 Stephen Metcalfe: Resources are finite. There is a limit to how much we can do, but we do still invest heavily in R&D. We are investing in our universities; however, they are under pressure with their funding. Do you



have any concerns that universities will divert funds away from investing in capital projects that underpin our R&D ecosystem to push that funding towards the frontline, which will undermine our long-term potential?

Michelle Donelan: As I said before, I met with the Secretary of State for Education last night. We work very closely, because we rely heavily in our area on our world-beating universities. We have four of the top 10 universities in the world. We want to keep it that way. They are absolutely essential. What is essential is not just keeping the innovations in there, but commercialising that out, as we spoke about a moment ago, with the spinout review.

The landscape review by Paul Nurse showed that diversity across the board is really important, but so is resilience. Resilience speaks to making sure that our universities are resilient in this respect as well, and I know that that is something that the Education Secretary leads on, working with the OFS and keeping a clear oversight as to the financial rigour of universities and the approach that they are taking in these regards.

Sarah Munby: Some of UKRI's funding goes directly into infrastructure programmes. That is a bit over 10% of its total funding, which means that that infrastructure investment is protected, for want of a better phrase.

Q36 **Stephen Metcalfe:** Is that just through STFC?

Sarah Munby: Not entirely, no.

Michelle Donelan: We introduced a new fund back in October that went directly to universities, £60 million, as well.

Stephen Metcalfe: So there is an oversight on making sure that the ecosystem is continually being underpinned—marvellous.

Q37 **Tracey Crouch:** Just following on from Stephen's questions around the landscape review, the Government's response acknowledged that there were many challenges facing the UK's RDI system, but it also noted that Sir Paul's recommendations will be integrated into the implementation of the technology framework, not the ODP. One of those very important commitments was around philanthropic giving. I just wondered whether you could perhaps expand on how the Government will build relationships with the philanthropic community, but also how the Government will provide the accountability and scrutiny of those partnerships.

Michelle Donelan: It is a really good question, because the scale of the amounts that we are talking about are extremely sizable as well. This is one of the questions that I and the Prime Minister actually asked Ken Griffin and Eric Schmidt, who recently contributed to the biobank. That shows a bit of a model of how we could do this in the future. It is early days, and we want to expand that. We posed that question: "How do we reach more people like you?"



Their response was that the reason why they had decided to back that project and give such an amount of money was that they really believed in it and they passionately bought into the tangible difference it was going to make. Their advice was to pick projects that people could really get excited about that were unique—the biobank is a great USP of the UK—and try to excite philanthropists in that way and offer them something that they could not get in another nation, so that they really felt that their pound was going to make a difference.

I took away from that conversation that that is how we need to be approaching this. We need to be having those conversations with those individuals, but also those networks. That is something that we want to now build upon, but it is early days. That was a fantastic agreement, but we need to continue to build upon it.

Q38 Tracey Crouch: So those conversations have not yet started.

Michelle Donelan: No, they have. We regularly talk. This is not something that is new with me. Secretaries of State in BEIS before me would have had conversations and urged people to give privately as well. What we want to do is to diversify in line with the landscape review and ensure that we are encouraging more of that big ticket investment to support taxpayers' money.

Q39 Tracey Crouch: We have both had the pleasure of working in DCMS, where funding is given on a short-term basis. One thing that is very important from this is long-term sustainability and consistency of philanthropic partnerships. How does that feature in what it is that you are thinking? When you were in the United States—obviously they do it incredibly well there—were you taking any learnings? Do you have any conversations about lessons that can be learned from America?

Michelle Donelan: They do it extremely well there. We are very good in this country at people giving huge amounts at lower levels. What we are talking about here are big ticket sums from key individuals. There are different models to provide that long-term security, like endowments. If you look at our fellowships that we just announced in the autumn statement, they are via an endowment model, so there are different models that we can utilise here.

Q40 Tracey Crouch: That is fantastic. This is something slightly different, but still about research and innovation. What assessment have you made at the ability of catapults to deliver major objectives, particularly in the scaling up of research and innovation for commercial exploitation?

Michelle Donelan: That is one of their key remits, to act almost like a hub and to support industry. We have nine of them. We have done several reviews, to your point as to what assessment we have made. We came back to the most recent review the other month.

Sarah Munby: It was in September.



Michelle Donelan: This is something that we have looked at in great detail. There have been four reviews, obviously not all in my tenure, but over the years, into catapults. Every time that they are requiring additional funding in the cycle, that is given based on their delivery plans and their projected outputs.

Q41 **Rebecca Long Bailey:** The Infrastructure and Projects Authority reported in around March that significant issues existed for all four of DSIT's digital infrastructure programmes. Can you give us an update on the current status of each programme and what you have done to address those issues?

Michelle Donelan: Some of them were amber-red before. I believe they are all amber. We will write to you with the full details.

Sarah Munby: That is right. All of our IPA-governed programmes are now rated either amber or green.

Michelle Donelan: We carefully monitor those. Some of those are key commitments that Government has made. One of them includes Project Gigabit, for instance, where we have gone from 6% to 79.5% as of yesterday. These are not only important to our Department but also important to the Government, so we are carefully monitoring them and making sure that we are making progress.

Q42 **Rebecca Long Bailey:** What were some of the biggest issues and what was needed to address them?

Michelle Donelan: These are huge large-scale projects. It is not unusual for projects of this scale to sometimes be rated as having some elements of concern. As a Department, we have completely gripped them. We have a key focus on them at a ministerial and official level.

Q43 **Dr Davies:** If I could turn to a hot topic, that of migration and the impact on the UK as a global science superpower, how do the Government intend to balance their drive to reduce net migration with a need to attract international talent in the science sector?

Michelle Donelan: My assessment as a constituency MP is that there is a great deal of concern about levels of legal migration as well as illegal migration, and we made manifesto commitments on this. It is right that the Government stick to their word and deal with this.

At the same time, we absolutely want to be attracting the very best and the brightest across the science and technology agenda. We have various routes in to enable that to be possible, like the global talent visa, the scale-up visa, which has only been going for about a year, and the high potential visa for graduates from some of the world's top universities. There are many routes in to support the sectors that we represent.

In addition to that, we need to grow the skills pipeline here in the UK, which is why we have invested so heavily in AI skills—£290 million since



HOUSE OF COMMONS

2014—in quantum skills, in engineering biology, in all the critical technologies that we have spoken about and more.

Q44 **Dr Davies:** In terms of the salary threshold now for skilled workers entering the country, £38,700 is somewhat above the average salary for a postdoc. Is an increase in salaries going to be required to tackle that?

Michelle Donelan: To date there have been a number of exemptions in place. We are in conversations as a Government to outline exactly what, if any, exemptions would apply. That would impact there. Also, as I said, there are other routes in as well, like the global talent visa, which is not pinned to salary. There is more flexibility around some of the other visa routes.

Q45 **Dr Davies:** That is positive to hear, but, if there is nevertheless a requirement for some of those salaries to go up, could that funding be taken from current R&D allocations?

Michelle Donelan: No. If the purpose of an R&D grant was specified it would have to be spent on what it was allocated for, for instance.

Q46 **Dr Davies:** Where would you anticipate the increase in funding to come from?

Michelle Donelan: To be able to articulate the full impact that this will have, the full policy will have to be completely published. Then we can write to the Committee, once we have a new list of any exemptions in particular, and we can detail that.

Q47 **Dr Davies:** Related to that discussion, there has been a concern about the increasing cost of visas and NHS surcharge, and the impact, again, on attracting talent. Do you have any comments in that regard?

Michelle Donelan: The NHS surcharge had not gone up for a decade and we have had considerable inflation during that period. Somebody does have to pick up these tabs. We know that the taxpayer, equally, has had to go through the cost of living challenges as well. I would argue that it would not necessarily be fair to put that back on to them, but we still remain extremely internationally competitive.

When I speak to scientists, researchers and academics who have chosen to locate here, they tell me that they have chosen to come here over other nations because we are at the cutting edge of science across the board in many respects. We have fantastic infrastructure and facilities, and we have continued to invest in those since the Department was established. We have some of the world's best universities, four out of the top 10. These are the things that will really be the magnets to talent. We also have the global talent network, which is ensuring that we do not just hope that they come, but we actually go out there and try to attract them to come as well.

Q48 **Dr Davies:** How are you ensuring the talent is spread fairly across the UK? In other words, what is the Department's contribution to the levelling



up agenda?

Michelle Donelan: We have lots of work in this. We have the launchpads via Innovate UK. We have the investment zones that we have supported on. One of the new pieces of work that we have been doing recently is cluster mapping, which illuminates what research, development and activity there is in each area so that we can try to utilise that as a magnet for further investment.

We have been trying to get more of our research and development spend out of just the golden triangle. Yes, we need to recognise our USPs, but we need to make sure that it is spread across the nation. If we look at the technologies that we are talking about, they are not concentrated in just the south-east. For instance, we have PsiQuantum based in Daresbury, which is world leading, so we do have great success stories. We need to continue to double down on that.

Sarah Munby: I thought I would do a top nerd push, if I may, which is that 2023 was the first year that we published official statistics on R&D broken down on a regional level. That is a really important piece of foundational infrastructure that can now help inform the Department's work going forward. It shows how seriously we are taking this question of understanding and building on the strengths from right across the UK for this work.

Michelle Donelan: We have our Salford office as well.

Dr Davies: That will solve everything.

Chair: It is all very encouraging.

Q49 **Tracey Crouch:** You have clearly pleased him upstairs, because the gods aligned and you were in the hot seat when we announced the Horizon deal.

Michelle Donelan: It was no coincidence.

Q50 **Tracey Crouch:** Do you think that the two-year delay, however, in reaching that agreement for Horizon meant that UK businesses have lost contract opportunities during this time? As a supplementary to that, have any mitigations been put in place to support businesses or to address that potential loss?

Michelle Donelan: It was hugely disappointing that we had that period of uncertainty for the sector. It was certainly not what we wanted to happen and was not in line with the TCA, but it was twinned to the Northern Ireland protocol. We bridged the gap with the Horizon guarantee and we worked to try to achieve a bespoke deal for the UK.

What we have landed with is not the initial boilerplate one that we could have taken, which everybody said we have to take in the first place. We actually said, "No, we want a better deal, not just for academics and



HOUSE OF COMMONS

businesses, but also for the taxpayer”, and that is what we manage to achieve.

Q51 **Tracey Crouch:** It is frustrating, but you think, “Actually, we got there in the end and it is a better deal than we could have had”.

Michelle Donelan: Yes, it is definitely disappointing. Our plan A, of course, was to join Horizon straightaway afterwards. It was in the TCA. We did try to bridge that gap for the sector in the meantime and we have ended up with a better deal now.

Q52 **Chair:** You had a former ministerial colleague, George Freeman, who gave regular evidence to this Committee. We should put on record our thanks for that. In this area, in March 2022 he told our equivalent Committee in the House of Lords that the UK’s fusion programme would really suffer outside Euratom. However, in the deal that has been done we are not going to associate with Euratom. What has changed from the assessment—I am sure he was giving the official assessment; he was speaking as a Minister—between March 2022 and the deal that was done?

Michelle Donelan: We engaged heavily with the sector. The fusion sector itself told us that it did not want us to associate with Euratom, because of the delay that had happened, and that it would be better for it to receive that money directly. We said that we will do that, so we have established the fund of £650 million, which will go direct to the sector. That is certainly what they wanted, and we wanted to listen to them.

Q53 **Chair:** Do you know why they changed their view?

Michelle Donelan: Because of the delay, they had obviously set up their own networks and their own work in that interim period. Joining Euratom would not have been as effective as giving them the money directly.

Q54 **Stephen Metcalfe:** I would like to talk a little bit about your conference speech. You talked about the steady creep of political correctness. Can you just expand on what you meant by that exactly?

Michelle Donelan: I had raised to me by a number of academics—but also across the board in research and statistics in general—this question around gender and sex being conflated and that academics did not feel confident as to how they should address it. I cited a number of examples at the time. One of the examples was that the ONS was taken to the High Court because it put in its guidance that you could change your sex. There were issues around the police in Scotland.

This is something where we said, “Okay, the Government should not just get involved, produce some guidance and give it to academics. What we should do is get an academic, in the form of Dr Sullivan, to lead on this piece of work and produce guidance and guidelines, not only for the scientific community but for all statistics bodies”. She will report directly to both me and the Cabinet Office.

Q55 **Stephen Metcalfe:** You also recently stated that your preference was for



HOUSE OF COMMONS

the UKRI's equality, diversity and inclusion advisory panel to be shut down. Why did you think that and what do you think it should be replaced with?

Michelle Donelan: This is a broader issue, one more of process, really. It was brought to my attention that, for one of the equality, diversity and inclusion boards, the correct due diligence and process had not taken place before those people were appointed to that board. I wrote to UKRI to raise this concern and to suggest that it may want to consider ceasing its functions while that work was undertaken. It has launched an independent investigation into this, because remarks had been made by some members on that board that highlighted that perhaps the due diligence process had not been adequately followed.

Q56 **Stephen Metcalfe:** Right, but the principle of diversity and equality—

Michelle Donelan: The principle of equality, diversity and inclusion is obviously written into law and it is important. It is also important, though, that we do not use that as a tool for bureaucracy, which is at the heart of the Tickell review that we will come back to in the new year.

Q57 **Stephen Metcalfe:** Have you any idea when in the new year?

Michelle Donelan: I am loth to give specific dates, because if it gets delayed by a day I know what you will do. What I can tell you is that it is a really important agenda. I feel very strongly that we need to empower and enable the sector to be as efficient and effective as possible. One of the ways that we can do that is by tackling unwarranted and unnecessary bureaucracy, which is why we will be coming back to that review in the new year.

Q58 **Chair:** The new year is going to be busy.

Michelle Donelan: Our Department is always busy. Look at what we have achieved in just the last few months.

Q59 **Chair:** When it came to AI, you were kind enough to say that you would be responding early in the new year. Is that the case for this?

Michelle Donelan: This will be early in the new year too.

Q60 **Rebecca Long Bailey:** You have just touched on your letter to UKRI. What is your view of UKRI's response to that letter and when will the investigation or independent review conclude?

Michelle Donelan: That is obviously a matter for the UKRI as to when it will conclude. I met with them at our general stocktake meeting the other day, which focused more on their work around the grant review. They raised this issue and said that it was underway, and that they were making progress quickly so that they could give everybody clarity.

Q61 **Rebecca Long Bailey:** You have stressed the importance of it being an independent review.



HOUSE OF COMMONS

Michelle Donelan: That is their decision as well. I did not mandate that they did this. This was guidance, in effect, via my letter.

Q62 **Rebecca Long Bailey:** One thing that has been reported in the press is that your Department, presumably at your instruction, compiled a dossier surveilling a number of academics who may or may not have been connected with this particular issue. Is that true and, if so, why did you instruct for that to happen?

Michelle Donelan: You will have seen from the quote in that article that I said I did not instruct for that to happen. It is the normal process that when anybody is appointed to a board or a role, et cetera, within Government, as you all know, due diligence is undertaken into those individuals, especially on things like equality, diversity and inclusion. Some information was gathered for me at the time when there were questions raised about these individuals' comments on this board, to inform me as to whether I should write to UKRI or not. I did not request that information, but it was given to me to assist in my decision-making process.

Q63 **Rebecca Long Bailey:** So it was not a compilation of information as part of the due diligence before people were appointed to specific positions. This was in direct response to concerns that had been raised in relation to specific individuals. Is that right?

Michelle Donelan: Normally the correct process would be that due diligence is done for anybody who is going to be appointed to any type of board, especially this board, because they will be subject to the Nolan principles. That due diligence would involve looking at their social media accounts and the comments, et cetera, that are attributed to them and by them.

There were concerns raised that that had not been done, so information was compiled and sent to me of public information on social media accounts of what some of these individuals had said. I did not ask for it, but it was given to me to help with decision-making processes as to whether I should write to UKRI or not. As I said, it was all public stuff.

Q64 **Rebecca Long Bailey:** Aside from any reviews or due diligence processes that might happen, pre-appointment, with any person who might become connected with the Department, can you confirm that there is no surveillance being undertaken on any other persons who are going through a due diligence process at the moment?

Michelle Donelan: It is really important to be careful on the language here, because at no time has our Department conducted surveillance of individuals.

Q65 **Rebecca Long Bailey:** Let us talk about reviewing their background, social media history, personal information, political views and views on any other issues. Let us be clear.



Michelle Donelan: We are not gathering personal information on anybody. The normal process that any Government Department will undertake when it is appointing people to public office would be—and you will know this—to do due diligence checks on what those people have been saying in the public arena.

The people on this particular committee are subject to the Nolan principles. Let us not forget that they are on a committee that is dealing with equality, diversity and inclusion. It is not therefore unusual to make sure that those people can do that in a non-prejudiced way. I was concerned that that process had not taken place as per the norm, and that is now being investigated. I am sure lessons will be learned by UKRI.

Q66 **Rebecca Long Bailey:** Just to be clear, this is a one-off case and there are no other individuals who might have had their social media history searched by the Department and a dossier compiled.

Michelle Donelan: I have been really clear on this. I can see why you are trying to turn it into something that it is not. Every Department in Government or every arm's-length body that was making a public appointment of this nature would do a due diligence process, which would involve looking at people's social media accounts. That is not abnormal; that is normal. The problem that we have here is that it is suggested—and there is a proper investigation ongoing—that that process had not taken place, and that is the investigation that is happening.

That was brought to my attention, and in order to inform my decision-making as to whether I should approach UKRI or not, and to better understand what exactly had happened, some information was given to me to detail exactly what was happening and what was going on, just like you would expect me to make evidence-based and informed decisions across the board on anything. I want to be crystal clear: at no point has our Department undertaken any surveillance on anybody. At no point are we tracking academics or anything of that nature.

Q67 **Rebecca Long Bailey:** That is fine. Thank you very much. Can you give your assurances that the Government will play a very careful role in shaping the future appointments on external advisory panels, particularly for UKRI? What are your general thoughts on this going forward?

Michelle Donelan: That would be a decision for UKRI. What I am concerned about is making sure that processes are followed.

Q68 **Rebecca Long Bailey:** Presumably with the action that your Department has taken in relation to the due diligence process, would you be planning to take a more active role in UKRI appointments now?

Michelle Donelan: No. This is just about making sure that the correct process is followed. We are not saying who should or should not be on this panel; we are just saying that processes need to be followed and upheld.



- Q69 **Rebecca Long Bailey:** Can you give us assurances that funding decisions for research will still be taken independently of Government?
- Michelle Donelan:** Absolutely, I do not think there is any question of that at all.
- Q70 **Tracey Crouch:** Given we are bouncing around your Department faster than the speed of light, I will turn to quantum.
- Michelle Donelan:** Did you practise that?
- Q71 **Tracey Crouch:** I am really proud of myself in thinking that up as the non-scientist on here. Has the Office for Quantum delivered any reports to the National Science and Technology Council on its delivery progress against the national quantum strategy?
- Michelle Donelan:** I do not think it has. Am I correct in saying that?
- Sarah Munby:** To my knowledge, it has not. It is still relatively early days. That strategy was published in March.
- Michelle Donelan:** I was on maternity leave for three months, but to the best of my knowledge I do not think it happened during that time either.
- Q72 **Tracey Crouch:** In that case, can you provide a timeline for when a report will be provided to the council?
- Michelle Donelan:** We are working through all of these critical technologies, but we would anticipate it within the first six months of next year.
- Sarah Munby:** We actually said in the strategy that we would update, not just to them but broadly to the public, in spring. It is another one for the busy agenda early next year, but that will be around a year after the strategy was published, which we think is the right timing.
- Chair:** Early next year is going to be a very busy time for the Department.
- Q73 **Dr Davies:** Sticking with quantum, there is a concern about an international shortage of quantum skills. What progress has been made in establishing the quantum skills task force and developing the quantum skills action plan?
- Michelle Donelan:** The action plan will be published next year and informed via the task force. The task force has already had its first meeting and has been formed. We are also working with the Department for Education in developing a quantum apprenticeship programme. We have pledged to train over 1,000 quantum PhD students over the next 10 years.
- Q74 **Chair:** We have a few supplementary questions before we finish. If I could go back to the Rosalind Franklin Laboratory, just to help you in your inquiries here, our colleague on the Committee, Carol Monaghan—



who cannot be here because she is speaking elsewhere in Parliament at the moment, in Westminster Hall—asked a question on 15 November in DSIT oral questions about the appearance on Rightmove of the Rosalind Franklin Laboratory. Minister Griffith said that he would come back on that. He has not done so. Can I ask you to look at this urgently and to bear in mind one thing in particular?

One of the concerns about the creation of the new Department—it has many things in its favour—is the risk that there is a division between Departments and that, with the Health Department being responsible for one thing, the Business Department another and the Energy Department another, there may not be coherence. As the lead Science Department, will you make sure that you take the responsibility for looking at the scientific interests of the nation in the use of this site and come back to the Committee as soon as you can?

Michelle Donelan: Yes, absolutely. We will make sure that the response is given to Carol Monaghan very shortly as well. As I said, this is not something that we are not working on; it was just that I was not in a position to give the further details today. We can write to you.

Sarah Munby: The Chair is right to point out that ultimately this is a DHSC lead. That does not mean at all that we are not interested. I have confirmed while we have been talking that our team are working actively on the question with DHSC, but ultimately, if you are asking why we have not had the detailed answers today, that is because fundamentally it would be for DHSC Ministers to answer that question.

Q75 **Chair:** In some ways this is a test of the Department's leadership across Whitehall. The creation of a Department for Science with Cabinet representation upgrades the strength and the position of science across Government, not to see it downgraded so that things are within the remit of other Departments and therefore not relevant to it.

Michelle Donelan: That is why we are working very closely with DHSC behind the scenes on this.

Chair: We will be very grateful for your response on that.

Q76 **Stephen Metcalfe:** I am slightly loth to ask these questions, and I cannot even blame the Clerks for them. They are entirely my own invention. As has been mentioned, we are about to launch an inquiry into astronomy. At our briefing last week one of the questions was, "What is the purpose of astronomy?" and we were given some very excellent answers, but one of them was to look for the evidence of extraterrestrial life in any form.

Let us not kid ourselves that we are looking for little green men, but it would fundamentally change our understanding of our place in the universe if we were to find evidence of life outside of earth. First, do the Government specifically fund the search for extraterrestrial life, or is it just through the general astronomy programme? Secondly, if life were found in whatever form, do Government have a plan about how that



HOUSE OF COMMONS

would be shared with the public? Does it just trickle out of the six o'clock news or is it on the risk register, for example?

Michelle Donelan: To the best of my knowledge it is not on the risk register. The communication plan would depend on the exact specifics of the hypothetical that we are talking about and how it would play out, and would also be a cross-Government undertaking with particular Cabinet Office involvement.

Sarah Munby: We have a small effort within our space team looking at the question of how we would handle such an announcement. By the way, by far the most likely scenarios here are not ones that would feature on the risk register. They are the findings of what is likely to be relatively local, relatively unadvanced microbial life. It could actually be a really important catalysing moment for the UK science community.

Q77 **Stephen Metcalfe:** You can see why I am loth to ask this question, because I can hear sniggering. We are looking for it. I just wondered how seriously that is taken.

Michelle Donelan: It is taken appropriately seriously.

Q78 **Stephen Metcalfe:** I will wait for the sniggers, but while we were in the United States, doing our AI inquiry, there were hearings taking place on the Hill about unidentified aerial phenomena. Do the Government have any views on those or did they look on with astonishment? Do they have Departments that look at these things as well? Are they thinking of having hearings on UFOs?

Michelle Donelan: We are not planning on any hearings at the moment, but of course we work very closely with our allies on all these topics. We have a goal to be one of the most innovative space sectors in the world and our relationship with America on this agenda is incredibly important.

Q79 **Stephen Metcalfe:** Were you surprised that they held those hearings?

Michelle Donelan: I do not think I was surprised. I was intrigued.

Stephen Metcalfe: Yes, we were all intrigued.

Chair: It is interesting to know that, in terms of our preparedness, there is preparedness for a communication should such a discovery be made. This is fascinating.

Q80 **Graham Stringer:** This Committee is pleased that science is directly represented in the Cabinet. How will the country be different now that it is represented in the Cabinet?

Michelle Donelan: We are already much more strategic on this agenda, and we can hold the rest of the Government to account and deliver on that science and technology framework. Having this sole Department dedicated to science, innovation and technology enables us to do that, because we have a lot more of the levers in the area sitting completely



with us, and much more oversight over the entire picture across Whitehall.

What does this mean for the country? It means that we can continue to lead the way in all the technologies that we have spoken about today and the scientific agenda; that we can continue to punch above our weight, which tangibly will mean that we will grow our economy by investing in R&D, which is the only long-term way to increase living standards; that we can get these technologies and improvements deployed within our public services more quickly; and that we can speed up adoption.

Q81 Graham Stringer: I used to ask really mean questions to Science Ministers who did not have a scientific background. I asked them whether they knew the second law of thermodynamics, and most of your predecessors did not. There is something behind that question. I am intrigued by how somebody with a non-scientific background can deal with a Science Department and all the technicalities. Is not being a scientist a bonus, or is it a difficulty? How do you deal with it?

Michelle Donelan: It is the norm across our governmental system. The Health Secretary is not a medic, for example. I would argue that what is important to be an effective Secretary of State is to be able to deliver, lead, bring people together and listen. One of the things that I pride myself on is the level of engagement, because I think that that is particularly important, not presuming that you know what is best for the sectors or individuals on the ground, but getting out there and listening, understanding and getting under the skin of issues to be able to develop the policies that are in line with that.

Q82 Graham Stringer: Do you not think that there is either an advantage or a disadvantage in not having a scientific background?

Michelle Donelan: I have never made any secret of the fact that I am not a scientist, nor was I a former teacher when I was in the Department for Education for three years. What I am is a politician who will listen, engage, lead and deliver. Judge me on my outcomes rather than what degree I did over 20 years ago.

Tracey Crouch: There was once a Sports Minister who had a background in sport, but it never caught on as a concept.

Graham Stringer: There have been several.

Q83 Tracey Crouch: I was going to say that you look like you are having fun. It feels like a round peg in a round hole. I was going to ask you if you had no Downing Street grid, if you had no Sir Humphrey or Sarah Munby calling you courageous, and if you had no constraints, what you would do. What would be your real passion? You genuinely look like you are enjoying your portfolio. You are making great progress in things that have been very difficult to overcome. What are the things that you would really like to see with no funding constraints, no Downing Street telling you what to do, nothing? What would you like to do next year?



Michelle Donelan: We have a busy programme next year, as we have outlined already. That will certainly keep me on my toes, but the three areas that I think are particularly important to focus on—and both the scientific community and the technology community have laboured the point to me that these are the gamechanger levers—are skills, scale-up and regulation. We need to ensure that we have the skills pipeline to be able to be a science and technology superpower in the future, and to be able to embrace things like AI.

We need to be using regulation as a tool for innovation, which we have already begun with some of our work on sandboxes, and our approach to AI or, as we outlined, quantum and engineering biology.

The third one is about the scale-up aspect, and the fact that we are really good at start-ups in this country, but we have not been as effective as we could be at scale-ups. We have done great work across the board as a Government on that, with the Mansion House reforms, the LIFTS, the spin-out review, et cetera. Those are the three areas that I want to double-down on because they will make a tangible difference.

Q84 **Tracey Crouch:** That is a really good politician's answer.

Michelle Donelan: It is a true one.

Q85 **Tracey Crouch:** Your Permanent Secretary is very pleased with you, but we have got a long list of things that we are looking at here. Stephen has just shown his interest in UFOs. I am really interested in mushrooms and the science around them. There are a lot of different areas in the scientific world that are not in that formulaic priority plan. Is there anything that you have seen that you think would be interesting to progress—mushrooms, for example—and where you think, "I would like to see a little more about that"?

Michelle Donelan: Across the board, there are an incredible number of exciting initiatives that will transform people's lives. AI, for instance, is going to be completely revolutionary. Having led as a Department on that summit, our policies today and going forward will have an enormous legacy for generations to come. That interlinks with all of the technologies. If we think about things like life sciences and the missions that we have there, there is some exciting work that we need to double down on. The data of our NHS, in working with the Department for Health, is an untapped resource. That particularly excites me, because it is a great USP for the United Kingdom that we could be doing a lot more with.

Q86 **Chair:** As a counterpoint to Graham's question, you are the Secretary of State for Science, Innovation and Technology, and we are the Select Committee on Science, Innovation and Technology. In truth, we are both responsible for the research base generally, which includes the arts, the humanities and the social sciences. How do you ensure that these important areas, with the creative industries being of particular



HOUSE OF COMMONS

importance do us, do not get eclipsed by the very exciting developments in science as it is conventionally understood?

Michelle Donelan: It is really important. We do not make those decisions as to where the money goes, to the principle that was raised before, but a lot of these topics are multidisciplinary. We look at ethics, for instance, in a lot of these topics, such as engineering, biology and AI. It is important that the social science aspect of this comes through and that, when we are spending on research and development, it is going across the board on those topics. This is why we have also focused on the risk element of a number of these technologies in which we rely on that expertise. It is important that, as an agenda, we are not focused on one side at all.

Chair: Can I thank the Secretary of State and the Permanent Secretary for a very comprehensive appearance before the Committee today, helping us with AI and general scrutiny across the Department's remit? This is the last meeting in public of the year. We have a private meeting next week. Can I thank our excellent Clerks team for all the hard work that they put into preparing these briefs and our reports? We are not going to be asleep over the Christmas period. We will be publishing a very important report on bacteriophages and their role in antimicrobial resistance, so that will be available during the Christmas recess. For now, I wish everyone a very merry Christmas. I look forward to seeing everyone in what is going to be a very busy new year for the Department. That concludes this meeting of the Committee.