



Department for Business, Energy & Industrial Strategy

The Rt. Hon. Greg Clark MP
Chair, Science and Technology Committee
House of Commons
London
SW1A 0AA

Department for Business,
Energy & Industrial Strategy
1 Victoria Street
London
SW1H 0ET

T +44 (0) 20 7215 5000
E enquiries@beis.gov.uk
W www.gov.uk

October 2020

Dear Greg,

Thank you for your letter of 29 September regarding research and development investment, highlighting the Science and Technology Committee's recent evidence session on university research funding. In your letter, you raise multiple questions that fall within my portfolio. I will address them in turn below.

Research Funding for Universities

I am happy to hear that our efforts to date are well received. The UK's world-class universities play a vital role in delivering local and national economic prosperity. Recognising that some research activity and staff are under threat as a result of income losses due to COVID-19, the Government took rapid action to support universities; in addition to immediate measures amounting to £423m to support university research, we have announced the University Research Support Package. This will support individual higher education providers and contains a package of grants and low-interest loans to cover up to 80% of a university's income losses from international students for the academic year 20/21, up to the value of their non-publicly funded research activity.

The Government has been clear in its ambition to increase total UK investment in research and development (R&D) to 2.4% of GDP by 2027. To support this, the Government has committed to raising public investment in R&D to £22 billion per year by 2024/25, a record increase in spending.

We fully recognise the importance of the longer-term financial sustainability of our world leading university research base. In the R&D Roadmap we confirmed that we will be reviewing the mechanisms we use to support university research in England and the incentives that these create within the R&D system. This includes the core block grant funding known as Quality-related Research (QR). This is used at universities' discretion to fund a broad range of activities, including the work which universities undertake with businesses and other partners and the nurturing of higher risk and emerging areas of research – especially early career research. We will continue to work closely with UKRI and the devolved administrations to achieve a healthy balance between QR (and its devolved equivalents) and the more directed funding that we provide to projects and people, ensuring that we maintain a vibrant and diverse research base which can respond flexibly to economic and societal challenges.

Research & Development Roadmap

In your letter you ask for further details on the R&D Roadmap. The Government published the ambitious Research and Development Roadmap to ensure the UK is the best place in the world for scientists, researchers and entrepreneurs to live and work, while helping to power up the UK's economic and social recovery and level up the UK. The Roadmap marks the start of a conversation to identify the strengths and challenges facing the sector; the issues that need to be addressed; and how we want to work with universities, business, the third sector and across government to cement the UK's reputation as a science superpower.

The Government has committed to increasing UK investment in science, innovation and technology to £22 billion by 2024/25, a record increase in spending. We will set out further details on how we will deliver this historic investment in due course.

Alongside the R&D roadmap, we published a public survey asking key questions regarding the UK's R&D system. This closed in August and we are now working to analyse the results, as well as continuing our engagement with key stakeholders in this area. Over the coming months we will work with academia, industry, government and the third sector to develop the proposals in the Roadmap into a comprehensive R&D plan.

Impact of COVID-19 on non-COVID research

In your letter you also asked several questions relating to the impact of COVID-19 on non-COVID research, including firstly why the UK is behind other countries in restarting clinical trials activity. It may be helpful if I set out that Government and research delivery partners are committed to restarting a full national portfolio of non-COVID-19 studies, alongside our increasing portfolio of COVID-19 studies, as quickly as possible and work is underway with the NIHR Restart Framework setting this out in further detail: (<https://www.nihr.ac.uk/documents/restart-framework/24886>).

In March 2020, the NIHR Clinical Research Network paused the site set up of new or ongoing studies at NHS and social care sites that were not nationally prioritised COVID-19 studies. Many research sponsors and local sites also took the decision to pause studies already underway in the health and care system. These decisions enabled the NHS and NIHR Clinical Research Network to focus on delivering the nationally prioritised COVID-19 studies and redeploy research staff to frontline care where necessary.

I agree with you on the importance of restarting these trials. This process is complex, and the Government is working with partners across the system to manage ongoing demands on resources to support our growing portfolio of COVID-19 studies, including vital vaccine trials, alongside redeployment of certain research staff to frontline care. I'm pleased to say we are continuing to see progress on this restart, with the latest data from the NIHR Clinical Research Network showing a 28% increase in commercial studies that have recruited or that are continuing as planned over the period 9 September to 23 September 2020, and a concurrent increase of 10% for non-commercial trials. Similarly, the September Medidata report on the status of clinical trials across different countries, highlights improvements in the UK – with levels of activity now comparable to both France and Spain.

The Government recognises there will continue to be significant short- and medium-term challenges for UK clinical research and that we will need to support our growing portfolio of COVID-19 studies. The combination of efforts between government, NIHR, UKRI, the NHS and trial sponsors at policy and implementation levels, building on the world-class status of the UK's clinical research base, means we are well-placed despite challenges to ensure the UK remains an attractive location for clinical research. This includes the aforementioned NIHR Restart Framework which has established dedicated groups to oversee and coordinate the restart of non-COVID-19 research. This is part of a significant programme of work which aims to restore a fully active portfolio of research as soon as practical, while continuing to support COVID-19 research as part of the Government response to tackle the pandemic. The Faculty of Pharmaceutical Medicine, the Medicines and Healthcare products Regulatory Agency and the Health Research Authority are also developing guidance to build resilience into clinical trials.

The Government is aware of the potential impact of a second wave of COVID-19 on non-COVID clinical trials activity and I can share with you that the NHS is re-designing many patient pathways as part of the response to the COVID-19 pandemic. The protocols for many current studies and studies in planning are being amended to incorporate these changed pathways.

This re-design of studies is building resilience into study delivery for a second wave of COVID-19. Where feasible and appropriate, the NIHR is developing research delivery infrastructure in non-NHS settings. This should help alleviate pressures on the NHS and be more acceptable to study participants who are anxious about attending NHS settings.

Horizon Europe and Alternatives

Finally, with regards to your questions on Horizon Europe and alternatives, we have made clear in the Roadmap that we aim to maintain a close and friendly relationship with our European partners, seeking to agree a fair and balanced deal for participation in certain EU Programmes, including Horizon Europe. We will make a final decision once it is clear whether such terms can be reached.

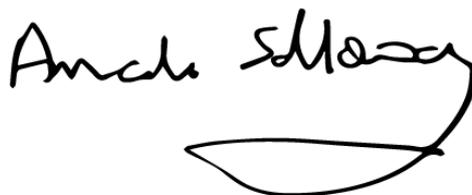
It is vital that UK-based researchers and innovators do not miss out on funding or collaboration opportunities if we are not able to associate, which is why we are preparing a full range of ambitious activities to support international R&D. If we do not formally associate to Horizon Europe, we will implement alternatives to Horizon Europe as quickly as possible from January 2021 and address the funding gap. As we have set out in the Roadmap, our first step will be to launch an ambitious new Discovery Fund offering sizeable grants over long periods of time to talented early, mid and late-career researchers. The Fund will be open to researchers, already in the UK or coming here from anywhere in the world, to pursue discovery-led, ground-breaking research. We will also scale up and enhance our most prestigious domestic schemes, providing funding to allow UK researchers and innovators to seize opportunities and to allow our institutions to attract and retain international talent. We will make funding available to allow UK partners to participate in European schemes open to third countries. The full range of alternative initiatives to Horizon Europe include enhancing the innovation offer and boosting the new global agility offer also detailed in the Roadmap.

These plans have been informed by extensive sector engagement including the Smith-Reid review and its 'Changes and Choices' report, published last November. We are continuing to engage closely with the R&D community, and are working with the National Academies, the Devolved Administrations, and UKRI to develop credible plans. We will share further detail publicly in due course.

The increase in investment in R&D noted above will include funding for any continued participation in EU science programmes or EU replacement schemes. Funding for EU Programmes or for alternatives would be subject to allocations at the Spending Review.

Thank you again for your letter and I hope you find my response useful.

Yours ever,

A handwritten signature in black ink that reads "Amanda Solloway". The signature is written in a cursive style and is positioned above a large, simple, hand-drawn flourish that resembles a wide, shallow bowl or a stylized leaf.

AMANDA SOLLOWAY MP

Parliamentary Under Secretary of State – Minister for Science, Research and Innovation