

Welsh Affairs Committee

House of Commons London SW1A 0AA

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From: The Rt Hon Stephen Crabb MP, Chair

The Rt Hon Michael Gove MP

Secretary of State for Levelling Up, Housing and Communities

By email

22 March 2023

Dear Michael,

Research and innovation funding for universities in Wales

My Committee has taken a close interest in the replacement of EU Structural Funds by the UK Shared Prosperity Fund (UKSPF), for example holding an [evidence session on 7 September 2022](#).

Universities in Wales have recently expressed concerns to us about the impact on Higher Education (HE) of the introduction of the Shared Prosperity Fund. It has been suggested by Universities Wales, which represents HE institutions in Wales, that Research and Innovation (R&I) funding is approaching a “cliff edge” and that “bridging funding” is required to ensure continuity of research and innovation programmes, and to safeguard jobs funded by EU Structural Funds.

In February I wrote to the Vice-Chancellors of all eight Welsh universities to ask for more evidence regarding the claims made by Universities Wales, and for further detail on the funding they had received from EU Structural Funds; the projects that funding supported; their expectations for those projects following the end of EU funding; and the recourse they had to alternative funding sources, particularly the UK Shared Prosperity Fund.

Historically, EU funding - rather than the core Welsh Government budget - has been used for investment in R&D and innovation in Wales. I would be grateful if you would consider the submissions we have received about the situation this long-term dependence on EU funding has created, and the concerns the Vice-Chancellors highlight regarding access to UKSPF for equivalent funding.

The Committee would be grateful for your comments on why the ending of EU Structural Funds is a particular problem for Welsh universities at this time, and for your assessment of the impact on the universities of the ending of projects previously funded by European Structural Funds. It would be useful to know if you have discussed this matter with Welsh Government Ministers who have responsibility for Higher Education in Wales.

We would find it helpful to understand if funding for research and innovation by Higher Education institutions comes within the scope of the UKSPF as currently designed. If so, are the decision-makers on allocations of UKSPF funds (local authorities) in Wales equipped to decide how funding should be allocated to strategic research and innovation projects?

It would also be useful to know if any guidance has been provided to local authorities in Wales on weighing the relative merits of competing bids for R&I funding – for example, the merits of bids for R&I funding versus local civic infrastructure projects. Are applications required to show local, as opposed to regional, national or international impact? Is this possible or appropriate for strategic research projects?

What projections have you made of the volume of funding universities might expect to receive from the UKSPF as compared with that allocated to other types of project by the Fund? What is the difference between this amount and the volume of research funding they received under the last EU Structural Fund allocation 2014-2020?

What assessment have you made of the likelihood of research previously funded by EU Structural Funds being funded by UKRI in the future? Are there any barriers to this happening?

I would be grateful for your reply by 12 April.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Stephen', followed by a small horizontal dash.

Rt Hon Stephen Crabb MP

Chair of the Welsh Affairs Committee

Cc: Chancellor of the Exchequer
Secretary of State for Wales