



The Rt Hon Rishi Sunak MP
Chancellor of the Exchequer
(By e-mail)

25 March 2021

Dear Chancellor,

Cuts to science research funding

I am writing to you on behalf of the House of Lords Science and Technology Select Committee.

We are concerned about several recent Government decisions which will lead to—and in some cases have already resulted in—cuts to scientific research funding. If implemented, these cuts will have deep and lasting effects on scientific research and development in the UK, and would undermine the Government's ambitions for the UK to become a "science superpower". They would also lead to significant job losses, and inhibit the use of R&D to drive economic development and the levelling-up agenda.

The Committee and the wider R&D community welcomed the Government's commitment to association with—and continued participation in—the Horizon Europe programme. However, it has not yet been confirmed how this association will be funded (at around £2 billion per year), and it has been suggested it may come from the existing R&D budget of the Department for Business, Energy and Industrial Strategy.

Diverting an amount of this scale from BEIS's R&D budget—equivalent to almost 20% of the 2020/21 budget of UK Research and Innovation—would be unprecedented, and would come at a time when the sector was instead expecting a significant uplift in funding. Universities warn that a cut of £1 billion is equivalent to cutting over 18,000 full-time jobs.¹ This decision, if made, would also risk undermining private sector confidence in the Government's commitment to R&D. The Government is relying on the private sector to contribute two thirds of the investment needed to reach the R&D spending target of 2.4% of GDP by 2027.

We therefore urge the Government to ensure that funding for Horizon Europe is in addition to the BEIS R&D budget.

We are also concerned about three other significant impacts on science research funding:

- The reduction in Official Development Assistance is undermining international relationships and collaborations, contrary to the Integrated Review that committed to "putting S&T at the heart of our alliances and partnerships worldwide".
- The autumn 2020 Spending Review settlement for BEIS still has not been fully allocated just days before the start of the financial year. The multi-year settlement for UK Research and Innovation, while welcome, does not include all of its operations and

¹ <https://www.universitiesuk.ac.uk/news/Pages/govt-must-urgently-reconsider-research-budget-cuts.aspx>

also must cover R&D associated with the pandemic, and so will not be sufficient to fully support the UK's R&D ambitions.

- Medical research charities faced 41% cuts in research funding last year—over £300 million—forcing them to cease some R&D projects.² These charities fund around a quarter of medical research in the UK—a larger proportion than in most countries—and it is critical that their contribution to R&D is supported.

Any of these four funding issues would be significant on its own. Together they amount to a major threat to scientific research in the UK. The number of letters and articles from leading researchers and institutions written on these cuts in the past few weeks highlights the concern in the scientific community.³ The impacts would be felt in academia, industry and the wider economy.

We urge the Treasury to address the issue of Horizon Europe funding at the earliest opportunity, to ensure the UK remains a strong competitor, and valuable collaborator, in scientific and technological research.

I have written separately to the Prime Minister, and look to hearing from you both on these matters. I will be putting these letters in the public domain including publishing them on the Committee's webpages.

Yours sincerely,

A handwritten signature in blue ink that reads "Navin Patel". The signature is written in a cursive style and is underlined with a single horizontal line.

The Lord Patel, KT
Chair, Science and Technology Select Committee

² This analysis excludes the Wellcome Trust that funds around another quarter of medical research in the UK: <https://www.amrc.org.uk/Handlers/Download.ashx?IDMF=1cf57b61-5794-46ff-b3a6-0814bc6e9127>

³ See for example: <https://royalsociety.org/-/media/policy/Publications/2021/21-03-18-threats-to-r-and-d-budget.pdf>; <https://reverseodacuts.wordpress.com/>; <https://www.universitiesuk.ac.uk/news/Documents/uuk-letter-prime-minister-research-funding-16-march-2021.pdf>; <https://www.theguardian.com/commentisfree/2021/mar/19/uk-science-research-budgets-scientific>; <https://www.ids.ac.uk/news/response-to-ukri-budget-cuts-for-international-research/>