



The Rt Hon Boris Johnson, MP
Prime Minister
(By e-mail)

25 March 2021

Dear Prime Minister,

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.

Funding for Horizon Europe association

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.

Cuts to Official Development Assistance (ODA)

The Government's decision to reduce Official Development Assistance is having immediate implications for ongoing and planned scientific research in collaboration with developing countries. UKRI has announced that its ODA allocation from BEIS for the 2021/22 financial

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

year has been reduced to £125 million (a reduction of 70% compared with the allocation in 2020/21), leaving a £120 million shortfall between allocations and commitments.² Some grants will therefore have to be “reprofiled”, reduced or terminated, at very short notice for the researchers and institutions involved. The cuts will affect several other organisations which provide grants using ODA funding. As of 22 March, it was estimated that the total funding shortfall across all these organisations and UKRI was more than £220 million.³

The impact of these cuts will be widespread and will undermine international relationships and collaborations that have been built on these funds. This should be of concern to the Government, who only last week in the Integrated Review committed to “putting S&T at the heart of our alliances and partnerships worldwide”. We urge that you do everything possible to maintain funding for these activities.

Long-term R&D budgets

We are concerned about the approach to recent funding settlements for R&D. The autumn 2020 Spending Review settlement for BEIS still has not been fully allocated, with some research organisations lacking information with which to plan for the impending 2021/22 financial year. Whilst the three-year core funding allocation for UKRI was welcome, this does not include operations such as Innovate UK. Furthermore, the allocation must fund R&D associated with the pandemic and so will not fully support the broader portfolio required to achieve the UK’s R&D ambitions.

It is difficult for institutions to plan for the next Spending Review without firm commitments for the 2021/22 financial year. Additionally, there is concern that any cuts made this year (such as if BEIS has to absorb the Horizon Europe association cost) will be used as the new baseline for future spending rounds, reducing the allocation in future. We urge that the Government recommit to spending £22 billion per year on R&D by 2024/25, and ensures that current and future Spending Review settlements are allocated in good time to allow research organisations to plan effectively.

Funding for medical research charities

Lastly, medical research charities faced 41% cuts in research funding last year—over £300 million—forcing them to cease some R&D projects.⁴ This was due to the pandemic inhibiting their fundraising. Their funding is not ordinarily a matter for Government, but 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. The proposed Life Sciences-Charity Partnership Fund was not funded by Government, and funding shortfalls have remained. In the context of proposed cuts, this shortfall is likely to be an ongoing problem.

² <https://www.ukri.org/our-work/ukri-oda-letter-11-march-2021/>

³ Analysis has considered impacts on UKRI, Research England, the Royal Society, the Met Office, the Academy of Medical Sciences, the Royal Academy of Engineering, the British Council, the UK Space Agency, and others: <https://www.researchprofessionalnews.com/rr-news-uk-politics-2021-3-exclusive-analysis-ten-more-r-d-funders-have-aid-budgets-slashed/>

⁴ 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>

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.⁵ The impacts would be felt in academia, industry and the wider economy.

We are concerned that not only will these cuts lead to substantial job losses in the near future, but to a longer-term 'brain drain', with talented researchers leaving for countries which plan to invest more heavily in science and technology as part of their COVID recovery. Scaling back our R&D ambitions at this stage will give our competitors the opportunity to step in and build on investments the UK has already made and international initiatives the UK has established.

We encourage the Government to address these issues at the earliest opportunity, to ensure the UK remains a strong competitor, and valuable collaborator, in scientific and technological research.

I am copying this letter to the Secretary of State for Business, Energy and Industrial Strategy. I have written separately to the Chancellor of the Exchequer, 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 "Nareh 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

⁵ 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/>