

ODA review Questions and answers 24 March 2021

Overall position

Q: What's the overall reduction in UKRI spend on ODA activities this year? i.e what is your allocation from government against what you expected?

A: The Department for Business, Energy and Industrial Strategy's ODA allocation to UKRI has reduced significantly in planned ODA expenditure for FY21/22, leading to a £125m budget and a £120m gap between allocations and commitments to grant holders.

Q: What was UKRI's allocation last year?

A: Our allocation for the FY20/21 as of June 2020 was £422m (£367m for GCRF, £55m for Newton).

Q. What programmes will be impacted?

A: The reduction in our allocation means that savings will need to be realised from both the GCRF and Newton Fund, as well as wider ODA funded programmes and activities within our councils including Innovate UK.

Q: How many grants will be affected?

A: There are more than 800 live projects affected and we are working to establish the options across this diverse portfolio to support detailed discussions with stakeholders about the best way forward, which we will begin as soon as possible. It is therefore too early to detail the final impact of this review on individual grants funded by the Global Challenge Research Fund (GCRF), Newton Fund and other ODA funds within our councils including Innovate UK.

Q. Why did UKRI launch a funding programme without having a confirmed budget?

A: Our official development assistance programmes involve multi-year commitments in common with most UKRI funding programmes. Our commitments coming into this financial year were proportionate to the recent trend of our ODA allocations. No one could have foreseen the economic impact of an extended global pandemic when we entered into these longer-term programmes.

Q. Why can't UKRI use money from its core budget to support ODA programmes?

A: Our ODA allocation from BEIS is capped meaning UKRI is not allowed to seek alternative UKRI budget sources to support GCRF and Newton activities. Non-ODA activities will be supported as part of UKRI's wider settlement.

Q: Does this mean that UKRI is in effect withdrawing from ODA work?

A: No. Over the past year we have seen just how important it is to share knowledge across borders. ODA funding remains a high priority for UKRI and we will continue working collaboratively to tackle many of the pressing challenges facing the UK and the rest of the world in the months and years ahead.

Q: How do the cuts sit with the Government's recently announced international ambitions in the Integrated Review?

A: [The government's Integrated Review](#) recognises the importance of research and innovation to tackling global challenges and delivering prosperity. We welcome the government's continued commitment to increase research and innovation funding as a percentage of GDP and to spend 0.7% of gross national income on development when the financial situation allows. But this will clearly not alleviate the immediate pressures we face in our ODA portfolio.

Q: Will UKRI be making a case to Government for future ODA funding?

A: We will of course make the case for substantial investments in ODA research and innovation as part of the next Spending Review, expected in autumn 2021. We note that the Integrated Review, published on 16 March 2021, reaffirmed the role of ODA research and innovation in Britain's global partnerships. However, at this time, we simply do not know how much ODA funding will be allocated to UKRI for the financial year 2022/23.

Q: What is the position with QR GCRF funding?

A: Research England Executive Chair David Sweeney has written to vice chancellors to inform them that as part of wider measures to implement a reduction in Government spend on International Development, BEIS have instructed UKRI and Research England that there will be no QR GCRF available for 2021-2022.

Q: How much was the QR GCRF allocation for the academic year 2020/21?

A: The allocation was £63m for academic year 2020/21.

Communication and next steps

Q: When will you be communicating these expected reductions to grant holders and partner organisations?

A: From Tuesday 23 March, we have begun writing to partners to set out what options are available and ask for their input in seeing how far we can work together to manage within the budgetary limit we have been set. We will discuss their individual portfolio of ODA grants and any possible mitigating actions.

Q: What will be the timeframe after this?

A: We will need to come to a better understanding of the options by mid-April so that any decisions can be taken, and if required any final notice to terminate grants can be issued, by the end of April at the latest.

Q: Who in the research community is being consulted? And potentially as a follow-up how can I get involved in the conversation?

A: UKRI is working with a range of stakeholders including through the Russell Group, Universities UK and our international networks as well as directly with grant holders and funding partners. UKRI expects to be making some very difficult decisions – including issuing grant termination notices. As far as possible we want to work with the research and innovation community to mitigate these cuts.

Impact on grants

Q: Should we stop recruitment/pause work/avoid starting anything new until we know more about the implications?

A: As our letter to HEIs, institutes and businesses stated on 11 March: UKRI will continue to support all ODA grants and contracts, including those issued by Innovate UK, according to their usual arrangements for Quarter 1 2021/22, but will not be liable for the cost of new activities entered into after receipt of this letter. The terms and conditions of individual grants and contracts provide more detail of the arrangements that apply should a termination notice be issued. If you have enquiries on this please email odaenquiries@ukri.org or for enquiries relating to Innovate UK to support@innovateuk.ukri.org.

Q: In the letter of 11 March ‘new activities’ were referred to – what is meant by this?

A: In light of the current financial constraints, our expectation is that grant holders should not take on any new commitments which would result in additional financial liability which would exacerbate the challenge of managing within the limited funding that can be made available.

Q: What happens to those who had already applied for new grants but not reached award stage?

A: The reduction in ODA spend means that we are unable to initiate new awards where proposals have been submitted but have not reached the grant award stage.

Q: What happens to those who have been through an assessment panel but not yet received a form of grant funding agreement?

A: We have been unable to progress most awards which had been through our assessment panels but not yet been formalised into grant funding agreements. We understand that this is deeply disappointing for those who had met the criteria for award but will not now be able to commence their projects.

Q: Have any specific grants yet been cut? Was the letter of 11 March a notice of termination?

A: We have not yet issued any formal notices of termination in respect of any grants. Our letter of 11 March was intended to notify HEIs, institutes and businesses about the potential consequences of the severe reductions to UKRI’s ODA allocation and to invite them to engage with us to identify opportunities to make best use of the limited available funding ahead of any final decisions to terminate. If it is not possible to reach agreement on use of

the remaining funding, we will issue formal notices of termination by no later than the end of April, providing three months' notice.

Q: My programme involves clinical trials/animal research/other issues which might require special consideration, is there any more information?

A: We are sensitive to the ethical, regulatory and legal considerations that apply to research involving human participants, including clinical trials. We will endeavour to work with grant holders and other partners, to mitigate any risks linked to reductions in funding. In our new letter to vice chancellors of 23 March we are asking them to identify these grants that may require special consideration.

Q: What will happen to overseas research grant holders and partners?

A: Equitable partnership has been a core value of the GCRF and Newton Funds and we will consider impacts on partners as part of UKRI's response to this settlement.

Q: How many new calls did you have planned that are now postponed or cancelled?

A: We are still determining the impact on individual programmes and will be working with stakeholders to determine the best way forward.

Q: Won't these cuts to grants severely limit the impact of these projects and therefore overall value for money?

A: UKRI fully expects these cuts to have an impact on what can be achieved through our ODA projects in the year ahead but we will work, wherever possible, with the community in the UK and internationally to mitigate this impact as far as possible.

Q: What are you doing to minimise effects on populations with protected characteristics?

A: The implications of any actions on equality, diversity and inclusion are being considered as part of UKRI's response to this settlement.

Q: If organisations/grant holders have questions, who should they contact?

A: We encourage everyone with questions to contact our ODA email address: ODAenquiries@ukri.org, or questions on Innovate UK grants to support@innovateuk.ukri.org.

For press enquiries please refer to UKRI press office at press@ukri.org