



Earlier in July, an open letter addressed to UKRI's Chair and Chief Executive circulated on social media. Professor Melanie Welham, UKRI Executive Champion for People, Culture and Talent, responds.

An open letter recently circulated on social media setting out in detail the impact that inflation is having on UKRI-funded Postgraduate Research (PGR) students.

We are conscious that the rising cost of living is having a clear and real impact on all PGR students, irrespective of how they are funded. This is evident from the stories some have chosen to share on social media, and something that we have been increasingly aware of. For this reason, we [published a statement](#) last month confirming that we are looking at additional financial support for UKRI-funded students.

Even before it became clear that inflation was creating an immediate need, we were already considering what future action could ensure that in the long-term PGR students are supported in a way that is fair, sustainable and allows us to meet our commitments to the government's R&D Roadmap and its R&D People and Culture Strategy. The New Deal for Postgraduate Research launched a call for input earlier this year and we're actively looking at some of the serious issues raised in responses. Acknowledging that this longer-term work may require trade-offs, that many in the community will want us to engage with them on, we are also, and most immediately, looking at options that may help UKRI-funded students this year.

Generally, we try to ensure the stipend paid to UKRI students broadly keeps pace with inflation. In line with this approach, we announced in early 2022 that we would increase the minimum stipend for the 2022/23 academic year by 2.9%, reflecting the rate of Consumer Prices Index including owner occupiers' housing (CPIH) from October 2020 to September 2021. Since then, inflation has increased significantly.

When we increase the stipend, it raises the cost of training not just in the next year, but over future years. We normally factor in increases to stipends when we make training grant awards and, if the stipend needed to increase slightly above forecast rates, we allowed some training grants to reduce the number of students they recruited in order to balance their budgets. But inflation is far exceeding the rates forecast when our training grant awards were made. With current rates of inflation, absorbing all the pressure in training grants could have a very significant impact on the number of students recruited in future years. At this point in the year, when offers have been made for the forthcoming academic year, it is difficult to reduce the number of students.

Unfortunately, there are no easy choices. The open letter suggests we could use non-committed funds to enhance stipends. However, UKRI commitments are continually being made to new research and innovation projects and it's generally not possible to move funds around in the way the letter suggests, without having a significant impact on other parts of the sector. Our decisions also have an impact on other organisations which fund PGR students, and they may lack the flexibility to provide additional financial support not least when inflation is putting other budgets under pressure too.

The open letter also raised a number of other very important points around groups of PGR students who need additional support. We recognise these points and are actively considering these issues where they have been raised with us through the New Deal for Postgraduate Research's call for input. We will be publishing our response to that exercise later in the year.



**UK Research
and Innovation**

I appreciate that this letter does not provide the immediate answers that many PGR students are looking for and know this is frustrating. I hope I've set out just some of the considerations that UKRI must take into account when making decisions and reassured you that we are looking at the matter urgently. I regret that it will take us a little time to bring our immediate work to a conclusion. Once we have done so, and informed universities of our decisions, we will provide an update as soon as we are able.

Yours faithfully,

Melanie Welham

July 2022