



**Council Meeting**  
**Thursday, 28 September 2023**  
**12:30 – 15:30**  
**Hybrid Meeting**

**Minutes**

<b>Attendees</b>	
Council Members:	Professor Dame Jessica Corner (JC) (Chair) Dr Carol Bell (CB) Dr Sharon Ellis (SE) Dame Janet Finch (JF) Professor Cathy Gormley-Heenan (CGH) Professor Ian Greer (IG) Dr Anne-Marie Imafidon (AMI) Ms Bronwen Maddox (BM) Professor Chakravarthi Ram-Prasad (CRP) Mr Mike Rees (MR) (SIM) Professor Graeme Reid (GR) Professor Colin Riordan (CR)
Observers:	Professor Naren Barfield (NB), I&E Champion Ms Harriet Barnes (HB), HEFCW (on behalf of David Blaney) Ms Helen Cross (HC), SFC Mr Mark Lee (ML), DfE NI (on behalf of Moira Doherty) Professor Trevor McMillan (TM), KE Champion
UKRI:	Mr Dan Shah (DSH), UKRI (for Items 1 – 6)
Officers:	Ms Jacqui Dovey (JD) (Items 1 – 4) Ms Alice Frost (AF) Dr Steven Hill (SH) Associate Director of Insight & Engagement
RE Staff:	Head of Strategic Coordination Associate Director of Knowledge Exchange (for Items 5 – 7) Senior Policy Adviser, KE (for Items 5 & 6) Head of Data and Evidence (for Items 5 & 6)
Apologies:	<u>Council Members</u> Dr Phil Clare (PC)  <u>Observers</u> Ms Susan Lapworth (SL), OfS
Secretariat:	Head of Governance and Risk
<b>Item</b>	
<b>1.</b>	<b>Welcome and Introductions</b>

1.1	JC welcomed all to the meeting, in particular, Harriet Barnes (Director of Policy and Funding, HEFCW), attending on behalf of David Blaney and Mark Lee (Director of Tertiary Education Reform, DfE NI), attending on behalf of Moira Doherty. She noted that RE's Associate Director of Knowledge Exchange (KE ) and the Senior Policy Advisor, KE would be attending for the HEIF items.
1.2	Apologies were received from Phil Clare and Susan Lapworth.
1.3	JC reminded members of the expectation of confidentiality, specifically in relation to matters discussed during meetings, but more generally as pertained to RE business.
<b>2.</b>	<b>Minutes and Actions of the meeting held on 6 July 2023</b>
	<u>Minutes</u>
2.1	The minutes were accepted as being an accurate record of the previous meeting.
	<u>Actions</u>
2.2	There was one outstanding action from the July RE Council meeting for Council to consider requirements for an Away Day, which would be discussed during one of their closed sessions.
	<u>Matters Arising</u>
2.3	There were no matters arising.
<b>3.</b>	<b>UKRI Strategy Update</b>
3.1	<p>DSH provided an update from the UKRI Strategy Directorate to include the following:</p> <ul style="list-style-type: none"> <li>• Since the last meeting, the UK has associated to Horizon Europe: this involved a tremendous amount of preparatory work by UKRI (and RE) colleagues.</li> <li>• Huge support has been provided to universities through the Guarantee.</li> <li>• The work on Pioneer and the transition contributed to the achievement of association and will also inform the next Spending Review (SR) submission.</li> <li>• Preparatory work is underway for the next SR, although it is unclear exactly when this will take place.</li> <li>• There has been a recent round table event at Number 10 chaired by Alex Jones (DSIT) looking back at the last five years of UKRI and looking ahead to next 10 years: this went very well. The progress made by UKRI has been acknowledged.</li> <li>• UKRI is seeking more opportunities for engagement with government, and there has been significant focus on building relationships with DSIT.</li> <li>• There is an appetite to maintain the dialogue regarding the way in which UKRI addresses government priorities, particularly if this could achieve greater flexibility for UKRI in terms of spending.</li> <li>• An evaluation of UKRI's covid response has been published.</li> <li>• UKRI has contributed to work across Whitehall on investments in IT/technology.</li> <li>• A meeting of the UKRI Board, Executive and councils' Councils is planned for 29 November.</li> </ul>
3.2	During the discussion, Council raised the following queries:

	<ul style="list-style-type: none"> <li>Who would be accountable for the funding sent to Brussels. DSH thought that it would likely be DSIT and the Treasury.</li> <li>Regarding association, whether there was any relation to the Spinout Review. DSH stated that this would depend on actions/outcomes agreed by Treasury.</li> <li>Whether UKRI has a sense of the preparedness of the HE sector for complex applications associated with Horizon Europe and whether there is a plan to engage with the sector to find out where the issues are and to manage expectations. DSH stated that the number of applications has reduced but the quality of applications has remained high. UK universities appear to be more prepared than businesses, and mission groups and the Russel Group are working hard to re-establish links with Brussels.</li> <li>What the rules are for engaging with the opposition. JC stated that UKRI colleagues can meet with them when invited to do so but cannot actively request a meeting. DSH stated that any member of Parliament can ask factual questions that UKRI must respond to.</li> <li>Given the scale of what UKRI may be asked to absorb, whether there are concerns about resourcing, particularly if there is more activity going through the system and there are multiple change processes occurring simultaneously across UKRI. DSH stated that a lot of resource has been allocated through the changes programmes and there is attention at a senior UKRI level on this. He also informed Council that the ESRC Executive Chair, Stian Westlake, is the new champion for the Simpler and Better Funding (SBF) Service (SBF is one of the risks on the UKRI Principal Risk Register).</li> </ul>
3.3	<p>JC asked BM to give her thoughts. BM commented as follows:</p> <ul style="list-style-type: none"> <li>There is significant uncertainty around different aspects of government policy, including international policy.</li> <li>There is some government focus on the impending change in USA administration, which has potential ramifications for the UK: there is also attention on Ukraine.</li> <li>The UK position on China is unlikely to change, including the approach to Chinese students.</li> <li>Work is underway to establish an Indian trade agreement. Associated issues include length of stay and permission to work for students and accompanying family members.</li> <li>There are concerns regarding the pause in investment in net zero related technology.</li> </ul>
3.4	<p>During the discussion, the following points were raised:</p> <ul style="list-style-type: none"> <li>Concerns about the potential change in USA administration also relate to concerns about disruptions to the economy.</li> <li>There needs to be greater flexibility in terms of a long-term immigration policy.</li> <li>In Australia, the Government is shifting its attention to Pacific Rim alliances.</li> </ul>
<b>4.</b>	<b>Executive Chair's Report</b>
4.1	JC provided an overview of her report, including engagement with the sector.
	<u>&lt;withheld from publication&gt;</u>
4.2-4.12	<withheld from publication>.

	<u>Horizon Europe (HEu)</u>
4.13	Council were advised that RE may be responsible for managing some HEu underspends, which may mean additional QR payments to institutions.
<b>5.</b>	<b>Strategic Issues around HEIF</b>
5.1	AF stated that, in responding to different government priorities, there are risks associated with increased workload pressures, which may impact on delivery.
5.2	RE's Head of Data and Evidence has led negotiations with DSIT on development of a new model for regional growth, including implications for HEIF. Government priorities relate to regional, local economic growth in areas without concentrated R&D. A single year approach and pilot has been cleared by DSIT with a view to making an announcement on 3 October of £60m for 2023/24 (which will be Barnettised) with £48.84m for England, to be spent by the end of March 2024. AF stated that universities will need to have sufficient notice of the funding to enable them to use it within the given timeframe. Allocations will be based on HEIF 2023/24 individual allocations, which have already been modelled. Metrics are not currently available for a bespoke allocation model, but a regional weighting will be applied to the base allocation, and the funding (which includes capital use) must be used for local/regional economic growth. DSIT will provide an addendum to the Funding & Priorities letter to cover this additional funding. Payments are to be made to universities in November. Latest CCF-RED awards may be announced at the same time.
5.3	AF stated that continuation of the DfE contribution to HEIF is still to be confirmed. There are many pressures on the DfE budget, so they are reviewing their contribution. It is unlikely that their contribution will be withdrawn in 2023/24 but there is a risk on the following years. As well as overall turbulence from change in approach to HEIF, risks will lie around fewer universities being funded or there being a reduction in some individual allocations.
5.4	There is a lot of work to be done while also preparing for the next SR. Council felt that it would be useful to understand all of the issues potentially having an effect on HEIF.
5.5	Regarding the timing of the Spinout Review, AF stated that publication of the review report and government response is likely around the time of the Autumn budget. She stated that there are many useful things in the review, and the report includes a key message about high quality TTOs and an appropriate balance of funding. HEIF is a way of ensuring that universities are not damaged by reductions in revenue. The current funding amount is adequate; however, prioritisation of activity remains important. It is possible that RE will be asked to use some funding to address issues raised in the report.
5.6	TM stated that skills and research come together through HEIF, and students are becoming more and more fundamental to interactions in the local economy. He wondered whether it would be worth universities undertaking some quick evidence gathering to demonstrate relevant activity to DfE. AF stated that DSIT is putting main arguments forward to DfE, which includes that HEIF is largely the only funding for non-curriculum activity in student enterprise, to illustrate impacts from DfE changes.

5.7	It was agreed that it would be useful to have a separate session on HEIF and the Spinout Review.
	<b>Action: A Council mini session covering issues relating to HEIF and the Spinout Review will be arranged.</b>
<b>6.</b>	<b>HEIF Threshold Review</b>
6.1	The Associate Director of KE provided an overview of the review of the HEIF threshold as part of the overall KE review. An allocation threshold was introduced to HEIF from AY 2011/12 funding to deliver the government priority to 'only fund effective Higher Education Provider (HEP) performers through HEIF.' The allocation threshold is currently set at £250k. The review process has incorporated three phases: Phase 1 – an initial options appraisal; Phase 2 – appraisal and initial data modelling of viable options; and Phase 3 – detailed data modelling of shortlisted options. <withheld from publication>.
6.2	Council queried why lowering of the threshold was being considered rather than the cap at the top end of allocations. AF and the Associate Director of KE noted that this development was a final stage in the over-arching KE review, which had considered all aspects, and this final area had been agreed by Council for further consideration. The Associate Director of KE stated that reducing the threshold would have no impact on allocations of highest KE performers in the sector who currently receive a maximum HEIF allocation. The Associate Director of KE and AF also noted that DSIT were content with the outcomes of the review and direction of travel and that lowering of the threshold would enable the team to implement government priorities more effectively.
6.3	Council also asked why changes were being considered now. Following discussion, Council agreed in principle that the adjustment to the method would be a useful approach, subject to wider changes; essentially, that the recommended threshold level should be implemented at a later stage if it was agreed that that was appropriate amid any wider changes.
<b>7.</b>	<b>NCUB Researcher Career Mobility Taskforce Update</b>
	<i>GR is Strategic Advisor to NCUB so declared an interest under this item. TM also declared an interest as member of the NCUB Board.</i>
7.1	GR provided an update to Council on the NCUB Career Mobility Taskforce and on the work of the advisory group on Competing for Foreign Investment in R&D.
7.2	Career mobility recommendations fall into three areas: integrated system (covering a design policy that embeds mobility and national support for mobility); innovative organisations (universities and businesses that facilitate mobility and that reward mobility); and individual pathways (promotion of career pathways across sectors and pursuit of progression through mobility).
7.3	The findings of the work on Foreign Direct Investment (FDI) include the fact that London has the strongest potential to attract FDI and has the strongest performance in FDI in R&D; the South East of England, Scotland and the East of England make effective use of their potential to attract FDI into R&D while the northern areas of the England and the East Midlands have underutilised potential; and companies need

	better data and contact within government to support internal bids for investment into the UK.
7.4	GR stated that the challenges are different in different types of economy. Engagement has varied with different government departments. There is only anecdotal evidence of where the UK sits in terms of social mobility against other global benchmarks.
<b>8.</b>	<b>Risk Assurance and Governance Report</b>
8.1	MR chaired this section of the meeting. <withheld from publication>. MR stated that reflection on the risks as they are currently framed would be useful <withheld from publication>.
<b>9.</b>	<b>AOB</b>
9.1	JC acknowledged that this would be Naren Barfield's last meeting. Naren was one of RE's original Council members and transitioned from being a Council member to becoming an observer on Council in April 2022. In addition to his role in championing RE's vision since its inception, Naren's support to the Insight & Engagement team has been invaluable in helping RE to maintain significant and substantial engagement with the HE sector. JC thanked Naren for his contribution. Naren, in turn, requested that his thanks be conveyed to the Insight & Engagement team for their ongoing support throughout his tenure.

**Date and Time of next Meeting:** Thursday, 1 February 2024, 12:30 – 15:30  
**Venue of next Meeting:** Caxton House, Tothill Street, London, SW1H 9NA