



**Council Meeting
Thursday, 26 September 2024
12:30 – 15:30
Hybrid Meeting**

Minutes

Attendees	
Council Members:	Dame Jessica Corner (JC) (Chair) Dr Sharon Ellis (SE) Professor Colette Fagan (CF) Dame Janet Finch (JF) Professor Cathy Gormley-Heenan (CGH) Dr Anne-Marie Imafidon (AMI) Ms Bronwen Maddox (BM) Professor Chakravarthi Ram-Prasad (CRP) Mr Mike Rees (MR) (SIM)
Observers	Dr Helen Cross (HC), SFC Mr Mark Lee (ML), DfE-NI
Officers	Ms Jacqui Dovey (JD) Ms Alice Frost (AF) Dr Kim Hackett (KH) Dr Steven Hill (SH)
UKRI	Mr Samuel Myers (SM), UKRI Strategy Directorate (on behalf of Dan Shah)
Apologies	Dr Carol Bell (CB), RE Council Professor Graeme Reid (GR), RE Council Professor Colin Riordan (CR), RE Council Ms Harriet Barnes (HB), Medr, Observer Ms Susan Lapworth (SL), OfS, Observer RE Associate Director of Strategy and Planning
Guests	RE Associate Director of Research (for Item 4)
Secretariat	Council Secretariat



Item	
1.	Welcome and Introductions
1.1	JC welcomed everyone to the meeting and introduced Sam Myers, UKRI Deputy Director of Investment Strategy, attending on behalf of Dan Shah. SM joined UKRI at the beginning of September and is working with Dan on UKRI's Spending Review (SR) bid. <withheld from publication>. JC also introduced the RE Associate Director of Research Funding, who would be co-presenting the SR and Future Delivery item (Item 4).
1.2	Apologies were received from Council members, Dr Carol Bell, Professor Graeme Reid, and Professor Colin Riordan: they were also received for observers, Ms Harriet Barnes and Ms Susan Lapworth.
1.3	No conflicts of interest were declared above those already stated. Council members were reminded of the annual conflict of interest review and were asked to inform the Secretariat of any interim changes.
2.	Minutes of the Meeting held on 26 June 2024
	<u>Minutes and Actions</u>
2.1	The minutes were accepted as being an accurate reflection of the last meeting.
	<u>Actions</u>
2.2	There were no outstanding actions on the Action Log. It was confirmed that the post-election Council Mini-Session had been held on 11 July 2024 (Action 3.2); there is an item on the agenda for this meeting covering SR (Action 4.2); and preliminary outcomes of the Condition of the Estate (COTE) work can be found under paragraphs 74–76 of the September Executive Chair's Report (Action 4.12).
	<u>Matters Arising</u>
2.3	No matters arising were raised at the meeting.
3.	UKRI Strategy Update
3.1	SM provided an update on the SR process in the context of the change of government and DSIT engagement, including where and how 10-year budgets could support the sector.
3.2	SM stated that UKRI is aiming to achieve the best possible results for the sector within the fiscal constraints, while admitting that difficult decisions may need to be taken as a result of increases in the cost base and inflation.
	<u>Headlines</u>
3.3	SM highlighted the following points: <ul style="list-style-type: none"> • There have been uplifts and growth in research and innovation (R&I) funding since 2015. • The investment in R&I is a significant stimulus for growth. • UKRI is seeking to increase its collective investment in R&I.

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	<ul style="list-style-type: none"> The new Minister of State for Science is a strong advocate of R&I.
3.4	<p><u>SR</u></p> <p>As outlined by HMT, SR25 will be mission-led, reform-driven and technology enabled and will consist of two phases, summarised below:</p> <p><u>Phase 1:</u></p> <ul style="list-style-type: none"> UKRI has submitted their Phase 1 bid to DSIT: this will finalise budgets for 2025/26 in a one-year settlement. This phase is positioned as a fiscal reset with a focus on balancing the budgets and creating space for the mission's agenda. UKRI is working closely with DSIT to clarify all aspects of the budget. DSIT will make a bid to Treasury on UKRI's behalf. A flat cash settlement would still represent tough choices for UKRI in allocating R&I investment. Operating expenditure is being scrutinised as an area of potential cost savings. Departmental returns to HMT are due by noon on Friday, 13 September with settlements to be announced in the Autumn Budget on 30 October. <p><u>Phase 2:</u></p> <ul style="list-style-type: none"> Phase 2 will focus on longer term-policy commitments, including delivery of manifesto commitments and the Government's five missions. A supplementary commission is expected following the Autumn Budget for new programmes and spending commitments from 2026/27 onwards. The timeline has not been set; however, this is likely to be a multi-year settlement. HMT has indicated that 2025/26 budgets are unlikely to be revisited in Phase 2.
3.5	<p>Council was invited to share their perspective. During the discussion, the following points were made:</p> <ul style="list-style-type: none"> The challenge of complex budget management within a constrained fiscal environment was acknowledged. Changes in the ways of working across the HE sector are anticipated as HEPs seek to find efficiencies. The importance of collaboration to develop scientific and technical expertise was highlighted, particularly in the context of developments such as AI. It is important for RE to be able to demonstrate the way in which its funding contributes to economic growth.
3.6	<p>Council emphasised the importance of providing strong messages to government around:</p> <ul style="list-style-type: none"> Ability of a healthy R&I system to contribute to growth. Importance of programmes, such as the Strength in Places Fund (SIPF), to encouraging growth and innovation. The value of Quality-related funding to Research. The need for light touch reporting for universities so as to reduce unnecessary burden.

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	<ul style="list-style-type: none"> • Maintaining a continued focus on ensuring effectiveness and value for money in the way in which public funds are spent. • The need to consider other impacts on the system, such as freedom of movement within the EU for people under 30, and a reduction in international student fees. • The importance of UKRI maintaining a positive approach to negotiations with the new government.
3.7	<p>In response to a request for Council to reflect on what evidence could be provided for future increased funding for R&I, the following points were made:</p> <ul style="list-style-type: none"> • UKRI assists universities in supporting the Government on key issues such as AI, national defence and 'Net Zero'. • UKRI plays an important role in the Government's commitment to national security and defence; therefore supporting universities to enhance the security infrastructure makes sense. • UKRI is committed to building long-term financial sustainability through its funding. • UKRI can support the Government on achieving its emissions targets. • RE case studies on QR evidence its contribution to economic growth. • UKRI is an important source of public investment in R&I, further contributing to economic growth in the UK.
3.8	SM thanked the RE Council for their insights and input into the wider discussion.
4.	SR and Future Delivery
4.1	SH and the Associate Director of Research presented slides on SR and future delivery across three core areas: the Transparency Programme, Condition of the Estate (COTE) Survey, and SR scenario planning.
	<u>Transparency Programme</u>
4.2	The Associate Director of Research provided an overview of the aims of the Transparency programme, which include developing a better understanding of the approaches and strategic decisions undertaken by HEPs; increasing the availability, openness and clarity of information on institutional uses of Strategic Institutional Research Funding (SIRF); and evidencing how SIRF can leverage the capability of institutions to deliver in line with government missions and priorities. They also outlined the plan for the programme, options and approach.
4.3	<p>During the discussion, Council raised the following points:</p> <ul style="list-style-type: none"> • The REF is an important basis for formula funding and demonstrates the quality of the sector; however, there are other drivers for accountability standards and consideration of different QR models may be required. • UKRI may also wish to develop a greater understanding of the rationale behind strategic decisions undertaken by universities in terms of distribution of funding. • Pilots may be a useful way of exploring the consequences of setting managed parameters for funding.

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	<ul style="list-style-type: none"> • Reporting that promotes accountability, but which is at an appropriate level of burden for universities, should be encouraged. • Over-adoption of mission themes in strategy was cautioned in view of potential changes in government and longer-term changes in direction.
	<u>Conditions of Estate (COTE) Survey</u>
4.4	The Associate Director of Research provided an update on the survey, which aims to better understand the condition of research infrastructure. The survey, which closed in July, was issued to all English HEPs. Responses are expected from around half of the sector, representing 63% of QR and 66% of Research Capital Investment Fund (RCIF) allocations for 2022/23. They provided an overview of initial findings from the survey.
	<u>SR</u>
4.5	The Associate Director of Research also provided an overview of the rationale for level of funding requested for RCIF, UKRPIF, and QR. They outlined the role of QR in the financial sustainability landscape and provided an overview of the principles guiding RE spending decisions (excellence, health and sustainability of the research system; support for government priorities/missions; and wider policy priorities). SH asked Council to consider what RE should prioritise in a constrained funding environment.
4.6	<p>During the discussion, Council raised the following points:</p> <ul style="list-style-type: none"> • RE should not be inventing new priorities. • RE should consider new ways of thinking on infrastructure (for example, decommissioning of some institutional buildings to reflect new ways of student working). • The balance of dual support should be considered in the context of financial sustainability. • Universities should be giving consideration to 'Net Zero' in their approach to decisions on the university estate.
	<u>Knowledge Exchange (KE)</u>
4.7	AF provided an overview of KE evidence and issues, first outlining what KE encompasses, then focusing on HEIF and CCF.
	<u>HEIF</u>
4.8	AF noted the return on investment for HEIF (monetised assessment) as well as emerging findings from non-monetised (qualitative and quantitative) assessment. Qualitative and quantitative evaluations confirm an increased focus on student entrepreneurship (a rise in student start-ups has had a positive effect on the economy) with qualitative evaluations providing rich contribution narratives that verify the non-monetised data.
4.9	In terms of HEIF reform, the 2024/25 DSIT Funding and Priorities letter sets the stage for reform, with technical work needed to improve the accountability framework and to reduce the complexity of the allocation model.
	<u>CCF</u>



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4.10	AF noted the role of CCF in building HEP capabilities/sharing best practices and effective development of an external ecosystem through collaboration (also cited in the Independent Review of Spinouts) and its credible return on investment.
4.11	A wider discussion was had on the importance of ensuring that KE and research are understood as being connected; that both underpin wider UKRI activity including commercialisation and place; that the system is changing; and that collaborative practices are necessary.
5.	Executive Chair's Report
5.1	Council thanked the Executive Chair for her report, stating that it provides a succinct overview of RE activity. She provided a brief overview of her engagement with external stakeholders at the round table event at the British Embassy on place-based innovation.
5.2	Council raised concerns regarding resourcing within the REF programme. SH explained the challenges of recruiting into public sector roles, particularly for technology-based roles where non-public sector salaries tend to be more competitive.
6.	Risk, Assurance and Governance Report
6.1	MR chaired this section of the meeting. He noted areas of concern <withheld from publication>.
7.	<withheld from publication>
7.1	<withheld from publication>.
8.	AOB
8.1	No further items were raised under AOB.
8.2	The next meeting will be held on Thursday, 21 November 2024.