

Research England allocations announcement for UKRI website

£2.5 billion investment to support government's R&D ambitions

30 September 2021

Headlines:

- Increase in funding to universities' research and knowledge exchange activity of 3.5% for 2021-22
- Recognition of the significant research and knowledge exchange contribution in the national and international response to Covid19.
- Allocations balance stability in recurrent funding with additional short-term investment
- Recurrent budgets maintained into 2021-22: QR £1,748m and HEIF £250m
- Balance of dual support set at around 64p in the pound
- Additional single year funding: £132m
 - Will strengthen university capacity enabling transition from addressing immediate Covid 19 pressures to maximise existing and new opportunities post pandemic, and will enable greater partnership working with business and public sector bodies

News item:

Research England has published overall recurrent budgets for the higher education sector for research and knowledge exchange funding for the 2021-22 academic year.

This allocation sees an increase in funding to English universities' research and knowledge exchange activity of 3.5% for 2021-22 and ensures the balance of the dual support system is set to around 64p in the pound.

This investment demonstrates the UK government's commitment to universities' role in making the UK a science superpower.

Upholding stable levels of performance-based university focused funding will ensure that we sustain the conditions for a healthy and dynamic research and knowledge exchange system in English universities; a system that proved critical in the national response to the pandemic and will continue to contribute significantly in building back better.

Of the budgets confirmed today:

- Recurrent budgets into 2021-22 are maintained providing stability for the sector;
 - Quality-related research (QR) funding remains at £1,748m
 - Higher Education Innovation Fund (HEIF) remains at £250m
- £132m in single year grants made available to strengthen university capacity and partnership working capabilities to build back better post-pandemic
- An additional £32 million is being allocated for 2021-22 through the established mechanisms of the HEIF to build on HEIF's successes in strengthening university knowledge exchange capabilities, tackling Covid challenges and helping recovery

- £30m into RDP through to provide additional support to their PGR students to respond to and recover from the challenges of the Covid 19 pandemic
- A one-off pulse of £10m in additional Business QR to support universities undertaking research with business, recognising the vital role of business and industry in building back better post pandemic

Research England will communicate institutional allocations in due course.

David Sweeney, Executive Chair at Research England, said:

Universities have played an enormous role in the response to, and recovery from Covid19, and this funding allocation will further support the sector as it moves beyond addressing immediate pressures. However, no one university can address these challenges alone. As the sector has demonstrated, when we work collaboratively with industry, the public sector, and with one another, we can deliver wider societal and economic benefit for our communities and the country.

This funding allocation will provide stability in a volatile funding landscape and will ensure our world-class higher education research base has the capacity to continue to partner with civic leaders, business, and public services across challenges and opportunities as we build back better.

Background information:

Research England is part of UK Research and Innovation alongside the seven research councils and Innovate UK.

Research England is responsible for supporting research and knowledge exchange across higher education providers (HEPs) in England only. Research England is focused on creating and sustaining the conditions for a healthy and dynamic higher education (HE) research system. Working in partnership with our colleagues across the devolved administrations and our stakeholders, our policies are designed to ensure system wide approaches are identified and implemented.

In England, public research funds are distributed to HEPs under a balanced funding system known as 'dual support'. Funding is provided via two routes for distinct purposes e.g. for HEPs as whole institutions or for programmes within HEPs and Research Organisations.

To create the conditions required to sustain a healthy and dynamic research and knowledge exchange system, Research England provides performance-based, HEP focused funding. This is achieved through high-value, strategic and agile funding streams such as Quality-related research (QR) funding, (underpinned by the Research Excellence Framework), and support for knowledge exchange via the Higher Education Innovation Fund (HEIF). Most of Research England's funds are allocated formulaically via block grant (e.g. by QR and HEIF).

The Guidance from BEIS for Research England in financial year 2021-22 outlines Research England specific guidance regarding its operation. This year the guidance reiterated the importance of the

balance of the dual support system, a continued focus of allocating funding based on academic excellence and impact, and the sector's contribution to Covid recovery.

Further information

- Further details of the allocation are published in the circular letter <https://re.ukri.org/sector-guidance/publications/circular-letter-funding-for-2021-22/> Please note that recurrent funding is distributed by academic year and capital funding by financial year.
- The Guidance from BEIS for Research England in financial year 2021-22 can be found via: <https://re.ukri.org/finance/guidance-from-beis-for-research-england-for-financial-year-2021-22/>
- Further detail on how we fund universities can be found via: <https://www.ukri.org/publications/research-england-how-we-fund-higher-education-providers/>
- For a more detailed explanation of recurrent and capital funding, what it supports and how it is allocated, view the Research England available via: <https://re.ukri.org/funding/>