

RKEC Update December 2020

- The paper provides RKEC with a summary of a number of recent developments of interest to the Committee.

Recommendations

- RKEC is invited to:
 - Note the content of this paper.
 - Indicate if it supports SFC being an active participant in the REF review now being initiated.
 - Advise the executive as to the usefulness or otherwise of such an update paper for future meetings.

Financial implications

- There are no direct financial implications associated with this paper.

RKEC Update December 2020

Introduction

1. This paper is a trial of the provision of a written update on events of note since the last meeting of the committee. It is selective but, if the Committee is minded to support this trial, it can be expanded or focused as the Committee would find useful.
2. The Committee's secretariat will continue to provide alerts on events or developments to the Committee between meetings and it will remain the practice of the Director to update the Committee, in meetings, with recent events at the invitation of the Chair. This paper, if repeated, will try to extend both of these existing channels.
3. Individual updates follow below.

SURE Fund

4. Following an update¹ to the guidance around it on 6 November, the UK Sustaining University Research Expertise (SURE) package of loans and grants to mitigate COVID related research income losses was opened for applications on 16 November, with a deadline for expressions of interest on the 23 November. SFC and the other devolved funding bodies are assisting BEIS and UKRI in its delivery.
5. The Committee will note that, largely owing to the higher than expected predictions of international student fee income for 2020-21 by many universities, only a minority of Scottish (or UK) universities were eligible to apply.
6. The restricted call on the package (as calculated by the formula based on losses of international student fees) and the netting off from the grant element of the package of the UKRI costed extension support means that the SURE package is now, to all intents and purposes, a loan package.
7. Full submissions are due by the 18 December and SFC will assist the evaluation process where Scottish universities apply.

Innovation Centres Conference – Countdown to COP26

8. On 23 November, Scotland's Innovation Centres teamed up with The Herald to hold a one day online conference to mark exactly a year to go before COP26.

¹ <https://www.gov.uk/government/publications/support-for-university-research-and-innovation-during-coronavirus-covid-19/university-research-support-package-explanatory-notes>

The conference was intended to: *“explore innovation, inclusive growth, cultural change around climate action, and ultimately, how collaboration could achieve national net zero targets.”* The event was a great success with upwards of 1000 participants. The conference sessions are all still available to watch [here](#)².

Research Innovation Scotland

9. The Scottish Research Pools have come together to create a platform for collaboration between and beyond themselves. The online presence of this shared endeavour can be found [here](#)³. Clearly the Pools coming together to consider challenge-led research collaboration is an exciting development. The Committee will also note that the Pools and Innovation Centres are in conversation about greater collaboration, a development in line with the recommendations made by Professor Muscatelli.

REF Review

10. The Committee will recall the reference in the UK Government’s R&D Roadmap to reviewing research assessment post REF2021. The UK Government’s Minister for Science, Ms Holloway, has written to her devolved counterparts in October to indicate her enthusiasm for such a review, recognising that the REF is a devolved matter and is therefore owned and operated jointly by the UK’s four university funding bodies.
11. SFC has joined its counterparts in beginning this work and the executive will be seeking the support and input of the Committee at appropriate points in the review. Clearly this review will be another helpfully moving piece in the research policy machine as SFC tries to optimise its role in a sustainable and excellent Scottish research base. The role of research assessment in motivating and auditing research quality is critical. We expect the Committee will also be mindful of the REF’s many influences on research culture and on research management.
12. The Committee is invited to indicate if it supports SFC being an active participant in the REF review now being initiated.

World Class Laboratories

13. The Committee will recall the announcement of a £300M investment in World Class Laboratories announced by the UK Government in July of this year. SFC has recently been able to distribute a part of this funding to universities through a £12M allocation to support making laboratories Covid safe and all universities to making general improvements which enhance research quality

² <http://newsquestscotlandevents.com/events/cop26/>

³ <https://www.research-innovation-scotland.co.uk/>

and the impact of that research in Scotland. By agreement of BEIS and the SFC Board, the one-off allocation has been done by uplifts to existing capital grants. More details [here](#)⁴.

UK Government Spending Review 2020

14. The UK Chancellor laid out the 2020 UK Spending Review⁵ on the 25th November. This was largely a one year settlement, with a notable exception identified below.
15. Key points for research and innovation included:
 - An uplift of over £400 million on average per year until 2023-24 for core UK Research and Innovation science. This is a three year settlement for the UK Research Councils and Research England, though with its internal distribution yet to be decided by the UK Government.
 - At least £490 million in 2021-22 for Innovate UK core programmes and infrastructure to support ground-breaking technologies and businesses.
 - £350 million in 2021-22 for UK Research and Innovation to support strategic government priorities, build new science capability and support the whole research and innovation ecosystem. This includes the first £50 million towards an £800 million investment by 2024 25 in high risk, high-payoff research. The Committee will note that this activity had been associated with the creation of an ARPA-like organisation. The budget for 2021/22 is allocated to UKRI.
 - Funding for critical research to tackle Covid-19.
 - Increased support for net zero innovation, including £200 million in 2021-22 for the Net Zero Innovation Portfolio, to develop new decarbonisation solutions and accelerate near-to-market low-carbon energy innovations.
 - Also of note is that funding for the UK Shared Prosperity Fund (UKSPF) will ramp up so that total domestic UK-wide funding will at least match receipts from EU structural funds, on average reaching around £1.5 billion per year. Pilot activities are proposed for 2021/22.
 - The introduction of the new Levelling Up Fund of £4 billion for England aimed at stimulating economic growth and recovery in places of need, which will attract up to £0.8 billion for Scotland, Wales and Northern Ireland.

⁴ <http://www.sfc.ac.uk/news/2020/news-82124.aspx>

⁵ <https://www.gov.uk/government/publications/spending-review-2020-documents>

- The acceleration of multi-year projects under the four City and Growth Deals in Scotland: Tay Cities, Borderlands, Moray and the Scottish Islands.
 - The reduction in UK Overseas Development Aid spending from 0.7% to 0.5% of GDP. Though we do not yet know the effect of this on GCRF and the Newton Fund, an impact is expected.
 - Permission for public sector labs such as the James Hutton Institute to apply for responsive mode UKI grants.
16. There will be further Barnett consequentials arising from increases to Research England's budget once that is decided.
 17. Committee members seeking an analysis of the implications of the UK Spending Review on the broader Scottish finances are referred to that published by the Fraser of Allander institute [here](#)⁶.

End of the Brexit transition period

18. The end of the Brexit transition period is approaching and, at the time of writing, it is not yet known if the UK will associate with Horizon Europe or not. The expectation in the press is that negotiations on a possible trade deal will end this week. The Committee will be kept up to date on the outcome of that, and on any the implementation of any interim support arrangements needed from 1 January 2021.

Risk assessment

19. The risks associated with any of the items in this update will be considered as part of any papers inviting discussion and recommendations by the Committee.

Equality and diversity assessment

20. Any equality and diversity issues associated with the reports in this paper will be considered if decisions or recommendations are sought from the Committee.

Recommendations

21. RKEC is invited to:
 - Note the content of this paper.

⁶ <https://fraserofallander.org/uk-economy/uk-budget/spending-review-2020-and-scotland/>

- Indicate if it supports SFC being an active participant in the REF review now being initiated.
- Advise the executive as to the usefulness and focus of such an update paper for future meetings.

Financial implications

22. There are no direct financial implications associated with this paper.

Publication

23. This paper will be published on SFC's website.

Further information

Contact: Stuart Fancey (sfancey@sfc.ac.uk)