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Professor Adrian Smith Director General Science and Research Department for Business, Innovation and Skills

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### Dear Adrian

#### SCIENCE AND RESEARCH CONSULTATION: BUDGET ALLOCATIONS

Thank you for your letter of 26 October seeking further advice from CST on science budget allocations, in particular on the balance between Quality Research (QR) and Research Council (RC) funding, and between the different Research Councils.

As you rightly say, the science and research settlement was an excellent one given the overall scale of public spending cuts. We welcome the clear vision of the importance of the UK's research base shown by Government. We and the research community are full of admiration for your leadership role and negotiating skills in securing such a good outcome.

You have our letter of 1 July; the points we made then still stand. We would add the following in addressing your two questions.

#### Balance between Quality Research and Research Council funding

We agree that it is essential to continue the dual support system and maintain the separation between QR and Research Council RC funding and that the current balance between these two funding streams should remain broadly as it is now.

The distribution of upstream research funds (both QR and RC) should continue to be done on the basis of excellence wherever it is found, as assessed by peer review.

# Allocation of funding between different Research Councils

Given the settlement - flat in cash terms - we do not believe there is an imperative for major rebalancing between the Research Councils.

It is essential that the UK maintains capability broadly across the research base, in order to ensure our global position as a leading producer of top quality research.

In our report *A vision for UK research* we said that we must ensure that sufficient attention and investment is made in engineering, mathematics and the physical sciences in the face of very significant investment from China and India in particular, and from other countries such as the US, Germany, France and Brazil. We also said the UK must build on the significant contributions to innovation and business performance made by the social sciences and arts and humanities in the UK. Both these points still stand.

The big global challenges cross disciplines - climate change, food security, healthcare and an ageing population. We would advocate more cross-Council programmes and promoting new and better collaborations.

On the last point, the rapid advances in research capability in China and India means that the UK must raise its game even further in terms of new and larger-scale research collaborations which are competitive at an international level, and which may need to involved structured inter-institutional collaboration to develop their full potential.

## Large Facilities

We recognise that the capital budgets have not yet been agreed. Investments in large research facilities present particular challenges. We would like to emphasise that it will be important that there is a necessary balance between funding the research projects - necessary to ensure the UK gets maximum return and benefits from such facilities - and the costs to maintain such facilities or, in the case of international facilities, the subscription costs.

It will be important to ensure that we maintain breadth - not just the physical infrastructure but the capacity for longitudinal work. The UK is a world-leader in longitudinal population studies which are very important for health research and social policy.

Yours sincerely,

Professor Sir John Beddington Co-Chair CST

Professor Dame Janet Finch co-Chair CST

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