Volume 1 of 2

UK Research and Innovation Annual Report and Accounts 2024-25

Transforming tomorrow together

HC 1076

UK Research and Innovation Annual Report and Accounts 2024-25

Annual Report and Accounts 2024-25

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Introduction by the Chair

I am delighted to introduce UK Research and Innovation's (UKRI) Annual Report and Accounts for 2024-25. This marks the end of the third year of our five-year **Transforming Tomorrow Together** (https://www.ukri.org/who-we-are/our-vision-and-strategy/our-strategy-2022-to-2027/) Strategy and I welcome UKRI's tremendous progress in delivering its ambitions.

Research and innovation (R&I) are widely recognised as vital to delivering the decade of national renewal which is central to the new government's agenda. In October, we welcomed the government's protection of R&I budgets in the Autumn Budget and its recognition of R&I's importance to delivering prosperity and wider benefits pursued through the national missions.

We continue to invest wisely, making careful decisions to manage budgets responsibly and balance short and long-term priorities, from protecting curiosity-led research to maintaining the competitiveness of the UK's R&I infrastructure and skills base. As we work through the current spending review as the UK's public sector R&I

manager, we recognise the strains and stresses on the UK's university system and R&I funding environment. We are working closely with our R&I communities to invest responsibly and harness the UK's ingenuity to deliver the best possible outcomes.

I thank Professor Dame Ottoline Leyser for her exceptional five years as UKRI's Chief Executive Officer (CEO). She has delivered a step change in operational effectiveness and cross-discipline funding, and has effectively guided UKRI through challenging times, most notably during the COVID-19 pandemic. I am delighted that Professor Sir Ian Chapman will take over as CEO in August 2025 to lead UKRI through a time of significant internal and external change. His skills and expertise will be vital in driving forward UKRI's stewardship of the UK's R&I system.

We have demonstrated our agility this year by advancing the delivery of our technology platform replacement and wider internal change programmes, as well as adapting to rapidly evolving economic and geopolitical conditions. UKRI's Board has been crucial in fostering this agility. We have established improved performance and risk management processes, stood down UKRI's Organisational Change Committee, with assurance activity continuing under our Audit, Risk

and Assurance Committee, and established a new Growth Committee which first met in April 2025.

I thank Professor Sir Ian Boyd, Dr John Fingleton and Professor Sir Anthony Finkelstein who stepped down from the Board this year for their invaluable contributions to UKRI's success. I also warmly welcome Annie Callahan, Rita Dhut, Professor Jane Norman and Russell Schofield-Bezer who joined the Board in 2024-25. Their appointments guarantee that the Board continues to possess the extensive experience and expertise that will ensure UKRI is well run and delivering value for money.

This is a critical time for research and innovation in the UK. UKRI will need to harness its deep expertise to take challenging prioritisation choices required to enhance the efficiency and effectiveness of our portfolio. Our talented staff's immense commitment and our ongoing operational improvements give me high confidence that UKRI will meet this challenge and continue maximising the impact of every pound we invest.

Sir Andrew Mackenzie (Chair)

Introduction by the CEO

Research and innovation (R&I) are fundamentally about hope and empowerment, bringing people together to improve lives and livelihoods for everyone. They have the power to turn challenges into opportunities, bringing together communities to find solutions.

UKRI is a critical national resource in this shared endeavour that underpins our five-year 2022-27 Strategy, **Transforming Tomorrow Together** (https://www.ukri.org/who-we-are/our-vision-and-strategy/our-strategy-2022-to-2027/). I am delighted to outline our progress in delivering on our strategy's objectives as set out in our **Council Strategic Delivery Plans** (https://www.ukri.org/who-we-are/our-vision-and-strategy/delivery-plans/), with Siobhan Peters, UKRI's Chief Finance Officer, serving as interim Accounting Officer for the 2024-25 Annual Report and Accounts following the end of my term as Chief Executive Officer in June 2025.

This year, we have worked closely with government to ensure the whole public investment in research and development is optimised to deliver the new government's priority outcomes as efficiently and effectively as possible. Alongside our core budget allocation from DSIT, UKRI has

delivered an additional £1.5 billion in R&I on behalf of Other Government Departments (OGDs) and wider DSIT programmes.

I have welcomed the new government's focus on benefits for citizens and its recognition of the centrality of R&I to driving growth and opportunity across the UK. We have catalysed the UK's R&I base to accelerate public and private sector programmes aligned with the new government's **five missions** (https://www.gov.uk/missions). These have included our £85.6 million investment in the **Offshore Renewable Energy Catapult** (https://ore.catapult.org.uk) and our £32 million programme supporting 98 projects **using AI to improve the UK's productivity** (https://www. ukri.org/news/ai-projects-backed-by-32-million-to-turbocharge-productivity/).

In October, I welcomed the government's commitment to R&I in the Autumn Budget. As we navigate a challenging economic environment, our focus now more than ever must be on delivering and leveraging the most from every pound of investment and working collectively across government and our R&I communities to make smart and strategic investment choices.

Our **strategic themes** (https://www.ukri.org/who-we-are/our-vision-and-strategy/ukri-strategic-

themes/) are an excellent example of how we can deliver on this imperative. They allow us to leverage the exceptional work of our nine councils through additional targeted investments that capture synergies and build partnerships across the UK and beyond. Examples from this year include our £14.8 million **Resilient Coastal Communities and Seas programme** (https://www.ukcoastalresilience.org/project/resilient-coastal-communities-and-seas-programme) with the Department for Environment, Food and Rural Affairs (DEFRA), and our £25 million **Accelerating the Green Economy investment** (https://www.ukri.org/news/uk-centres-to-play-vital-role-in-boosting-modern-green-industries/) in five new green industry centres bringing together researchers, businesses and local leaders across the UK.

We have also taken great strides this year in implementing our new streamlined doctoral funding framework. This is developing the people and teams that we need to underpin a thriving and connected UK R&I system. We have invested over £500 million in new **Doctoral Landscape and Focal Awards** (https://www.ukri.org/news/major-investment-to-support-the-next-generation-of-researchers/) to support over 4,700 studentships extending across the biological, engineering and physical, and natural and environmental sciences.

These investments are pivotal to building the R&I workforce and creating the ideas and innovations needed to power economic growth and improve public services.

To realise these benefits, we also recognise that we must break down barriers to opportunity and widen access to the diverse fulfilling careers that research and innovation offer. In January, we **announced** (https://www.ukri.org/news/ukri-is-increasing-phd-stipends-and-improving-student-support/) the largest real-terms increase in the stipend for UKRI-funded students since 2003, as well as changes to our doctoral funding terms and conditions to foster a system that is better equipped to support students no matter their background and needs.

Across UKRI, we strongly believe that research and innovation should be by everyone, for everyone. This year, we have focused on empowering communities by launching a £9 million **Community Research Networks programme** (https://www.ukri.org/blog/why-we-need-community-research-networks/) with the Young Foundation. This investment is putting funding into the hands of communities to tackle the issues that matter most to them, enhancing connectivity within and between the UK's regions and enriching the R&I system to benefit from diverse expertise and understanding.

National prosperity depends on this connectivity and a high-productivity, thriving economy right across the UK. We have therefore strengthened our investment this year in local research and innovation clusters, including a £16 million investment in **Innovate UK's Launchpad programme** (https://iuk-business-connect.org.uk/programme/launchpads) and the launch of two new **AHRC-led creative industries** (https://www.ukri.org/news/two-major-ukri-investments-continue-to-boost-creative-industries/) R&I clusters in Birmingham and Liverpool. These investments are nurturing the connections between organisations, businesses and local leaders that drive economic growth and create high-quality jobs.

Key to transforming our economy and public services across the UK is the rapid development, adoption and diffusion of critical technologies. One highlight this year was the launch of **five new quantum technology hubs** (https://www.ukri.org/news/five-hubs-launched-to-ensure-the-uk-benefits-from-quantum-future/) that will ensure the UK benefits from the potential of quantum technologies in healthcare, national security and wider sectors. The launch of over £25 million of **International Science Partnerships Fund** (https://www.ukri.org/what-we-do/browse-our-areas-of-investment-and-support/international-

science-partnerships-fund/) (ISPF) programmes enabling global collaboration across AI, quantum, engineering biology, telecoms, and semiconductors also reflects our commitment to maintaining the UK's world-leading capabilities and advancing the evolution of these technologies.

UKRI's wide reach across all disciplines means that we are ideally placed to maintain the UK's national capability in curiosity-led research. In November, I was delighted to attend the inaugural meeting of awardees from our **Cross-Research Council Responsive Mode pilot scheme** (https://www.ukri.org/what-we-do/browse-our-areas-of-investment-and-support/ukri-cross-research-council-responsive-mode-pilot-scheme/), bringing interdisciplinary teams together to explore diverse areas including treatment for bile duct cancer and protecting children's digital data. Unlocking innovative approaches that would not be possible from established disciplinary thinking, the award and launch of the scheme's first and second rounds this year demonstrate UKRI's unique ability to forge connections across our diverse R&I communities.

This has been a year of ongoing change for UKRI. We have progressed the delivery of our change programme aimed at providing simpler, better, and more integrated IT platforms, harmonised

processes, and more agile collaboration across the organisation, in line with the Grant Review of UKRI and the Tickell Review of research bureaucracy's recommendations. The scale of work has been significant. It has required managing internal pressures emerging from delays to the implementation of new IT platforms, alongside challenging reductions in operating expenditure. I recognise the significant impacts that this has had on our people and their perseverance in developing and operating manual workarounds during the transition.

We are now focused on capturing the benefits from our new technology platforms, including the transition to the new Funding Service (TFS), and learning from the insights of our R&I user communities. We have made substantial progress, with all new awards now made through TFS and the platform passing its public beta assessment, marking major milestones in our mission to make our funding service simpler and better.

UKRI's progress in the past year would not have been achieved without the remarkable creativity and innovation of our staff, whose outstanding breadth of expertise is vital to fostering the world-class R&I system that the UK has and needs. I am inspired by our staff's dedication to making UKRI an inclusive environment where diverse ideas and

approaches are welcome and can drive excellent outcomes. I would particularly like to highlight the invaluable work of our staff networks. I am delighted that UKRI was recognised as a Carer Confident Active Employer this year, reflecting our commitment to support carers in the workplace to combine their work and caring responsibilities.

The diverse expertise and collaborative ethos of UKRI's Executive Committee is also inspiring. I would like to express my gratitude to Professor Mark Thomson and Indro Mukerjee for their positive contributions as Executive Chair for STFC and Innovate UK, respectively, and for the excellent work of Professor Guy Poppy as Interim Executive Chair of BBSRC. I have been delighted to welcome Professor Anne Ferguson-Smith, Professor Michele Dougherty, and Dr Stella Peace as Executive Chair for BBSRC and STFC and Interim Executive Chair for Innovate UK.

The creation of UKRI has been transformative. Our budgets are now 30% higher than in 2018, including a more than 50% increase in the Innovate UK budget across 2022-25. Major challenge-led and investigator-led cross-disciplinary and cross-sector programmes have been established. There is a strong portfolio of council-specific and UKRI-wide interventions to improve R&I culture and ensure the next

generations of researchers and innovators can thrive. And of course, there is all the extraordinary research and innovation that we have delivered and enabled within our facilities and centres, and across the R&I communities we serve.

Leading UKRI over the past five years has been a huge honour and I am confident that the organisation will continue to realise its full potential under the leadership of my successor, Professor Sir Ian Chapman. There is always more to be done, and I know the extraordinary people across UKRI will continue to deliver extraordinary outcomes for the UK and beyond.

Professor Dame Ottoline Leyser (Chief Executive)

2. Performance Report

The **Performance Overview** section provides a summary of our performance, our finances, our response to challenges over the year, and how we manage key risks.

The **Performance Analysis** describes in more detail how we have delivered over the year. Each section includes the relevant ambitions we set out in our 2022-25 Corporate Plan and describes UKRI's progress against them.

Performance Overview

UK Research and Innovation (UKRI) is the largest public funder of research and innovation (R&I) in the UK, spanning all disciplines and all sectors. We invest in people, places, ideas, innovation and impacts, empowering researchers, innovators, and entrepreneurs to turn the many challenges we face into opportunities. We work with partners to transform tomorrow together, creating tangible benefits: advancing knowledge, improving lives, and creating the industries and jobs of the future. Some examples are shared below.

Places

New technologies, business models and jobs
are being created by leveraging Liverpool's
regional strengths to innovate in music, via a new
MusicFutures cluster (https://www.ukri.org/news/
two-major-ukri-investments-continue-to-boost-
creative-industries/) led by Liverpool John Moores
University and supported by AHRC.

The Living Laboratory (https://www.gla.
ac.uk/colleges/mvls/livinglab/) in Glasgow is
revolutionising MRI diagnostics with cutting-
edge coil technology, driving clinical impact and
commercial growth. Backed by UKRI's Strengths
in Places fund, the partnership between industry,
academics at the University of Glasgow, and the
NHS aims to position Glasgow as a global hub for
coil innovation.

Electric vehicle range has been boosted, alongside
the advancement of clean energy technologies,
AI and quantum materials, by a UK-Canadian
research team testing solid-state lithium batteries
at STFC's ISIS Neutron and Muon Source at the
Harwell Campus in Oxfordshire.

Innovation

Boosting SME manufacturers' productivity with digital tools, **Thales Northern Ireland** (https://www.thalesgroup.com/en/countries-europe/united-kingdom/news/thales-uk-wins-made-northern-ireland-award-connected-re) won the 2024 Manufacturing Innovation Award for developing the Connected Reconfigurable Factory (COREF), a multi-million-pound Innovate UK-funded initiative.

An **£85.6 million** (https://www.ukri.org/who-we-are/how-we-are-doing/research-outcomes-and-impact/innovate-uk/turbine-test-centre-challenges-the-world/) UKRI commitment to wind power in Blyth, Northumberland will establish the world's most advanced wind turbine testing facility.

Ideas

Potential **new therapies** (https://www.ukri.org/news/new-therapy-that-destroys-tau-tangles-shows-promise-for-alzheimers/) to selectively remove aggregated tau proteins linked to Alzheimer's disease have been developed by scientists at the UK Dementia Research Institute, Cambridge, and the MRC Laboratory of Molecular Biology.

NERC and EPSRC-funded researchers at Cardiff University (https://theconversation.com/weve-found-a-way-to-help-endangered-eels-overcome-dams-and-weirs-232218?utm_medium=email&utm_campaign=Latest%20from%20The%20Conversation%20for%20June%2018%202024%20-%203004430597&utm_content=Latest%20from%20The%20Conversation%20for%20June%2018%202024%20-%203004430597+CID_f59ceb04a5e2ff8607e6424b6a6c3c14&utm_source=campaign_monitor_uk&utm_term=Weve%20found%20a%20way%20to%20help%20endangered%20eels%20overcome%20dams%20and%20weirs) have discovered that cheap and easy-to-install 'peg-board' tiles are helping juvenile eels – whose numbers have plummeted by over 95% since the 1980s – to negotiate man-made structures.

Impacts

The UK rail industry has saved an estimated £320 million over seven years, using optimisation software developed by Dr Raymond Kwan's team at the University of Leeds and based on 50 years of research, much of it funded by EPSRC. The software is used by 90% of UK train companies.

The Post Office Project (https://www.ukri.
org/who-we-are/how-we-are-doing/research-
outcomes-and-impact/esrc/exposing-the-driving-
force-of-the-post-office-scandal/) has been pivotal
in exposing systemic legal failings behind the
Horizon scandal, influencing the public inquiry and
amplifying the voices of victims. Led by Professor
Richard Moorhead at the University of Exeter
and funded by ESRC, the research is now driving
reforms in legal ethics and regulation to help
prevent future miscarriages of justice.

People and Careers

Shared equipment access for academia and
industry is being enhanced via the Bio-Analytical
Shared Resources Laboratories led by **Dr. Sarah
Bennett** (https://www.discover.ukri.org/sarah-
bennett/index.html), a BBSRC-funded Project
Lead at the University of Warwick.

How we are organised

UKRI is a non-departmental public body
sponsored by the Department for Science,
Innovation and Technology (DSIT).

We are nine councils, seven focused on specific
sets of disciplines, such as economics or physics,

and two focused on a specific sector – business or academia.

All nine councils have a responsibility to foster a fully integrated, high-performing research and innovation system, through a portfolio of individual, collaborative and collective investments, and wider interventions.

This flexible and agile approach ensures that we:

- achieve better research and innovation outcomes
- provide better services to our communities
- deliver better value for public funds

Engineering and Physical Sciences Research Council (https://www.ukri.org/councils/epsrc/)

Science and Technology Facilities Council (https://www.ukri.org/councils/stfc/)

Arts and Humanities Research Council (https://www.ukri.org/councils/ahrc/)

Innovate UK (https://www.ukri.org/councils/innovate-uk/)

Economic and Social Research Council (https://www.ukri.org/councils/esrc/)

Biotechnology and Biological Sciences Research Council (https://www.ukri.org/councils/bbsrc/)

Research England (https://www.ukri.org/councils/research-england/)

Natural Environment Research Council (https://www.ukri.org/councils/nerc/)

Medical Research Council (https://www.ukri.org/councils/mrc/)

How we are governed

The UKRI Board is our primary governing body. It oversees our activities, including delivery of our Strategy. The Board provides updates and advice to the Secretary of State for Science, Innovation and Technology.

Our **Executive Committee (ExCo)** (https://www.ukri.org/who-we-are/how-we-are-governed/executive-committee/) provides strategic advice to the Board and is responsible for delivering the Board's vision by overseeing the organisation's

overall performance and delivery. ExCo primarily comprises the Executive Chairs of each of our nine councils, each of whom is advised by a Council of external members.

Further details of our committees can be found in our Governance Statement on page 236.

Our mission

UKRI is the engine for the UK as a research and innovation powerhouse. We invest more than £8 billion each year on behalf of the UK government, leveraging expertise across all disciplines and sectors. We inspire and enable talented people and teams to push the boundaries of discovery, support innovative businesses to grow and scale across the UK, and target solutions to national and global priorities, transforming tomorrow together.

Our mission is to convene, catalyse and invest in close collaboration with others to build a thriving, inclusive research and innovation system that connects discovery to prosperity and public good. We enrich lives by increasing our understanding of ourselves and the world around us, supporting innovative businesses and public services, and delivering better outcomes for citizens through the government's missions and beyond.

We seek to be a responsible organisation in the activities, research and innovation we fund, and in how we inspire, lead and engage our staff, our partners, and our communities. Our four principles for change – diversity, connectivity, resilience and engagement – are fundamental to how we work as an organisation and help to create the conditions for the UK's research and innovation system to flourish.

Our Strategy

Our Strategy, **Transforming Tomorrow Together** (https://www.ukri.org/publications/ukri-strategy-2022-to-2027/), sets out how we will work with our many partners and stakeholders to create economic, social, environmental and cultural benefits for all citizens.

The six strategic objectives in our strategy will ensure that the UK has the people, institutions, infrastructures and partnerships to support a thriving R&I system. Our vision is for an outstanding research and innovation system in the UK to which everyone can contribute and from which everyone benefits, enriching lives locally, nationally and globally.

This 2024-25 Annual Report and Accounts sets out the progress we have made against our ambitions

and activities as laid out in our **Corporate Plan**
(https://www.ukri.org/publications/ukri-corporate-
plan/) and the nine **Strategic Delivery Plans**
(https://www.ukri.org/who-we-are/our-vision-and-
strategy/delivery-plans/) of our councils. These
delivery plans describe the ways in which we
deliver through the 2022-25 spending review
period and how we monitor our progress in
delivering against our six strategic objectives.
This underpins the analyses presented in this
Performance Report.

Six strategic objectives

We are committed, through our six strategic
objectives, to advancing curiosity-led research,
harnessing UK R&I strengths to drive UK
innovation-led growth, and enhancing public
services and wider benefits for citizens.

Impacts
Harnessing the UK's world-class R&I to tackle
national and global challenges, improve public
services, drive growth and deliver better outcomes
for citizens.

Places
Driving local innovation-led growth and benefits
for citizens by empowering the UK's globally lead-

ing R&I organisations, infrastructures, sectors and clusters, and ensuring their resilience.

Innovation

Driving economic growth and creating high-quality jobs through catalysing knowledge exchange and commercialisation, and supporting innovation-led businesses to start, grow and scale in the UK.

Ideas

Delivering new discoveries from excellent curiosity-led research.

People & Careers

Investing in talent and skills to build the R&I workforce the UK needs.

Our frameworks for performance and risk

UKRI Framework for Performance

Delivery assurance of our Strategy across the full logic model – from activities we set out in our Strategic Delivery Plans and Corporate Plan, to the outcomes and societal benefits these activities collectively realise.

Logic Model | Reporting Products

Inputs: Local performance reporting and monitoring
↓
Activities: Progress and Performance Report
↓
Outputs: Implementation reviews and deep dives
↓
Outcomes: Annual Balanced Scorecard
↓
Impact: Annual Report and Accounts

Our UKRI Framework for Performance allows us to consider our performance at stages across the R&I cycle. It is underpinned by a high-level logic model that links our inputs and activities to the anticipated outputs, outcomes and impacts that realise our strategic ambitions.

Key reports throughout the year provide regular monitoring of how we are delivering the activities and near-term outputs identified in our Corporate Plan and Strategic Delivery Plans. They also enable us to review longer-term trends and how we are enabling the outcomes and impacts identified within our strategy.

Our Quarterly Progress and Performance Report includes a set of 23 performance measures to monitor our progress against each of the objectives within our strategy. The three to five measures for each strategic objective focus on where and how we are investing, particularly through activities such as delivering new grants and investments, as well as activities and near-term outputs related to organisational performance.

Our Annual Balanced Scorecard includes around 100 performance measures that cut across our strategic objectives and focus on the longer-term outcomes and impacts of our activities

in the wider R&I system and economy. These include measures of what UKRI-enabled research is delivering in new knowledge and policy engagement, as well as the outcomes of our work in driving wider R&I system and culture change.

We also carry out targeted implementation reviews and deep dives throughout the year, providing an in-depth exploration of our performance within key areas to assess and support delivery confidence. Localised reporting and monitoring support the development of these reviews and our key reports, and this is led at a fund, programme or directorate level across the organisation.

The performance measures across our UKRI reporting products combine to form a flagging system that identifies strengths and areas for further consideration, enabling our Board and committees to track our performance against our strategic ambitions and identify areas of focus for continued improvement.

Risk management framework

Risk management strategy

↓

Risk management policy | Risk management process| Risk appetite statement

↓

Risk management system (CGR)

↓

Assurance framework | Governance framework| Internal control framework
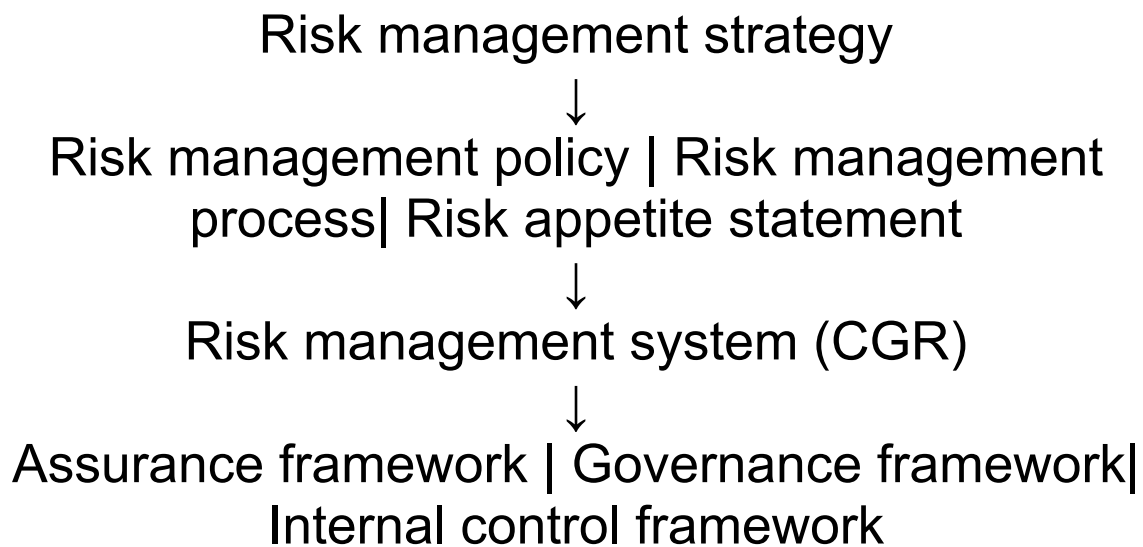
Our UKRI Framework for Performance informs and is in turn shaped by our UKRI Risk Management Framework, which comprises the Risk Management Strategy, Policy, Process and Risk Appetite Statement. UKRI oversees risk mitigation through its Enterprise Risk Management System, evaluating the effectiveness and progress of risk controls and actions. These documents set out the overall approach to managing risk to achieve our strategic objectives. The framework works cohesively with other organisational frameworks to support risk owners and risk managers, in particular through UKRI's business partnering model, and enables the assessment and management of aggregated risk across the organisation. More information on the Risk Management Framework can be found on page 157.

Performance summary

£1,633 million (18%) in our rolling portfolio of research and development grants, including fully open funding opportunities and strategically targeted opportunities focused on specific priorities (£1,578 million in 2023-24)

£2,131 million (23%) strategic institutional funding to higher education providers in England for research and knowledge exchange (£2,309 million in 2023-24)

£696 million (8%) in dedicated skills and talent investments for the next generation of researchers, innovators and technicians, noting that almost all our investments involve significant people and skills development (£636 million in 2023-24)

£1,138 million (13%) in **infrastructure** (https://www.ukri.org/what-we-do/creating-world-class-research-and-innovation-infrastructure/), from laboratory equipment to major international research facilities (£946 million in 2023-24)

£1,362 million (15%) towards specialist **institutes** (https://www.ukri.org/publications/explainer-ukris-institutes/explainer-how-ukris-institutes-support-research-and-innovation/), centres, facilities and **Catapults** (https://catapult.org.uk) that provide

national capabilities in specific R&I areas, including specialist equipment, expertise and knowledge (£1,427 million in 2023-24)

£443 million (5%) in collaborative challenge-led funding to address specific national and global priorities (£472 million in 2023-24)

£940 million (10%) in innovation project grants that support innovative small and medium-sized enterprises (SMEs) (£729 million in 2023-24)

£740 million (8%) in **international partnerships** (https://www.ukri.org/what-we-do/international-funding/) funding to enable specific opportunities for UK researchers to collaborate with their peers globally (£688 million in 2023-24)

In addition, we also invested £12 million (<1%) in public engagement activities to involve wider society in R&I, ensure that its benefits are widely shared, and inspire and engage the next generation of researchers and innovators (£12 million in 2023-24)

For details of our £9.5 billion total capital allocation see page 46. More information on our R&I investment portfolio is available through our explainer series: **UKRI explainers** (https://www.ukri.org/who-we-are/about-uk-research-

and-innovation/ukri-explainers/) and data on our awards and outputs are published here: **What we have funded** (https://www.ukri.org/what-we-do/what-we-have-funded/).

In 2024-25 we:

Assessed over 30,550 applications for R&I funding (28,167), training grants (399) and fellowships (1,984) (2023-24: 29,855) and made 5,667 new awards (2023-24: 7,426).

Supported 4,216 organisations (2023-24: 4,668), including 125 research, academic and higher education institutions (2023-24: 126), 3,304 small and medium sized enterprises (2023-24: 3,689) and 61 UKRI-funded institutes, centres and Catapults.

Supported 29,911 (2023-24: 29,370) individuals, including Project leads, Co-investigators, Project co-leads (UK and International), Researcher co-investigators, Researcher co-leads, and Fellows.

* Since publishing the 2023-24 Annual Report and Accounts, the 2023-24 data above has been updated. This year, we have included all funding decisions made whereas previously only competitive awards were reported. We have also reviewed and revised previously published

figures to reflect the most current data available in the UKRI Databank (UKRI's administrative data repository).

Risk summary

We use effective risk management to support delivery of the objectives and priorities identified in our strategy. Our goal, through early identification and active management of risks, is to anticipate uncertainties that may impact the delivery of priorities, undertake relevant and timely assessments, plan mitigations and manage issues (should they arise) with an agile and effective response. Our approach to managing our principal risks includes a robust schedule of deep dive evaluations of each of our principal risks in our monthly ExCo meetings.

These deep dives enable ExCo to scrutinise the risk elements and the measures we are taking to reduce risk. Through these dives, we analyse the flight path of each risk and track the planned activity from residual score through to our target, where the risk is expected to come within our risk appetite. A summary of our principal risks is presented in the heatmap below, including risk titles to indicate the types of risk. The Risk and Performance section of this report provides more

information about the nature of these risks and how they are being managed (page 157).

!! Risk above appetite

!! R-0024 – Failure to deliver against UKRI Environmental Sustainability and Greening Government Commitments: Risk low

!! R-2771 – Effectiveness of UKRI systems and IT infrastructure: Risk medium

!! R-0020 – UKRI Staff Capability and Capacity: Risk medium

!! R-1930 – Financial sustainability of the UK research system: Risk medium

!! R-2146 – Major gap/failure in our internal control environment: Risk low

!! R-1794 – Failure to deliver the benefits of UKRI's Organisational Change Portfolio: Risk medium

!! R-0028 – Trusted Research and Innovation: Risk medium

!! R-1756 – Failure to influence and respond to

changes in the policy landscape: Risk medium

!! R-2802 – Managing UKRI's strategic direction to achieve UKRI's intended impact: Risk medium

Delivering our strategic objectives

April 24
Places: We helped SMEs and innovative businesses commercialise their ideas and boost local economic growth by awarding **£16 million** (https://www.ukri.org/news/business-led-schemes-set-to-boost-growth-all-over-the-uk/) to 101 new projects.

Supported by a world-class organisation: We signed the **cross-sector concordat for the environmental sustainability** (https://www.ukri.org/news/ukri-welcomes-cross-sector-environmental-sustainability-concordat/) of R&I practice to collectively reduce the environmental impacts of carrying out research.

May 24
Places: The National Satellite Test Facility (https://www.ukri.org/news/lift-off-for-uks-national-satellite-test-facility/), the UK's first 'one-stop shop' for large satellite testing, opened its doors at the STFC-supported Harwell Space Cluster.

Innovation: In a commercial world first, Infleqtion, in collaboration with BAE Systems and QinetiQ, successfully completed commercial flight trials of advanced **quantum-based navigation systems** (https://www.ukri.org/news/un-jammable-quantum-tech-takes-flight-to-boost-uks-resilience/) that cannot be jammed or spoofed by hostile actors, after receiving nearly £8 million of UKRI funding delivered by Innovate UK.

June 24
People and Careers: **Harwell Campus welcomed over 12,000 visitors** (https://www.harwellcampus.com/discover/stories/open-day-2024/) to explore cutting-edge research facilities and meet the scientists and technicians behind groundbreaking research and discoveries.

Places: We **signed** (https://www.ukri.org/blog/forging-a-better-future-uk-and-australia-partner-for-progress/) a Memorandum of Understanding (MoU) with the Australian Commonwealth Scientific and Industrial Research Organisation (CSIRO) to address global challenges and enhance prosperity for the UK, Australia and the world.

July 24

Impacts: We launched **five new quantum hubs** (https://www.ukri.org/news/five-hubs-launched-to-ensure-the-uk-benefits-from-quantum-future/) under UKRI's Technology Missions Fund to harness quantum technologies for health care, computing, national security and critical infrastructure.

People and Careers: **We awarded 68 new Future Leaders Fellows £104 million** (https://www.ukri.org/news/68-new-future-leaders-fellows-awarded-104-million-in-the-eighth-round/) to lead research into global issues and commercialise their innovations in the UK.

August 24

Impacts: BBSRC and Innovate UK announced their £15 million investment in the new **National Alternative Protein Innovation Centre** (https://www.ukri.org/news/national-alternative-protein-innovation-centre-launches/), strengthening the UK's leadership in this rapidly growing global market.

Places: We announced a NERC-led **£38 million** (https://www.ukri.org/news/improving-the-uks-resilience-to-floods-and-droughts/) Flood and Droughts Research Infrastructure investment to improve the UK's resilience to extreme weather events.

September 24
Ideas: We announced **£32.4 million for 36 projects** (https://www.ukri.org/news/first-projects-from-ukris-new-interdisciplinary-scheme-announced/) from the first round of UKRI's new cross research council responsive mode pilot scheme, designed to stimulate exciting new interdisciplinary research.

Ideas: We celebrated the milestone of awarding **£2 billion of Horizon Europe guarantee funding** (https://www.ukri.org/news/uk-celebrates-2-billion-milestone-in-horizon-europe-guarantee-funding/) on behalf of DSIT, supporting researchers, innovators and businesses to tackle everything from studying bacteria in waters to artificial intelligence combating drug trafficking.

October 24
Places: Lord Vallance, the Minister for Science, Research and Innovation, formally opened the **National Quantum Computing Centre** (https://www.ukri.org/news/science-minister-opens-national-quantum-computing-centre/?utm_medium=email&utm_source=govdelivery), a new national laboratory focused on accelerating quantum computing in the UK.

Places: AHRC launched the £80 million **RICHeS** (https://www.riches.ukri.org) programme, the UK's

largest ever conservation and heritage science programme, which has already secured nearly £1 million in further funding and is set to boost North West England's economy by £30 million in Gross Value Added.

November 24
People and Careers: We announced over **£500 million in doctoral landscape awards and doctoral focal awards** (https://www.ukri.org/news/ major-investment-to-support-the-next-generation-of-researchers/) across BBSRC, EPSRC and NERC, to train the next generation of researchers for a diverse range of careers, both in research and innovation and across the public and private sectors.

Places: We celebrated the **fifth anniversary of UKRI North America's expansion to include Canada** (https://www.ukri.org/news/ celebrating-five-years-of-stronger-uk-and-canada-partnerships/) and five years of developing partnerships, nurturing talent and facilitating groundbreaking research between both countries.

December 24
Supported by a world-class organisation: **STFC won the 2024 industry-team project award** (https://www.ukri.org/news/stfc-lands-prestigious-space-award/) for outstanding support for space

tech start-ups at the Sir Arthur Clarke Awards, enabling entrepreneurs to transform ambitious ideas into viable businesses.

Impacts: MRC launched two new **£50 million Centres of Research Excellence** (https://www.ukri.org/news/mrc-launches-two-50m-centres-for-cutting-edge-gene-therapies/), to develop transformative new advanced therapeutics for currently untreatable diseases.

January 25
Innovation: A **new report** (https://www.ukri.org/news/spin-outs-from-mrc-funded-research-attract-10bn-in-investments/) revealed that MRC-funded research had generated spin-out companies with an estimated economic value of over £6.1 billion, created more than 3,800 jobs, and attracted £10.2 billion of external investment.

People and Careers: We announced an **8% increase in the minimum stipend for PhD students starting 1 October 2025** (https://www.ukri.org/news/ukri-is-increasing-phd-stipends-and-improving-student-support/), marking the largest real terms increase for UKRI-funded students since 2003.

February 25
Innovation: **Two new evaluations of Research**

England's knowledge exchange funding
(https://www.ukri.org/news/new-evaluations-of-
research-englands-knowledge-exchange-funding/)
showed significant returns on investment of £14.80
for every £1 of UKRI funding via Higher Education
Innovation Funds and £7.70 for every £1 invested
through Connecting Capability Fund.

Innovation: AHRC unveiled three **CoSTAR
labs** (https://www.costarnetwork.co.uk/labs/
livelab), state-of-the-art R&D facilities advancing
technology for the entertainment industries, as
part of a £75.6 million national network driving
innovation in the creative industries.

March 25
Impacts: Through ESRC, we **announced** (https://
www.ukri.org/news/esrc-renews-funding-for-
two-key-economic-policy-research-centres/) the
renewal of £9.2 million funding for the Centre
for Economic Performance to continue its policy
focused research, and over £10 million for the
Centre for the Microeconomic Analysis of Public
Policy to study the impact of government policy on
individuals and business.

Innovation: We opened a **£9 million proof-of-
concept funding** opportunity (https://www.ukri.
org/news/new-ukri-proof-of-concept-funding-set-
to-bolster-innovation/) to turn world-class research

into market-leading products and services, following an independent review of university spin-outs published in Nov 2023.

Financial Overview

UKRI's expenditure is reported on two different bases in this Annual Report and Accounts:

1. The Consolidated Statement of Comprehensive Net Expenditure (pages 95-98 of Vol. 2) presents net expenditure of £9.9 billion for the UKRI Group. The expenditure is calculated following accounting standards and guidance, which are explained in more detail in Note 1 to the financial statements, and on a similar basis to those rules applied by organisations internationally.

2. The Outturn against Budget is £9.8 billion. These figures are calculated in accordance with HM Treasury's budgeting framework. The figures used in this Annual Report have been prepared on this basis. There is a difference between these two bases primarily due to additions to Property, Plant and Equipment of £201 million that are capitalised, rather than being in the Statement of Comprehensive Net Expenditure, but which have a budgetary impact.

Outturn against budget 2024-25

UKRI 2024-25 Budget Allocation	Full Year Outturn £m	Full Year Budget £m	Variance to Outturn £m	UKRI Variance to Outturn %
UK Research Base, of which:	7,230.7	7,302.0	71.3	1.0%
Core Research	5,290.2	5,245.7	(44.5)	-0.8%
Non-Core Research	1,940.5	2,056.3	115.8	5.6%
R&D Other	525.4	438.6	(86.8)	-19.8%

UKRI 2024-25 Budget Allocation	Full Year Outturn £m	Full Year Budget £m	Variance to Outturn £m	UKRI Variance to Outturn %
Core Innovation	940.3	978.0	37.6	3.8%
Core Capital Allocation	**8,696.4**	**8,718.5**	**22.1**	**0.3%**
Core Innovation: DfT Zero emission HGV Technologies	80.1	80.0	(0.1)	-0.1%
ODA	18.4	19.4	1.0	5.3%
DSIT Managed Programmes	275.2	310.2	35.0	11.3%

UKRI 2024-25 Budget Allocation	Full Year Outturn £m	Full Year Budget £m	Variance to Outturn £m	UKRI Variance to Outturn %
EU Programmes	457.0	461.7	4.6	1.0%
Ringfenced Capital Allocation	830.6	871.3	40.6	4.7%
Grand Total Capital Allocation	9,527.0	9,589.8	62.8	0.7%
Innovation Loans	25.1	12.0	(13.1)	-109.1%
Other Financial Transactions	1.7	2.0	0.3	17.3%

UKRI 2024-25 Budget Allocation	Full Year Outturn £m	Full Year Budget £m	Variance to Outturn £m	UKRI Variance to Outturn %
Ringfenced Resource Budget	219.5	245.9	26.4	10.8%
Annually Managed Expenditure	5.8	116.5	110.7	95.0%
Total Allocation	9,779.1	9,966.3	187.1	1.9%

The table above provides a summary of UKRI's outturn against budget. UKRI has a financial management target to deliver an outturn that is not overspent and no more than 1% underspent against its core capital allocation.

The table above excludes £347 million of spend within the UK Research Base, where UKRI increased expenditure at the request of DSIT to manage the overall departmental group position. Expenditure was increased by rephasing of Research England quality-related research (QR) funding payments to higher education institutions across the academic year such that they fell into the 2024-25 financial year. UKRI achieved an underspend of £22 million against the Core Capital allocation. This equates to a 0.3% variance, which is consistent with the financial performance throughout the Spending Review and is in line with the financial management target.

The table below sets out the outturn over the Spending Review 2021 period (SR21):

UKRI Allocation Headings	Full Year Outturn 2024-25 £m	Full Year Outturn 2023-24 £m	Full Year Outturn 2022-23 £m	Full Year Outturn 2021-22 £m	Full Year Outturn 2020-21 £m
UK Research Base, of which:	7,230.7	7,044.8	6,786.8	6,713.4	7,184.1
Core Research	5,290.2	5,188.8	4,881.9	4,860.5	4,939.2
Non-Core Research	1,940.5	1,855.9	1,904.9	1,852.9	2,244.9
R&D Other	525.4	555.0	485.8	461.4	474.1
Core Innovation	940.3	838.8	676.4	643.4	553.0

UKRI Allocation Headings	Full Year Outturn 2024-25 £m	Full Year Outturn 2023-24 £m	Full Year Outturn 2022-23 £m	Full Year Outturn 2021-22 £m	Full Year Outturn 2020-21 £m
Core Capital Allocation	8,696.4	8,438.5	7,949.0	7,818.2	8,211.2
Core Innovation: DfT Zero emission HGV technologies	80.1	14.7	0.1	0.0	0.0
ODA	18.4	51.1	118.6	131.9	387.7
DSIT Managed Programmes	275.2	150.0	445.7	378.0	294.9
EU Programmes	457.0	359.3	531.1	5.9	0.0
Ringfenced Capital Allocation	830.6	575.1	1,095.7	515.8	682.5
Grand Total Capital Allocation	9,527.0	9,013.7	9,044.8	8,334.0	8,893.8

UKRI Allocation Headings	Full Year Outturn 2024-25 £m	Full Year Outturn 2023-24 £m	Full Year Outturn 2022-23 £m	Full Year Outturn 2021-22 £m	Full Year Outturn 2020-21 £m
Innovation Loans	25.1	19.8	15.6	62.3	37.7
Other Financial Transactions	1.7	2.0	1.5	(20.3)	(3.0)
Ringfenced Resource Budget	219.5	250.7	191.2	203.5	192.6
Annually Managed Expenditure	5.8	(29.7)	28.2	120.0	23.6
Total Allocation	9,779.1	9,256.4	9,281.2	8,699.5	9,144.8

The UK Research Base outturn has stayed broadly consistent across the three-year spending review period. The increase of £258 million in UK Research Base in 2023-24 compared to 2022-23 was driven by Core Research spend, in particular a £206 million increase in International funding. The increase of £186 million between 2023-24 and 2024-25 was largely driven by an increase in spend of £210 million in Strategic Research and £84 million quality-related research (QR) funding, both within Core Research. Funding areas within Non-Core Research also contributed to this increase on prior years' spend, driven by the Infrastructure Fund with an £104 million increase on last year's spend.

The Research and Development (R&D) Other ringfence increased spend from 2022-23 to 2023-24, mainly driven by increases within the Technology Missions Fund, Levelling Up Programme and Faraday Institution. Additionally, spend in some R&D Other areas has increased from 2023-24 to 2024-25, most notably in the Technology Missions Fund (£140 million spend increase) and Levelling Up/Innovation Accelerators (£31 million spend increase). The Industrial Strategy Challenge Fund spend has reduced through the SR as the fund has come to a close at the end of 2024-25.

In Spending Review 2021, our Core Innovation budget received a significant, specific uplift in funding. It was expected that Core Innovation spend would total £2.4 billion from 2022-23 to 2024-25. Actual spend across this period came to £2.5 billion, with spend between 2023-24 and 2024-25 increasing by £102 million due to the introduction of funding in areas such as net zero, Health and Digital.

Part of Core Innovation, Department for Transport (DfT) Zero emission heavy goods vehicle (HGV) technologies, is strictly ringfenced and is reported separately. Spend in this area has increased year-on-year during the SR period as planned.

Official Development Assistance (ODA expenditure has decreased through the SR period, landing at £18.9 million in 2024-25. In 2022, the government announced that both the Global Challenges Research Fund (GCRF) and Newton Fund would be discontinued. The replacement was announced as the International Science Partnerships Fund (ISPF) which is a blend of ODA/non-ODA funding and sits under the DSIT Managed Programmes ringfence. The reduction in ODA expenditure across SR21 reflects GCRF and Newton portfolios coming to an end and in line with expectations.

Managed Programmes outturn decreased from 2022-23 to 2023-24 as a result of the Department for Business, Energy and Industrial Strategy (BEIS) being split into three new Departments. The Department for Science, Innovation and Technology (DSIT) has continued the majority of UKRI's funding, but this has resulted in the cost of most programmes managed by Department for Business and Trade (DBT) and Department for Energy Security and net zero (DESNZ) to move to an invoicing arrangement, rather than UKRI receiving a budget allocation. £64 million of the DSIT Managed Programme spend in 2023-24 was in relation to new funding for the AI Research Resource (AIRR). The overall DSIT Managed Programmes spend increased in 2024-25, with AIRR spend increasing to £131 million in 2024-25, and spend for ISPF (ODA and non-ODA combined) increasing by £46 million.

UK association to the Horizon Europe programme was granted in September 2023. Association means that UK organisations are able to bid into Horizon Europe funding calls, certain that all successful UK applicants will be covered for the remainder of the programme either through the UK's association, or through the UK guarantee for applications submitted ahead of association, which is being delivered by UKRI. In 2023-24, UKRI increased its spend under the Horizon Europe

Guarantee to £291 million, due to the significant increase in the onboarding of grants from Horizon Europe. This increased again in 2024-25 to £440.5 million as these projects ramped up their activity. The EU Programmes heading also includes spend for Copernicus, which has stayed broadly consistent across 2023-24 and 2024-25.

In addition, Innovate UK (IUKL) expenditure increased from 2022-23 to 2023-24 and again in 2024-25 due to an increased portfolio. The Innovation Loans variance of £13 million represents solely the drawdown of new loans but excludes capital repayments. Capital repayments of £8 million are shown under the Ringfenced Resource Budget line. Offsetting the overspend in Innovation Loans with the loan's repayment line would present a net spend variance of £5 million. This has been caused by factors outside IUKL's control (such as slower capital repayments by borrowers than forecast) and also a surrender of receipts of £2.1 million to HM Treasury's Consolidated Fund being interest on Future Economy loans and excess loan receipts over operational expenditure.

Full details on changes in UKRI's Consolidated Statement of Financial Position in 2024-25 is contained in the Financial Statements and notes on pages 94-326 of Vol. 2. Explanations for year-

on-year variances in balances can be found in the notes to the financial statements.

UKRI Councils' and Programmes Investments in 2024-25

Core AHRC – £77 million

Core BBSRC – £322 million

Core EPSRC – 641 million

Core ESRC – £134 million

Core MRC – £604 million

Core NERC – £320 million

Core STFC – £608 million

Core Research England – £2,006 million

Core Innovate UK – £919 million

Cross Cutting Clusters – £43 million

Existing Time-Limited Commitments – £136 million

Collective Talent Funding – £696 million

Infastructure – £1,138 million

New cross-UKRI Strategic Programmes – £439 million

Existing cross-UKRI Strategic Programmes – £540 million

Centrally Managed Funding – £156 million

Budgets have been rounded to the nearest £25 million represented by squares. The financial year 2024-25 represents the final year of the Spending Review 2021 settlement which began from 2022-23. The initial allocation of budgets to research councils over the three years was set £815 million higher than the official settlement to mitigate the risk of underspends and ensure best use of available funding. Figures presented are in nominal terms.

All figures exclude funding for ODA, DSIT Managed Programmes, Annually-Managed Expenditure, Expected Credit Losses and Innovation Loans interest, Provisions, Resource Non-Cash Departmental expenditure limit, and Horizon and Innovation Loans.

Please note that the outturn data in this table takes into account actual, audited spend which has been mapped as far as possible to headings that are consistent with other UKRI publications. However, there will be some differences in how some spend lines have been mapped between headings in this document and previously published documents. Please also be aware that UKRI's budgets change throughout any given year due to a combination of day-to-day financial management, including the reprofiling of budgets between years and the adjustment of budgets between programme lines in-year.

During the course of 2024-25 UKRI also received some additional allocations from DSIT to deliver on priorities. If comparing the figures in this document with other documents, any lower numbers will be due to slippage or mapping changes, and will not impact on total investment across multi-year programmes.

Our website includes more information about how we manage our **budget** (https://www.ukri.org/who-we-are/about-uk-research-and-innovation/ukri-explainers/) and **what we have funded** (https://www.ukri.org/what-we-do/what-we-have-funded/).

Our story so far

UKRI launched in 2018, bringing together the seven research councils with Innovate UK and Research England. Within our initial strategic prospectus, we outlined our ambition to meet unprecedented societal and industrial challenges by working with researchers and innovators in academia, business, charities and government. Here is the story of how we have delivered on this ambition so far:

2018

We published **UKRI's Strategic Prospectus** (https://haseloff.plantsci.cam.ac.uk/resources/ SynBio_reports/180801-UKRI-Strategy-Prospectus.pdf), setting out our ambitions to support research and innovation in the most effective ways across the UK.

We designed and implemented five new flagship funds to invest the **National Productivity Investment Fund** (https:// www.ukri.org/who-we-are/how-we-are-doing/ evaluation-reports/ukri-investments-that-are-currently-being-evaluated/) in world-class research and innovation.

(2018)
Impacts: **Strengthening the UK economy and R&I ecosystem through National Productivity Investment Fund (https://www.ukri.org/who-we-are/how-we-are-doing/evaluation-reports/ukri-investments-that-are-currently-being-evaluated/) programmes**

Generating co-investment in UK R&D: Total co-investment on **UKRI Challenge Fund** (https://www.ukri.org/what-we-do/ukri-challenge-fund/) projects has reached £5.79 billion to date, surpassing our target of £2.8 billion and UKRI's investment of £3.3 billion.

Delivering benefits for the UK economy: Evidence from self-reported Challenge-level data indicates that the UKRI Challenge Fund has had a positive economic impact so far, enabling the successful development of at least 73 new products or services across the Challenges. Where measured, average increases in turnover for participating organisations have ranged from 70-175%.

Strengthening international collaboration in the UK R&I ecosystem: 73% of UK Fund for International Collaboration (FIC) participants continued their relationship with overseas partners beyond the fund's lifetime.

We launched the AHRC-led **Creative Industries Clusters** (https://www.ukri.org/what-we-do/ browse-our-areas-of-investment-and-support/ creative-industries-clusters-programme/) programme, which, as of November 2024, had created over 5,500 jobs in nine clusters covering 80% of the UK, trained more than 5,000 people, and supported over 460 new spin-outs, start-ups and scale-ups.

(2018)
Places: Enhancing a Northern Irish cluster with critical mass investments in photonics

EPSRC investments (https://www.ukri.org/ who-we-are/how-we-are-doing/research- outcomes-and-impact/epsrc/hard-drive-disks- propel-vital-market-growth/) have supported the development of new cloud storage technology and regional academic-industry **R&I consortia in Northern Ireland** (https://www.smartnanoni. com), with the progress made helping to attract £81 million of foreign investment from Seagate Technology. A further investment of £42 million through our **Strength in Places Fund** (https:// www.discover.ukri.org/strength-in-places- fund/) has attracted industry co-investment of £22 million in **Smart Nano NI** (https://www. smartnanoni.com), and will create an estimated further 500 jobs over the next decade. Heat-

Assisted Magnetic Recording (HAMR) technology increases the storage capabilities of hard drive disks used in cloud storage, including those accessed by smartphones and laptops.

2019

We enabled the BBSRC-funded **Roslin Institute** (https://vet.ed.ac.uk/roslin) in Edinburgh to contribute almost £20 billion to the global economy in 2019-20 through productivity improvements in agriculture and aquaculture, according to an **independent economic analysis** (https://vet.ed.ac.uk/roslin/news-events/archive/2022/roslin-s-annual-global-impact-approaches-ps20bn) led by BiGGAR Economics.

We published a **Landscape Analysis** (https://www.ukri.org/publications/ukri-infrastructure-landscape-analysis/) and **Opportunities Report** (https://www.ukri.org/publications/ukri-infrastructure-opportunity-report/) as part of our **Infrastructure Roadmap Programme** (https://www.ukri.org/what-we-do/creating-world-class-research-and-innovation-infrastructure/infrastructure-roadmap-programme/) assessing the future R&I infrastructure landscape and identifying transformative opportunities.

Building on the recommendations of the roadmap programme, we established the pan-UKRI Infrastructure Fund in 2022 to maintain the UK's position as a R&I superpower, supporting infrastructure projects including the £61.2 million **Adolescent Health Study** (https://www.ukri. org/news/new-study-explores-health-of-100000-adolescents-over-10-years/) and the £59.3 million **Smart Data Research UK infrastructure** (https:// www.ukri.org/news/ukri-investment-to-harness-the-power-of-smart-data-for-research/).

2020

We worked with the Home Office, other government departments and the R&I sector to launch the **Global Talent Visa** (https://www.ukri. org/apply-for-funding/getting-a-global-talent-visa-to-do-research-in-the-uk/). Through our endorsed funder route, we have helped over 8,900 talented people from over 110 different countries to build their careers in the UK.

We supported the stability and sustainability of the research and innovation sector by delivering the **UKRI COVID-19 Grant Extension Allocation** (https://www.ukri.org/publications/ impact-evaluation-of-ukris-ri-funding-response-to-covid-19/) and £750 million of targeted COVID-19 support for R&D intensive firms.

(2020)
Impacts: Delivering world-class research and innovation to strengthen the UK's response to COVID-19

Two billion doses of the **Oxford/AstraZeneca COVID-19 vaccine** (https://www.ukri.org/who-we-are/how-we-are-doing/research-outcomes-and-impact/mrc/the-story-behind-the-oxford-astrazeneca-covid-19-vaccine-success/) had been made available to over 170 countries by June 2024. The vaccine, developed by the University of Oxford and AstraZeneca, was based on decades of in-depth research supported by UKRI councils, with MRC at the heart. UKRI-funded research and innovation helped shape government decisions, reduced the pandemic's effects, and saved lives:

UKRI-funded researchers advised on the benefits of a gradual lifting of restrictions after the UK's third national lockdown, in contrast to the option of a sudden removal of all restrictions. This is estimated to have saved up to 100,000 lives and prevented 300,000 hospital admissions

Insights from UKRI-funded awards on transmission on public transport contributed

> to 1,200 London buses being fitted with a new ventilation system, decreasing the risk of exhaled air reaching the driver's cabin by 97%
>
> UKRI-funded investments provided data to support the introduction, design and understanding of the Coronavirus Job Retention Scheme (CJRS, 'furlough'), which supported 11.7 million jobs and 1.3 million employees

2021

We began delivering the **Horizon Europe Guarantee** (https://www.ukri.org/apply-for-funding/apply-for-horizon-europe-guarantee-funding/) on behalf of the UK government, providing over £2 billion of crucial funding to UK researchers and innovators who have been part of successful Horizon Europe bids.

> **(2021)**
> **Ideas: Gaining new insights into the quality of university-supported research**
>
> Through the 2021 **Research Excellence Framework (REF) assessment** (https://results2021.ref.ac.uk), we gained new insights into the quality of research conducted across

> the breadth of university activity by including for the first time the submission of all staff with significant responsibility for research. Research England managed the assessment on behalf of all four UK higher education funding bodies.

We attended the **United Nations Climate Conference (COP 26)** (https://www.ukri.org/publications/tackling-climate-change-adaptation-and-resilience-opportunities/) in Glasgow, hosting eight public exhibitions attracting over 30,000 visitors on the role of research and innovation in tackling climate change. Research supported by NERC also underpinned the development of the Global Methane Pledge launched at COP26 and signed by 159 countries.

> **(2021)**
> **Places: RRS Sir David Attenborough**
>
> In 2021, the NERC-commissioned RRS Sir David Attenborough, one of the most advanced polar research vessels in the world, travelled to Antarctica on its maiden voyage.

We migrated to a unified UKRI website, bringing together the digital presence of all seven research councils, Innovate UK and Research England into a single, streamlined platform, simplifying user journeys, strengthening UKRI's collective voice,

and delivering a more cohesive and efficient experience for all users.

2022

We launched our five **UKRI Strategic Themes** (https://www.ukri.org/who-we-are/our-vision-and-strategy/ukri-strategic-themes/), with initial funding of £185 million to support new interdisciplinary activity amplifying and connecting existing UKRI investments.

We published **Transforming Tomorrow Together** (https://www.ukri.org/publications/ukri-strategy-2022-to-2027/ukri-strategy-2022-to-2027/), our first five-year Strategy, setting out long-term, high-level priorities for how we will deliver our vision for an outstanding R&I system in the UK that gives everyone the opportunity to contribute and benefit.

> **(2022)**
> **People and Careers: Fostering the skills, people and teams needed across the UK to underpin a thriving and connected R&I system**
>
> In May 2022, we announced our new Collective Talent Funding programme, harmonising and simplifying £2 billion of talent initiatives covering studentships and fellowships.

> The programme was established to reduce bureaucracy and make it easier to work across disciplines, sectors and the wider R&I system. A new Doctoral Investment Framework followed in November 2023, consisting of two new types of awards that accommodate a wide range of innovative training programmes.
>
> Our talent-focused investments incentivise diverse career paths and foster collaborations across academic, business, investor and policy communities. For example, the 2021 pilot of ESRC's cross-government Policy Fellowship competition placed a Data Science Fellow in 10 Downing Street. The Fellow became Interim Director of Data and Analysis at Active Travel England and set up their data science and analysis function, informing tens of millions of pounds of infrastructure investments.

We instigated the establishment of local space partnerships within Cumbria, Lancashire, Liverpool City Region, Greater Manchester and Cheshire by launching the STFC-led **North West Space Cluster** (https://www.ukri.org/who-we-are/stfc/facilities/clusters/north-west-clusters/), which has leveraged resources from regional, national and international partners to drive productivity across the regional space economy.

2023

We marked a major step-change in our relationship with the German Research Foundation (DFG) by signing the first **pan-UKRI-DFG Memorandum of Understanding (MoU)** (https://www.ukri.org/news/uk-germany-research-partnership-grows/) to facilitate researcher-led collaboration and enhance bilateral cooperation between researchers in Germany and the UK.

We published our **people and teams action plan** (https://www.ukri.org/publications/ukri-people-and-teams-action-plan/) to support world class research and innovation teams, advancing our commitments under the Technician Commitment and Researcher Development Concordat, and aligning initiatives across UKRI.

> **(2023)**
> **World-class organisation: Exploring our potential to collaborate with thriving staff networks**
>
> More than 8,000 people work across the breadth of UKRI. To deliver our vision of a research and innovation system that is for everyone, we have set up eight **staff networks** (https://www.ukri.org/who-we-are/mrc/working-for-us/workplace-inclusion/) to ensure

> colleagues feel free to contribute their ideas and listen to others. UKRI's success depends on creating a working environment that supports everyone to thrive. Our staff networks play a key role in co-creating an inclusive workplace.

We announced £250 million of **Technology Missions Fund** (https://www.ukri.org/what-we-do/browse-our-areas-of-investment-and-support/ukri-technology-missions-fund/) investments in artificial intelligence, quantum technologies and engineering biology.

2024-2025

To date, we have:

- Assessed over **173,532** applications for R&I funding, 40,348 of which were awarded.
- Supported **10,920** organisations including 504 research, academic and higher education institutions and 9,121 small and medium-sized enterprises.
- Supported **53,418** individuals, comprising of Project leads, Co-investigators, Project co-leads (UK and International), Researcher co-investigators, Researcher co-leads, and Fellows.

**(2024)
Innovation: Driving business growth
through tackling the global challenges of
our food system**

Our Transforming Food Production (TFP)
Challenge concluded in March 2024, having
catalysed private co-investment of £394 million
from a total Innovate UK and BBSRC investment
of £68 million in 92 projects since 2019. The
challenge supported business-led teams
to produce food that reduce emissions and
pollutions, and contribute to feeding a growing
world population. Project outcomes included:

> **demonstrating** on a large scale the utility
> of using autonomous robotic technologies
> for the picking and packing of soft fruit and
> treating crops with pesticides, as well as
> collecting data that can be used to help
> maximise crop yield

> **demonstrating** the viability of generating
> insect feed from food waste through
> mechanised processes, that the feed it
> generated is safe, and that black soldier fly
> farming in the UK is profitable and scalable

A survey of TFP funding beneficiaries
published in February 2024 reported that 23%

of beneficiaries had observed an increase in turnover as a result of their TFP project, with 31% observing an increase in employment and 89% developing new or strengthening existing collaborations with industry.

Performance Analysis

In a major international collaboration involving the BBSRC-funded John Innes Centre, scientists have unlocked the genetic secrets of over 700 varieties of peas from around the world. This has created a powerful genomic resource that could supercharge the development of hardier, more sustainable crops.

This section describes in detail how we have delivered over the year. The section also outlines the ambitions we set out in our 2022-2025 Corporate Plan and describes UKRI's progress against them for each of our six strategic objectives, details of key risks and how they have been managed, and how we are driving environmental sustainability across the organisation.

Please note: Since publishing the 2023-24 Annual Report and Accounts, some of the data in objectives 1-4 has been updated. This year, we have included all funding decisions made in 2024-25, whereas previously only competitive

awards were reported. We have also reviewed and revised previously published figures to reflect the most current data available in the UKRI Databank (UKRI's administrative data repository). The affected measures are: Objective 1: Who our funding supported in 2024-25; Objective 2: Partnerships on UKRI awards and Objective 4: Co-investment on New Grants.

Objective 1: People and careers

We invest across the full R&I skills spectrum to make the UK the destination of choice for talented people, teams, and businesses. In our strategy, we committed to increase investment in our people, culture and talent portfolio, to boost career path diversity and connectivity, and to enable a wide range of exciting careers and a vibrant UK R&I culture.

In our 2022-25 Corporate Plan, we committed to: creating a UKRI-wide talent programme that would harmonise our activities to reduce bureaucracy and support the UK government to deliver a New Deal for Postgraduate Research.

In 2024-25, we:

- **invested over £500 million on new Doctoral Landscape awards** (https://www.ukri.org/news/major-investment-to-support-the-next-generation-of-researchers/), to support around 4,700 studentships across the engineering and physical sciences, biological sciences and natural and environmental sciences
- announced an **8% increase** (https://www.ukri.org/news/ukri-is-increasing-phd-stipends-and-improving-student-support/) in the minimum PhD stipend from October 2025 and updates to our doctoral training grants terms and conditions for the 2025-26 academic year, to simplify extensions for medical or additional leave and remove barriers for disabled students

In our 2022-25 Corporate Plan, we committed to: making the UK the most attractive destination for talented people and teams from the UK and around the world.

In 2024-25, we:

- invested £104 million in 68 of the most promising research leaders, through **round 8 of Future Leaders Fellowships (FLF)** (https://www.ukri.org/news/68-new-future-leaders-fellows-awarded-104-million-in-the-eighth-round/), to lead cutting-edge research and commercialise their innovations in the UK
- issued the first endorsements for R&D businesses under the Government Authorised Exchange Future Technology R&I short-term **visa scheme** (https://www.ukri.org/apply-for-funding/getting-a-temporary-visa-to-do-short-term-research-in-the-uk/), enabling international research collaborations, training, and work placements for up to two years in critical technology areas

In our 2022-25 Corporate Plan, we committed to: improving support for the range of roles needed in R&I and enhancing the porosity of the system to incentivise the movement of people, ideas and skills.

In 2024-25, we:

- awarded £3.4 million to **11 new three-year BBSRC Flexible Talent Mobility Accounts** (https://www.ukri.org/opportunity/flexible-

talent-mobility-accounts-ftma/) enhancing cross-sector and interdisciplinary knowledge exchange

- initiated ESRC's new phase of **doctoral training** (https://www.ukri.org/what-we-do/developing-people-and-skills/esrc/doctoral-training-partnerships/) with a focus on research skills and employability through 'research in practice' placements

- invested £16 million in **Strategic Technical Platforms** (https://www.ukri.org/news/new-funding-to-support-research-technical-professionals/), providing training for engineering and physical sciences research technical professionals

In our 2022-25 Corporate Plan, we committed to: delivering our Equality, Diversity and Inclusion Strategy to support the diverse, inclusive and connected R&I system essential for success.

In 2024-25, we:

- contributed to addressing the under-representation of Black heritage researchers across MRC and the UK biomedical sciences by funding new initiatives in the **Black in Biomedical Research project** (https://www.

ukri.org/what-we-do/supporting-healthy-
research-and-innovation-culture/equality-
diversity-and-inclusion/mrc/), including a
second cohort of **Sanger Excellence Fellows**
(https://www.sanger.ac.uk/about/equality-in-
science/sanger-excellence-fellowship/) and
paid internships for Black biomedical students

- launched a new **£2.5 million** (https://www.ukri.
org/news/edi-hub-to-use-collective-knowledge-
to-address-diversity-challenges/) national
hub to address diversity challenges within
the engineering, physical and mathematical
sciences community

**In our 2022-25 Corporate Plan, we committed
to:** developing and influencing responsible national
and international R&I policy and culture, driving the
adoption of good practice.

In 2024-25, we:

- **published** (https://www.ukri.org/news/ukri-
wide-policy-on-research-and-innovation-
involving-animals/) a new UKRI policy
standardising approaches to involving animals
in research, supporting advances across
UKRI-funded activities via BBSRC and MRC
with support from the **NC3Rs** (https://nc3rs.
org.uk)

- served as the Interim Executive Secretariat for the **Global Research Council (GRC)** (https://globalresearchcouncil.org), in partnership with the German Research Foundation (DFG)

In our 2022-25 Corporate Plan, we committed to: delivering a new public engagement strategy for UKRI, to break down barriers between research, innovation and society.

In 2024-25, we:

- boosted public participation in research via AHRC with a new £3 million **national Centre for Public Engagement Practice in Arts and Humanities** (https://www.sas.ac.uk/news-events/news/new-ukri-funded-centre-launched-boost-public-engagement-arts-humanities-research)
- included people with lived experience of flooding and coastal erosion within the grant assessment panel for NERC's £2.4 million **Engaged Environmental Science** (https://www.ukri.org/opportunity/engaged-environmental-science/) programme

How we performed: Developing the breadth of skilled people and teams essential for the future R&D workforce

Who our funding supported in 2024-25

Analysis: We committed to nurturing and growing the UK's talent base within our 2022-25 Corporate Plan, by continuing to invest in people and teams across the full R&I skills spectrum. In 2024-25, we increased the number of researchers and innovators that we invest in by 1.4% from 2023-24, and the numbers of fellows by 0.6%. The number of students supported has fallen by 4.2% from 2023-24 due to anticipated factors such as the end of additional support to mitigate the impacts of COVID-19, as well as factors such as recent increases to our UKRI stipend.

2023-24: Students 27,959; Fellows 2,023; Researchers and Innovators 27,720. 2022:23: Students 28,688; Fellows 2,075; Researchers and Innovators 28,508

Funding supports	2024-25
Researchers and Innovators	28,100
Fellows	2,136
Students	26,797

Our Award Holders

In 2023-24, most awardees for all role types were White. Excluding White awardees, the combined Asian ethnic group made up the largest proportion of awardees for all role types.

*	Our upcoming diversity data report will have detailed analyses of UKRI's applicants and awardees in 2023-24. Our website includes more information about UKRI's EDI related activities.

**	The label represents the proportion of awardees. The totals for each category may not equal 100%, reflecting data suppression methods where groups with four or fewer individuals are suppressed. Counts in groups with less than 2% of the annual role tota are not labelled. Our Funding Service details role descriptors and responsibilities.

Proportion of awardees 2023-24

Ethnic Group	Principal investigators	Co-investigators	Research co-investigators	Fellows
Asian	10%	10%	15%	13%
Black	1%	2%	2%	-
Mixed	3%	3%	3%	6%
Not disclosed	8%	7%	7%	4%
Other	0%	1%	-	-
White	78%	77%	72%	75%

Transforming women's healthcare through digital therapeutic support for gynaecological conditions

Dr Dupe Burgess is the founder of Bloomful, a company which aims to improve the healthy lifespan of women by developing accessible, evidence-based tools to self-manage their gynaecological health. Awarded funding from **Innovate UK's Women in Innovation programme** (https://iuk-business-connect.org.uk/projects/women-in-innovation/dupe-burgess/) in 2024-25, Dr Burgess reflected that 'this award comes at an important time for Bloomful: we are deep in product development and testing, and it will play a significant role in taking our product to the next level.'

EPSRC-funded PhD research underpins lifetime extension of Sellafield repository

Alexander Potts, a PhD student at the University of Manchester funded by EPSRC's **Industrial Cooperative Awards in Science and Engineering (ICASE)** (https://www.ukri.org/what-we-do/developing-people-and-skills/epsrc/studentships/industrial-doctoral-landscape-awards-idla/)scheme, generated experimental data which helped underpin a lifetime extension decision for the Vitrified Product Store (VPS) at Sellafield.

The VPS is a repository for all of the UK's highest activity solidified waste. Without the extension, a second facility may have been required, which would have cost the UK taxpayer over a billion pounds.

Attracting and retaining talented people and teams

Future Leaders Fellowships (FLF)

UKRI's flagship **Future Leaders Fellowships (FLF)** (https://www.ukri.org/what-we-do/developing-people-and-skills/future-leaders-fellowships/) programme empowers researchers and innovators to pursue bold ideas and groundbreaking research. It supports diverse career paths and drives innovations that can impact society and the economy.

- In 2024-25, £114.5 million was awarded to 77 new R&I fellows and £79.5 million to 136 existing FLF holders, allowing them to extend their award for an additional three years
- 623 fellowships have been awarded since the scheme launched in 2018, with a total of £896 million invested so far
- Of those awarded to date, 231 FLF holders

have received a **three-year renewal** (https://www.ukri.org/opportunity/renewal-scheme-for-current-future-leaders-fellows/), with a further £134 million committed

Almost 100 Fellows (collectively awarded over £100 million) are developing research in one of the UK Science and Technology Framework's five critical technology areas. Dr Chris Balance, a FLF based at the University of Oxford, is developing technologies to manipulate trapped atomic ions to build quantum computers. He is the co-founder of a spinout company, **Oxford Ionics** (https://www.oxionics.com/), that seeks to use these techniques to build commercial quantum computers.

* The FLF data is based on the decision dates of awarded applications made between 2018-19 and 2024-25.

Global Talent Visas

Visas endorsed	2021-22	2022-23	2023-24	2024-25
Visas endorsed	1,095	1,967	2,596	2,882

Analysis: **The Global Talent visa** (https://www.ukri.org/apply-for-funding/getting-a-global-talent-visa-

to-do-research-in-the-uk/) is the UK's primary visa for research, attracting talented researchers to the UK to work on competitively awarded research funding from a range of UK and international funders.

UKRI has endorsed 2,882 visas with an application date in 2024-25, approximately 2.6 times the total endorsed with an application date in 2021-22 (1,095), reflecting our progress against our 2022-25 Corporate Plan commitment to make the UK a highly attractive destination for talented people and teams. This increase is partly the result of recent expansions to the visa scheme, including a broader pool of eligible funders and host institutions, as well as enhanced communication efforts such as a series of best practice workshops held in 2024.

Fostering an inclusive R&I ecosystem

Engaging communities with environmental science and innovation

More than 3,000 visitors attended NERC's October 2024 Public Engagement Showcase **'Archwiliwch ein planed – Explore Our Planet'** (https://www. ukri.org/news/announcing-explore-our-planet-

public-event/) in Cardiff. Those who visited were able to see ocean science in action, find out more about the secret life of seals, try on genuine Antarctic explorer gear, and take a tour of the RRS *James Cook*, amongst a range of activities, talks and exhibits on offer.

Supporting scientists from Black heritage backgrounds

In 2024, the MRC Laboratory of Molecular Biology (LMB) launched a fully-funded **postdoctoral fellowship** (https://www2.mrc-lmb.cam.ac.uk/recruitment/rising-talent-fellowship/) for scientists from Black heritage backgrounds, helping to address their under-representation in the UK, promoting diversity and providing role models for future generations. The three-year fellowships, supported by a generous training budget and mentoring, are fostering skills development and a more inclusive scientific community.

Objective 2: Places

We invest across the UK in outstanding people and teams, institutions, infrastructures, sectors and clusters. In our strategy, we committed to enabling collaboration locally, regionally, nationally and internationally by deepening our engagement

with local and regional authorities and devolved administrations, delivering substantial strategic investment in R&I infrastructure, and working to understand the financial challenges the R&I system faces.

In our 2022-25 Corporate Plan, we committed to: investing in R&I strengths across all regions and nations of the UK, strengthening our partnerships with key regional and national partners, and delivering benefits to all citizens.

In 2024-25, we:

- drove innovation in precision medicines by delivering £55 million of funding through **UKRI's Strength in Places Fund** (https://www.ukri.org/what-we-do/browse-our-areas-of-investment-and-support/strength-in-places-fund/), the Northern Ireland Executive and consortium members
- fostered improvements in non-pharmaceutical healthcare across the UK's remote regions in partnership with NHS health and social care services via AHRC's £30 million **Mobilising Community Assets programme** (https://www.ukri.org/what-we-do/browse-our-areas-of-investment-and-support/mobilising-community-assets-to-tackle-health-inequalities/)
- published the **Tees Valley Local Action Plan**

(https://iuk-business-connect.org.uk/news/new-local-action-plan-launched-to-boost-tees-valley-economy/)through Innovate UK, in partnership with the Tees Valley Combined Authority and the wider Tees Valley ecosystem, to unlock regional innovation-led growth **In our 2022-25 Corporate Plan, we committed to:** creating the conditions for local high-growth R&I clusters across the country, driving growth and crowding in private sector investments.

In 2024-25, we:

- supported the UK's Industrial Strategy with the launch of **two AHRC-led Creative Industries Clusters** (https://www.ukri.org/news/two-major-ukri-investments-continue-to-boost-creative-industries/) in Birmingham and Liverpool on creative tech and music, as part of a planned £50 million investment
- invested in regional R&I clusters across the UK to kickstart economic growth and address regional needs through **EPSRC's seven new place-based impact acceleration accounts** (https://www.ukri.org/news/research-and-innovation-clusters-to-boost-uk-regional-growth/)

In our 2022-25 Corporate Plan, we committed to: adopting a strategic approach to international partnering, collaboration and engagement.

In 2024-25, we:

- launched an **£11.5 million** (https://www.ukri.org/opportunity/transforming-global-evidence-ai-driven-evidence-synthesis-for-policymaking/) ESRC initiative, in collaboration with the United Nations, to support a new global evidence infrastructure which will enable AI-driven evidence synthesis for global policy making
- signed a memorandum of understanding between STFC and **Indonesia's Research Organisation for Nanotechnology and Materials** (https://www.isis.stfc.ac.uk/Pages/ISIS-and-BRIN-Indonesia-partner-for-neutron-and-muon-science.aspx) to operate collaborative experiments at ISIS Neutron and Muon Source

In our 2022-25 Corporate Plan, we committed to: working across the R&I landscape to improve the financial sustainability of research and innovation in UK organisations.

In 2024-25, we:

- published a research financial sustainability **insights paper** (https://www.ukri.org/ publications/research-financial-sustainability- insights-2025/research-financial-sustainability- insights-paper-2025/) on factors influencing the costs of doing research, cost recovery and training postgraduate students, informed by two UKRI-commissioned **reports** (https:// ircaucus.ac.uk/publications/understanding-low- levels-of-fec-cost-recovery-on-ukri-grants/)
- announced **updates** (https://www.ukri.org/ news/ukri-updates-funding-policies-to-improve- research-sustainability/) to our approach to equipment costs and capital thresholds from 1 April 2025 and clearer guidance on institutional matched funding

In our 2022-25 Corporate Plan, we committed to: securing cutting-edge infrastructures for world- class research and innovation.

In 2024-25, we:

- announced **five new research infrastructure awards totalling £388 million** (https://www. ukri.org/news/major-research-and-innovation-

90

infrastructure-investment-announced/)

- launched the refresh of the **national R&I Infrastructure Roadmap** (https://www.ukri.org/what-we-do/creating-world-class-research-and-innovation-infrastructure/what-is-research-and-innovation-infrastructure/)

- funded the first **MRC Centres of Research Excellence** (https://www.ukri.org/who-we-are/mrc/centres-of-research-excellence/) in **Therapeutic Genomics and Advanced Cardiac Therapies** (https://www.ukri.org/news/mrc-launches-two-50m-centres-for-cutting-edge-gene-therapies/)

- completed a feasibility study for ESRC's new Early Life Cohort programme and launched a **£42.8 million** (https://www.ukri.org/opportunity/early-life-cohort-longitudinal-study/) full cohort longitudinal study

- awarded **£156 million** (https://www.ukri.org/news/156m-to-expand-excellent-research-units-in-english-universities/) to 18 bids in the second round of the **Expanding Excellence in England (E3) scheme** (https://www.ukri.org/what-we-do/browse-our-areas-of-investment-and-support/expanding-excellence-in-england-e3-fund/) through Research England

How we performed: Strengthening partnerships, clusters and infrastructures – locally, nationally and globally

Partnerships on UKRI Awards

Number of Project Partner organisations	2022-23	2023-24	2024-25
International	1,212	1,470	2,217
UK	5,193	6,254	6,700

Value of project partner contribution (£m)	2022-23	2023-24	2024-25
International	127	195	242
UK	876	1,083	1,305

Analysis: In 2024-25, the number of UK-based project partner organisations on UKRI awards was 6,700[1], an increase of 7.1% from 2023-24, reflecting our progress against our 2022-25 Corporate Plan objective to strengthen local and national R&I partnerships. The total value of project partner contributions[2] in 2024-25 has increased by 20.5% from 2023-24[3]. We continue to foster an increasing number of international partnerships across our portfolio by enabling researcher and innovator-led

international partnerships, developing and deepening collaboration with global R&I funders, and supporting international research infrastructures.

1   National and international project partner data have been taken from the Joint Electronic Submissions (J-eS) system, the new Funding Service (TFS) and the Innovation Funding Service (IFS). Whilst every effort is made to clear our datasets, duplications within the data may be present where project partner organisations are named differently across JeS, TFS and IFS.

2   This data reflects project partner contributions declared at the point of application.

3   An additional 13 partners for whom geographical location was not classified contributed a further £1 million in 2024-25.

Babraham Research Campus creates a hub for bioscience innovation and economic growth

A 2024 independent economic **impact report** (https://www.ukri.org/publications/the-economic-impact-of-the-babraham-research-campus/)

highlighted that Babraham Research Campus (BRC) is home to 60 companies contributing £538 million annually to the local economy in Cambridge, and has supported the creation of 9,400 jobs (2,000 on campus). The Campus companies have a collective valuation exceeding £3.15 billion and have achieved £1.6 billion in commercial investment. One of five R&I campuses supported by BBSRC, BRC fosters early-stage innovation, attracts private investment, and accelerates research by providing bioscience companies with access to specialist facilities and expertise.

UKRI Investment in R&I Infrastructure

UKRI Investment in R&I Infrastructure	2024-25
Digital Research Infrastructure	£48 million
Infrastructure Fund	£230 million
Carbon Zero fund	£20 million
Existing Infrastructure Investments	£160 million
UK Research Partnership Investment Fund	£67 million
World Class Labs	£310 million
Capital for International Subscriptions	£54 million

UKRI Investment in R&I Infrastructure	2024-25
Research Capital Investment Fund (Higher Education Research Capital England and HEI Research Capital England)	£249 million

Analysis: £1,138 billion invested in R&I infrastructure in 2024-25 (£946 million in 2023-24)

We committed in our 2022-25 Corporate Plan to grow our investment in R&I infrastructure to over £1.1 billion by 2024-25.

We achieved this target in 2024-25, by increasing our annual investments in the UKRI Infrastructure Fund and UK Research Partnership Investment Fund by £93 million and £60 million respectively from 2023-24.

Geographical Distribution of UKRI Investment Per person in 2023-24:

> Northern Ireland: £45
> Scotland: £101
> North East England: £131
> Yorkshire and Humber: £104
> North West England: £119
> East Midlands: £119

> West Midlands: £125
> Wales: £53
> East of England: £146
> London: £214
> South West England: £105
> South East England: £178

Analysis: In our most recent **published data** (https://www.ukri.org/publications/2022-to-2023-and-2023-to-2024-geographical-distribution-of-funding/), we invested £4.6 billion outside the Greater South East (GSE), comprising 50% of our portfolio, up from 49% in 2022-23 and 47% in 2021-22. Since 2021-22, all UK regions and nations have received an increase in UKRI investment, in line with our 2022-25 Corporate Plan commitment to invest in R&I strengths across all parts of the UK.

Normalising UKRI investment by population, we invest the most per person in London, the South East and East of England. Outside the GSE, we invest the most per person in the North East, despite the region receiving the least total investment within England.

We invest relatively less in Scotland, Wales and Northern Ireland. UKRI data include substantial Research England quality-related research (QR) investment in English universities, but do not

include investment by the equivalent funding bodies in these nations, who allocate funding according to their national research policies and priorities.

Investing in facilities, technology and people to enhance the UK's visitor economy

Enabled by **UKRI's World Class Laboratories funding** (https://www.ukri.org/what-we-do/browse-our-areas-of-investment-and-support/ukri-world-class-laboratories-fund/), AHRC invested £62.5 million in 85 institutions between 2020 and 2024, spanning the UK's world-class university ecosystem, creative and performing arts specialist organisations, and the museums, galleries and libraries that sustain the UK's visitor economy. Highlights included:

Historic Environment Scotland developing an immersive 3m squared 360-degree cube of the temporarily inaccessible **Kisimul Castle** (https://www.historicenvironment.scot/visit-a-place/places/kisimul-castle/) on the Isle of Barra, and enabling visitors to experience other world heritage sites in climate-sensitive ways.

Bradford 2025 City of Culture (https://bradford2025.co.uk) developing immersive Augmented Reality and Virtual Reality experiences

to bring the city's heritage to life for young audiences.

Transforming air quality and economic growth in the West Midlands

The WM-Air programme (https://wm-air.org.uk/wp-content/uploads/2025/03/WM-Air-Impact-Report.pdf) enabled regional partners across the West Midlands to access the latest research to improve policy and actions for clean air. Leveraging and influencing over £47 million of investments from 2019-2024, the programme is predicted to deliver £34 million Gross Value Added (GVA) by 2028. Funded through NERC, WM-Air provided environmental, health and economic benefits for the people of the West Midlands and beyond, supporting the development of the first West Midlands Air Quality Framework and developing guidance for monitoring air quality at NHS sites.

Objective 3: Ideas

We are advancing the frontiers of human knowledge by enabling the UK to seize opportunities from emerging research trends, multidisciplinary approaches, new concepts and markets. In our strategy, we committed to enhance and improve

our toolbox of funding mechanisms, and to work with UK government departments and international partners to enable greater strategic coordination in developing long-term international collaboration.

In our 2022-25 Corporate Plan, we committed to: investing in a diverse and dynamic portfolio of high-quality and creative curiosity-led research and innovation.

In 2024-25, we:

- announced **100 new EPSRC projects backed through an £80 million investment** (https://www.ukri.org/news/discovery-science-projects-pave-the-way-for-future-innovations/) to boost curiosity-led research in engineering, ICT, maths and physical sciences, giving researchers the freedom to explore and generate major discoveries.
- delivered a new BBSRC approach to support research networks with a **targeted £5 million responsive mode funding opportunity** (https://www.ukri.org/opportunity/bbsrc-network-grant-responsive-mode-2024-round-3/) bringing together diverse research communities
- launched the NERC-led **January 2025 Pushing the Frontiers of Environmental Research** (https://www.ukri.org/opportunity/

pushing-the-frontiers-of-environmental-research-january-2025/) funding opportunity to support ambitious, high-risk and high-reward curiosity-led environmental research

In our 2022-25 Corporate Plan, we committed to: collaborating with international partners in the collective endeavour of discovery through longstanding open, responsive R&I programmes and strategic funder-to-funder relationships.

In 2024-25, we:

- strengthened our partnership with the German Research Foundation (DFG), establishing **an engineering and physical sciences lead agency agreement** (https://www.ukri.org/who-we-are/epsrc/relationships/international-agreements/lead-agency-agreement-with-germany/) and launching 16 new projects through the AHRC-DFG Humanities Funding Initiative
- signed the **first collaborative partnership agreement** (https://www.nserc-crsng.gc.ca/NewsDetail-DetailNouvelles_eng.asp?ID=1481) between UKRI and the Natural Sciences and Engineering Research Council (NSERC) in Canada, enhancing cooperation in emerging research fields

- facilitated a £21 million UKRI-Southeast Asia partnership (with funders from Singapore, Thailand, Vietnam, Indonesia, Malaysia and the Philippines) to support **research in infectious diseases** (https://www.ukri.org/opportunity/ukri-southeast-asia-collaboration-on-infectious-diseases/)

- launched our **harmonised project co-lead (international) policy** (https://www.ukri.org/publications/ukri-project-co-lead-international/ukri-project-co-lead-international-policy/) and published a **review of the policy** (https://www.ukri.org/publications/review-of-the-international-co-investigator-policy/) across AHRC, ESRC and MRC, and its impacts for UK and global research

- worked alongside DSIT to boost **UK participation in Horizon Europe** (https://www.ukro.ac.uk/news/horizon-europe-showcase-join-us-at-an-in-person-event-celebrating-one-year-of-association/) through the National Contact Points and the UK Research Office, delivering roadshows to promote Horizon Europe opportunities across the UK and awarding pump-priming grants from Innovate UK

- supported **Universities UK International** (https://www.universitiesuk.ac.uk/universities-uk-international) through Research England to enhance global research partnerships

In our 2022-25 Corporate Plan, we committed to: incentivising and removing barriers to multi- and inter-disciplinary working and enhancing our toolbox of funding mechanisms to support the full diversity of ideas needed.

In 2024-25, we:

- awarded **£32.4 million** (https://www.ukri. org/news/first-projects-from-ukris-new-interdisciplinary-scheme-announced/) to 36 projects through round 1 of the **cross-research council responsive mode (CRCRM)** (https://www.ukri.org/what-we-do/browse-our-areas-of-investment-and-support/ukri-cross-research-council-responsive-mode-pilot-scheme/) pilot scheme and launched the **second round** (https://www.ukri.org/opportunity/ukri-cross-research-council-responsive-mode-pilot-scheme-round-2/) of funding with a further £32.5 million
- launched a £5.6 million call for a **Multidisciplinary Centre for Neuromorphic Computing** (https://www.ukri.org/opportunity/uk-multidisciplinary-centre-for-neuromorphic-computing/) to deliver net zero solutions for critical digital technologies
- conducted the first **UKRI data sandpit** (https://www.ukri.org/opportunity/data-sandpit-for-metascience/) for metascience to develop

novel projects that can address multi-faceted metascience questions related to R&D funding and inform R&D policymaking

- commissioned an independent evaluation of the impact and effectiveness of **Research England's Strategic Institutional Research Funding (SIRF)** (https://www.ukri.org/councils/research-england/our-funds-for-research-and-knowledge-exchange/reviewing-the-approach-to-research-englands-formula-based-research-funding/), to inform research funding policy and future government spending reviews

How we performed: Investing in a diverse and dynamic portfolio of high-quality, creative curiosity-led research and innovation

Our portfolio

Our portfolio of research council and Innovate UK investments, '**Research and development expenditure by the UK government: 2023**' (https://www.ons.gov.uk/economy/governmentpublicsectorandtaxes/researchanddevelopmentexpenditure/bulletins/ukgovernmentexpenditureonscienceengineeringandtechnology/2023), ONS, April 2025.

In 2022, basic research comprised 43% of research council and Innovate UK investments, experimental development 28% and applied research 29%. The proportion of applied research increased by 5% in 2023, the first full calendar year of our Transforming Tomorrow Together strategy, with the proportion of experimental development falling by 4%.

Our portfolio%	2025
Basic research	42%
Applied research	34%
Experimental development	24%

We are investing £2.2 billion through Research England **quality-related research funding** (https://www.ukri.org/publications/explainer-qr-research-funding-and-the-ref/), supporting the resilience, agility and strategic investment in the higher education research system

We are investing £0.8 billion supporting curiosity-led R&I through our **responsive mode schemes** (https://www.ukri.org/opportunity/ukri-cross-research-council-responsive-mode-pilot-scheme-round-2/)

Knowledge outputs

Knowledge Outputs	Quantity
Artistic and creative outputs	5,675
Medical products, interventions and clinical trials	347
Research models and databases	10,459
Research tools and methods	3,665
Software and technical products	3,069

Knowledge Outputs	Quantity
Books	948
Book chapters	3,270
Journal articles	98,272
Other publications	40,705

Analysis: 166,410 knowledge outputs have been generated by UKRI awards starting between 2020-21 and 2024-25 financial years, including 143,195 publications and 23,215 diverse R&I outputs, reflecting our progress in meeting our 2022-25 Corporate Plan objective to advance the frontiers of human knowledge and innovation.

* Equivalent figures reported in the 2023-24 Annual Report and Accounts covered the calendar years 2018-2022 and were as follows: 175,105 knowledge outputs, 151,477 publications and 23,628 diverse R&I outputs.

Citations in 2024 to UKRI-enabled publications*

26% of the UK publications were enabled by UKRI funding

32% of citations to all UK publications were to the 26% of publications enabled by UKRI funding** (Citations in 2023: 26% and 31%)

* Publications that included one or more authors affiliated to a UK R&I organisation. Based on metadata as of April 2025 from Digital Science's Dimensions platform, available at **ukri.dimensions. ai** (https://ukri.dimensions.ai/auth/base/ login?redirect=%2Fdiscover). Access was granted under license agreement with UKRI. Citation analysis includes publications since 2008. Improved data linkage may increase the number enabled by UKRI.

** Based on the R&I funding sources cited by publications. This is not exhaustive and under-represents UKRI's contribution as not all publications will cite our support, for example through Research England QR funding.

Pushing the limits of the known universe

An international team has uncovered **the largest ever collection of dwarf galaxies hosting active black holes** (https://www.ukri.org/news/ desi-reveals-largest-discovery-of-hidden-black-holes/), using the Dark Energy Spectroscopic Instrument (DESI). Led by the US Department of Energy Lawrence Berkeley National Laboratory, the team involves over 900 researchers from more than 70 institutions worldwide. STFC supports the UK component of the team's study, including researchers from Durham University, the University of Portsmouth and University College London.

Supporting consumers to make healthy and sustainable choices

The Nutrition and Lifestyle Analytics Team from the ESRC-funded Consumer Data Research Centre (CDRC) received **the Market Research Society's President Medal in 2024** (https://www.mrs.org. uk/article/mrs/the-mrs-presidents-medal-2024-finalists-announced) for their collaborative work with Asda, Sainsbury's and the Institute of Grocery Distribution (IGD) to make healthy and sustainable food choices easier for consumers. Based at the University of Leeds, the team is currently working with Asda, Morrisons, Sainsbury's and Tesco to investigate the impact of high fat, sugar

or salt (HFSS) legislation, with results to be shared in 2025.

Setting a new world record for wireless data transmission

EPSRC-funded researchers at University College London have set a **new world record for wireless data transmission** (https://www. ucl.ac.uk/news/2024/oct/ucl-engineers-set-new-record-how-fast-data-can-be-sent-wirelessly), achieving speeds of 938 gigabits per second – approximately 9,000 times faster than current 5G phone networks in the UK. The breakthrough was achieved by combining both radio and optical technologies for the first time, and overcomes bottlenecks caused by frequency congestion which limit the speed of wireless communications. The breakthrough offers a glimpse of next generation 6G communication, which is expected to be commercially available within the next 10 years.

Removing barriers to multi and interdisciplinary working

Our **funding finder** (https://www.ukri.org/ opportunity/) enables researchers to view all of our current funding opportunities in one place. In 2024-25, our councils collectively published 42 new interdisciplinary funding opportunities

on the funding finder (2023-24: 72), continuing our delivery of our 2022-25 Corporate Plan commitment to reduce barriers to multi and interdisciplinary working. Eight UK government departments partnered with UKRI in 2024-25 across 31 published funding opportunities. A further eight published funding opportunities saw UKRI partner with a devolved administration department, agency or public body.

Cross-research council responsive mode (CR-CRM) pilot scheme

We are investing £65 million over two rounds in **UKRI's cross-research council responsive mode pilot scheme** (https://www.ukri.org/what-we-do/browse-our-areas-of-investment-and-support/ukri-cross-research-council-responsive-mode-pilot-scheme/) to support emerging interdisciplinary ideas not typically funded via existing UKRI responsive mode schemes to support emerging interdisciplinary ideas not typically funded via existing UKRI responsive mode schemes.

In **Round 1** (https://www.ukri.org/news/first-projects-from-ukris-new-interdisciplinary-scheme-announced/), we awarded £32.4 million to 36 applications with a 21% award rate (announced in September 2024). In Round 2 (ongoing in 2025-

26), 128 lead organisations submitted 574 outline applications with 535 applications assessed and 100 applicants invited to submit full stage applications.

Global interdisciplinary collaborations via the Ayrton Fund

We committed over **£33 million** (https://www.ukri.org/news/projects-funded-to-propel-low-carbon-energy-transition/) in 2024 to 13 research projects via the UK Government's Ayrton Fund. The projects are using interdisciplinary approaches in clean energy technologies and business models to drive forward the clean energy transition in developing countries, with the aim of addressing United Nations Sustainable Development Goals.

Objective 4: Innovation

We work to realise the full potential of the UK's world-class research base and national capabilities, helping deliver the UK Government's vision for an innovation nation. In our strategy, we committed to enhance the speed and effectiveness of the UK's commercialisation activity, and to maximise the opportunities for knowledge exchange and collaboration between researchers, innovators, businesses, public services,

and policymakers, across a range of priority business sectors.

2024-25 at a glance

In our 2022-25 Corporate Plan, we committed to: delivering the skills, finance and collaboration opportunities needed to boost private sector investment and raise economic growth.

In 2024-25, we:

- funded 311 **creative catalyst projects** (https://www.ukri.org/what-we-do/browse-our-areas-of-investment-and-support/creative-catalyst/) to scale up innovation in the creative industries with targeted support to help businesses grow
- delivered the £78 million **Sustainable Medicines Manufacturing Innovation programme** (https://iuk-business-connect.org.uk/programme/sustainable-medicines-manufacturing/), in partnership with the Department of Health and Social Care, awarding over **£14 million across 29 innovative projects** (https://www.ukri.org/news/transforming-the-future-of-sustainable-medicine-production/) to drive improvements in areas including energy use reduction, resource efficiency and waste reduction

- announced the **ADOPT Fund** (https://iuk-business-connect.org.uk/news/support-the-future-of-on-farm-innovation/#:~:text=Accelerating%20Development%20of%20Practices%20and,will%20open%20in%20Spring%20 2025), delivered by Innovate UK on behalf of the Department for Environment, Food and Rural Affairs (DEFRA), which will support collaborative farmer-led, on-farm trials to speed up the development and use of new technologies and improve the productivity, resilience and sustainability of farming

- supported business-academic partnerships with over £55 million through **EPSRC** (https://www.ukri.org/opportunity/epsrc-prosperity-partnerships-round-six/) and **BBSRC** (https://www.ukri.org/opportunity/business-and-academia-prosperity-partnership-round-2/) Prosperity Partnership awards, including an £8 million project co-led by the University of Birmingham and speciality chemical company Croda to help solve plastic pollution, by tackling the sustainability and biodegradability of polymers in liquid formulations (PLFs) found in millions of everyday products

In our 2022-25 Corporate Plan, we committed to: working with global partners to deliver collaborative international innovation programmes.

In 2024-25, we:

- secured £17 million of additional investment from the **International Science Partnerships Fund (ISPF)** (https://www.ukri.org/what-we-do/browse-our-areas-of-investment-and-support/international-science-partnerships-fund/) to boost Innovate UK's international partnerships by launching collaborative business-led research with **South Korea** (https://apply-for-innovation-funding.service.gov.uk/competition/1874/overview/20ae993a-c7f6-4f4a-85d0-26621706b272), **Taiwan** (https://iuk-business-connect.org.uk/opportunities/uk-taiwan-collaborative-rd/), **Canada** (https://apply-for-innovation-funding.service.gov.uk/competition/2049/overview/f0266280-f308-42a4-b331-bf1558fd6d19) and **Singapore** (https://apply-for-innovation-funding.service.gov.uk/competition/1916/overview/7e6fa736-20ec-43bc-add0-58dc6f1817e6) in AI, semiconductors, and quantum technologies
- enhanced Innovate UK's global funding to provide direct grants for UK businesses to conduct **international R&D in Quantum Technologies** (https://iuk-business-connect.

org.uk/opportunities/europe-quantum-technology-crd-2024/) and connect UK industries to global supply chains

In our 2022-25 Corporate Plan, we committed to: accelerating research translation, commercialisation and knowledge exchange by leveraging new and existing opportunities.

In 2024-25, we:

- supported six new research centres with £85 million through Research England's flagship **UK Research Partnership Investment Fund (UKRPIF)** (https://www.ukri.org/what-we-do/browse-our-areas-of-investment-and-support/uk-research-partnership-investment-fund/), to strengthen the research base's contribution to economic growth and enable job creation in sectors including **net zero transport, disease therapies, and translational medicine** (https://www.ukri.org/news/four-new-research-centres-put-icing-on-cake-of-schemes-success/)
- invested **£30 million** (https://www.ukri.org/opportunity/university-commercialisation-ecosystems/) through Research England to support the development of university-centred commercialisation ecosystems across England

- invested £2.5 million through BBSRC and Innovate UK to develop **innovative, nutritious food and beverage products** (https://www. ukri.org/news/driving-innovative-solutions- to-improve-health-and-nutrition/), supporting health through early-stage feasibility projects and business-led innovation

- launched a **£40 million UKRI proof- of-concept fund** (https://www.ukri.org/ news/new-ukri-proof-of-concept-funding- set-to-bolster-innovation/) to support the commercialisation of products, processes and services developed through research, and implemented the Independent Review of University Spinouts recommendations, including **highlighting universities that have adopted best practices** (https://www.ukri.org/ publications/spin-outs-review-implementation- best-practices-adoption-list/)

- invested **£2 million** (https://www.ukri.org/news/ stfc-backs-28-game-changing-start-ups-to- accelerate-uk-innovation/) to help start-ups bring new innovations to market more quickly through STFC's UK Business Incubation Centres (BICs, delivered with partners including MRC and BBSRC), allowing 28 game-changing start-ups to gain access to world-leading research facilities, expertise and IP

How we performed: Delivering the skills, finance and collaboration opportunities needed to boost private sector investment

Co-Investment on New Grants

Partner contributions	2022-2023	2023-2024	2024-2025
Academic	£130m	£196m	£162m
Charity	£5m	£7m	£6m
Other (incl. unknown)	£26m	£89m	£591m
Private	£822m	£958m	£733m
Public Sector (incl. NHS trusts)	£20m	£28m	£57m

Analysis: In 2024-25, there was over £1.5 billion of co-investment declared on new UKRI grants, including at least £733 million of co-investment from the private sector[1]. The total co-investment declared on new UKRI grants has increased by £545 million from 2022-23, the first year of our 2022-27 UKRI strategy in which we committed to fostering co-investment between universities, businesses and the wider research base. UKRI uses a diverse portfolio of mechanisms to stimulate co-investment including programmes targeted at fostering private sector participation and academic-business partnerships, such as Research England's UK Research Partnership

Fund (UKRPIF) which requires universities to attract a further £2 from non-public sources for every £1 invested by the fund.

1   The data includes new grants awarded via the Joint Electronic Submissions (Je-S) system, the new Funding Service (TFS), and the Innovation Funding Service (IFS), and captures project partner contributions declared at the point of application.
As TFS does not currently categorise organisations and their co-investment on new grants by sector, co-investment on TFS-awarded grants in 2024-25 has been categorised as 'other'. The 'other' component of the aggregate bar for 2024-25 therefore includes investment from the four other sector components (public, private, charity and academic).

Driving economic growth and creating high-quality jobs

As a result of Innovate UK support, businesses self-reported in 2024-2025 secured £139 million in private follow-on funding, increasing the number of Full-Time Equivalent (FTE) employees by 2,261 and launching 2,937 new products or services between 2023 and 2025.[1.]

Since 2016, the UKRI **Challenge Fund** (https://www.ukri.org/what-we-do/ukri-challenge-fund/) has realised £5.79 billion in co-investment to date, supported over 10,884 FTE jobs retained and created over 7,190 FTE jobs, with 433 Challenge Fund projects self-reporting new IP items granted.

1. Based on self-reported data from projects which are monitored by the Innovate UK Impact Management Framework. The data includes 2,124 project participants who are businesses that provided Project Impact data at the closure of their project. This is not exhaustive and under-represents Innovate UK's contribution, as not all Innovate UK programmes currently use the Impact Management Framework, for example Catapults.

Boosting the UK's battery industry through EV recycling

Innovate UK's **Faraday Battery Challenge** (https://www.ukri.org/what-we-do/browse-our-areas-of-investment-and-support/faraday-battery-challenge/) is boosting the resilience of the UK's battery industry. Almost 14 million electric vehicles (EVs) were registered globally in 2023. Based on one estimate, that single year's supply of EV batteries could produce 3.5 million tonnes of waste – enough to fill two O2 Arenas. The **CAM-EV** (https://gtr.ukri.org/project/24D792B1-291C-4989-8D46-9022445B6AEA?pn=0&fetchSize=50&selectedSortableField=parentPublicationTitle&selectedSortOrder=ASC) project, a collaboration between clean energy technology company Altilium and Imperial College London, explored how the critical metals inside this waste could be recycled into new battery cells. The team developed a new hydrometallurgy method to recover materials needed to produce a high-quality cathode-active material, retrieving 97% of the lithium from lithium-ion phosphate cells. The process also recovered substantial amounts of graphite used in anodes, crucial for the UK which lacks domestic graphite sources.

Accelerating translation, commercialisation, and knowledge exchange

We committed to accelerating knowledge exchange and R&I translation and commercialisation in our 2022-25 Corporate Plan. Independent evaluations of UKRI-supported R&I, published in 2024-25, identify:

- A £14.80 return on investment for every £1 of UKRI funding through **Higher Education Innovation Funding (HEIF)** (https://www. ukri.org/publications/evaluation-of-the-heif-programme-2008-2020/), led by Research England in partnership with the Office for Students, catalysing university and business collaboration and R&D investment to support knowledge-based interactions and deliver economic and societal benefits.

- A £7.70 return on investment for every £1 invested, including 12,969 newly trained people in enterprise skills and 214 spinouts, via the **Connecting Capability Fund** (https:// www.ukri.org/publications/final-evaluation-of-the-connecting-capability-fund-ccf-programme/) led by Research England to promote collaborations between universities and private sector partners to achieve more effective research commercialisation.

- A £9 net additional return over a ten-year period for every £1 invested through BBSRC's **translational funding** (https://www.ukri.org/publications/economic-evaluation-of-bbsrcs-translational-funding/).
- **Research funded by MRC** (https://www.ukri.org/news/spin-outs-from-mrc-funded-research-attract-10bn-in-investments/) between 2008 and 2023 has led to spin-out companies with an estimated economic value of over £6.1 billion, creating over 3,800 jobs and attracting £10.2 billion of external investment.

Revolutionising lung cancer treatment with an innovative fibre-optic device

Spinout company Prothea has received a **£10 million investment** (https://www.bath.ac.uk/announcements/new-university-of-bath-spin-out-launches-to-improve-lung-cancer-diagnosis-and-treatment/) to develop a unique fibre-optic device to help image and treat lung cancer in a single hospital visit. The company's device will allow clinicians to identify lung cancer lesions and treat them with laser ablation at the same time. It was created by Dr James Stone at the University of Bath, together with colleagues from the University of Edinburgh. The research was supported by EPSRC through an Industrial Strategy Challenge Fund fellowship and an **Impact Acceleration**

Account award (https://www.ukri.org/what-we-do/browse-our-areas-of-investment-and-support/ukri-impact-acceleration-accounts/).

Jersey Royals unlocking the circular economy

A circular economy project, funded through AHRC's £25 million **Future Observatory** (https://futureobservatory.org), has pioneered a scalable plan for turning potato harvest waste into textiles, with the potential to create a closed sustainability loop for the Channel Islands. Regenerative design researchers from Imperial College London supported Fibre Ltd. and Jersey Royals Company in testing the viability of a 'farm to fibre' business model. This prototyping work demonstrates the potentially transformative value for a region affected by falling revenues, where potato farming generates about 70% of economic turnover. Scaled up, this new model will lift farm incomes by up to £1 million per annum.

Cell therapy spin-out creates new manufacturing facility

Autolus (https://www.ukri.org/news/spin-outs-from-mrc-funded-research-attract-10bn-in-investments/), a spin-out founded on advanced cell programming technology developed with funding from MRC and others, has invested in a

new 70,000 ft2 manufacturing facility in the UK. Valued at £259 million in May 2024, the company was established to develop and commercialise advanced autologous T-cell therapies that have the potential to deliver life-changing treatments to patients with cancer and autoimmune diseases. **Autolus** (https://www.autolus.com/) has raised £1.2 billion in external investment since it was established in 2014 and employed 342 workers in 2022.

Objective 5: Impacts

We create opportunities to connect ideas, science and innovation, providing the foundations to target global and national challenges and advance government priorities. In our Strategy, we committed to harnessing the UK's world-class R&I to deliver benefits to society and the economy, including amplifying our collective activity through our **strategic themes** (https://www.ukri.org/who-we-are/our-vision-and-strategy/ukri-strategic-themes/) and building on our existing investments to scale and expand R&I across the critical technologies.

2024-25 at a glance

In our 2022-25 Corporate Plan, we committed to: addressing major national and global challenges through our five strategic themes and wider investments.

In 2024-25, we:

- built on the significant investments made through our strategic themes: **building a green future** (https://www.ukri.org/what-we-do/browse-our-areas-of-investment-and-support/building-a-green-future/), **building a secure and resilient world** (https://www.ukri.org/who-we-are/our-vision-and-strategy/ukri-strategic-themes/building-a-secure-and-resilient-world/), **creating opportunities and improving outcomes** (https://www.ukri.org/who-we-are/our-vision-and-strategy/ukri-strategic-themes/creating-opportunities-improving-outcomes/), **securing better health, ageing and wellbeing** (https://www.ukri.org/who-we-are/our-vision-and-strategy/ukri-strategic-themes/securing-better-health-ageing-and-wellbeing/), and **tackling infections** (https://www.ukri.org/who-we-are/our-vision-and-strategy/ukri-strategic-themes/tackling-infections/)

- announced five new **EPSRC Healthcare Research and Partnership Hubs** (https://www.ukri.org/news/robotic-clothing-and-listening-for-cancer-among-new-projects/) with the Department for Science, Innovation and Technology (DSIT), the Department for Health and Social Care (DHSC) and No.10, receiving £64 million in cash and in-kind support from 131 partners

- announced EPSRC's £6 million investment in the **Cyber Security Research and Networking Environment NetworkPlus** (https://www.ukri.org/news/cybersecurity-network-to-make-the-uk-safer-and-more-resilient/), which aims to strengthen the UK's cybersecurity and better prepare society against future cyber threats

- launched a £5 million ESRC funding opportunity in collaboration with the National Police Chiefs' Council (NPCC), to support **nine Policing Academic Centres of Excellence (P-ACEs)** (https://www.ukri.org/opportunity/apply-to-be-recognised-as-a-policing-academic-centre-of-excellence/) to connect researchers and users in policing and identify the best research evidence, science and technology

- published Innovate UK's **Net Zero Annual Review 2024** (https://www.ukri.org/publications/accelerating-the-net-zero-

transition-net-zero-review-2024/) detailing investments and impacts across Heat and Power, Make and Use, Mobility, Systems Integration and Agrifood Tech Net Zero

In our 2022-25 Corporate Plan, we committed to: increasing investment in, and harnessing opportunities from, developing and adopting tomorrow's technologies.

In 2024-25, we:

- enhanced the UK's global leadership in transformative technologies through our | £320 million flagship Technology Missions Fund, with £63 million of investment in 2024-25 targeted at boosting one or more of the UK **Science and Technology Framework's critical technologies** (https://www.gov.uk/government/publications/uk-science-and-technology-framework/the-uk-science-and-technology-framework-update-on-progress-9-february-2024#:~:text=Our%20five%20critical%20technologies%20–%20AI,capitalise%20on%20existing%20UK%20strengths.)
- delivered our **£100 million investment** (https://www.ukri.org/news/100-million-investment-in-the-alan-turing-institute-

announced/) via EPSRC in the **Alan Turing Institute** (https://www.turing.ac.uk) to develop its revised challenge-led programmes following its **quinquennial review** (https://www.ukri. org/wp-content/uploads/2024/04/EPSRC-23042024-220224-Alan-Turing-Institute-QQR-Final-Report-FINAL.pdf)

In our 2022-25 Corporate Plan, we committed to: transforming and investing in sectors that are key to the future economy.

In 2024-25, we:

- invested £28.5 million in the **Human Functional Genomics Initiative** (https://www. ukri.org/news/28-5m-in-funding-for-human-functional-genomics-initiative/), through MRC and BBSRC, to advance understanding of the impact of genomic variation on human physiology and disease, supporting the UK's ambition to have the most advanced genomic healthcare system globally

- launched an **£8.5 million funding opportunity to research UK dietary health inequalities** (https://www.ukri.org/opportunity/ health-inequalities-in-the-food-system/), promoting a 'food systems' approach for place-based solutions

- opened three state-of-the-art UK R&D facilities powering up major creative industry names and SMEs through the AHRC-led £76 million infrastructure programme **CoSTAR** (https://www.costarnetwork.co.uk/about)
- reopened the **Edinburgh Higgs Centre for Innovation's** (https://www.ukri.org/news/edinburgh-space-testing-facility-relaunches-after-major-investment/) space testing facility, following a major renovation investment, enabling support of early-stage technology start-ups and SMEs

How we performed: Harnessing the full power of the UK's R&I system to tackle large-scale and complex research and innovation challenges

Our five Strategic Themes are aligned to the **Government's five missions** (https://www.gov.uk/missions#:~:text=Our%20missions%20%2D%20growing%20the%20economy,secure%20borders%20and%20national%20security.), supporting the resilience of key Industrial Strategy growth sectors and enhancing sovereign capabilities critical to national security and defence. Capitalising on UKRI's unique role in the research and innovation ecosystem, the five themes enable the coordination of research activity

across multiple disciplines to address government-wide Areas of Research Interest, delivering growth across the UK and tackling large-scale, complex national and global challenges.

We have invested over £200 million in the five themes, supporting more than 260 projects to date. This investment has directly amplified nearly £300 million of other investment across UKRI and supports a much larger portfolio aligned to the themes' objectives. It has also led to collaborations with more than 30 government departments and other funders and has leveraged more than £140 million of co-funding.

We have ensured collaboration is built into our investments, with pre-launch workshops, webinars, guidance and pump-priming/seed funding to support the development of diverse partnerships.

The 1,800 investigators we are supporting are collaborating with 1,100 project partners across the UK and in over 40 countries. This includes more than 100 third sector, 200 public sector and over 300 industrial partners.

Investments from our five Strategic Themes include:

Creating Opportunities, Improving Outcomes

Epic Futures Northern Ireland (https://www.epicfuturesni.org), a £4.8 million Local Policy Innovation Partnerships (LPIPs) research project, is aiming to reduce economic inactivity by helping the hidden unemployed find meaningful work, improve lifelong learning access, and identify future skills needs. Led by Ulster University Business School, the project team is partnering with the Northern Ireland Executive's Departments for Communities, the Economy, and finance and the Department for Communities' JobStart 50+ programme. The project will assess the value for money of 11 Labour Market Partnerships across Northern Ireland to guide future funding decisions.

Building a Green Future

Accelerating the Green Economy is a **£25 million** (https://www.ukri.org/news/uk-centres-to-play-vital-role-in-boosting-modern-green-industries/) investment in five new green industry centres bringing together researchers, businesses and local leaders to help co-develop and deliver new products and processes to bring them successfully to market. For example, the **'Centre for Net Zero**

High Density Buildings' (https://cenz-highdb.ac.uk) at the University of Edinburgh is partnering with 58 organisations to design, develop and deliver inclusive net zero solutions for high density buildings, support skills academies with local colleges, and generate 2,000 regional jobs that will enable economic growth and societal benefits for city regions across Scotland.

Building a Secure and Resilient World

The £4.3 million Building a Secure and Resilient World Research and Coordination Hub, **SALIENT** (https://www.ukri.org/news/new-collaboration-seeks-to-boost-uks-security-and-resilience/), is led by the University of Manchester with partners from the universities of Bath, Exeter and Sussex. It is bringing together expertise from academia, industry and government to catalyse, convene and conduct research and innovation in support of the UK's national security and resilience. The first research projects commissioned by SALIENT will start in 2025, aiming to work across all regions of the UK.

Securing Better Health, Ageing and Wellbeing

A new **£22.5 million** (https://www.ukri.org/blog/a-new-era-of-pioneering-mental-health-research/) Mental Health Platform is bringing together

researchers from across the UK and across a range of medical and non-medical disciplines and institutions. The Platform is focused on generating an in-depth understanding of those who experience severe mental illness to help discover new approaches for diagnosis, treatment and support, with lived experience at the heart of the platform. Led by Professor Andrew McIntosh (University of Edinburgh), it consists of five research hubs, a data science hub (DATAMIND), and a coordinating centre to ensure seamless collaboration.

Tackling Infections

Two Avian Influenza research consortia led by Imperial College London and the UK Animal and Plant Health Agency are looking to address urgent public health questions around the ongoing H5N1 bird flu panzootic. Drawing on **£6.1 million** (https://www.ukri.org/what-we-do/browse-our-areas-of-investment-and-support/tackling-infections/) from UKRI, the Department for Environment, Food and Rural Affairs (DEFRA) and the Department for Health and Social Care (DHSC), the consortia will provide essential biosecurity capability for the UK. Building on BBSRC/DEFRA's previous investment into avian flu research, the consortia are addressing urgent questions around H5N1's viral spread, transmission routes and potential spillover

risks, feeding directly into UK public health authorities to inform future policy interventions.

Seizing the opportunities from tomorrow's technologies and transforming sectors that are key to the future economy

Our flagship £320 million **Technology Missions Fund** (https://www.ukri.org/what-we-do/ browse-our-areas-of-investment-and-support/ ukri-technology-missions-fund/) (2022-2025) accelerates and provides a focus to UKRI's critical technology programmes, in line with our 2022-25 Corporate Plan commitment to increase investment in the adoption and development of tomorrow's technologies. Supporting technologies with the radical potential to benefit our society and economy, our investments in 2024-25 include:

- driving the adoption of AI in high-growth business sectors through Innovate UK's **BridgeAI** (https://iuk-business-connect.org.uk/ programme/bridgeai/) programme, with almost 100 projects backed by £32 million
- launching **responsible AI demonstrators** (https://www.ukri.org/news/responsible-ai- projects-to-boost-creative-and-environment- sectors/) via AHRC's Bridging Responsible AI Divides (BRAID) programmesupporting UK businesses to adopt quantum technologies

through a £9.5 million Innovate UK investment in **Quantum Computing and Networks projects** (https://iuk-business-connect. org.uk/opportunities/quantum-missions- pilot-quantum-computing-and-quantum- networks/#:~:text=Innovate%20UK%2C%20 part%20of%20UK,the%20UK%20National%20 Quantum%20Strategy.)

- launching an £11.5 million funding opportunity through Innovate UK to improve **semiconductor manufacturing and supply chains** (https://www.ukri.org/news/11-5m-to- improve-semiconductor-manufacturing-and- supply-chains/)

- driving new collaborations and commercial opportunities in the engineering biology sector through a **£3 million proof of concept programme and a £2.8 million seed corn fund** (https://www.ukri.org/news/ukri-invests- 5-8m-to-drive-growth-in-engineering-biology- sector/)

- launching a new **Doctoral Focal Award in Engineering Biology** (https://www. ukri.org/opportunity/doctoral-focal-award- in-engineering-biology/) to train the next generation of researchers in cutting-edge technologies

Engineering biology for a brighter future

An **independent evaluation** (https://www.ukri.
org/publications/synthetic-biology-for-growth-
programme-economic-impact-evaluation/)
of our Synthetic Biology for Growth (SBfG)
programme demonstrated substantial economic
and social benefits, contributing an estimated
Gross Value Added of £360-£419 million, with
potential market values exceeding £1 billion.
This represents a return of up to 8.7 times our
initial UKRI investment. SBfG can be considered
transformational for the UK, driving innovation
and unlocking economic growth through synthetic
biology. Since 2007, BBSRC, EPSRC, and MRC
have invested over £800 million in this field,
including £114 million for SBfG. In 2024, building
on this success, we announced a five-year, £125
million programme supported by the **Technology
Missions Fund** (https://www.ukri.org/what-we-
do/browse-our-areas-of-investment-and-support/
ukri-technology-missions-fund/) to advance six
mission-led **engineering biology** (https://www.
ukri.org/who-we-are/how-we-are-doing/research-
outcomes-and-impact/bbsrc/ukri-engineering-
biology-showcase/) hubs and related initiatives.

A game-changer for global telecoms

Finchetto (https://www.discover.ukri.org/ukri-technology-missions-fund-2025/#group-section-Future-telecommunications-QXKlvUI9o5), supported by Innovate UK and UKRI, has developed the world's first fully optical network switch, allowing high-performance computer users and data centres to improve data transmission and capacity speeds whilst reducing energy consumption by over 20 times. The switch, compatible with quantum computing, aims to enhance the UK's telecoms network in collaboration with BT. The technology has significant global export potential, promising a transformative impact on the UK telecoms industry.

Quantum computing revolutionises materials innovation

STFC's **Hartree Centre and PsiQuantum** (https://www.hartree.stfc.ac.uk/news/2025/01/31/hartree-centre-and-psiquantum-develop-path-to-quantum-enabled-material-innovation/) have developed a quantum computing approach to simulate complex materials such as high-temperature superconductors. This collaboration marks a significant step towards using quantum computers to solve real-world industrial challenges. By improving simulations of these materials, the

partnership aims to drive breakthroughs in energy-efficient technologies and advanced electronics, ultimately benefiting a range of industries.

Revolutionising dairy farming with AI

The **ACCED** (https://www.discover.ukri.org/ukri-technology-missions-fund-2025/#group-section-Artificial-intelligence-AI-8MTKWcJIY0) project, supported by UKRI's Technology Missions Fund, has shown that AI-driven approaches can revolutionise dairy farming, making it more productive, sustainable and profitable. The ACCED team has demonstrated how AI-enabled automation can prevent heat stress in cows, leading to healthier animals and higher milk yields. By using data from ear tags and sensors, the system can monitor cow behaviour and regulate their environment without human intervention.

Semiconductor breakthrough boosts quantum communication

Scientists at Heriot-Watt University, funded through EPSRC, have made a significant breakthrough in quantum networking by developing a new semiconductor system that allows single atoms to emit light at the same frequency. This innovation eliminates the need for expensive lasers and additional

equipment, reducing costs and making quantum communication more feasible. The breakthrough promises to enhance secure, unhackable communication channels, benefiting all those reliant on advanced communication technologies.

Enhancing the UK's global leadership in critical technologies through international collaborations

In 2024-25, we invested in collaborations with international R&I partners to enhance and exploit the UK's global leadership in transformative technologies, driving technology development, adoption and diffusion across disciplines and innovation by:

- **Canada**: Signing our first collaborative agreement with the Natural Sciences and Engineering Research Council (NSERC) and partnering with the National Research Council (NRC) to enable UK and Canadian businesses to collaborate in areas including **quantum technologies** (https://www.ukri. org/opportunity/uk-canada-quantum-for-science-research-collaborations/), AI and semiconductors

- **USA**: Launching a **£2 million** (https://www. ukri.org/opportunity/epsrc-nsf-exploiting-

quantum-information-science-in-chemistry/)
quantum chemistry funding opportunity with
the US National Science Foundation (NSF)
and supporting STFC's partnership with the
US Oak Ridge National Laboratory on the
Extreme Scale Computing & AI Powerplant
Engineering (ESCAPE) programme

- **India**: Launching a £3.5 million **UK-
  India telecoms** (https://www.ukri.org/
  opportunity/india-uk-joint-opportunity-in-
  telecommunications-research/) research
  funding opportunity through EPSRC, in
  partnership with India's Department of Science
  and Technology (DST)

- **Japan**: Committing over **£19 million** (https://
  www.ukri.org/news/uk-japan-collaborative-
  investments-in-priority-technologies/) to
  programmes focusing on **AI** (https://www.
  ukri.org/opportunity/japan-uk-joint-call-for-
  collaborations-in-advancing-human-centred-
  ai/), **quantum technologies** (https://www.
  ukri.org/opportunity/japan-uk-joint-call-for-
  quantum-technologies-for-innovation/),
  semiconductors (https://www.ukri.org/
  opportunity/japan-uk-joint-opportunity-in-
  semiconductor-research-jst-epsrc/) and
  engineering biology (https://www.ukri.org/
  opportunity/japan-uk-engineering-biology-

for-discovery-research-and-cross-cutting-technologies/), in collaboration with the Japan Science and Technology Agency (JST) and backed by BBSRC, EPSRC and MRC

- **South Korea**: Partnering with the Korea Institute for Advancement of Technology (KIAT) and the Korean Institute of Energy Technology Evaluation and Planning (KETEP) to deliver a **£6 million** (https://iuk-business-connect.org.uk/opportunities/uk-south-korea-crd-2024/#:~:text=Innovate%20UK%2C%20part%20of%20UK,6%20million%20in%20innovation%20projects.) funding opportunity for joint UK-South Korea business-led collaborative research in areas including AI and semiconductors

- **Germany**: Partnering with the Federal Ministry for Economic Affairs and Climate Action (BMWK) to deliver a **£2 million** (https://www.ukri.org/opportunity/uk-germany-bilateral-collaborative-research-and-development-round-four/) funding opportunity to enhance UK-Germany SME collaboration in emerging fields of technology

Objective 6: World-class organisation

We are transforming UKRI to become a more efficient, effective and agile organisation, integrating our capability to maximise and optimise the support we deliver for the R&I system. In our strategy, we committed to drive forward re-engineering our operating model and programmes to harmonise our IT infrastructure and improve our operational data and funding service.

2024-25 at a glance

In our 2022-25 Corporate Plan, we committed to: making UKRI an efficient, effective and agile organisation by harnessing and optimising our internal capabilities.

In 2024-25, we:

- transitioned all new competitive research council grant awards to the new digital **Funding Service (TFS)** (https://www.ukri. org/apply-for-funding/improving-your-funding-experience/about-ukris-funding-service/) platform and operated a full TFS end-to-end service , simplifying our funding opportunities, harmonising applicant guidance and helping

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users manage opportunities, applications and awards effectively

- streamlined our business processes and technology platforms via the Services for HR, Accounting, Reporting and Procurement (SHARP) programme, working towards upgrading from legacy on-premises systems to Oracle Fusion's cloud-based integrated Software as a Service (SaaS) solution in summer 2025

- established a Strategic Technology Data and Governance Committee to ensure that strategic architecture and technology standards are adhered to across our distributed IT

- implemented our new Innovate UK Impact Management Framework to improve the reporting and analysis of business innovation outcomes

In our 2022-25 Corporate Plan, we committed to: embedding environmental sustainability across our work and estates.

In 2024-25, we:

- partly delivered against our **Environmental Sustainability Strategy** (https://www. ukri.org/who-we-are/policies-standards- and-data/corporate-policies-and-

standards/environmental-sustainability/?_
ga=2.180690212.2070190575.1701160013-
1933910927.1681728387), more details can
be found in our Environmental Sustainability
report (page 178)

- signed the **cross-R&I sector concordat
  for the environmental sustainability of
  research and innovation practice** (https://
  www.ukri.org/news/ukri-welcomes-cross-
  sector-environmental-sustainability-concordat/)

**In our 2022-25 Corporate Plan, we committed
to:** delivering a new communications and
engagement strategy to champion a creative and
diverse R&I system and help embed R&I in our
society and economy.

In 2024-25, we:

- progressed the recommendations of 2023-
  24 capability review of communications,
  in alignment with our 2023-27 UKRI
  communications and engagement strategic
  framework
- delivered operational and strategic
  communications needs for UKRI through:
  - 186 media announcements, gaining
    coverage across every major UK
    newspaper and broadcaster

- publishing 512 **funding opportunities** (https://www.ukri.org/opportunity/) and improving our **'Before you apply'** (https://www.ukri.org/apply-for-funding/before-you-apply/) guidance
- engaging external stakeholders via UKRI Connect Exeter and Lincoln events

- hosted our first R&I showcase event of the new Parliament to celebrate the extraordinary impact of UKRI-funded projects across the UK, highlighting how R&I improves people's lives and livelihoods

In our 2022-25 Corporate Plan, we committed to: empowering talented people to collaborate and thrive to meet the needs of our new operating model.

In 2024-25, we:

- initiated Phase 3 of our Leadership through Change development programme and progressed six cohorts through its sister Emerging and Inspirational Leadership programmes
- continued to enhance employee experience by strengthening staff communities through our staff networks and communities of practice, and enabling engagement via the

People Survey

- introduced a Voluntary Exit Scheme and worked with our senior leaders and trade unions to help reshape and realign staffing across the organisation

- undertook an employee relations (ER) strategic review to identify the root causes of ER issues and established a follow-up action plan

How we performed: Making UKRI an efficient,effective, and agile organisation

In 2024-25, we continued to use our existing Joint Electronic Submissions (Je-S) and Siebel grant management systems, alongside our new Digital Funding Service (TFS), to process funding applications and awards. In December 2024, TFS became the default platform for all applications submitted to, and awards funded by, UKRI's research councils. At the end of March 2025, 10.6% of all in-flight (set up through to active) UKRI research council awards were managed on TFS. This percentage will continue to increase in 2025-26 as active awards on Siebel conclude and new awards are issued through TFS.

- Since the first pilot in 2020, we have processed through TFS over 620 funding

opportunities and 26,000 applications
- In 2024-25, through TFS, we handled over 17,000 applications requesting a total of £9.6 billion, issued more than 65,000 review invitations and supported over 700 panel meetings

Innovate UK Grant Processing Times

IUK Average No of Days	2022-2023	2023-2024	2024-2025
From competition close date to initial decision	62	38.45	51.04
From initial decision to project live	117	96.81	74.54
Overall average	179.18	135.26	125.58
Target time between competition close to project live	90	90	90

Analysis: In 2024-25, Innovate UK's[1] overall average grant processing time was 125.6 days, above the target of 90 days from competition close to project live (average 51 days from competition close date to initial decision and average 74.5 days from initial decision to project live). The overall average time has decreased though by 9.7 days from 2023-24[2] (135.3 days), with the average time from initial decision to project live falling by 22 days, primarily resulting from embedding a culture of continuous improvement within Innovate UK's operations teams, who are empowered to continuously review their processes to identify and deliver improvements.

1   Innovate UK's customer base, products and processes differ from the research councils.

2   The 2023-24 figures have been revised from those published in the 2023-24 Annual Report and Accounts, which reflected a snapshot from 1 April 2023 to 31 March 2024. Since then, competitions launched in 2023-24 have finished and their impacts have now been accounted for.

Research Council Grant Processing Times

Average No. of Days	Apr 23 to Mar 24	Apr 24 to Mar 25
Managed mode	126	131
Responsive mode	194	209
Overall average (mean)	163	168
Target max time	180	180

Analysis: We are making progress in maximising our support for research and innovation by cutting unnecessary bureaucracy and driving up efficiency, as highlighted in our 2022-25 Corporate Plan. Our average processing time for research council funding applications in 2024-25 (5.6 months/168 days) continues to sit below our target of 6 months/180 days[1].

This represents the third consecutive year that the average processing time is below the 6 months/180 days target, although the time increased by five days from 2023-24[2] (5.4 months/163 days).This increase was primarily caused by the transition in grant processing systems from Siebel to TFS, involving the implementation of lengthier manual workarounds and the need to redefine internal processes to meet the new system's requirements.

1	Responsive mode opportunities welcome applications on any topic within the disciplinary portfolio. Managed mode opportunities focus on specific R&I areas or challenges.

2	The 2023-24 data has been updated from that provided in the 2023-24 Annual Report and Accounts.

Building a more streamlined and responsive funding service

In February 2025, the new Funding Service (TFS) successfully passed its public beta assessment, marking a significant step forward in simplifying our funding process and building a more responsive service around user needs. The successful assessment confirmed that TFS meets high government standards for security, accessibility and user-centred design. A panel of independent digital professionals from the Government Digital and Data community assessed the service against 14 key standards and included experts in user research, design, technology and performance analysis.

Preserving the integrity of our funding systems

In September 2024, we launched our policy on the use of generative artificial intelligence (AI) during the funding application and assessment process. Generative AI is a broad label used to describe any AI that can be used to create new content such as text, images, video, audio or code. Our policy builds on the joint funder statement that UKRI signed in September 2023 on the use of **generative AI tools in funding applications and assessment** (https://wellcome.org/about-us/positions-and-statements/joint-statement-generative-ai#research-funders-policy-group-dbd9).

Demonstrating our commitment to effective evaluation

We published our first **evaluation strategy** (https://www.ukri.org/news/new-ukri-evaluation-strategy/) in August 2024 to aid transparency and demonstrate our commitment to the effective evaluation of our investments. The strategy outlines our vision for high-quality evaluation to be embedded throughout UKRI, generating robust, reliable and trusted evidence, and helping us to understand and improve our impact. We are focusing on four key areas of action to achieve the vision: proportionate evaluation practices,

high-quality evaluation, a culture of continuous improvement and ethical evaluation.

UKRI Business Case Hub

The UKRI Business Case Hub plays a pivotal role in shaping high-value investments by supporting the development, approval and assurance process for business cases exceeding £20 million. Through expert guidance and resources, the hub empowers teams across UKRI and DSIT to build strong and impactful cases. Since 2020 the Hub has supported the development of over 70 full business cases worth over £10 billion, with all approved first time by the BEIS/DSIT Investment Committee[1]. In 2024-25, the Committee approved five business cases worth a total of £237 million.

> 1 BEIS (Department for Business, Energy and Industrial Strategy) was split in 2023 to form three departments including Department for Science, Innovation and Technology (DSIT).

Empowering talented people to thrive

We are committed to improving employees' experience of UKRI, so that the best people join UKRI and thrive. We have maintained focus on

strengthening leadership and talent development to empower colleagues at all levels, fostering a high-performance, inclusive and collaborative culture in a safe environment. As we move through significant organisational change, while meeting demanding reductions in staff numbers, this has been challenging. We have actively engaged our staff to support their wellbeing and involve them in shaping our new ways of working.
Highlights in 2024-25 include:

> **Carers Network**
>
> We have been **recognised** (https://www.linkedin.com/posts/uk-research-innovation_carer-confident-employers-activity-7268182336964329472-vY9O/) as a **Carer Confident Active Employer** by Carers UK, acknowledging our commitment to supporting employees who are carers. This Level 1 award highlights UKRI's efforts to create a supportive and inclusive workplace, enabling carers to have fulfilling careers and contributing to UKRI's impact. With about one in seven people in any workforce being a carer according to the 2021 census, UKRI's initiatives, including the annual 'Carers Rights Day' and the UKRI Carers Network, aim to raise awareness and provide support that enables carers to thrive.

We continued to invest in our people through our **Leadership and Learning Programme** with over 250 people trained in FY 24-25 and a further six cohorts on track for completion by June 2025. We also delivered Continuous Improvement basic training to over 450 people in 2024-25.

We refreshed our Employee Engagement Toolkit for line managers, providing the resources, strategies, and tools necessary to develop a positive, engaging and productive work environment across UKRI.

We supported our **eight staff networks** to grow and work across the organisation to identify, generate and offer solutions to workplace challenges and barriers so members can achieve their full potential. As of November 2024, the networks had **1,827 members, 77 leadership team members and 16 executive and senior sponsors**.

Our **Dignity, Respect and Anti-Bullying, Harassment and Discrimination (BHD) plan 2024-27** (https://www.ukri.org/wp-content/uploads/2024/07/UKRI-240724-Dignity-Respect-and-Anti-BHD-plan.pdf) sets out a consistent, unified framework to ensure that all colleagues experience dignity and respect

wherever they work in UKRI. Drawing on an independent review of UKRI's anti-BHD practices led by the Inclusive Leadership Company, this coordinated approach involves different parts of UKRI developing aligned actions to improve workplace culture. These actions will be included in organisational People Plans to be published internally this year.

We supported the wellbeing of our people by delivering a calendar of over **60 wellbeing events** throughout 2024-25. We also launched our Wellbeing Ambassador Network in June 2024, delivering two Wellbeing Ally training sessions each month from September 2024. We now have **22 Wellbeing Champions** and **370 Wellbeing Allies**.

We launched the **2024 UKRI People Survey** in April, enabling staff to express their views on our organisational strengths and challenges, and then developed a UKRI-wide action plan and local council/area action plans to address staff feedback. We also launched a 'You Said, We Listened, Together We Delivered' campaign reflecting on the progress made from the 2022 and 2023 UKRI People Surveys.

We launched new UKRI **Communities of**

> **Practice**, fostering connectivity across the whole organisation by bringing colleagues together to share a common professional interest or overcome a shared challenge related to their work. Our nine communities of practice extend across areas as diverse as funding innovation, communications and engagement, and project delivery.

Risk and Performance

UKRI operates a risk management framework that is embedded across the organisation to ensure that risks are identified, assessed and managed at the optimum levels, ensuring effective deployment of resources, as well as ensuring that appropriate oversight and escalation routes are in place. Our risk management framework is owned by the CEO and championed by our CFO. Assessment of the performance of UKRI risk management is undertaken through the annual Executive Accountability Exercise, risk maturity assessments, analysis of performance against the principles of the Orange Book and internal audit.

Our principal risk approach includes assessment through four lenses: Delivery of Intended Strategic Impact; Major External Challenges; Internal Control Framework; Organisational

Capabilities. This approach supports analysis and understanding of the links and interdependencies between our principal risks as well as providing the foundations for our golden thread assessment of aggregated risk. Principal risk deep dives are undertaken by ExCo on a rolling schedule to evaluate external and internal risk factors and influences, effectiveness of current mitigations and the impact on risk levels of actions to further reduce risk.

UKRI risk management arrangements are subject to continuous improvement, and during 2024-25 the organisation has refreshed the annual Executive Accountability Exercise in alignment with the risk management framework, increased the depth of the embedded approach to principal risk deep dives and carried out detailed analysis of top-level risk across the organisation to strengthen the clear line of sight throughout the organisation's risk landscape.

The Risk and Assurance Network has grown in membership and has become a UKRI Community of Practice, recognising the value of the work undertaken in this space to gain consistency in risk management practice and further insight into detailed areas of risk.

Implementation of the risk management framework is supported by an enterprise risk management

system and a team of professionally qualified Risk and Assurance Business Partners to support decision-making and challenge the business on the effective management of risk.

Delivery of Intended Strategic Impact:

Financial Sustainability of the Research System
Achieving Intended Impact of UKRI
Major External Challenges

Policy Landscape:

Trusted Research and Innovation
Environmental Sustainability

Internal Control Framework

Major gap/failure in internal control environment

Organisational Capabilities

UKRI staff capacity and capability
Organisational Change
Systems and IT Infrastructure

Risk appetite

We recognise as an organisation that we must take risks to achieve our objectives, and to inform this we have a risk appetite statement that sets the boundaries for risk taking. The Risk Appetite Statement is approved by UKRI Board and enables effective identification and assessment of risks to evaluate a mitigation plan.

Our risk appetite statement has five levels: averse, minimalist, cautious, open and bold. Risk appetite categories are applied to each level to reflect the level of appetite that is appropriate for the activity. A cycle of review is in place for risk appetite to ensure that we adapt to evolving internal and external requirements by evaluating the optimal levels of risk the organisation is willing to take in pursuit of objectives.

Principal risks

UKRI defines risk as the effect of uncertainty on objectives, in terms of uncertain event or set of circumstances, that (should it occur) will have an impact on the achievement of objectives.

There are 24 principal UKRI risks which are overseen by the Audit and Risk Assurance Committee (ARAC), with ownership and management by ExCo. Nine of these risks are identified as Board level risks.

A summary of the Board level risks is set out in the table below.

Risks and mitigating actions	Appetite and direction
Delivery of intended strategic impact	
Financial sustainability of the research system: Improving the resilience of the research sector is a core principle for change within UKRI's strategy. UKRI works with our partners and key stakeholders to assess current and future financial risks and challenges to the research base to support a strong, diverse and connected R&I system. During 2024-25 UKRI has undertaken a programme of work in a three-stage approach looking at the short, medium, and long-term actions UKRI can take to mitigate this risk, including further developing our agility and preparedness, working closely with DSIT.	**Strategy (cautious) 16: VERY HIGH** Due to the evolving risk environment, this risk is anticipated to remain outside appetite in 2025/26.

Risks and mitigating actions	Appetite and direction
Managing strategic direction to achieve UKRI's intended impact: This risk focuses on the uncertainties that may affect our ability to deliver world-class R&I outcomes and the challenges of evidencing the impacts of our strategy and delivery plans. Our performance management framework and balanced scorecard enables us to monitor the implementation of our strategy. The UKRI evaluation strategy and framework is aligned with HM Treasury guidance and we use this to keep a sharp focus on the impact of our investments. During 2024-25 we focused on evaluating and developing our mitigations through detailed work in our Spending Review activity, in-depth review of our planning pipelines and ongoing celebration of successes from our broad and diverse portfolio of investments.	**Strategy (cautious)** **12 HIGH** Currently this risk is outside appetite and will be reviewed in 2024-25 as mitigations progress.

Risks and mitigating actions	Appetite and direction
Major external challenges	
Failure to influence/respond to changes in the policy landscape:	**Strategy (cautious) 12 HIGH**
UKRI continues to respond quickly to changes in the R&I landscape through maintaining our strong relationships with UK Government and the UKRI community. Our performance reporting demonstrates the achievements in this area throughout 2024/25. We continue to evaluate how we engage with and understand our communities to ensure we are building and maintaining effective, influential and trusting connections across the research and innovation landscape.	This risk is regularly reviewed to evaluate external and internal elements of risk, moving into 2025-26 the risk remains outside appetite due to external risk factors in a dynamic risk landscape.

Risks and mitigating actions	Appetite and direction
Major external challenges	
Failure to deliver against UKRI Environmental Sustainability and Greening Government Commitments:	**Legal/Compliance (cautious) 12 HIGH**
The UKRI Environmental Sustainability Strategy has set out clear accountabilities and responsibilities across UKRI leadership and has taken decisions throughout 2024-25 that have enabled the organisation to make progress on our Environmental Sustainability priorities, including net zero as well as improving biodiversity.	The nature of the mitigations of this risk are of a longer-term nature and while the risk remains outside appetite currently, we continue to review and develop our approach to bring the risk towards appetite.

Risks and mitigating actions	Appetite and direction
UKRI has signed up to the concordat for environmentally sustainable research and innovation practice, and is supporting a very significant transformation programme for the UKRI owned and operated research facilities and have implemented a carbon budget pilot programme to control emissions for the organisation. UKRI has been within the Greening Government Commitments target since 2017-18, however in 2024-25 we have not been able to meet all elements of the targets (as reported in the Environmental Sustainability report page 178).	

Risks and mitigating actions	Appetite and direction
Trusted Research and Innovation:	**Operational (cautious)**
UKRI has a responsibility to respond appropriately to the risks posed by hostile actors or unethical interference in the activities we support. Our Trusted Research and Innovation (TR&I) work aims to protect the people, intellectual property, sensitive research, and infrastructure that we support from potential theft, misuse and exploitation. Our TR&I programme considers collaborations that take place both within and outside the UK, including inward investment by overseas-based companies. By enabling universities, research institutes and businesses to participate in safe and secure collaborations, the programme aims to maximise international and domestic opportunities for UK research and innovation.	**12 HIGH** Work on our mitigations in 2024-25 has strengthened risk mitigation however the evolving external landscape continues to keep this risk outside appetite.

Risks and mitigating actions	Appetite and direction
We do this through: • regular engagement with the academic and business communities built on appropriate principles and processes and informed by discussions across government • carrying out regular and detailed risk assessments internally, drawing on a range of current and historic information in our portfolio • our funding terms and conditions embed proportionate controls and mitigations across a substantial part of the research and innovation ecosystem • conducting periodic reviews and monitoring exercises In 2024-25 we further developed and refined our risk assessment framework, improved governance	

Risks and mitigating actions	Appetite and direction
in line with audit recommendations from GIAA, and continued to develop a positive and risk-aware culture across the organisation. In 2025-26 we will continue to develop and improve our TR&I policy and arrangements including reviewing terms and conditions, providing additional training, and piloting the use of new tools and approaches. We will also work closely with DSIT and a range of other government departments and agencies, and international partners. Continued progress on the effectiveness of UKRI's IT infrastructure and realisation of the benefits of TFS remain central to ensuring effective TR&I risk analysis and mitigation.	

Risks and mitigating actions	Appetite and direction
Internal Control Framework	
UKRI undertakes regular review of our internal control environment through the management of risk, assurance activities and reviews, and through internal and external audits. This risk recognises the high-risk profile of our key legal or regulatory compliance areas and our responsibilities under UK government requirements.	**Legal/Compliance (minimalist) 9 MEDIUM** Although the risk is currently outside appetite, reflecting the evolving external risk environment, we have strengthened our risk mitigations in 2024-25 and will build on these in the next financial year.
There are specific areas of the control environment where we have been working to improve controls to strengthen our ability to adapt to external changes and influences. Our major change programmes are implementing new systems and we have undertaken significant work across the year to assess the impact as we move from existing controls into new systems, processes and ways of	

Risks and mitigating actions	Appetite and direction
working that provide an evolved control environment. We have developed assurance mapping within our enterprise risk management system and implemented this through our new approach to the annual Executive Accountability Exercise. This has enabled a greater depth of analysis and insight which will provide areas of focus for our risk and assurance work in 2025-26.	
Organisational capabilities (people and systems)	
Failure to deliver the benefits of UKRI's Organisational Change: UKRI is managing a portfolio of change programmes to align people and culture, systems and processes, and enabling technology to fulfil our vision for an outstanding research and innovation system. In 2024-25 UKRI's Organisational	Programme & Project Delivery (open) 15 VERY HIGH Implementation of our major change programmes over

Risks and mitigating actions	Appetite and direction
Capabilities principal risk quadrant. The agile delivery of TFS progressed through 2024/25, with benefits delivered to the community in improvements in the application process. This didn't release as much staff time in year as had been anticipated however optimisation in 2025/26 will deliver further benefits. The implementation of Oracle Fusion was delayed in 2024/25 but is on track for delivery in the summer of 2025/26. The appointment to the new role of Chief Information Officer in February 2024 has ensured that throughout 2024-25 the key technology programmes have made significant progress, with Simpler & Better Funding reaching a major milestone where we have an end-to-end service for UKRI Grants now operating through TFS and the SHARP programme is on track to deliver a new	2024-25 and 2025-26 will reduce this risk, however currently it remains outside appetite.

Risks and mitigating actions	Appetite and direction
Enterprise Resource Platform, Oracle Fusion, in 2025-26. These new systems, in alignment with the People & Culture Programme, Technology Portfolio and other smaller but strategically important change activities will be vital in 2025-26 to ensure that UKRI strengthens organisational capabilities to deliver efficiency, resilience and intended strategic impact.	

Organisational capabilities (people and systems)

Risks and mitigating actions	Appetite and direction
UKRI staff capability and capacity: Staff capacity and capability in UKRI remains challenging and is being managed through delivery of the UKRI HR Strategy and supported by the Our People and Culture change programme. The risk is supported by five key workstreams covering the employee value proposition,	**People (cautious)** **16 VERY HIGH** The mitigations of this risk will require time to embed to reduce the very high score overall.

Risks and mitigating actions	Appetite and direction
Human Resources (HR) business intelligence, strategic workforce planning, capacity and capability within the HR team and how HR supports people-related organisational change. The majority of these are focused on longer-term strategic objectives and have progressed more slowly than planned in 2024. Since the beginning of 2025 further progress continues to be made which will assist in significant development and improvements in the 2025-26 financial year.

Additionally, delivery of our Organisational Change programmes will help to mitigate this risk once new systems and ways of working are embedded. However, whilst these are being delivered, there will be a period in which this risk remains high.

The Renumeration and Staff section later in this | Our planned mitigations are progressing towards reducing the risk as quickly as possible, though it currently remains outside appetite. |

Risks and mitigating actions	Appetite and direction
report provides a quantitative overview of key metrics related to this risk as well as a summary of the annual staff survey outcomes. The strategy aims to deliver a measurable return by achieving a high-performance culture in a safe and customer-focused environment. By creating a more agile and resilient workforce we will reduce the likelihood of skill gaps, overburdened employees, and operational disruptions. The strategy will help foster a culture where employees are capable and clear about their roles and committed to contributing their best efforts to organisational success, ultimately mitigating this risk and improving overall performance.	

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Risks and mitigating actions	Appetite and direction
Effectiveness of UKRI systems and IT infrastructure:	**Operational (cautious) 12 HIGH**
Robust IT infrastructure underpins research, innovation, delivery of important business, secure data handling and reporting, collaboration, and operational efficiency. To address the evolving needs of UKRI, we are placing a strong emphasis on maintaining and enhancing our IT infrastructure. A robust and secure IT framework is not merely a technical necessity but a strategic enabler for all facets of our operations. From ensuring the integrity of our research and innovation processes to safeguarding sensitive data and facilitating seamless collaboration, our IT infrastructure is the backbone that supports our mission.

UKRI appointed a new CIO in February 2024, who has embarked on a strategic transformation | This risk is not within appetite however, delivery of programmes in 2024-25 and 2025-26 is anticipated to reduce this risk towards appetite. |

Risks and mitigating actions	Appetite and direction
of our IT estate, integrating and converging applications and infrastructure around industry-leading platforms such as Oracle Fusion, AWS, Salesforce, and Microsoft Azure. This approach not only simplifies our IT environment but also enables the decommissioning of numerous legacy systems, thereby reducing shadow IT risks and advancing a zero-trust secure operating model. UKRI has established the Strategic Technology and Data Governance Committee to ensure that strategic architecture and technology standards are adhered to across our distributed IT, which will strengthen our approach to managing legacy systems and optimising new technology.	

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Environmental Sustainability Report

Introduction

Research and Innovation (R&I) is critical in understanding how our planet is changing and helping us act responsibly to protect and restore our natural environment.

The UKRI Strategy and Corporate Plan sets out our responsibility to catalyse change and enhance impact through partnership and leadership. This commitment extends to reducing the harm and enhancing the environmental sustainability of our own operations, while supporting wider research and innovation to do the same.

The UKRI Environmental Sustainability Strategy commits us to:

1. achieving net zero* from our owned operations by 2040

2. being 'positive for the environment' through our decision making

3. acting as agents of change to drive

environmental sustainability in the research and innovation sector

* The reduction of anthropogenic greenhouse gas emissions (expressed as CO2e) to zero or to a residual level that is consistent with reaching net zero emissions in eligible 1.5°C pathways (hence time-bound), recognising that UKRI will need to neutralise the impact of residual emissions (if any) by removing and storing an equivalent volume of carbon.

In line with these commitments, during 2024-25 we have:

- become a signatory to the concordat for the environmental sustainability of research practice and continued to help drive its implementation across the UK
- agreed a UKRI costed pathway to net zero as part of our estate transformation plans
- made progress in implementing biodiversity plans across our estate
- led a collaborative approach working with international funders and research institutions for a joint solution for addressing the environmental sustainability of research

Delivery against the UKRI Environmental Sustainability Strategy is governed via reporting to the UKRI Executive Committee and UKRI Board.

We have undertaken extensive preparatory work to understand the activities that need to be undertaken as part of our estates transformation that will allow us to achieve net zero for the UKRI-owned research and innovation facilities. We are currently reviewing the UKRI Environmental Sustainability Strategy and later this year will publish a refreshed strategy for the period 2025-2030.

As part of our efforts to collaborate with the R&I funding sector, in 2025 we hosted a workshop with European funders reviewing approaches to tools and supply-chain activity. This followed a workshop in 2024 organised by the European Molecular Biology Organisation (EMBO) that led to the publication of the Heidelberg Agreement which UKRI now supports. At the 2025 workshop, UKRI shared work underway to lead on the collaborative development of a Sustainable Practice and Research Knowledge (SPARK) Hub, which aims to provide open-access guidance, certification, and emissions calculators to support sustainable research activities.

Environmental sustainability performance

Scope

UKRI environmental sustainability performance is presented in line with the 2021-2025 **Greening Government Commitments (GGC)** (https://www.gov.uk/government/publications/greening-government-commitments-2021-to-2025) reporting requirements and **HM Treasury Sustainability Reporting Guidance** (https://www.gov.uk/government/publications/sustainability-reporting-guidance-2024-25). Performance indicators are set against a 2017-18 financial year baseline.

The data set includes direct (scope 1) and indirect (scope 2) GHG emissions from UK operations and UK business travel (scope 3). The 2017-18 data are for the MRC, STFC and NERC estate. The data for remaining years are for all UKRI councils and cross-UKRI functions.

Our activity to decarbonise and minimise the negative environmental impacts of our operations supports several UN Sustainable Development Goals (SDG) including but not limited to:

SDG12.7: Responsible Consumption & Production
– 'Promote public procurement practices that are sustainable, in accordance with national policies and priorities'.

 SDG13.2: Climate Action
– 'Integrate climate change measures into policy and planning'.

SDG17.17: Partnerships for the Goals
– 'Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships'.

Mitigating climate change

Key performance indicators:

- net zero carbon emissions by 2040 for UKRI-owned operations
- reduce GGC-scope greenhouse gas (GHG) emissions by 62% and direct emissions by 30% by 2025, compared to a 2017-18 baseline
- UKRI car and van fleet to be 100% zero-emission at the tailpipe by 31 December 2027

- reduce domestic business flight emissions by at least 30% by 2025 and report the distance travelled on international business flights

Task Force for Climate Change Financial Disclosures (TCFD)

UKRI has reported on climate-related financial disclosures consistent with HM Treasury's TCFD-aligned disclosure application guidance, which interprets and adapts the framework for the UK public sector. UKRI has complied with the TCFD recommendations and disclosures regarding governance, risk management, and metrics and targets.

This is in line with the central government's TCFD-aligned implementation timetable for phase 2. UKRI plans to provide recommended disclosures for its Strategy in future reporting, in line with the implementation timetable.

Governance

Our corporate governance reflects the legislation under the Higher Education and Research Act 2017 (HER Act 2017). The governance for environmental sustainability activities has been established to enable effective programme

management, wider organisational change, and direct access to senior leadership to support and drive the delivery of the strategy.

Climate change and wider environmental impacts are a critical concern to us and our research. They have implications for our infrastructure, finance, and our funded activities. In accordance with the UKRI Environmental Sustainability Strategy, the UKRI Board is responsible for the strategic oversight of the successful delivery of the Strategy.

Board/Committee responsibilities

Our ambition is to include environmental sustainability in all aspects of our work and decision-making. In that sense, all boards and committees are required to include this in their respective activities. All executive papers now have environmental sustainability considerations as a mandated element for their decision-making. A number of UKRI boards and committees have specific and defined roles and responsibilities regarding all aspects of environmental sustainability, including UKRI Board, Audit and Risk Assurance Committee (ARAC), Board Investment Committee (BIC), Executive Committee (ExCo), People, Finance and Operations Committee (PFO), and Investment Advisory Working Group (IAWG).

Management-level responsibilities

Our CEO is accountable for the delivery of the UKRI Environmental Sustainability Strategy, and the Senior Responsible Owner (SRO) is responsible for the sponsorship of the programme and strategic direction. The Executive Chairs of our councils are responsible for the implementation of environmental sustainability in all aspects of their respective operations, supported by the UKRI Environmental Sustainability Programme Director and team. Due to the departure of the Executive Chair for NERC in June 2023, the SRO role was taken up in the interim by our Chief Finance Officer. In 2025 this responsibility was transferred to the new NERC Executive Chair.

Risk management processes

UKRI holds a Board-level principal risk on Environmental Sustainability, which is the aggregation point for environmental sustainability and climate-related risk for the organisation. All UKRI principal risks are reviewed in detail through the schedule of principal risk deep dives at Executive Committee as detailed in the risk section. An overview of the Environmental Sustainability and climate-related risks is included in the risk section of this annual report under 'risks and mitigating actions'.

Metrics and targets

The UKRI Environmental Sustainability Strategy 2020-2025 set outs the ambition of the organisation and includes short-term and long-term goals. Our annual progress in delivering the strategy, including reporting our greenhouse gas emissions, is included in this environmental sustainability section of the UKRI Annual Report. Our methods used to calculate or estimate the metrics associated with GHG emissions are in accordance with the GHG Protocol methodology. We have established that the emissions from our scope 3 investments are material, but have not yet gathered accurate data on the extent of these emissions. This is largely due to the complexity and scale of our investments. There is work in progress to help obtain improved data on our investments which will improve our understanding of these emissions. The overall progress made by the organisation on these ambitions and targets is currently being reviewed, and new targets will be identified, agreed and published in a refreshed strategy for the period 2025-2030.

UKRI greenhouse gas emissions

	2017-18 baseline	2021-22	2022-23
GGC-scope gross emissions	92.3	47.3	44.0
GGC-scope net emissions	92.3	47.3	44.0
UKRI total gross emissions	*134.1*	*82.6*	*88.7*
Scope 1 emissions — Fuels (eg, gas & LPG)	14.3	11.3	11.0
Scope 1 emissions — Owned transport	0.2	0.03	0.03
Scope 1 emissions — Fugitive emissions	1.7	0.3	0.3
Scope 2 emissions — Electricity	68.0	32.5	28.8

Non-financial total gross indicators** (1000t CO2e)

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		2017-18 baseline	2021-22	2022-23
	Heat	0.03	0.0	0.1
Scope 3 emissions	Business travel	1.7	0.4	1.1
	Transmission & Distribution losses	6.4	2.8	2.6
	Electricity: non-renewable	193.3	0.0	108.1
**Related energy consumption (million kWh)	Electricity: renewable	0.2	148.6	40.5
	Gas	67.4	64.5	60.1
	LPG	0.006	0.030	0.000

	2017-18 baseline	2021-22	2022-23
Heat*	0.2	6.5	4.8
Other	6.5	0.1	0.04
Expenditure on energy	17.6	23.8	33.1
CRC Expenditure	1.4	0.0	0.0
Expenditure on accredited offsets	0.0	0.0	0.0
Expenditure on business travel	5.2	2.1	5.3

Financial indicators (£m)

Non-financial total gross indicators** (1000t CO2e)		2023-24	2024-25
	GGC-scope gross emissions	47.8	49.1
	GGC-scope net emissions	47.8	49.1
	UKRI total gross emissions	89.2	89.8
Scope 1 emissions	Fuels (eg, gas & LPG)	9.4	10.8
	Owned transport	0.04	0.04
	Fugitive emissions	0.7	0.5
Scope 2 emissions	Electricity	33.5	33.7

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		2023-24	2024-25
	Heat	0.2	0.1
Scope 3 emissions	Business travel	1.1	1.1
	Transmission & Distribution losses	2.9	3.0
**Related energy consumption (million kWh)	Electricity: non-renewable	123.1	141.2
	Electricity: renewable	38.6	21.5
	Gas	51.1	58.6
	LPG	0.000	0.003

	2023-24	2024-25
Heat*	7.6	7.2
Other	0.3	0.2
Expenditure on energy	43.6	50.1
Financial indicators (£m)	CRC Expenditure	0.0	0.0
Expenditure on accredited offsets	0.0	0.0
Expenditure on business travel	7.5	7.9

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Table 1: UKRI annual Greenhouse Gas (GHG) emissions, energy consumption and expenditure, which fall within the scope of the Greening Government Commitments (GGCs). This includes domestic emissions from the UK estate, fleet and domestic business travel. As UKRI has material emissions which do not fall within the scope of the GGC emissions targets, the row in italics also highlights UKRI's total GHG emissions – including emissions from the overseas estate, research ships and international business travel.

* From on-site Ground Source Heat Pump (GSHP), Combined Heat and Power (CHP) generation and District Heating.

** Due to an update of environmental reporting platforms, the exclusion of some international travel from GGC-scope emissions (as per GGC definitions), and the separation of scope 2 and 3 emissions, we have updated some figures in these rows from previous annual reporting periods.

Note: UKRI does not purchase carbon offsets in line with the **UKRI Position Statement on Carbon Offsetting** (https://www.ukri.org/publications/ ukri-position-statement-on-carbon-offsetting/ ukri-position-statement-on-carbon-offsetting/). We seek to reduce our own carbon emissions as

a matter of priority. We do not currently support carbon offsetting as research indicates that the benefits of different offsetting activities are currently questionable with a lack of evidence of genuine long-term additionality (permanent capture and storage of carbon). We continue to work to improve the long-term credibility of carbon offsetting through our research investments and collaborations.

We have set a target of achieving net zero for our owned operations by 2040. In 2024-25 our operational emissions decreased by 33% compared to the 2017-18 baseline year. This decrease means we have achieved emissions reductions in excess of our target trajectory and remain on course to meet net zero emissions by 2040.

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
UKRI GHG emissions	134.1	125.3	95.5	77.4	82.6	88.7	89.2	89.8	
Net-zero target trajectory	134.1	128.6	123.1	117.6	112.1	106.6	101.2	95.7	90.2

Figure 1: UKRI annual greenhouse gas (GHG) emissions compared with the trajectory required to meet net zero by 2040. Note, this figure shows UKRI's total GHG emissions, which include emissions beyond the scope of the Greening Government Commitments.

In 2024-25 our 'Overall' GGC-scope emissions decreased by 47%, compared to the 2017-18 baseline year, and our 'Direct' scope 1 emissions from our domestic estate decreased by 30%. While below the headline target of 62% reduction by 2025, this still represents an overall positive direction for UKRI, though more work will be needed to reverse recent trends of marginal increases in emissions.

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Direct GHG emissions	16.1	17.3	10.8	12.0	12.2	11.3	10.1	11.2
GGC target trajectory	16.1	15.4	14.7	14.0	13.3	12.7	12.0	11.3
Overall GHG emissions	92.3	81.7	55.7	46.5	47.3	44.0	47.8	49.1
GGC target trajectory	92.3	84.1	75.9	67.8	59.6	51.4	43.2	35.1

Figure 2: UKRI annual greenhouse gas emissions that fall within the scope of the Greening Government Commitments (GGC). The figure shows a) UKRI's 'overall' domestic scope 1, 2 and 3 (Business Travel) emissions relative to the 62% GGC target trajectory (grey bars), and b) 'direct' scope 1 emissions from UKRI's domestic estate, relative to the 30% GGC target trajectory (orange bars). Note that the 'overall' emissions, shown in grey, only include emissions from domestic business travel, including domestic flights, and do not include emissions from international flights or rail, or business travel occurring outside of the UK.

Highlights of decarbonisation projects in 2024-25 include:

Through NERC, a solar and energy storage system was installed at British Antarctic Survey's Antarctic field camp, SkyBlu, that provides 24/7 power for essential communication systems. At the end of the season, the system is designed to be safely packed away and stored until the next Antarctic summer field season

Through NERC, the first phase of works has been completed to install a £1.7 million geothermal heat pump at the British Geological Survey in Keyworth. The project includes 28 boreholes (fitted with sensors to allow the project to be a living lab) and will save 30 tonnes of carbon a year

Over 1,400 Solar PV panels have been installed on the Mary Lyon Centre and Advance Training Centre (MRC) in Harwell. The arrays will result in a reduction in emissions of around 105 tCO2e in year one of operation

During 2024-25 over 500 staff in STFC completed a tailored environmental sustainability training course that was created in collaboration with University of Oxford's Smith School of Enterprise and Environment

Through STFC, a £250k Knowledge Asset Grant from the UK Government Office of Technology Transfer has funded a project to further develop the Zero Power Tunable Optics (ZEPTO) magnet, which is a new type of magnet that could cut both the running costs and carbon footprint of particle accelerators. Particle accelerators are essential to the research conducted at Diamond Light Source at Rutherford Appleton Laboratory (RAL) (STFC) and the Large Hadron Collider (LHC) at CERN

Through IUK and EPSRC funding, the Industrial Decarbonisation Challenge has concluded after five years, catalysing the decarbonisation of the UK's energy-intensive industries through collaborative working and knowledge sharing

Low-carbon emission vehicles

UKRI owns a fleet of ~80 vehicles, including specialist vehicles to support our science operations. These vehicles are being replaced with ultra-low emission models as they come to the end of their operating life or lease period, in line with the Government Fleet Commitment targets. As at the end of March 2025, 54% of the UKRI fleet is ultra-low emission (≤50gCO2e/km) vehicles (50% when vehicles hired for more than five days are included). We continue to enhance electric vehicle charging infrastructure on our UK estate for staff and visitors.

Case studies

> During 2024-25 we carried out a procurement exercise for the hiring of vehicles across UKRI. The new contract will allow more opportunity for ultra-low emissions vehicles (ULEV) in our hired fleet.
>
> Through NERC, low-carbon aviation fuel trials have continued with the FAAM airborne laboratory which is run by the National Centre for Atmospheric Science in Cranfield. During 2024-25 new aircraft fuelling infrastructure was also installed at Cranfield, allowing all home-based flights to be undertaken using sustainable aviation fuel.

Business travel

Greenhouse gas emissions from UKRI business travel during 2024-25 have decreased by 24% compared to the 2017-18 baseline year. This includes a 54% reduction in emissions from UK domestic flights taken in 2024-25, compared to the 2017-18 baseline year. This reduction means we have achieved the GGC target of a 30% reduction by 2024-25, as illustrated in Figure 3. While we have been successful in meeting our initial targets, we recognise the recent trends that international flight emissions are increasing,

and aim to work with UKRI staff to ensure we continue to reduce emissions where possible.

		2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Domestic Flights (tCO2e)	GHG emissions	340	148	260	10	28	131	150	157
Domestic Flights (tCO2e)	Distance travelled	2.41	0.94	1.93	0.08	0.21	1.01	0.93	0.98
Domestic Flights (tCO2e)	GGC target trajectory (tCO2e)	340	326	311	296	282	267	253	238

Figure 3: UKRI annual distance travelled and greenhouse gas emissions from UK domestic flights compared to GGC emissions target of a 30% reduction by 2024-25.

UKRI travel on international flights

Flight Type	2017-18	2018-19	2019-20	2020-21	2021-22
Short-haul (Economy)	5,933,496	4,959,091	7,946,189	69,755	1,334,520
Short-haul (Business)	52,726	47,891	109,883	5,542	5,020
Short-haul (Unknown)	3,693,288	0	0	9,712	0
Long-haul (Economy)	38,089,307	33,896,742	41,379,102	2,523,785	4,393,458
Long-haul (Premium Economy)	525,360	445,236	5,452,324	150,434	599,609
Long-haul (Business)	184,513	223,840	1,249,092	8,412	20,219
Long-haul (First)	7,744	7,742	233,866	0	0
Long-haul (Unknown)	18,801,668	0	0	14,932	0

UKRI travel on international flights

Flight Type	2017-18	2018-19	2019-20	2020-21	2021-22
International non-UK (Business)	0	0	0	0	0
International non-UK (Economy)	1,224,705	5,169,745	4,901,079	992	3,950,771
International non-UK (First)	0	0	0	0	0
International non-UK(Premium Economy)	0	0	0	0	14,000
International non-UK(Unknown)	0	0	0	0	0
Total	**68,512,808**	**44,750,287**	**61,271,535**	**2,783,563**	**10,317,597**

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UKRI travel on international flights

Flight Type	2022-23	2023-24	2024-25
Short-haul (Economy)	4,410,161	4,625,063	5,321,552
Short-haul (Business)	2,240	10,999	24,791
Short-haul (Unknown)	995	80,742	505,210
Long-haul (Economy)	11,916,386	19,330,931	19,591,228
Long-haul (Premium Economy)	1,948,292	3,015,832	3,134,706
Long-haul (Business)	252,611	383,199	183,762
Long-haul (First)	0	40,760	0
Long-haul (Unknown)	0	0	703,236

UKRI travel on international flights

Flight Type	2022-23	2023-24	2024-25
International non-UK (Business)	0	85,838	91,694
International non-UK (Economy)	11,125,639	12,576,579	12,784,327
International non-UK (First)	0	538	584
International non-UK(Premium Economy)	11,305	298,225	267,594
International non-UK(Unknown)	0	1,064,669	573,450
Total	**29,667,629**	**41,513,375**	**43,182,133**

Table 2: UKRI annual distance travelled on international flights, by flight category. Figures are given in passenger kilometres. Note this table includes flights which do not depart or arrive in the UK (International non-UK), which have not been included in previous reports.

This change is enabled by the ongoing commitment to provide remote and hybrid working technologies across UKRI offices and continued implementation of UKRI's business travel policy, which encourages 'climate-conscious' travel choices.

A full breakdown of our carbon emissions by travel mode is illustrated in **Figure 4:**

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Domestic flights	340	148	260	10	28	131	150	157
International flights	6,027	3,845	5,356	224	826	2,414	4,681	4,843
Company owned/ leased vehicles	202	213	113	32	33	31	40	39

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Grey Fleet / Car Hire (UK)	855	528	700	73	265	688	505	509
Grey Fleet / Car Hire (Overseas)	0	0	5	0	0	86	6	2
Public Transport (UK)	426	245	573	3	68	247	350	377
Taxi (UK)	39	48	62	7	25	70	64	46
Public Transport / Taxi (Overseas, inc. Eurostar)	2	2	2	0	0	6	13	12

Figure 4: UKRI annual greenhouse gas emissions from business travel by travel mode. Note that figure 4 includes emissions from flights which do not depart or arrive in the UK. This is data which has not been included in previous reports.

Note: Some business travel data for research councils in 2018-19 is not available due to incomplete records.

Minimising waste and promoting resource efficiency

Key performance indicators (by 2025):

- reduce the overall amount of waste generated by 15%
- reduce the amount of waste going to landfill to less than 5% of overall waste
- reduce paper use by at least 50%
- remove consumer single-use plastic from the office estate
- measure and report on food waste
- report on the introduction and implementation of reuse schemes
- increase the proportion of waste that is recycled or reused to at least 70% of overall waste

We have reduced our total waste generation from operations in 2024-25 by 31% compared to the 2017-18 baseline year (Table 3):

UKRI waste generation			2017-18 baseline	2021-22
	Total waste	Total	2,111	1,072
	Hazardous waste	Landfill	302	125
		Reused/recycled	128	30
Non-financial total gross indicators (tonnes)		ICT waste reused/recycled	1,394	516
	Non-hazardous waste	Composted/ anaerobic digestion	Data not available	Data not available
		Incinerated with energy recovery	Data not available	Data not available
		Incinerated without energy recovery	284	398
			2	3

UKRI waste generation			2017-18 baseline	2021-22
	Total disposable waste		0.8	1.0
	Hazardous waste		0.3	0.7
		Landfill	0.06	0.2
		Reused/recycled	0.3	0.2
		ICT waste reused/ recycled	Data not available	Data not available
Financial indicators (£m)	Non-hazardous waste	Composted/ anaerobic digestion	Data not available	Data not available
		Incinerated with energy recovery	0.2	0.01
		Incinerated without energy recovery	0.0	0.0

UKRI waste generation			2022-23	2023-24	2024-25
	Total waste		1,176	1,616	1,447
	Hazardous waste	Total	122	123	141
		Landfill	92	59	2
		Reused/ recycled	623	820	630
Non-financial total gross indicators (tonnes)	Non-hazardous waste	ICT waste reused/ recycled	Data not available	55	44
		Composted/ anaerobic digestion	Data not available	126	72
		Incinerated with energy recovery	316	413	551
		Incinerated without energy recovery	23	21	8

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UKRI waste generation			2022-23	2023-24	2024-25
Total disposal cost			1.2	1.2	1.2
Hazardous waste		Landfill	0.8	0.7	0.1
		Landfill	0.01	0.01	0.03
		Reused/ recycled	0.3	0.4	0.4
		ICT waste reused/ recycled	Data not available	0.03	0.03
Financial indicators (£m)	Non-hazardous waste	Composted/ anaerobic digestion	Data not available	Data not available	0.08
		Incinerated with energy recovery	0.04	0.05	
		Incinerated without energy recovery	0.0	0.0	

A full breakdown by waste stream against the GGC reduction target is illustrated in Figure 5:

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Reused / Recycled	1394	1172	618	499	516	623	820	630
ICT waste - reused / recycled							55	44
Composted / Anaerobic Digestion							126	72
Incineration with heat recovery	284	419	339	324	398	316	413	551
Incineration without heat recovery	2	4	2	0	3	23	21	8

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Landfill	128	105	51	64	30	92	59	2
Hazardous	302	276	147	243	125	122	123	141
GGC Target Trajectory	2111	2066	2021	1975	1930	1885	1840	1794

Figure 5: Annual UKRI waste volume (tonnes) by disposal route compared with GGC reduction target trajectory to reduce overall waste by 15% from baseline year by 2024-25.

In 2024-25 UKRI's overall recycling and landfill rates were 52% and 0.1%, respectively (Figure 6). This means we have not achieved the GGC target to recycle at least 70% of waste, but we have achieved the GGC target to send no more than 5% of waste to landfill. Across our estate we have reduced paper use by 77% since 2017/18.

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Recycling %	66.0%	59.3%	53.5%	44.1%	48.1%	53.0%	61.9%	51.5%
GGC recycling target trajectory (to be above)	66.0%	66.6%	67.2%	67.7%	68.3%	68.9%	69.4%	70.0%
Landfill %	6.1%	5.3%	4.4%	5.7%	2.8%	7.8%	3.7%	0.1%
GGC landfill target (to be below)	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

Figure 6: Annual percentage of UKRI waste which has been recycled (grey) and sent to landfill (orange), compared with GGC targets to a) recycle at least 70% of waste (coral line) and b) to limit the proportion of waste sent to landfill to less than 5% (blue line), by 2024-25.

A UKRI-wide waste working group has been developing and implementing plans to improve waste capture and address the issue of gathering complete UKRI-wide data on consumer single-use plastic use and food waste volumes, which we have not historically had. Reusable cup schemes and water refill stations are in operation across our estate and we are working with colleagues in head office to address how our catering providers can do more to reduce single-use materials. Environmental sustainability action plans for our councils and head office set out how we are working to meet reuse and recycling targets and how waste is being reduced across our operations.

Practical actions taken over the last year to improve UKRI waste performance include:

- at MRC's LMB facility, RecycleLab is being piloted within its CL2 labs. This service collects contaminated plastic waste, which would ordinarily be incinerated at high temperatures, and instead decontaminates, sorts, and recycles the rigid plastics to make new lab plastic products
- through NERC, researchers at BAS's Rothera Research Station in Antarctica have trialled the use of natural as well as sturdier synthetic materials for marker flags with the aim of reducing the impact of fraying polyester flags

on the Antarctic environment. Results were positive and implementation is currently being planned

- at the British Geological Survey headquarters in Keyworth (NERC), a packaging materials reuse programme has allowed the centralised collection of uncontaminated packaging materials which staff can then reuse

- during 2024-25, staff from facilities, sustainability and commercial teams across UKRI came together for two waste workshops. Outcomes of the workshops include the collaborative development of guidance on waste and recycling contracts

Through our funding, activities to reduce waste include:

- through EPSRC, five new hubs, with each hub receiving £11 million, have been launched to address the challenge of commercialising early-stage research within key areas of manufacturing, such as semiconductors and medicines. A key goal of the hubs is to improve environmental sustainability in manufacturing processes, which includes reducing waste

Reducing our water use

Key performance Indicators:
reduce water consumption by at least **8%** by 2025

In 2024-25 UKRI water consumption has decreased by ~11% compared to the 2017-18 baseline year (Table 4). This means we have exceeded the 8% reduction targeted in the Greening Government Commitments, as illustrated in Figure 7 below.

UKRI water consumption		2017-18 baseline	2021-22	2022-23
Non-financial total gross indicators (000 m^3)	Total water consumption	268.9	205.8	239.6
	Water consumption (office estate) Supplied	2.4	6.9	10.1
	Water consumption (office estate) Abstracted	0.0	0.0	0.0

UKRI water consumption			2017-18 baseline	2021-22	2022-23
	Water consumption (non-office estate)	Supplied	266.5	198.9	229.5
		Abstracted	0.0	0.0	0.0
Financial indicators (£m)	Total cost		0.58	0.59	0.78
	Water supply cost (office estate)		0.19	0.01	0.03
	Water supply cost (non-office estate)		0.39	0.58	0.75

UKRI water consumption			2023-24	2024-25
Non-financial total gross indicators (000 m^3)	Total water consumption		229.9*	238.6
	Water consumption (office estate)	Supplied	11.9	7.9
		Abstracted	0.0	0.0
	Water consumption (non-office estate)	Supplied	218.0*	230.7
		Abstracted	0.0	0.0
Financial indicators (£m)	Total cost		1.1	0.78
	Water supply cost (office estate)		0.2	
	Water supply cost (non-office estate)		0.89	

Table 4: Total UKRI annual water consumption (m3) disaggregated by office and non-office estate

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	2017-18	**2018-19**	**2019-20**	**2020-21**
Water consumption	268995	290225	221606	203163
GGC target trajectory	268995	265920	262846	259772

	2021-22	**2022-23**	**2023-24**	**2024-25**
Water consumption	205745	239583	229868	238637
GGC target trajectory	256698	253623	250549	247475

Figure 7. Annual UKRI water consumption (m3) compared with the GGC target trajectory to reduce overall water consumption by 8% by 2024-25

Estates teams across UKRI utilise extensive building control and metering systems to monitor water use, and identify leaks and opportunities to reduce consumption wherever possible.

Case study

A project has been completed to replace some of the cooling towers for the ISIS Neutron and Muon Source based at RAL (STFC). The towers provide cooling for instrument systems. Five closed circuit cooling towers providing a total cooling capacity in the region of 3.2 MW have been replaced with eight modern, energy-efficient, adiabatic coolers, which will maintain the operational requirements whilst significantly reducing the water consumed and the electricity required. Water consumption was reduced by approximately 9,600m3 in 2024/25 as a result of this project.

Procuring sustainable products and services

Our reported GHG emissions do not include the embodied emissions of the goods and services procured by UKRI, but we have modelled our supply chain emissions and are working on plans to further influence our suppliers to reduce these emissions. During 2024-25 we have worked with suppliers and staff to increase sustainable procurement in our supply chains and reduce environmental impacts through the implementation of our responsible procurement charter, which we externally published in May 2024. We have also continued to develop our accompanying tool which has been designed for UKRI staff to use in considering the charter when procuring

goods and services. Recent tenders for food and catering have referenced the Government Buying Standards for Food & Catering and have stated suppliers must adhere to them. Our procurement charter ensures the Government Buying Standards are incorporated into contracts, where necessary, and adherence to the standards by suppliers is monitored locally by contract managers.

Case studies

- During 2024-25 sustainability specification criteria and tender questions were developed and used for the first time in MRC's soft facilities managements contracts which included catering, cleaning, waste management, and grounds maintenance.
- Through NERC, in January 2025, BAS Supply Chain Logistics in Cambridgeshire moved into a new Polar Distribution Hub, enabling changes to our operating model and ways of working to reduce our impact in terms of the packaging we use and volume of cargo we transport south to Antarctica. Trials of new technologies are ongoing and include a solution that could replace the need for single use plastic shrink wrap and pallet strapping.
- Supported by demonstrator project funding through AHRC and the Department for Culture,

Media and Sport (DCMS), in January 2025 a collaboration between Business of Fashion Textiles and Technology at University of the Arts, London and the Leeds-based Future Fashion Factory has published a sector-leading report on circularity and sustainability (approaches to commercialisation).

Nature recovery and biodiversity action planning

Our strategy ambition to be 'positive for the environment' includes protection of biodiversity. Biodiversity plans have been developed and are being implemented across our office, research estates, and infrastructure where there are relevant outdoor spaces. This is in line with the requirement for Nature Recovery Plans, which have been further developed at relevant council level. Proposals for new UKRI-funded infrastructure developments continue to require consideration and plans to mitigate negative impacts on nature from construction and operations. We are currently revising how we report on biodiversity progress, including consideration of Natural Capital Approaches, in line with the coming updates to biodiversity requirements within GGC from 2025-2030.

Case studies

- Over the winter, staff volunteers from our Polaris House green group installed five bird boxes and built large insect hotels to support nature recovery and boost biodiversity at our head office site in Swindon. The green group has also continued to monitor biodiversity on the site to improve our baseline data through two follow-up bioblitz events and contributions to national citizen science programmes such as the Big Garden Birdwatch.

- During 2024-25 at the MRC Harwell site, we installed a pond and bird nest boxes. We also planted bulbs, trees and hedgerows to provide new habitats for aquatic species, birds, and pollinators.

- As part of the IUK and NERC-led programme 'Integrating biodiversity and finance for a nature positive future', £2 million has been awarded to innovation projects that use data and AI to make environmental monitoring and investment easier. Six projects will enable the development, acceleration and commercialisation of innovative ideas designed to help the private finance community confidently invest in nature positive projects.

Adapting to climate change

UKRI's approach to climate change adaptation assessment and planning is mainly reflected in council level-plans. At a council level we have reviewed climate-related risk and impact assessments across our key sites by studying the risk posed to buildings' mechanical and electrical plant, building fabric and operations under a range of scenarios. This work highlights potential risks, capital costs, and sets out next steps to ensure our estates are adapted to future climate scenarios.

To support our approach to TCFD, in early 2025 we commissioned climate experts to review climate-related risks across UKRI's operations. The report from this commission will feed into climate-related risk work during 2025-26. Adaptation and climate-related risk considerations continue to be embedded in UKRI investment decision-making and business case processes to ensure that UKRI operations are resilient to future climate change. Risk and environmental sustainability leads are working with colleagues across UKRI to consider the impacts of climate in our risk management processes and to explore how climate change can be better embedded into all our decision-making and assurance processes.

Reducing environmental impacts from ICT and digital

The use of ICT and digital infrastructure is increasingly important to deliver research and innovation: this comes with an environmental impact we are actively managing. The UKRI Digital, Data, and Technology (DDaT) strategy (2023-2028) highlights our plans to achieve greener services through green procurement, data centre sustainability, optimising usage and reducing employee impact. Our PC Recycling Scheme, which ran for two years in-house, is now being managed by an external refurbishment organisation who offer whole lifecycle device management for our unusable devices. Our infrastructure across the UK is set up to allow digital meetings and video conferencing in our meeting rooms. The UKRI travel and subsistence policy highlights our virtual first approach to meetings in the context of business travel. This approach was introduced as a key policy driver to help reduce UKRI travel and the associated carbon emissions. Of the 44 tonnes of ICT waste reported in Table 2, 7.8 tonnes were sent for recycling, and 36.4 tonnes of devices were sent for reuse externally.

Practical examples of greening ICT in 2024/25 have included:

- the UKRI PC Recycling scheme supported Sunyani Infant and Senior School in Ghana, to help them build their ICT room. UKRI donated £800 to help them finish the room itself, and also donated old desktops, monitors and furniture which have helped to equip it
- during 2024-25, working in partnership with the University of Oxford and the National Centre for Atmospheric Science, through STFC we have launched a new network for sustainable Digital Research Infrastructure Vision and Expertise (NetDRIVE). The project will provide leadership in the UK and globally by creating a forum for managers, software engineers, academics and others to come together to build a common vision for a sustainable future and to incite a transition to sustainable working practices in the Digital Research Infrastructure (DRI) communities. In February 2025 the project announced its first funding call, which aims to address activities that were identified as priorities in workshops held by the project in October 2024. This includes DRI training, hardware configuration for energy savings and sharing best practice

- EPSRC's Living Labs funding call has supported researchers to enhance the environmental sustainability of existing research infrastructure supported by EPSRC. The call provided £2.7 million of funding for five projects that includes reducing the power use of cooling systems for Bede Tier2 & DiRAC high performance computing

Sustainable construction

UKRI, through its infrastructure funding, promotes sustainable construction and has adopted sustainability standards to support this. From 2022 to 2025 we have invested a total of £481 million in a portfolio of research and innovation infrastructure investments. As part of UKRI's target to reach net zero, during 2024-25 new infrastructure projects were required to provide information regarding the environmental impact of proposed infrastructures, any measures already 'designed in' to reduce environmental harm and increase environmental benefit, and estimated lifetime operational carbon forecasts.

Case study

- Through NERC, BAS has taken a holistic view on sustainability management.

Sustainability Management Plans (SMP) are being implemented on all Antarctic Infrastructure Modernisation Programme (AIMP) construction projects. The use of the SMP is continued through the project into the construction period and through to handover to the Estates team so that the benefits can also be achieved in operation. In addition, the Rothera Renewables project (RENEW) is currently in RIBA Workstage 3 (Spatial Coordination), progressing into Workstage 4 (Technical Design) in early summer 2025.

Rural proofing

Rural proofing refers to understanding the impacts of our policies in rural areas of the UK and (where relevant) helping to enhance the economies of our rural communities. During 2024-25 we have funded projects and programmes that include a focus on rural economies in the UK.

Case studies

- Through ESRC's £14.8 million Resilient Coastal Communities and Seas Programme, a transdisciplinary approach is being taken to understand and boost the resilience of coastal communities in all four nations of the UK.

- Through IUK, we have invested over £1.6 million across seven projects to support research and development into the decarbonisation of transport across the UK. Up to £1 million of this funding was reserved for tackling rural transport decarbonisation challenges

To find out more about environmental sustainability activity across UKRI visit: **Environmental sustainability – UKRI** (https://www.ukri.org/ who-we-are/policies-standards-and-data/ corporate-policies-and-standards/environmental- sustainability/)

Siobhan Peters
UKRI Interim Accounting Officer
8 July 2025

3. Accountability Report

Corporate Governance Report

The Corporate Governance Report sets out the governance arrangements of UKRI and comprises:

1. The Directors' Report

2. The Statement of Interim Accounting Officer's Responsibilities

3. The Governance Statement

1. The Directors' Report

Statutory background

Launched in April 2018, UK Research and Innovation (UKRI) is an independent non-departmental public body of the Department for Science, Innovation and Technology (DSIT).

Following the end of Professor Dame Ottoline Leyser's term as Chief Executive Officer (CEO) in June 2025, I, Siobhan Peters, UKRI's Chief Finance Officer (CFO), am serving as interim Accounting Officer (AO) for the 2024-25 Annual Report and Accounts.

As UKRI's interim AO, I am accountable to the public via Parliament. Parliament monitors and influences UKRI's work through its Select Committees and the Parliamentary and Health Services Ombudsman.

UKRI Leadership

An overview of UKRI's governance structure can be found within the Governance Statement on page 236. A list of Board and Committee members with their attendance for the period covering 1 April 2024 to 31 March 2025 can be found on pages 255-262,

in the Governance Statement.

Registers of interest for UKRI's Board and committees are published on our **website**.

Personal data related incidents

One personal data incident involving UKRI was assessed to have met the Information Commissioner's Office (ICO) reporting requirement in 2024-25.

Freedom of information

303 Freedom of Information Act (FOIA) and the Environmental Information Regulations requests were received in 2024-25, an increase from 295 in 2023-24. 88.9% of requests were responded to within statutory deadlines (compared to 88.8% in 2022-23 and 85.7% in 2021-22).

In March 2024, a First Tier Tribunal upheld two appeals, heard jointly, against UKRI's decisions to withhold information from FOIA requests made in 2017 and 2018. These requests pertained to the Engineering and Physical Sciences Research Council (EPSRC) Centres for Doctoral Training 2013 exercise. UKRI has since applied to appeal the tribunal's decision.

2. Statement of Interim Accounting Officer's Responsibilities

Under the Higher Education and Research Act 2017, the Secretary of State for DSIT with the consent of HM Treasury, has directed UKRI to prepare a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of UKRI and of its income and expenditure, statement of financial position and cash flows for the financial year.

As UKRI's interim AO, in preparing the accounts, I am required to comply with the requirements of the Government Financial Reporting Manual and, in particular, to:

- observe the Accounts Direction issued by the Secretary of State, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis

- make judgements and estimates on a reasonable basis

- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and

disclose and explain any material departures in the financial statements

- prepare the financial statements on a going concern basis

- confirm that the Annual Report and Accounts (ARA), as a whole, is fair, balanced, and understandable and I take personal responsibility for the ARA, and the judgements required for determining that all reasonable steps have been taken to ensure the ARA as a whole is fair, balanced, and understandable.

DSIT has appointed the CFO as interim AO of UKRI. The responsibilities of an AO, including responsibility for the propriety and regularity of the public finances for which the AO is answerable, for keeping proper records and for safeguarding UKRI's assets, are set out in **"Managing Public Money"** (https://www.gov.uk/government/publications/managing-public-money) published by HM Treasury.

As the interim AO, I have taken all the steps that I ought to have taken, to make myself aware of any relevant audit information and to establish that UKRI's auditors are aware of that information. So, as far as I am aware, there is no relevant audit information of which the auditors are unaware.

3. 2024-25 Governance Statement

Scope of responsibility

This Governance Statement, for which I take personal responsibility, describes the dynamics of UKRI, its governance, risk and internal control arrangements, and how successfully the organisation has coped with the challenges and opportunities presented this financial year.

This statement explains how UKRI has maintained a sound system of governance and taken significant steps to enrich internal control. It is my responsibility to ensure sound governance underpins the achievement of UKRI's policies, aims, and objectives whilst safeguarding public funds and UKRI assets. I am also accountable for ensuring UKRI is administered prudently and economically and that resources are applied in accordance with HM Treasury's **Managing Public Money** (https://assets.publishing.service.gov.uk/media/65c4a3773f634b001242c6b7/Managing_Public_Money_-_May_2023_2.pdf) guidance and the responsibilities assigned to me by DSIT. I am also accountable for ensuring the ARA is fair, balanced, and understandable.

Governance framework

UKRI's CEO is supported by the UKRI Board, the nine Executive Chairs of our councils, and their wider executive team, who use a range of management information to monitor performance and inform decision making. The Executive Chairs, in turn, are supported and challenged in the delivery of their specific aims and objectives by their councils, which comprise the Executive Chair and ordinary council members.

UKRI Board

▲

- Nomination and remuneration committee
- Board Investment Committee
- Audit and Risk Assurance Committee
- Organisational Change Committee

UKRI Board

▲

- Executive Committee Including the Executive Chairs of each of our nine councils

▲

- Workforce and Financial Planning Committee
- People, Finance and Operations Committee
- Strategy Committee
- Health and Safety Management Committee

UKRI Board overview

The UKRI Board (the Board) comprises a strong team of research and business leaders who collaborate with the CEO and their executive team to ensure that UKRI continues to be world leading.

The Board is chaired by Sir Andrew Mackenzie and is comprised of the CEO, myself as the CFO and nine to 12 other non-executive members appointed by the Secretary of State for DSIT: Professor Sir Ian Boyd, The Baroness Bull CBE, Annie Callanan, Professor Sir Ian Chapman, Rita Dhut, Dr John Fingleton, Professor Sir Anthony Finkelstein, Priya Guha, Professor Nola Hewitt-Dundas, Professor Jane Norman, Russell Schofield-Bezer, Nigel Toon, and Ruwan Weerasekera. A representative of the Secretary of State for Science, Innovation and Technology also attends all Board meetings.

Professor Sir Ian Boyd, Dr John Fingleton and Professor Sir Anthony Finkelstein left the Board at the end of their tenure on 19 September 2024. The following new members were appointed during 2024: The Baroness Bull CBE and Professor Sir Ian Chapman on 1 March 2024 and Annie Callanan, Rita Dhut, Professor Jane Norman and Russell Schofield-Bezer on 28 October 2024.

The Board is our top-level decision-making body and exercises full and effective control over the activities of UKRI. The Board provides strategic leadership, takes ownership of the principal strategic risks, and makes decisions on issues of major importance including key strategic objectives and targets, corporate strategy, major decisions involving the use of financial and other resources, and substantive personnel issues including key appointments.

The Board underwent a Board Effectiveness Review during the year and will oversee delivery of the subsequent recommendations.

The Board met six times during this financial year and key areas discussed included:

- implementation of the UKRI Strategy
- financial sustainability of the UK research and innovation (R&I) system
- development of the UKRI operating model
- the UKRI Framework for Performance including development of our performance monitoring dashboard and balanced scorecard
- the 2024-2025 spending review
- cross-cutting policy areas, including research commercialisation, people culture and talent,

UKRI's international outlook, and preparations for association to Horizon Europe

- UKRI's long-term direction around place
- horizon-scanning research and innovation trends
- UKRI's risk management approach
- trusted Research and Innovation

Minutes of the Board meetings are published on **UKRI's website** (https://www.ukri.org/publications/ukri-board-meeting-minutes-2024/). The Board's approach to governance complies with the HM Treasury and Cabinet Office's Corporate Governance in Central Government Departments: Code of Good Practice (the Code), the Public Sector Equality Duty and the Cabinet Office Code of Good Practice for Partnerships between departments and arm's-length bodies.

The Board is supported by the Audit and Risk Assurance Committee, the Nominations and Remuneration Committee, the Organisational Change Committee and the Board Investment Committee, which strengthens the independent challenge and advice provided by the Board to help guide UKRI's strategic investment portfolio.

Audit and Risk Assurance Committee

The Audit and Risk Assurance Committee (ARAC) is chaired by Ruwan Weerasekera, with Rita Dhut as Deputy Chair, succeeding Professor Sir Anthony Finkelstein. Professor Sir Ian Chapman joined ARAC as a non-executive Board member in September 2024. The Committee's independent non-executive members are Christina Coker, Philip Greenish, Fiona Sheridan, Karen Kröger and Alison Jarvis. Professor Sir Anthony Finkelstein and Dr John Fingleton left the Committee in September 2024. Rita Dhut and Russell Schofield-Bezer joined ARAC as non-executive Board members in November 2024.

The CEO, Chief Information Officer (CIO), Chief People Officer (CPO), senior operational leads, and I, as the CFO, attend as agreed with the Chair. The Board Chair, Sir Andrew Mackenzie, is also invited to attend and receives regular reports of ARAC activity.

The role of ARAC is to support the Board and AO. It monitors the extent to which adequate controls are in place to ensure compliance with relevant codes and regulations and focuses on the risks to our organisation's ability to achieve its objectives. It ensures that our approach to assurance meets organisational need. To do this the Committee

constructively, yet firmly, reviews and challenges the reports of management as well as our internal and external auditors, with a particular focus on governance, understanding of risks, the related control environment, and the integrity of our financial statements.

Meetings are attended by the National Audit Office (NAO) and the Government Internal Audit Agency (GIAA), and the Committee meets with their representatives regularly, independently of management. In addition, a representative from DSIT attends ARAC meetings and in turn, the ARAC Chair has observed the DSIT Audit Committee. The DSIT ARAC has established a liaison arrangement with the UKRI ARAC to strengthen ties.

ARAC held four full meetings in 2024-25 and three additional meetings to provide independent challenge on the ARA. It also held deep dive sessions to explore areas of focus in greater detail.

The Committee worked closely with management in the review of the ARA for UKRI, the Medical Research Council Pension Scheme and the Research Councils' Pension Scheme, ensuring that appropriate accounting policies and judgements have been scrutinised.

Throughout the year the Committee has focused on:

- UKRI's corporate governance and corporate risk management arrangements including management assurance and risk appetite, health and safety, security and resilience, workforce and wellbeing, ethics and values, grant accruals, joint ventures, complaints, raised concerns and continuous improvement of funding assurance and counter fraud
- Board, organisational and council level approaches to identifying, mitigating and reporting risks, and bringing risks within appetite
- ongoing monitoring of the implementation of significant audit recommendations from GIAA and NAO
- the risks associated with major change programmes: Services, HR, Accounting, Reporting and Procurement (SHARP), The Funding Service and the Operating Model
- incidents and internal control failures and the organisational lessons learned

In December 2024, the ARAC held a joint meeting with the UKRI Board Organisational Change Committee (OCC). This meeting was the point of transition of responsibilities previously covered by

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the OCC to ARAC including review and support of the key technology change programmes, operating model implementation and other change programmes. This change in governance structure was ratified by the Board in January 2025.

Nominations and Remuneration Committee

The Nominations and Remuneration Committee (NomCo) is chaired by the Board Chair, Sir Andrew Mackenzie.

Board members include Priya Guha, Nigel Toon, Professor Nola Hewitt-Dundas and Ruwan Weerasekera (ARAC Chair). Dr John Fingleton left the Committee at the end of his tenure. I attend as CFO, with the CEO and CPO invited as attendees, without decision-making powers.

NomCo met five times during the year. It reports to and supports the Board by:

- maintaining oversight of senior leadership succession plans, appointments, and awards
- determining the performance-related pay of the executive members of the Board
- providing assurance of remuneration policy to the Board
- providing assurance of performance-related

policy and pay to the Board

- providing assurance of pension schemes and their governance to the Board
- maintaining oversight of the Board and Executive Committee effectiveness reviews
- maintaining oversight of the completion of annual appraisals for non-executive board members and senior executives

UKRI Organisational Change Committee

Board member Nigel Toon chairs the Organisational Change Committee (OCC). Professor Sir Anthony Finkelstein and Ruwan Weerasekera are also members. Professor Sir Anthony Finkelstein left the Committee at the end of his tenure. I, as CFO, COO (as Senior Responsible Officer for Organisational Change), and CPO are regular attendees, the CEO also has a standing invitation to attend.

The Committee is responsible for supporting the Board by reviewing the planning, management, and implementation of all major strategic organisational change programmes, including our new operating model. OCC also considers the risk to delivery and challenges the executive team on the outcomes expected from our investment in change, particularly our progress towards the

challenging efficiency targets that were set as part of our spending review settlement.

OCC met five times this year and provided Board oversight and independent challenge to the change programmes, by:

- keeping under review and providing constructive challenge to the development, planning, and implementation of UKRI's change portfolio
- keeping under review government direction regarding UKRI efficiency and effectiveness
- reviewing and assessing the management of risk associated with delivering the outcomes expected from the change portfolio in coordination with ARAC

In December 2024 a joint ARAC and OCC meeting was held. At this meeting the decision was taken to formally retire the OCC, with its remit transferring to ARAC. This change in governance structure was ratified by the Board in January 2025.

UKRI Board Investment Committee

The Board Investment Committee (BIC) is chaired by Priya Guha and its members are Nigel Toon, Professor Jane Norman and Annie Callanan, the Chair of the Infrastructure Advisory Committee (IAC), Chief of Investment Planning and Strategy, and I, as CFO. Professor Sir Ian Boyd's term ended in September 2024.

Regular attendees include the CEO, the Chairs of the Investment Advisory Working Group (IAWG), and the UKRI Infrastructure Portfolio Director.

The Committee:

- strengthens the independent challenge and advice provided by the Board to help guide UKRI's strategic investment portfolio
- promotes accountability for financial decision-making on investments by the Executive and provides additional assurance to the Board, the CEO and DSIT, on large, novel or contentious investments
- provides additional scrutiny and challenge on individual investment cases selected by the Committee, to ensure our largest investments are:
    – sustainable and in accordance with environmental, social and governance

principles
- – value for money
- – deliverable
- – aligned with UKRI's strategic priorities
- reviews risks related to large-scale investment
- considers evaluations and lessons learned

BIC met four times during the year and undertook an outreach visit to the British Antarctic Survey in Cambridge. DSIT representatives attended in May to discuss the new business case process, and throughout the year the Committee provided review and challenge on topics as diverse as spending reviews, IAC and Digital Research Infrastructure priorities, value for money choice points, inflationary impacts, World Class Laboratories and Research Capital Funds, the National Infrastructure Roadmap Refresh, the Business Case pipeline, the Future of Marine Research Infrastructure Programme and environmental sustainability.

Executive Committee

The CEO chairs the Executive Committee (ExCo) which is responsible for providing strategic advice to the Board and constitutes the Executive leadership (the nine Executive Chairs of the councils), the CFO, the Chief's of Investment

Planning and Strategy, the CPO, the CIO, and the Chief of External Affairs and Communication.

The Committee meets a minimum of once a month (except August) and met 11 times during the year. It receives a monthly finance report, and its areas of operational focus have included:

- delivering UKRI's five-year Strategy
- developing and implementing the operating model
- financial sustainability of the UK R&I system
- governance, risk and assurance
- preparations for spending review 2024-2025
- UKRI Framework for Performance, including the balanced scorecard
- communications
- delivering and refreshing our strategic delivery plans
- staff performance and reward, including staff capability and capacity
- staff wellbeing
- policy and delivery areas including place and regional distribution of R&I investment international strategy, Industrial Strategy, the Government's Missions, public engagement, commercialisation, Trusted R&I, environmental sustainability, support for critical technologies,

major infrastructure investments, equality diversity and inclusion in the research and innovation system, and our collective talent programme.

ExCo is supported by four sub-committees: the Strategy Committee, the People, Finance and Operations Committee, the Health and Safety Management Committee, and the Workforce and Financial Planning Committee.

Strategy Committee

The Strategy Committee (StratCo) is chaired by the Chief of Investment Planning and Strategy and comprises senior strategy representatives from our councils as well as directors with cross-cutting responsibilities such as talent and infrastructure. StratCo provides expertise and advice on developing and implementing the R&I elements of our strategy. The Committee met 11 times during the year.

People, Finance and Operations Committee

The People, Finance and Operations Committee (PFO) is chaired by myself, as the CFO or my nominated deputy. PFO is an executive committee and is responsible for establishing and monitoring

effective UKRI operational frameworks and policies.

The Committee's membership is comprised of the COO, CPO and the Chief Operating Officers or nominated representatives from each of the nine councils. Senior functional lead professionals from across the organisation are regular attendees.

PFO met eight times during the year and discussed topics relating to the following areas:

- people, learning, performance management and reward
- finance, legal, governance, risk, and management assurance
- technology, data and information governance
- funding, commercial, international, and operational performance
- security and resilience

Health and Safety Management Committee

The Health and Safety Management Committee (HSMC) is chaired by me, as the CFO, and comprises the Health, Safety and Environment Lead, the Head of Operations, lead health and safety advisors from across UKRI and senior operational professionals representing estates,

risk, and human resources functions.

The Committee is responsible for monitoring the capability and performance of health and safety management systems with the objective of safeguarding the health and safety of employees, contractors, tenants, facility users including students, or others who may be affected by our activities, regulatory compliance and for establishing and developing continuous improvement in health and safety performance.

HSMC met four times in the year and focused on UKRI's Health and Safety:

- policy, strategy and health and safety codes
- management system components
- reporting, risk and performance
- occupational health and wellbeing
- internal health and safety audit reporting and outcomes

Workforce and Financial Planning Committee

The Workforce and Financial Planning Committee (WFP) is chaired by the CPO, with membership comprising leadership representatives from across the organisation. It plays a crucial role in ensuring that our workforce aligns with our

strategic objectives within allocated headcount and budgetary constraints.

The committee meet monthly, to ensure timely discussions on workforce and financial planning concerns, influenced by internal and external pressures.

Investment Advisory Working Group

The Investment Advisory Working Group (IAWG) comprises a set of subject-matter experts who provide challenge and advice on business cases, including making recommendations to the CFO and the ExCo about whether cases should be approved.

Co-chaired by the Deputy Director of Financial Planning and Analysis and the UKRI Infrastructure Portfolio Director, IAWG met nine times during the year and reviewed 10 business cases with an approximate cumulative value of £3.4 billion.

Cases included projects within the UKRI Infrastructure Fund, those related to international partnerships, institute funding, and other investments for major projects. For 2024-25, over 45 colleagues from across UKRI and DSIT contributed to IAWG reviews.

Table of attendance for UKRI senior executive and non-executive boards and committees

The table below sets out member and senior executive attendance for our key governance bodies. Where members were unable to attend meetings in person, they have been able to share their views in advance with the Chair.

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	Board	ARAC	BIC	NomCo	OCC	ExCo
Number of meetings held	**6**	**7**	**4**	**4**	**5**	**11**
Board Members						
Sir Andrew Mackenzie	5/6	1/7	-	3/4	-	-
Professor Dame Ottoline Leyser (CEO)	6/6	5/7	3/4	4/4	3/5	11/11
Siobhan Peters (CFO)	6/6	7/7	4/4	4/4	5/5	11/11
Professor Sir Ian Boyd	3/3	-	1/1	-	-	-
The Baroness Bull	5/6	-	2/2	-	-	-
Annie Callanan	3/3	-	1/1	-	-	-
Professor Sir Ian Chapman	5/6	2/3	-	-	-	-
Rita Dhut	3/3	1/2	-	-	-	-
Dr John Fingleton	3/3	5/5	-	3/4	-	-
Professor Sir Anthony Finkelstein	2/3	3/5	-	-	3/3	-
Priya Guha	6/6	-	4/4	4/4	-	-

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	Board	ARAC	BIC	NomCo	OCC	ExCo
Number of meetings held	**6**	**7**	**4**	**4**	**5**	**11**
Professor Nola Hewitt-Dundas	6/6	-	-	4/4	-	-
Professor Jane Norman	3/3	-	-	1/1	-	-
Russell Schofield-Bezer	3/3	2/2	-	-	-	-
Nigel Toon	5/6	-	0/4	-	5/5	-
Ruwan Weerasekera	6/6	7/7	-	4/4	5/5	-

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	Board	ARAC	BIC	NomCo	OCC	ExCo
Number of meetings held	**6**	**7**	**4**	**4**	**5**	**11**
ARAC Independent Members						
Christina Coker	-	7/7	-	-	-	-
Philip Greenish	-	5/7	-	-	-	-
Alison Jarvis	-	7/7	-	-	-	-
Karen Kröger	-	6/7	-	-	-	-
Fiona Sheridan	-	6/7	-	-	-	-

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	Board	ARAC	BIC	NomCo	OCC	ExCo
Number of meetings held	**6**	**7**	**4**	**4**	**5**	**11**
Executive Committee Members						
Professor Dame Ottoline Leyser (CEO)	6/6	5/7	3/4	4/4	3/5	11/11
Siobhan Peters (CFO)	6/6	7/7	4/4	4/4	5/5	11/11
Tim Bianek (COO)	-	-	-	-	1/1	1/1
Christine Ashton (CIO)	-	5/7	-	-	5/5	10/11
Emma Lindsell (Executive Director, Strategy, Performance and Engagement)	-	-	-	-	-	0/1
Isobel Stephen (Executive Director, Strategy, Performance and Engagement)	-	-	-	-	-	1/1
Chris Ball (CPO)	-	-	-	3/3	5/5	8/9

	Board	ARAC	BIC	NomCo	OCC	ExCo
Number of meetings held	**6**	**7**	**4**	**4**	**5**	**11**
Angela Paradise (Interim CPO)	1/1	-	-	0/1	-	3/3
Daniel Shah (Chief of Investment Planning and Strategy Job Share)	-	-	-	-	-	8/10
Hugh Harris (Chief of Investment Planning and Strategy Job Share)	-	-	-	-	-	1/1
Poli Stuart-Lacey (Chief of External Affairs and Communications)	-	-	-	-	2/2	8/8
Professor Christopher Smith (EC AHRC)	-	-	-	-	-	10/11

	Board	ARAC	BIC	NomCo	OCC	ExCo
Number of meetings held	**6**	**7**	**4**	**4**	**5**	**11**
Deputy for AHRC EC	-	-	-	-	-	1/1
Professor Guy Poppy (Interim EC BBSRC)	-	-	-	-	-	2/3
Professor Anne Ferguson-Smith (BBSRC EC)	-	-	-	-	-	6/8
Stian Westlake (EC ESRC)	-	-	-	-	3/5	9/11
Deputy for ESRC EC	-	-	-	-	-	2/2
Professor Charlotte Deane (EC EPSRC)	-	-	-	-	-	7/11
Deputy for EPSRC EC	-	-	-	-	-	4/4
Indro Mukerjee (CEO Innovate UK)	-	-	-	-	-	1/5
Deputy for CEO Innovate UK	-	-	-	-	-	4/4

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	Board	ARAC	BIC	NomCo	OCC	ExCo
Number of meetings held	**6**	**7**	**4**	**4**	**5**	**11**
Dr Stella Peace (IUK Interim EC)	-	-	-	-	-	6/6
Professor Patrick Chinnery (EC MRC)	-	-	-	-	-	8/11
Deputy for MRC EC	-	-	-	-	-	3/3
Professor Louise Heathwaite (EC NERC)	-	-	-	-	-	10/11
Deputy for NERC EC	-	-	-	-	-	0/1
Professor Dame Jessica Corner (EC Research England)	-	-	-	-	-	10/11
Deputy for Research England EC	-	-	-	-	-	0/1

	Board	ARAC	BIC	NomCo	OCC	ExCo
Number of meetings held	**6**	**7**	**4**	**4**	**5**	**11**
Professor Mark Thomson (EC STFC)	-	-	4/4	-	-	7/8
Professor Michele Dougherty (EC STFC)	-	-	-	-	-	3/3
Deputy for STFC EC	-	-	-	-	-	1/1

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Notes

- Professor Sir Ian Boyd's tenure on the Board ended on 19 September 2024
- Dr John Fingleton's tenure on the Board ended on 19 September 2024
- Professor Sir Anthony Finkelstein's tenure on the Board ended on 19 September 2024
- Professor Sir Ian Chapman was appointed to the Board from 1 March 2024. On 28 February 2025 Sir Ian formally stepped down as a Board member but continued to attend the Board as an observer. Sir Ian will remain an observer of the Board and an independent Non-Executive Member of ARAC until he takes up the role of UKRI CEO on 20 August 2025
- The Baroness Bull was appointed to the Board from 1 March 2024
- Russell Schofield-Bezer was appointed to the Board from 28 October 2024
- Rita Dhut was appointed to the Board from 28 October 2024
- Annie Callanan was appointed to the Board from 28 October 2024
- Professor Jane Norman was appointed to the Board from 28 October 2024
- In line with the ExCo Terms of Reference, if members are not able to attend meetings they

may authorise an appropriate colleague to represent them

- Alexandra Jones, Director General for Science, Innovation and Growth at DSIT, attended all Board meetings in year as an observer, and representative of the Secretary of State for Science, Innovation and Technology. She is not a member of the Board

- Professor Guy Poppy's term as Interim BBSRC Executive Chair ended on 30 June 2024

- Professor Anne Ferguson-Smith was appointed BBSRC's Executive Chair on 1 July 2024

- Indro Mukerjee's term as Innovate UK's Executive Chair ended on 30 September 2024

- Dr Stella Peace was appointed Interim Innovate UK's Executive Chair on 1 October 2024

- Professor Mark Thomson's term as STFC's Executive Chair ended on 31 December 2024

- Professor Michele Dougherty was appointed STFC's Executive Chair on 2 January 2025

- Poli Stuart-Lacey was appointed as Chief of External Affairs and Communications on 5 August 2024

- Daniel Shah was appointed on 13 May 2024 as Interim Chief of Investment Planning and

Strategy, with an end date of 12 February 2025. Daniel was appointed as Chief of Investment Planning and Strategy Job Share on 13 February 2025

- Hugh Harris was appointed as Chief of Investment Planning and Strategy Job Share on 26 February 2025
- Chris Ball's term as Chief People Officer ended on 31 January 2025
- Angela Paradise was appointed as Interim Chief People Officer on 6 January 2025
- Emma Lindsell departed UKRI as Executive Director, Strategy, Performance & Engagement on 17 May 2024
- Isobel Stephen departed UKRI as Executive Director, Strategy, Performance & Engagement on 17 May 2024
- Tim Bianek departed UKRI as the Chief Operating Officer on 30 June 2024

Councils overview

The councils act in an advisory capacity to the Executive Chairs. Ordinary council members contribute expertise and insight to influence and provide constructive challenge and advice within their respective fields to shape the councils' strategic delivery plans and implementation, which

set out the combined and collective actions to deliver our strategy. Councils work in partnership with ExCo and the Board and meet jointly, bi-annually, to address the UK's major research and innovation challenges.

Each council consists of the council's Executive Chair and between five and 12 non-executive ordinary members, one of whom is the Senior Independent Member (SIM). Each council met between four- and six-times last year. The full list of council members and councils' Terms of Reference is published on our **website** (https://www.ukri.org/who-we-are/how-we-are-governed/council-members/).

Innovate UK Loans Ltd Special Purpose Vehicle

Innovate UK Loans Ltd (IUKL) is a wholly owned subsidiary of UKRI and part of Innovate UK's delivery infrastructure. Through IUKL, Innovate UK supports the UK's best innovative businesses to undertake later stage R&D with a view to commercialisation, scale, and growth. As a wholly owned subsidiary, IUKL is subject to the central government controls framework. The IUKL ARA is subject to audit by the NAO and is consolidated with UKRI's ARA. GIAA is responsible for the provision of internal audit services to UKRI, as

set out in a Memorandum of Understanding, and provides internal audit services to IUKL under this agreement. Further narrative and detail of their governance arrangements and financial results are available within the IUKL ARA filed with Companies House.

Innovate UK Knowledge Transfer Network operating as Innovate UK Business Connect

Innovate UK Business Connect (IUKBC) is the UK's innovation network. It connects innovators and innovative businesses to contacts, opportunities, and networks, and accelerates UK-based business innovation.

IUKBC strategic objectives align with those of Innovate UK, set out through the Innovate UK Annual Delivery Plan.

Governance, accountability, and operational requirements are set out in the UKRI and IUKBC Framework operating document and IUKBC own updated Articles of Association. Operational requirements set out in the Framework document cover the agreement of an annual work programme, financial and non-financial reporting regimes, and broader information sharing. Financial Statements are filed with Companies House.

STFC Innovations Ltd

STFC Innovations Limited (SIL) is a wholly owned subsidiary of UKRI and conducts activities in the field of commercialisation for STFC. Staff working at SIL are employed by UKRI and are assigned to work for the company. SIL invests in a portfolio of start-up companies based on STFC intellectual property, commercially exploits STFC's intellectual property through licence agreements and sales of services, and provides facilities for early-stage companies looking to scale up and grow. The SIL ARA is subject to audit and is consolidated within UKRI's ARA. Further narrative and detail of their governance arrangements and financial results are available within the SIL ARA filed with Companies House.

Diamond Light Source Ltd

Diamond Light Source Ltd (DLS) was first established in 2002 as a joint venture by the Science and Technology Facilities Council (which became part of UKRI in 2018) and Wellcome Trust. In 2023/24 AO responsibility for the management of Diamond Light Source Ltd (DLS) transferred from the UKRI AO to the Chief Executive Officer of DLS. UKRI remains responsible for the provision of funding to DLS and will maintain a delegated sponsorship role via DSIT.

The DLS ARA is subject to external audit and consolidated within the DSIT ARA. Further narrative and detail of DLS's governance arrangements and financial results are available within the DLS ARA filed with Companies House.

Risk management

Capacity to handle risk

As AO, I have overall responsibility for ensuring there is an effective system of risk management, internal control, and assurance in place within UKRI for meeting all relevant statutory requirements, and for ensuring adherence to guidance. Further accountability and responsibility for elements of risk management are set out in UKRI's risk management strategy and policy. An overview of the risk management framework and details of the principal risks managed this year are set out in the Performance Report from page 157.

An important element of the UKRI Risk Management Framework is the UKRI Risk Appetite Statement. The statement is reviewed at a minimum frequency of every two years. The next review is due in 2025-26, for which planning has been underway in the final months of 2024-25. UKRI is committed to ensuring that it's risk

appetite types and levels are reviewed to ensure that it supports optimal risk taking in order to achieve objectives.

Risk management framework

We have a risk management framework designed to support informed decision-making concerning the risks that have the potential to impact our ability to achieve our objectives.

The framework provides a consistent approach to identifying, assessing, and mitigating enterprise risks through implementing and monitoring controls and actions to reduce risk to the levels the organisation is willing to accept in pursuit of objectives. Our risk management framework includes a risk management policy, strategy, and risk appetite statement.

Our risk management practices comply with the requirements of the five principles as set out in **HM Government's Orange Book** (https://www.gov.uk/government/publications/orange-book). Our practices and approaches are in turn supported by a central team of qualified risk business partners to embed effective risk management across UKRI. Our risk and assurance management system provides an integrated and dynamic view of UKRI's risks, issues, assurance framework, policies and

control environment. The system continues to be developed and has delivered improved reporting enabling rich risk discussions and underpinning informed risk-based decision making.

System of internal control

In order to achieve policies, aims and objectives, our system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to achieving the policies, aims and objectives of UKRI, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently and effectively. Our system of internal control and risk management systems have been in place for the year under review and up to the date of approval of the ARA.

Regularity and propriety

We are committed to establishing and applying appropriate regularity and propriety standards, including embedding appropriate cultures and behaviours, and do not tolerate any form of fraud,

bribery, or corruption.
The key components in this regard are our:

- Counter Fraud and Bribery policy and arrangements
- Gifts and Hospitality policy
- Declarations of Interest policy
- Whistleblowing policy
- Complaints policy.

I confirm that for 2024-25:

Neither I, nor my staff, authorised a course of action, the financial impact of which is that transactions infringe the regulatory requirements as set out in Managing Public Money:

- any novel, contentious or repercussive transactions were only undertaken after being approved by HM Treasury
- no new UKRI employees or contractors have received remuneration more than the amount approved by DSIT and HM Treasury
- within the operations of UKRI and our shared service provider, UKSBS, no instances of fraud have been discovered with a material impact on UKRI.

Counter fraud

The Government Functional Standard GovS 013: Counter Fraud - GOV.UK sets the expectations for the management of fraud, bribery and corruption risk in government organisations. Previous NAO financial audits of UKRI have found deficiencies in our counter fraud arrangements. The controls on the individual grants audited by NAO were adequate. However, we were unable to link all the controls and assurance checks we have implemented into a clearly articulated picture of whether, across UKRI, the risks of error and fraud are under control.

We undertook an assessment against the standard in 2024-25 which identified improvement actions. A reorganisation putting counter fraud under new leadership happened September 2024. We took action to recruit new staff, implemented approaches to improve team culture and improved the breadth of our fraud risk assessments work. Our new counter-fraud strategy is in development and scheduled for Board sign off in June 2025. We expect to be able to demonstrate significant improvements and alignment to the Functional Standard by September 2025.

An ongoing programme of fraud awareness is in place in UKRI with a mandatory online fraud

and bribery course for all UKRI staff. Additional bespoke training has been provided to teams in UKRI with higher risk profiles. This has been supplemented by monthly fraud awareness training and staff participation in events organised by DSIT Counter Fraud Expert Services (CFES) Team for International Fraud Awareness Week.

UKRI employ a small team trained counter fraud investigators and excess cases are contracted to third parties such as GIAA. UKRI makes Consolidated Data Returns to the Public Sector Fraud Authority that record the activity and performance of that team. The figures returned for 2024-25 covering fraud and error were:

- 82 referrals of fraud, bribery or corruption (128 2023-24)
- we launched 24 new cases and closed 17 cases
- we identified fraud and error of £5.41 million (£4.57 million 2023-24)
- we prevented fraud of £0.66 million (£13.54 million 2023-24)
- we recovered £6.58 million from grant participants (£0.08 million 2023-24)
- the counter fraud investigations team achieved a return on investment of £10.7 for every £1 spent in 2024-25 and 178% of the target set with PSFA at the start of the year

Gifts and hospitality

As a major funding organisation, we are aware that accepting or giving gifts or hospitality may affect how the organisation is perceived and may be seen to affect our decision-making and behaviour. The purpose of the **UKRI Gifts and Hospitality Policy** (https://www.ukri.org/publications/ukri-gifts-and-hospitality-policy/?_ga=2.243028170.971969410.1713773382-278585691.1675878857) is to ensure that all staff are aware of their responsibilities and are vigilant in ensuring that we remain impartial and fair across the work we do.

The cost of gifts and hospitality offered by UKRI must be proportionate, approved beforehand and recorded on the Gifts and Hospitality Register. All offers of gifts or hospitality made to staff must be declared even if not accepted and it is not standard for staff to accept gifts and hospitality. In line with the policy, any gifts above £45 in value have either been surrendered or retained with appropriate approval.

Declaration of Interests

We recognise the importance of ensuring transparency and compliance with the **Nolan Principles** (https://www.gov.uk/government/publications/the-7-principles-of-public-life/the-7-principles-of-public-life--2). Declaring interests supports transparency and demonstrates the integrity of our business and employees by providing assurance that any potential conflicts are considered and managed effectively.

Our employees and all persons engaged to represent or act on behalf of UKRI, or its affiliated organisations worldwide, are expected to comply with the highest standards of professional and ethical practice and are required to declare any interests that may conflict, or may be perceived to conflict, with our business.

Interests are recorded and assessed in line with the **Declaration of Interests (DoI) Policy** (https://www.ukri.org/publications/ukri-declarations-of-interest-policy-and-guidance/), using a self-service electronic portal. Controls applied to mitigate identified conflicts are subject to management approval and recorded in the portal.

Declarations of the Board, ExCo and Council members are published annually on the **UKRI website** (https://www.ukri.org/publications/declaration-of-interest-registers/), and updated as required.

Whistleblowing

Whistleblowing and "Freedom to Speak Up" is viewed by UKRI as a positive act, which can make a valuable contribution to our efficiency and long-term success. **The UKRI Whistleblowing – Freedom to Speak Up Policy** (https://www.ukri.org/publications/ukri-whistleblowing-freedom-to-speak-up-policy/), last reviewed in 2022-23, encourages and enables employees to speak out when they encounter or suspect malpractice. Internal avenues for raising concerns are also supported by an external advice line through **Protect** (https://protect-advice.org.uk/).

UKRI aims to ensure concerns are investigated properly, sensitively and in confidence, and individuals are protected from any detrimental impacts because of raising a concern in good faith, in line with the Public Interest Disclosure Act.

19 concerns were submitted in 2024-25, of which eight were assessed as being in scope of the UKRI Whistleblowing 'Freedom to Speak up' Policy

and were investigated as a "qualifying disclosure" regarding alleged or actual malpractice. By comparison, in 2023-24, 22 concerns were submitted, of which four were assessed as being in scope of the UKRI Whistleblowing 'Freedom to Speak up' Policy. The findings from each completed investigation are acted upon and a process has been established to identify and address lessons learned.

Complaints

We recognise that complaints present an opportunity to learn and make improvements to the way we operate and for our stakeholders. As an organisation we commit to operating a responsive, transparent, and fair complaints process, and this is particularly important when things go wrong.

We have an external **UKRI Complaints** (https://www.ukri.org/who-we-are/contact-us/make-a-complaint/) webpage that outlines the process for external stakeholders to submit a complaint, what we can investigate, timescales for response and how to appeal. Further details about our internal processes are outlined in the UKRI Complaints Handling Procedure.

In 2024-25 we received 60 formal complaints (of these six were appeal complaints), compared to 77

in 2023-24. The top three categories of complaints related to grant decision-making, customer service and post award issues.

Whilst the formal complaint caseload has reduced, the level of email activity to/from the UKRI Complaints team has increased with the team handling over 4,000 emails relating to a variety of different issues. Given this increase in volume, we have therefore put more emphasis on identifying cases for early resolution, 16 cases (27%) of formal complaints were resolved in this way.

During 2024-25, there were no new cases accepted by the Parliamentary and Health Service Ombudsman (PHSO) for review. Three case outcomes were received from the PHSO in 2024-25 (from cases we were notified of in 2023-24). One of these was closed at the primary investigation stage and the other two at the detailed investigation stage. None of the concerns were upheld. Of note from the outcomes received from the PHSO, they provided the following comments:

- All case outcomes stated there were no indications of maladministration or failings by UKRI
- "UKRI did demonstrate flexibility in its complaint handling… by departing from

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its procedure to provide a more flexible response… We were encouraged to see this flexibility in practice and, in this sense, UKRI went above what we would have expected to see in order to provide a flexible response".

As part of our Complaints Annual Review 2023-24, we have identified priorities which will enable us to continue to strengthen our approach to complaint handling and improve stakeholder experience including improving our reporting capabilities and ensuring continued alignment to complaints best practice guidance.

Raising concerns

UKRI seeks to make it easier for individuals to raise concerns across UKRI and within our community. We want to make the triage and processing of concerns more robust and consistent and to enable effective outcomes for all those involved in the process. We are currently developing a new harmonised mechanism for reporting and managing concerns which we hope to implement by Autumn 2025. This will be underpinned by revised policies, procedures and a new approach to the resourcing and delivery of investigations.

Modern slavery

We are committed to the principles of the Modern Slavery Act 2015 and the abolition of modern slavery and human trafficking. We seek to minimise the risk of modern slavery and human trafficking in our operations through a control framework which focuses on recruitment, selection and resource management, commercial supply chain arrangements, policy development for safeguarding and reporting of concerns, and employee awareness training. The latest UKRI Modern Slavery and Human Trafficking Statement published in September 2024 reported no concerns identified or reported by employees or third parties. During 2024-25 we have continued to monitor recruitment and commercial activity for modern slavery indicators.

Welsh Language Scheme

Our Welsh Language Scheme sets out how UKRI complies with the principles established by the Welsh Language Act and which services and communications are offered in Welsh. The scheme was prepared in accordance with guidelines issued by the Welsh Language Commissioner under Section 9 of the Act and was approved by the Welsh Language Commissioner on 8 April 2021.

Data and information governance

The CIO chairs the UKRI Strategic Technology and Data Governance Committee which meets quarterly, reporting to PFO, to provide strategic direction, oversight and ensure the effective management, ethical use, and maximisation of technology and data assets in support of UKRI's strategy. Data owners accountable for data management have been appointed and are working with the Chief Data Officer, alongside existing information governance policies, procedures, and controls to ensure that our data and information is valued, managed, and protected. A new principal data and information governance risk has been agreed and will be reviewed regularly and managed through appropriate mitigating actions.

Security and Resilience

Building on a strong foundation and increasing compliance to **Government Functional Standard (GovS) 007: Security** (https://www.gov.uk/government/publications/government-functional-standard-govs-007-security), the UKRI Security and Resilience (S&R) programme was reviewed in late 2024 with proposed developments rigorously endorsed by UKRI's internal governance processes. To be implemented in 2025, key

developments designed to progress UKRI towards S&R best practice include: a refresh of the UKRI S&R strategy to create a clear 'golden thread' from the UKRI strategy through the formation of key principles and objectives; a revision of S&R risk management to align with the strategic objectives and ensure a clear 'line of sight' from strategic to operational risks; and development of a breadth of operational workstreams including enhancing incident management and development of supply chain S&R.

With this programme to be enacted by the core UKRI S&R Team supported by an enhanced leveraging of the wider federated organisation through the establishment of a S&R Community of Practice, further progress towards achievement of the GovS 007 standard is expected. This will, in delivery, offer a developed understanding of UKRI's S&R profile and an enhanced ability to manage identified and emerging risks.

Prompt payment

Our policy is to comply with the Prompt Payment Code for the payment of invoices for goods and services. While our standard terms and conditions specify payment within 30 days of receipt, we aim to make payments within five working days. In 2024-25, UKRI paid 97% of undisputed invoices

within 30 days (2023-24: 97%) and 61% within five working days (2023-24: 66%).

Pay remit

I can confirm that UKRI is complying with Civil Service pay-setting requirements set out in guidance issued by HM Treasury.

Tax arrangements of public sector appointees

The government's 2012 review of tax arrangements for public sector appointees highlighted the possibility of artificial arrangements to enable tax avoidance. Our directly hired senior employees are all paid through the payroll and controls exist to provide assurance that appropriate tax arrangements are in place to cover other in-year appointees. We provide DSIT with tax assurance evidence on a yearly basis, which forms part of their summary of DSIT tax assurance data at **gov.uk** (http://gov.uk/).

UKRI have been made aware of the employment tribunal case decision related to use of expert panels, panel members, and judgment based on *Nursing and Midwifery Council v Somerville* and we will be reviewing and considering our arrangements in light of that case.

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Ministerial directions

There were no Ministerial directions given in 2024-25.

Projects and major change programmes

Project delivery

The UKRI Project Delivery Profession empowers over 450 professionals across UKRI to deliver complex projects more effectively. Through the provision of practical tools, training, and support, it enhances capability and consistency across the organisation. Members can attend CPD events, participate in the government project delivery accreditation scheme, and join specialist networks in areas like risk, change and AI. By raising the profile of project delivery and enabling continuous improvement, the Project Profession helps UKRI achieve its strategic goals through a confident, skilled, and future-ready project community.

The profession undertakes annual self-assessments against the **Government Functional Standard GovS 002: Project Delivery (GovS)** (https://www.gov.uk/government/publications/project-delivery-functional-standard) for

compliance and assurance purposes. Specific Interest Groups continue to facilitate knowledge sharing and the development of best practice in key project management areas including risk management, benefits realisation and change management. The Project Profession centre holds and promotes a programme of learning and networking events, providing over 300 hours of continuing professional development to members.

A project management system is in use provides UKRI with the ability to manage and report on projects, programmes and portfolios at any level improving the efficiency of delivery, effectiveness of reporting, and consistency in practice.

The Business Case Hub provides expertise covering HM Treasury's Five Case Model, helping projects and programmes within the UKRI Major Projects Portfolio produce business cases that set projects up for successful delivery. Since its inception in 2020, the Business Case Hub has maintained its 100% success rate of first-time approval by BEIS/DSIT, with a total of over £10 billion worth of programmes approved by the department.

SHARP programme

One of the key strategic initiatives for UKRI is the implementation of Oracle Fusion, a new integrated enterprise resource planning (ERP) and human capital management (HCM) system. The SHARP programme has been a multi-year programme run collaboratively with UKRI and UKSBS and will provide the basis for increasingly harmonised data and processes.

The implementation of Oracle Fusion will enable the upgrade from legacy on-premises systems to a cloud-based, integrated Software as a Service (SaaS) solution across HR, accounting, procurement, and reporting. The platform will align UKRI processes to government standards as well as providing opportunities for increased efficiency and effectiveness through greater automation and opportunity for self-service.

The programme has made significant progress during the last year and is scheduled to launch the new platform across the organisation in Summer 2025.

Simpler and Better Funding programme

The Simpler and Better Funding (SBF) Programme was established to create a unified, flexible, and

scalable funding service for UKRI. It sought to introduce a single digital front-door, replacing the outdated JeS-Siebel system, which was inflexible and provided a poor user experience for applicants, staff, reviewers, and panellists. The SBF Programme transitioned to business as usual, with a con-current Optimisation Project in March 2025.

The scale and scope of the ambition for the SBF Programme has proven greater than the budget and the timescale of the original project allowed with a range of complexities identified during the course of the programme. The programme has successfully introduced an end-to-end, new Funding Service (TFS), underpinned by a new, GDS Beta-assessed digital platform, simplified opportunity types, harmonised applicant guidance, and reduced administrative checks. However, a level of manual processing persists that incurs pressure on business teams. It should be noted that, whilst this manual processing is well understood both in terms of the business impact and the future digital capability required to automate, additional work will be required to build further enhancements needed to eliminate manual processes under the future TFS Optimisation project.

Nevertheless, TFS now operates as an end-to-end

service, with the TFS digital Platform being the default for Research Council funding opportunities and awards. External user perceptions already consistently report percentage satisfaction results at least equivalent to and often higher than the Je-S/Siebel system it replaced.

To ensure the long-term sustainability of the unified UKRI Grants Funding service, a Grants Service Owner, the Funding Service Delivery Authority (FSDA) has been appointed to own the issue of Funding across UKRI. Additionally, a BAU team has been established to oversee the support and maintenance of TFS and the TFS Platform, ensuring service delivery, performance monitoring, and continuous improvement.

Assurance

Review of effectiveness

As interim AO, it is my responsibility to ensure that UKRI is maintaining a sound system of governance and internal control. In 2024-25 the CEO looked to the work of the ARAC, ExCo and its supporting committees, the internal audit service provided by the GIAA, UKRI's Funding Assurance Oversight Committee, the assurance opinion provided by the AO of UKSBS, and comments made by the NAO as our external auditors in their management letter and other reports to inform my view.

Executive Accountability Assessment

We have an assurance framework that records the assurance available on the: legal, regulatory and government requirements that UKRI must adhere to good governance and best practice frameworks. The design of the assurance framework is aligned to HM Treasury guidance. This framework identifies and evaluates the different sources of assurance using a three lines model comprising: management, internal assurance, and independent assurance.

An annual Executive Accountability Exercise (EAE) was completed at the end of the year. The purpose of the exercise was to gain Executive Director level assurance on their responsibilities set out in the UKRI Delegations Framework. These assurances were subject to a second line of supporting evidence by the Management Assurance Team and a challenge meeting with the Director Risk, Assurance, Counter Fraud and Investigations. The outcomes were reported to the PFO as well as to ExCo and ARAC.

The overall level of assurance provided through the exercise was medium. Analysis of the data from the exercise assessed as having low (9 returns, 4% of total) or medium assurance (127 returns, 61% of total) there are relevant actions in place to support improvements in the coming year. The analysis and review of the outcomes of the exercise have determined that the areas in which low assurance has been provided are not significant enough to impact the medium rating.

Government Internal Audit Agency annual opinion

The GIAA Head of Internal Audit (HIA) is required by the Public Sector Internal Audit Standards to provide me with an annual internal audit opinion and report. The HIA opinion is based primarily on

the outcomes of audit engagements conducted during the 2024-25 financial year but is also informed by knowledge gained from meetings with senior management, and attendance at governance forums and review of associated papers.

The HIA provided me with an overall moderate assurance opinion which reflects that, although there are areas that could be improved, UKRI's frameworks for governance, risk management and control are operating effectively to deliver strategic objectives. The HIA also provided me with moderate assurance opinions and analysis for each of the four Pillars of the Risk Control Framework (RCF) introduced in the 2023 update to the Orange Book on public sector Risk Management.

The HIA opinion takes account of the challenging environment within which UKRI continues to operate, including the need to manage operations with a reduced headcount prior to the efficiencies intended to be realised from organisational change programmes.

GIAA found governance to be working effectively, including an improved governance over the Services for HR, Accounting, Reporting and Procurement (SHARP) programme compared

to previous findings. The HIA noted ambiguity in governance below principal Boards and Committees that will be addressed by our Governance Team in 2025-26.

The HIA noted that risk management is adequately overseen at a strategic level by the Board and ExCo, providing the opportunity to identify and review risks, and includes scrutiny and challenge by ARAC. Workforce capacity in the risk management and assurance team and the wider organisation has become a more evident constraining factor, and where plans for risk mitigation are slowing or may slow further.

The HIA noted that we continue to develop our approach to assurance over controls, with a particular focus on funding assurance. Our ability to provide assurance on the design and effectiveness of controls is a theme GIAA have reported since 2021-22 and continue to evidence in their work. The risk and assurance team are undertaking a project to identify and assess critical controls to address this important theme.

The HIA reviewed two areas where controls were not found to be fully effective in 2024-25. These were:
The Funding Service: review of current processes, including supporting off system processes; and

IUK Loans Ltd: Loans origination and arrears, default and recoveries management. Action plans have been agreed to address the findings.

Assurance on our Funding

The requirement for Funding Assurance spans the entire research and innovation funding lifecycle, from designing our schemes to post-project reporting. I have received a report from the Director Risk Assurance, Counter Fraud and Investigations that identifies the sources of assurance and provides an overall moderate assurance opinion on the effectiveness of governance, risk management and internal control in relation to our research and innovation activity and expenditure.

We are evolving our funding assurance arrangements to ensure that they enable us to evidence the design and effectiveness of our governance, risk management and internal control arrangements in relation to research and innovation activity and spend. This included creation of a new director position in September with overall responsibility for setting the framework and standards for funding assurance and improving them over time.

We are progressing actions agreed with NAO to address outstanding high priority actions identified

through their audits of our financial statements. We are also ensuring optimal alignment of our funding assurance arrangements with the functional standard **GovS 015 Grants** (https://www.gov.uk/government/publications/grants-standards), public sector rules, laws and regulations applicable to UKRI, funding policies that we set requiring legal and regulatory compliance by organisations we fund, and UKRI commitments and obligations included in the **Government response to the Independent Review of Research Bureaucracy** (https://assets.publishing.service.gov.uk/media/65c532309c5b7f000c951b95/independent_review_of_research_bureaucracy_government_response.pdf).

UKRI operates a three lines model for funding assurance. Under the model:

- 1st Line. Assurance provided by UKRI Teams directly involved in designing, delivering, and administering research and innovation funding activities.
- 2nd Line. Assurance provided by independent UKRI Teams assuring first line activity in UKRI or scrutinising compliance with grant terms and regularity of spend in funded organisations.
- 3rd Line Internal audit, and other independent reviewers commissioned by UKRI.

UKRI is also subject to NAO audit and other statutory reviews of its research and innovation activities and spend that are not directed by UKRI. Our 2024-25 funding assurance activities have been planned, documented and reported using the three lines model.

Positive first line assurance has been provided through the EAE, maintenance of assessments against the functional standard for grants, updated fraud risk assessments, and an exercise to understand and assess potential risks in our international collaborative research grant portfolio.

Second line funding assurance activities undertaken by different teams in UKRI are being coordinated the Director Risk Assurance, Counter Fraud and Investigations. Overall, these activities support a positive opinion. Key findings are as follows:

- we completed 32 organisation-based funding assignments, of which three achieved limited assurance 25 achieved moderate assurance and four achieved substantial assurance. £249k of ineligible expenditure was detected through testing of £19.1 million expenditure on research grants and fellowships and training grants (1.31% error).
- eight Research Organisations previously receiving unsatisfactory or limited assurance

have continued to operate under special measures, with final expenditure statements (FES) and Annual TRAC returns subject to additional checks by UKRI's Funding Assurance team. FES checks conducted across 56 grants detected £52k of errors from a sample of transactions worth £1.3 million (4.07% error)

- Innovate UK processed over 43,000 claims totalling £2.1 billion. Review of claims identified 2,333 ineligible cost items totalling £6.8 million (0.35% error rate). Secondary review of grant claims rated as high and medium risk identified a further £4.7 million of overclaims giving an overall error rate of 0.54%

- IUK processed 9,551 Horizon Europe Guarantee (HEG) claims resulting in payments totalling £237 million. All HEG claims were subject to first line review and all ineligible costs identified were removed prior to payment

- 21 audits were completed of Research England block-grants covering a £451 million funding. No material or major issues were identified, providing positive assurance over the data and the systems and processes used to allocate funding

- we completed nine funding assurance reviews of Catapults Centres of which three achieved

limited assurance four achieved moderate assurance and two were advisory. We recovered £4.3 million due to errors identified through these assignments.

Action is taken to address the specific and thematic findings from funding assurance reviews. When we identify ineligible expenditure charged to a UKRI grant it is removed from the claim before payment. Organisations subject to a research council funding assurance visit are required to receive and respond to a report. Improvement actions are followed-up. All claims made by Research Organisations in receipt of a limited opinion funding assurance visit are subject to additional scrutiny. Terms and conditions of funding are reviewed and updated to address systematic findings from funding assurance reviews.

Third line assurance has been provided from GIAA who completed nine reviews of which one provided limited assurance, five provided moderate assurance and two were advisory. I have also received a letter providing assurance on payments made by UKRI from the AO of the Office for Students (OfS). The assurance covers regularity, propriety, and value for money in higher education providers in England that are primarily regulated by the OfS. The assurances are that:

- higher education providers have appropriate arrangements for financial management and accounting to mitigate the risk that funds are not used for the purposes given

- based on the funding assurance work completed by OfS there are no reports from external auditors for the academic year 2024-25 that would indicate any concerns which would be of interest to UKRI in relation to compliance with the terms and conditions of revenue grant funding from UKRI

In addition to these assurances the OfS continued its processes to collect and validate annual Transparent Approach to Costing (TRAC) data returns, for 2024-25, and to deliver this data to UKRI. This work includes a review of institutional declarations of compliance with the TRAC requirements as set out in TRAC guidance.

Shared services assurance

UKSBS is a company wholly owned by its public sector customers and shareholders: Department for Business and Trade, Department of Energy Security and net zero, DSIT and UKRI. The company aims to provide efficient HR and payroll, finance, procurement, and IT business services.

We receive bi-annual assurance reports from UKSBS on the design and effectiveness of its internal control framework, and within the UKSBS Assurance Framework the company's overall assurance status for the second half of financial year 2024-25 remains at amber. UKSBS also receives its internal audit provision from GIAA and received three Substantial and three moderate audit opinions in the second half of 2024-25.

Quality assurance of business-critical models

Quality assurance of business-critical models is managed by the Analytical Leadership Group which identifies, reviews, and maintains a list of business-critical models. This approach utilises existing review processes and expertise within UKRI, with oversight from its Analytical Leadership Group, and aligns UKRI practice with recommendations and standards for analytical modelling as outlined in **Managing Public Money** (https://www.gov.uk/government/publications/managing-public-money), the **MacPherson Review** (https://www.gov.uk/government/publications/review-of-quality-assurance-of-government-models), and the **Aqua Book** (https://www.gov.uk/government/publications/the-aqua-book-guidance-on-producing-quality-analysis-for-government).

National Audit Office – Value for Money study

The NAO undertook a Value for Money study entitled: 'UK Research and Innovation: providing support through grants – NAO report' during the second half of 2024-25. A draft report was being prepared at year end for factual accuracy checks ahead of a scheduled publication date of 14 May. UKRI were invited to attend a session of the Public Accounts Committee (PAC) on 5 June to discuss the report and recommendations.

The report outcomes and feedback from PAC will be disclosed in the 2025-26 Annual Report and Accounts.

Significant issues

UKRI defines significant issues as factors that may have impacted our performance or hindered our ability to fully achieve objectives within the financial year. These challenges can vary in nature and addressing them promptly is key to ensuring that UKRI can operate effectively.

Organisational change programmes

During 2024-25, significant efforts were made to improve delivery across our organisational change

portfolio. Key technology programmes (SHARP and SBF) saw substantial progress. SHARP is now set for summer 2025 delivery. For SBF, while end to end operation has been delivered, core functionalities are still under development. Other advancements include strengthened governance, leadership programme development, and progress on Operating Model projects. Meeting our change programme goals within tight operational expenditure targets remains a significant challenge for 2024-25 and will continue into 2025-26.

Capacity and capability of staff

Staff capacity and capability remain areas of focus for UKRI, with retention and recruitment continuing to present challenges. These are being addressed through the implementation of our HR Strategy, which supports a high-performance culture in a safe and inclusive environment. This includes steps to build a more agile and resilient workforce, helping to reduce potential skill gaps and ease pressure on teams. We are also working to strengthen internal processes, including ongoing improvements in HR operations and the resolution of whistleblowing cases, to enhance overall effectiveness and staff confidence.

Geopolitical events

Increasing geopolitical complexity and uncertainty, including instability and conflict, continues to present challenges in the international landscape. This not only places pressures on R&I partnerships but potentially also presents supply chain and increased national security risks. International collaboration is fundamental to UKRI ensuring our researchers and innovators continue to deliver world leading R&I. We continue to develop our organisational resilience and ability to respond and remain adaptable in times of rapid change due to global challenges. We are updating and expanding our Trusted Research and Innovation programme, refining our approach to position UKRI strongly in the context of a dynamic and evolving landscape. In addition, we have been creating a positive and risk aware culture across our organisation and across the wider R&I ecosystem.

Global staff mobility

In response to the increasing complexity and risk associated with staff deployed internationally, UKRI has undertaken a thorough evaluation and analysis of its global mobility operations. This includes a detailed review of all offices and facilities where staff are based outside the UK, to ensure that appropriate control requirements are

in place and that UKRI remains fully compliant with relevant international and local laws and regulations.

Over the course of the year there has been sustained attention and action at senior levels and we are reviewing and employing a robust global mobility policy for all aspects of UKRI's international activities and improving processes and functions. Throughout this process UKRI is working with global taxation experts, international employment law experts and external advisors to utilise this opportunity to improve and implement a new operating model for global mobility.

Managing programme and operational expenditure

Our ability to meet/achieve a year-end financial position in line with budget tolerances has been a significant issue over the course of the year demanding regular attention at ExCo. The risk of overspend remained high in December 2024 which resulted in an increase to the score of the UKRI Board level risk on the impact of a breakdown in financial control from medium to high. The action UKRI took brought its spend to within its financial control total in 2024-2025 with no overspend.

High priority NAO recommendations

The NAO Management Letter for 2023-24 included four high priority NAO recommendations, of which three had been carried over from previous years. Weaknesses in the UKRI Funding Assurance and Counter Fraud arrangements were first raised by NAO in 2021-22 and had not been sufficiently actioned. A new risk and assurance operating model was launched in September 2024 with specific actions to address these recommendations. The actions are intended to create enough progress by year end that NAO can reduce the rating from high to medium.

Conclusion

I have considered the accounts and evidence provided by colleagues across UKRI in the production of this Governance Statement as well as independent advice and assurance provided by our organisation's ARAC.

Based on the review outlined above, I conclude that UKRI has a sound system of governance, risk management and internal control that supports UKRI's aims and objectives for 2024-25.

Remuneration and Staff Report 2024-25

The Renumeration and Staff Report sets out the UKRI renumeration policy and shows how this policy has been implemented.

Remuneration Policy

The Chair and non-executive Board members receive a letter of appointment from our sponsoring Government department (Department for Science, Innovation and Technology, (DSIT).

They are not employees of UKRI although remuneration is made through UKRI payroll.

The sponsoring UK Government department advises UKRI of the rates they are required to pay, and these are reviewed with each new appointment. Board members may receive additional remuneration for attending advisory committees.

The Board Chair and Board members are defined as Office Holders. They are neither employees nor civil servants.

Appointments are usually made for up to four years. In exceptional cases members may be offered the possibility of re-appointment which cannot exceed ten years in total.

Appointments are non-pensionable and there are no superannuation payments relating to the fees paid to them. There is no compensation for loss of office.

Remuneration – Audited Information

Remuneration (£ per annum)	2024-25	2023-24
Board Chair	29,500	29,500
Board members	9,180	9,180
Board members with additional roles1	9,180	9,180
Board members (Innovate Council and ARAC Chair2)	16,065	16,065
Board members (Board Investment Committee Chair3)	14,688	-

Notes

1. Board members should not receive additional honoraria for roles on committees unless it takes them over their contracted 20-day per-annum commitment, in which case they should submit a claim for additional payment at the daily rate.

2. The Audit and Risk Assurance Committee (ARAC) Chair and Innovate Council member are an exception to the above rule and are entitled to an

additional honorarium of £6,885 per year, with the expectation that these roles will require an additional 15 days of work.

3. The Board Investment Committee Chair is an exception to the above rule and is entitled to an additional honorarium of £5,508 per year, with the expectation that this role will require an additional 12 days of work. This role was discontinued during the year.

Board Honoraria – Audited Information

Board Membership Name	Period of Appointment		Remuneration £000s 2024-25	Remuneration £000s 2023-24
	From	To		
Professor Julia Black	01 Apr 2018	20 Oct 2023	-	5-10
Lord David Willetts	01 Apr 2018	07 Nov 2023	-	5-10
Professor Sir Ian Boyd	20 Sep 2021	19 Sep 2024	0-5	5-10
Dr John Fingleton[1]	20 Sep 2021	19 Sep 2024	0-5	15-20
Professor Sir Anthony Finkelstein	20 Sep 2021	19 Sep 2024	0-5	5-10
Priya Guha[2]	20 Sep 2021	19 Sep 2027	25-30	5-10
Ruwan Weerasekera[3]	20 Sep 2021	19 Sep 2027	30-35	5-10
Nigel Toon[4]	20 Sep 2021	19 Sep 2027	-	-
Sir Andrew Mackenzie	12 Jul 2021	12 Jul 2026	25-30	25-30
Professor Nola Hewitt-Dundas	01 Oct 2022	30 Sep 2028	5-10	5-10
Annie Callanan	28 Oct 2024	27 Oct 2027	0-5	-
Rita Dhut	28 Oct 2024	27 Oct 2028	0-5	-

Board Membership Name	Period of Appointment		Remuneration £000s 2024-25	Remuneration £000s 2023-24
	From	To		
The Baroness Bull CBE	01 Mar 2024	29 Feb 2028	5-10	-
Professor Jane Norman	28 Oct 2024	27 Oct 2028	0-5	-
Russell Schofield-Bezer	28 Oct 2024	27 Oct 2028	0-5	-
Professor Sir Ian Chapman[5]	01 Mar 2024	28 Feb 2025	5-10	-
Siobhan Peters[6]	29 Jun 2020		****	****
Professor Dame Ottoline Leyser[6]	29 Jun 2020	28 Jun 2025	****	****

Notes

1. Dr John Fingleton was the UKRI Innovation Champion, for which he declined to receive an honorarium.

He received a separate honorarium as a member of Innovate UK Council until his tenure ended on 19 September 2024.

2. Priya Guha is Chair of BIC, for which she is entitled to an honorarium. This was back dated from 1 May 2022.

3. Ruwan Weerasekera is Chair of ARAC, for which he is entitled to an honorarium. This was back dated from 5 October 2021.

4. Nigel Toon has declined to receive honoraria during his tenure on the Board.

5. Professor Sir Ian Chapman was a member of the Board from March 2024 until February 2025 when he was announced as the incoming CEO of UKRI. He now sits as an observer until his tenure begins in summer 2025.

6. Siobhan Peters and Professor Dame Ottoline Leyser's remuneration is disclosed in the Senior Staff Remuneration Report.

Chief Executive Officer (CEO), Chief Finance Officer (CFO) and Executive Chairs

Ministerial appointments (CEO, CFO and Executive Chairs) have their initial remuneration package, both the basic pay and the performance-related pay element, agreed by the relevant DSIT minister.

The Nominations and Remuneration Committee (NomCo) provides advice and recommendations to DSIT on the performance element of the pay package, changes in basic pay for existing role-holders, and the package for new recruitment exercises. The Committee also reviews and oversees the expenses arrangements of these appointments. Inputs include scrutiny of performance, benchmarking, recruitment and retention issues, compliance with equality duties and overall efficiency and affordability.

This advice is exchanged between the Chair of UKRI and the DSIT Permanent Secretary, where the context of wider public sector pay policy and Managing Public Money rules are relevant factors in decision making. The final decision

on the performance-related pay elements of these ministerial appointees is taken by the DSIT Permanent Secretary.

When setting remuneration policy, the NomCo reviews and has regard to pay and employment conditions across UKRI and the wider public sector, especially when determining annual salary increases. This includes the Senior Civil Service Pay Award practitioner guidance published annually by the Cabinet Office.

Other Senior Employees

The remuneration of other senior roles which existed before the formation of UKRI and transferred into UKRI on 1 April 2018 remained unchanged, with their previous pay arrangements protected.

The pay award dates for all senior employees and Executive Chairs were harmonised from 1 April 2020. A harmonised performance management system was also introduced from this date.

Remuneration for senior roles is linked to job weight, and a minimum salary for Deputy Director-equivalent posts has been introduced. The remuneration for new senior roles recruited into Medical Research Council (MRC) Institutes is in

line with their legacy pay arrangements as agreed at the establishment of UKRI.

The role of NomCo is to ensure that remuneration arrangements support the strategic aims of UKRI and enable the recruitment, motivation and retention of senior staff, while complying with public-sector pay policy and other requirements.

Senior Staff Remuneration Table – Audited Information

	2024-25				
	Salary	Bonus	Benefits in kind	Pension benefits	Total
	£000	£000	£000	£000	£000
Professor Dame Ottoline Leyser – Chief Executive[1]	245-250	10-15	-	-	260-265
Siobhan Peters – Chief Finance Officer	180-185	5-10	-	113	305-310
Chris Ball – Chief People Officer[2]	200-205	-	-	-	200-205
Angela Paradise – Interim Chief People Officer[3]	70-75	-	-	-	70-75
Christine Ashton – Chief Information Officer	150-155	-	-	59	210-215

	2024-25				
	Salary	Bonus	Benefits in kind	Pension benefits	Total
	£000	£000	£000	£000	£000
Emma Lindsell – Executive Director Strategy, Performance and Engagement (job share)[4]	15-20	-	-	1	15-20
Isobel Stephen – Executive Director Strategy, Performance and Engagement (job share)[5]	10-15	-	-	4	15-20
Daniel Shah – Chief of Investment Planning and Strategy (job share)[6]	115-120	5-10	-	62	185-190

| | Salary | Bonus | 2024-25 | | |
			Benefits in kind	Pension benefits	Total
	£000	£000	£000	£000	£000
Hugh Harris – Chief of Investment Planning and Strategy (job share)[7]	5-10	-	-	41	50-55
Poli Stuart-Lacey – Chief of External Affairs and Communication[8]	95-100	-	-	43	140-145
Tim Bianek – Chief Operating Officer[9]	110-115	-	-	167	275-280
Professor Christopher Smith – AHRC Executive Chair[10]	160-165	5-10	-	22	190-195
Professor Melanie Welham – BBSRC Executive Chair[11]	-	-	-	-	-

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		2024-25			
	Salary	Bonus	Benefits in kind	Pension benefits	Total
	£000	£000	£000	£000	£000
Professor Guy Poppy – Interim BBSRC Executive Chair[12]	10-15	5-10	-	2	15-20
Professor Anne Ferguson-Smith – BBSRC Executive Chair[13]	100-105	-	-	40	140-145
Professor Alison Park – Interim ESRC Executive Chair[14]	-	-	-	-	-
Stian Westlake – ESRC Executive Chair	125-130	10-15	-	51	190-195
Professor Dame Lynn Gladden – EPSRC Executive Chair[15]	-	-	-	-	-

| | 2024-25 | | | | |
	Salary	Bonus	Benefits in kind	Pension benefits	Total
	£000	£000	£000	£000	£000
Professor Miles Padgett – Interim EPSRC Executive Chair[16]	-	-	-	-	-
Professor Charlotte Deane – EPSRC Executive Chair[17]	140-145	-	-	19	160-165
Indro Mukerjee – IUK CEO[18]	100-105	85-90	-	14	200-205
Dr Stella Peace – Interim IUK Executive Chair[19]	70-75	-	-	14	85-90
Professor John Iredale – Interim MRC Executive Chair[20]	-	-	-	-	-

	Salary	Bonus	2024-25 Benefits in kind	Pension benefits	Total
	£000	£000	£000	£000	£000
Professor Patrick Chinnery – MRC Executive Chair[21]	165-170	-	-	24	190-195
Professor Sir Duncan Wingham – NERC Executive Chair[22]	-	-	-	-	-
Professor Peter Liss – Interim NERC Executive Chair[23]	-	-	-	-	-
Professor Louise Heathwaite – NERC Executive Chair[24]	140-145	-	-	20	160-165
Professor Dame Jessica Corner – Research England Executive Chair	160-165	20-25	-	61	240-245

		2024-25			
	Salary	Bonus	Benefits in kind	Pension benefits	Total
	£000	£000	£000	£000	£000
Professor Mark Thomson – STFC Executive Chair[25]	125-130	-	-	25	150-155
Professor Michele Dougherty – STFC Executive Chair[26]	35-40	-	-	5	40-45

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	2023-24				
	Salary	Bonus	Benefits in kind	Pension benefits	Total
	£000	£000	£000	£000	£000
Professor Dame Ottoline Leyser – Chief Executive[1]	230-235	10-15	-	10	250-255
Siobhan Peters – Chief Finance Officer	170-175	5-10	-	105	235-240
Chris Ball – Chief People Officer[2]	230-235	-	-	-	230-235
Angela Paradise – Interim Chief People Officer[3]	-	-	-	-	-
Christine Ashton – Chief Information Officer	25-30	-	-	11	35-40

	2023-24				
	Salary £000	Bonus £000	Benefits in kind £000	Pension benefits £000	Total £000
Emma Lindsell – Executive Director Strategy, Performance and Engagement (job share)[4]	85-90	-	-	24	110-115
Isobel Stephen – Executive Director Strategy, Performance and Engagement (job share)[5]	75-80	-	-	22	95-100
Daniel Shah – Chief of Investment Planning and Strategy (job share)[6]	-	-	-	-	-

| | 2023-24 | | | | |
| | Salary | Bonus | Benefits in kind | Pension benefits | Total |
	£000	£000	£000	£000	£000
Hugh Harris – Chief of Investment Planning and Strategy (job share)[7]	-	-	-	-	-
Poli Stuart-Lacey – Chief of External Affairs and Communication[8]	-	-	-	-	-
Tim Bianek – Chief Operating Officer[9]	125-130	-	-	59	165-170
Professor Christopher Smith – AHRC Executive Chair[10]	130-135	-	-	26	155-160
Professor Melanie Welham – BBSRC Executive Chair[11]	45-50	10-15	-	10	70-75

| | 2023-24 | | | | |
	Salary £000	Bonus £000	Benefits in kind £000	Pension benefits £000	Total £000
Professor Guy Poppy – Interim BBSRC Executive Chair[12]	115-120	-	-	22	140-145
Professor Anne Ferguson-Smith – BBSRC Executive Chair[13]	-	-	-	-	-
Professor Alison Park – Interim ESRC Executive Chair[14]	20-25	5-10	-	40	30-35
Stian Westlake – ESRC Executive Chair	100-105	-	-	40	130-135
Professor Dame Lynn Gladden – EPSRC Executive Chair[15]	35-40	-	-	-	35-40

	Salary	Bonus	2023-24 Benefits in kind	Pension benefits	Total
	£000	£000	£000	£000	£000
Professor Miles Padgett – Interim EPSRC Executive Chair[16]	60-65	-	-	13	70-75
Professor Charlotte Deane – EPSRC Executive Chair[17]	30-35	-	-	5	35-40
Indro Mukerjee – IUK CEO[18]	190-195	-	-	29	220-225
Dr Stella Peace – Interim IUK Executive Chair[19]	-	-	-	-	-
Professor John Iredale – Interim MRC Executive Chair[20]	65-70	-	-	-	65-70

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	Salary	Bonus	2023-24 Benefits in kind	Pension benefits	Total
	£000	£000	£000	£000	£000
Professor Patrick Chinnery – MRC Executive Chair[21]	75-80	-	-	11	90-95
Professor Sir Duncan Wingham – NERC Executive Chair[22]	35-40	-	-	10	35-40
Professor Peter Liss – Interim NERC Executive Chair[23]	100-105	-	-	-	100-105
Professor Louise Heathwaite – NERC Executive Chair[24]	5-10	-	-	1	5-10
Professor Dame Jessica Corner – Research England Executive Chair	155-160	15-20	-	60	220-225

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	2023-24				
	Salary	Bonus	Benefits in kind	Pension benefits	Total
	£000	£000	£000	£000	£000
Professor Mark Thomson – STFC Executive Chair[25]	160-165	-	-	47	210-215
Professor Michele Dougherty – STFC Executive Chair[26]	-	-	-	-	-

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Notes

1. Professor Dame Ottoline Leyser is an employee of the University of Cambridge and on secondment to UKRI. The values shown above are the amounts reimbursed (excluding Pension and National Insurance Contributions) to the University of Cambridge. VAT is payable on the total amount invoiced but is not included in the figures above.

2. Chris Ball was employed through an independent agency and does not belong to the available pension schemes. He is retained via a Crown Commercial Service Public Sector Resourcing framework contract. The amount shown in the table is the amount paid to the agency and is not the amount of remuneration paid to Chris Ball. His role has been assessed as being within scope of the IR35 regulations; consequently, Income Tax and National Insurance deductions are made at source by the independent agency that directly employs him in compliance with the IR35 regulations. His contract ended in January 2025.

3. Angela Paradise is employed through an independent agency and does not belong to the available pension schemes. She is

retained via a Crown Commercial Service Public Sector Resourcing framework contract. The amount shown in the table is the amount paid to the agency and is not the amount of remuneration paid to Angela Paradise. Her role has been assessed as being within scope of the IR35 regulations; consequently, Income Tax and National Insurance deductions are made at source by the independent agency that directly employs her in compliance with the IR35 regulations. Her contract started in January 2025.

4.   Emma Lindsell was employed in a 65% job share. Full Time Equivalent (FTE) salary banding is 130-135.
Emma took a career break in June 2024.

5.   Isobel Stephen was employed in a 58% job share. The FTE salary banding is 130-135. Isobel went on secondment in May 2024.

6.   Daniel Shah covered the role of Executive Director for Strategy, Performance and Engagement from May 2024 to February 2025. In February 2025 he commenced the role of Chief of Investment Planning and Strategy (ChIPS) as a 80% job share with Hugh Harris. The FTE salary banding for the ChIPS role is 125-130.

7. Hugh Harris commenced the role of Chief of Investment Planning and Strategy (ChIPS) as a 80% job share with Daniel Shah in February 2025. The FTE salary banding for the ChIPS role is 125-130.

8. Poli Stuart-Lacey commenced the role of Chief of External Affairs and Communications in August 2024.
The FYE salary banding is 140-145.

9. Tim Bianek stepped down as Chief Operating Officer in June 2024. The FYE salary banding was 125-130.

10. Professor Christopher Smith is an employee of the University of St Andrews and on secondment to UKRI.
The values shown are the amounts reimbursed (excluding Pension and National Insurance Contributions) to the University of St Andrews. Value Added Tax (VAT) is payable on the total amount invoiced but is not included in the figures above.

11. Professor Melanie Welham stepped down as BBSRC Executive Chair in June 2023. The FYE salary banding was 150-155.

12. Professor Guy Poppy is an employee of the University of Southampton and is on secondment to UKRI.
The values shown above are the amounts reimbursed (excluding Pension and National Insurance Contributions) to the University of Southampton. VAT is payable on the total amount invoiced but is not included in the figures above. Professor Poppy covered the BBSRC Executive Chair position on an interim basis until June 2024. The FYE salary banding was 120-125.

13. Professor Anne Ferguson-Smith commenced the role of BBSRC Executive Chair in July 2024, her appointment was fixed for five years until 30 June 2029. The FYE salary banding is 130-135.

14. Professor Allison Park covered the ESRC Executive Chair position on an interim basis until June 2023.
The FYE salary banding was 115-120.

15. Professor Dame Lynn Gladden is an employee of the University of Cambridge and was on secondment to UKRI. The values shown above are the amounts reimbursed (excluding Pension and National Insurance Contributions) to the University of Cambridge. VAT is

payable on the total amount invoiced but is not included in the figures above. Professor Gladden left the role in June 2023. The FYE salary banding is 145-150.

16. Professor Miles Padgett is an employee of the University of Glasgow and was on secondment to UKRI. The values shown above are the amounts reimbursed (excluding Pension and National Insurance Contributions) to the University of Glasgow. VAT is payable on the total amount invoiced but is not included in the figures above. Professor Padgett covered the EPSRC Executive Chair position on an interim basis until December 2023. The FYE salary banding was 120-125.

17. Professor Charlotte Deane is an employee of the University of Oxford and is on secondment to UKRI. The values shown above are the amounts reimbursed (excluding Pension and National Insurance Contributions) to the University of Oxford. VAT is payable on the total amount invoiced but is not included in the figures above. Professor Deane commenced the role of EPSRC Executive Chair in January 2024.

18. Indro Mukerjee stepped down as IUK CEO in September 2024. The FYE banding was 190-

195. Part of the bonus is a one-off Long-Term Incentive Plan set across 3 years.

19. Dr Stella Peace commenced the role of interim IUK Executive Chair in October 2024. The FYE banding is 145-150.

20. Professor John Iredale is an employee of the University of Bristol and was on secondment to UKRI. The values shown above are the amounts reimbursed (excluding Pension and National Insurance Contributions) to the University of Bristol. VAT is payable on the total amount invoiced but is not included in the figures above. Professor Iredale left the role in October 2023. The FYE salary banding was 135-140.

21. Professor Patrick Chinnery is an employee of the University of Cambridge and is on secondment to UKRI. The values shown above are the amounts reimbursed (excluding Pension and National Insurance Contributions) to the University of Cambridge. VAT is payable on the total amount invoiced but is not included in the figures above. Professor Chinnery commenced the role of MRC Executive Chair in October 2023. The FYE salary banding is 165-170.

22. Professor Sir Duncan Wingham stepped down as NERC Executive Chair in June 2023. The FYE salary banding was 160-165.

23. Professor Peter Liss covered the NERC Executive Chair position on an interim basis starting in June 2023 until March 2024. The FYE salary banding was 135-140.

24. Professor Louise Heathwaite is an employee of Lancaster University and is on secondment to UKRI. The values shown above are the amounts reimbursed (excluding Pension and National Insurance Contributions) to Lancaster University. VAT is payable on the total amount invoiced but is not included in the figures above. Professor Heathwaite commenced the role of NERC Executive Chair in March 2024.

25. Professor Mark Thomson is an employee of the University of Cambridge and was on secondment to UKRI. The values shown above are the amounts reimbursed (excluding Pension and National Insurance Contributions) to the University of Cambridge. VAT is payable on the total amount invoiced but is not included in the figures above. Professor Thomson stepped down as STFC Executive Chair in December 2024. The FYE salary banding was 160-165.

26. Professor Michele Dougherty is an employee of Imperial College and is on secondment to UKRI. The values shown above are the amounts reimbursed (excluding Pension and National Insurance Contributions) to Imperial College. VAT is payable on the total amount invoiced but is not included in the figures above. Professor Dougherty commenced her role in January 2025. The FYE salary banding is 140-145.

In addition, please note:

- bonuses paid in the financial year 2024-25 relate to the performance year 2023-24, unless otherwise stated

- the value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decrease due to a transfer of pension rights. The pension benefit disclosure for secondees or those in a partnership pension scheme is not equivalent to the pension benefit.

(Content Continued in Volume 2)