

10 October 2023

RUSSELL GROUP

Rt Hon Jeremy Hunt MP
Chancellor of the Exchequer
HM Treasury
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Dear Chancellor,

As leading research-intensive universities, we welcome the Government's commitment to invest in R&D and innovation for sustainable growth. We are working hard to build a bright future for the UK through our teaching, research and innovation activities, and as key partners for business, the NHS and others at the heart of innovation clusters across the four nations. Our vision is for a healthy, green and more resilient country with a thriving innovation-driven economy that can tackle major challenges and give people the opportunity to get on in life.

Ahead of your Autumn Statement, we have collated a few proposals for Government that would support leading universities such as ours as we seek to deliver this vision. We have focused on short-term investment options that would enable Government to meet its R&D spending commitments this year and support our shared science superpower ambitions.

But first, we would once again like to place on record our thanks for your work in securing association to Horizon Europe. Participation in EU R&D framework programmes has been an important contributor to the strength of the UK research ecosystem and our ability to recruit world-leading talent to the UK. The bespoke Horizon Europe deal secured by Government was a very good outcome for UK research and our economy. The importance of this agreement cannot be overstated.

Given the timing of the association agreement we are, however, conscious of the likely underspend on R&D this year and the challenge this presents to Government in ensuring it can honour its commitment to growing investment in UK science. We understand options are being considered to invest in key future capabilities such as exascale computing, which would be very welcome, but we would also like to suggest some additional options to ensure the effective investment of the remaining 2023/24 R&D budget:

- **Investment to support AUKUS** - Universities in Australia and the United States are critical research partners for our universities across a range of disciplines. Specific Government investment to leverage university R&D capabilities and drive work on AUKUS pillar two¹ would help the UK take a leadership role internationally in technologies such as AI and would lay foundations for growth and the creation of new skilled jobs.
- **Investment to ensure high rates of participation in Horizon Europe** – Our universities are already working with researchers to raise awareness of the new possibilities open to them with the association agreement and to encourage successful grant applications. Further funding from Government via the QR strand of the dual support system could help us build capacity to encourage and support applications to the programme. Government could also look to provide additional resources to the UK Mission to the

¹ For example, building on initiative such as the UK National Quantum Technologies Programme - a collaboration involving universities which has fed into the AUKUS Quantum Arrangement.

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EU (UKMis Brussels) and the UK Research Office (UKRO) to support education webinars/events, networking and consortia building.

- **Investment to strengthen UK-Germany research** – UKRI’s recent MOU with the German Research Foundation represents an opportunity to forge new collaborative links with one of our strongest research partners globally. New investment would help pump prime UK-Germany joint working – for example in health research and in key technology areas with business. It would also help pave the way for further success in securing Horizon Europe consortia bids when the association agreement comes into force.

Unfortunately, the strength of UK research also makes us a target of activity from hostile state actors. This Autumn Statement is an opportunity to build on the steps universities have taken in recent years to assess and manage security risks by enhancing the capacity of universities to protect this important national asset.

UK Government could look, for example, to **create a UK Research Security Fund** similar to that introduced by the Canadian Government in recognition of the security challenges facing its universities. This Canadian fund, worth CA\$125m over five years, has enabled institutions to start building specialist security teams. Scaling to reflect UK research volumes suggests we could deliver similar benefits here for around £25m a year. A UK fund could also be used to invest in upgrading physical security, accessing commercial due diligence tools, enhancing cybersecurity protections for IP, and replacing university technology and infrastructure made by companies on the US Entity List.

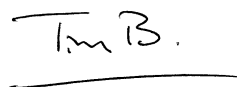
Our proposal is one of the ideas included in a Russell Group ‘manifesto’ for the next government which we intend to publish in the coming weeks, but we feel is something that could be actioned more quickly. Safeguards enabled by such funding would disrupt hostile attempts to interfere in world-leading university research, realising a central aim of the Integrated Review Refresh and Defending Democracy Taskforce.

We would be very happy to discuss the above ideas with you or your officials at any time, so please do not hesitate to get in touch. We would also be delighted to outline our other manifesto proposals in the coming weeks – a short summary of which is enclosed for your information. In the meantime, thank you again for your ongoing support for UK research and innovation.

Yours sincerely,



Prof Chris Day
**Vice-Chancellor and President, Newcastle University,
Chair, Russell Group**



Dr Tim Bradshaw
Chief Executive, Russell Group