

CaSE analysis of departmental R&D spend 2011/12

The Prime Minister and the Chancellor have clearly indicated their commitment to the UK's world-leading science sector and its ability to drive economic recovery, so we are dismayed to uncover evidence of widespread disinvestment in science across government. Since 2009/10 the total R&D expenditure has seen a reduction of £856m to its lowest level in real terms since 2001/02.

The Government's expenditure on research and development (R&D) across all government departments is an important element of public funding of science. It is used to commission the UK science and engineering sector to provide a range of information, including scientific monitoring, surveillance, policy evaluation and new research.

Some departments have seen disproportionate cuts to R&D expenditure when compared to the changes to resource DEL budgets. For example the Department for Education reduced its R&D expenditure by more than half despite the department's resource DEL being maintained. Across all departments the DEL budget was reduced by 1 per cent whereas the R&D spend reduced by 6 per cent.

Figure 1 – Percentage change in research spending by government departments compared to overall budget 2010/11-2011/12

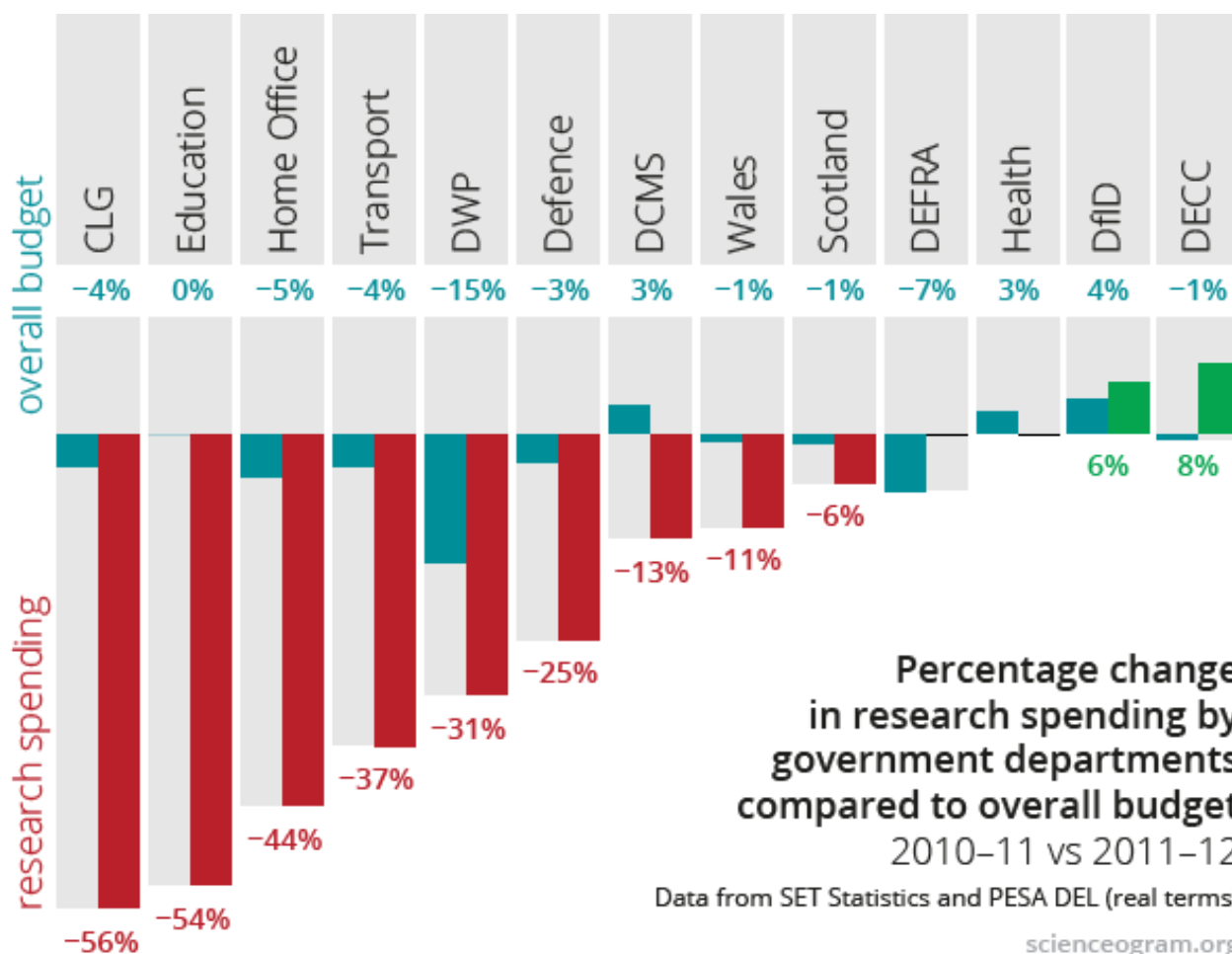
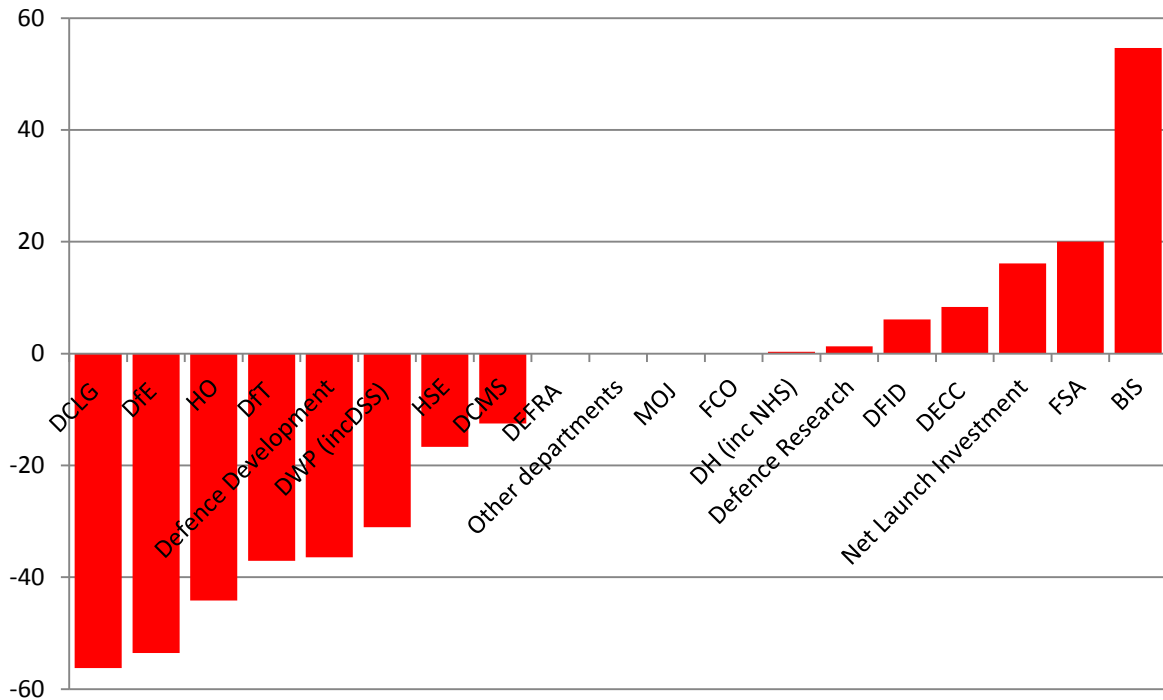


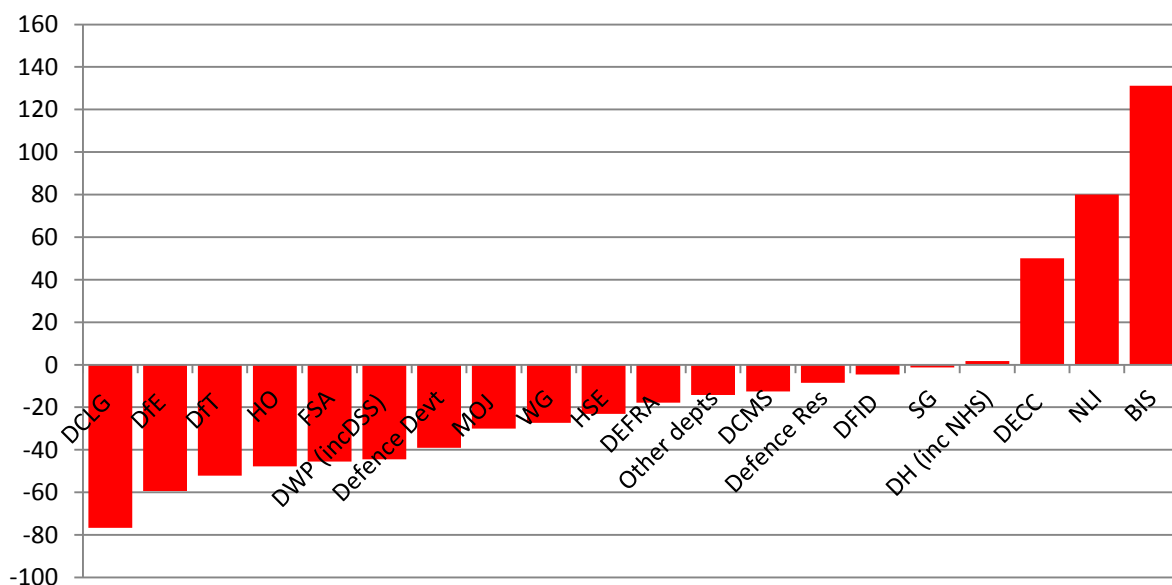
Figure 2 - Percentage change in departmental R&D spend from 2010/11-2011/12



One department (BIS) increased R&D expenditure by more than 20 per cent in 2011/12 compared with the previous year. However, the BIS budget includes expenditure for the UK Space Agency for the first time which accounts for much of the increase. There were six departments that cut R&D expenditure by more than 20 per cent.

Looking over a two year period, half of departments reduced R&D expenditure by over 20 per cent.

Figure 3 – Cumulative percentage change in departmental R&D spend from 2009/10-2011/12



In real terms, the largest cuts to R&D expenditure in 2011/12 were in Defence development spend. The table below shows the four largest cuts to departmental spend on R&D.

Table 1 – changes in departmental R&D expenditure 2010/11-2011/12

Department	£ million (base year 2011-12)		
	2010/11	2011-12	inc/dec10-11
Defence Dev	1,184	753	-431
DfT	54	34	-20
HO	43	24	-19
DfE	28	13	-15

Since 2009/10 the total R&D expenditure has seen a reduction of £856m. Total expenditure includes Civil and Defence departmental expenditure as well as spend from research councils, HE funding councils and the indicative UK contribution to the EU R&D budget. This reduction is evenly split over the two years with a £428m cut in both years. Total Government spend on R&D is down from 10,545m in 2009/10 to 9,689m in 2011/12. This is the lowest level in real terms since 2001/02.

Following the 2012 analysis, CaSE asked each department if their Chief Scientific Advisor (CSA) had been consulted about changes to R&D budgets in line with [recommendations from the Government Office for Science](#). However, in this instance, none of the CSA's was consulted. The government advocates use of evidence in policymaking, and research helps government departments to know whether they are making efficient investments. However, with these cuts, it's hard to see how the government's pro-research messages are playing out in reality. CaSE supports the recommendation from the Government Office for Science and calls for the government to consult with CSAs in future decisions about departmental R&D budgets.

Notes

- [SET stats \(2013 release\)](#) look at real terms departmental expenditure on R&D, found in table 2.2. These figures are based on actual expenditure as reported by the department.
- [PESA data \(2013 release\)](#) look at total resource Departmental Expenditure Limits (DEL) found in table 1.3. DEL are firm, planned budgets that are set for a three-year period in spending reviews and the figures we have used are based on reported outturn and not future plans.
- There are limitations to comparing budget figures against expenditure figures, however there are not data available to compare like with like.
- The analysis uses real terms expenditure figures with a base year of 2011-12.
- In figure 3 NI departments have been excluded as the high percentage increase in expenditure (255 per cent) links to expenditure previously not counted as R&D being included in the figure so isn't comparable to previous years.
- The Financial Times piece reporting on the 2013 analysis can be found [here](#).
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- [Research Fortnight](#) also wrote an article on the 2013 analysis.