

# CaSE responds to 2013 Spending Review

In response to today's announcement, which sees maintenance of the science budget at £4.6bn, CaSE has produced a briefing paper on the 2013 Spending Review.

Commenting on the announcement, CaSE Director Dr Sarah Main said:

"The signs had been good – the Chancellor had said that science was a 'personal priority' and that he was 'up for the challenge of making the UK the best place in the world to do science'. But instead the research community is left exposed to competition from the global scientific

premier league of nations."

## The science budget

Today was an important opportunity for the Chancellor to demonstrate his intent to put science and engineering at the heart of economic growth. His commitments are welcome in the context of the scale of cuts applied across all government departments. However, in the context of the scale of commitment to science and engineering for economic recovery by our global partners, the UK is now lagging further and further behind.

The UK is historically a 'premier league' nation. But its position has been sliding. Compared to the OECD group of developed nations, Britain's science spend is only 7th in absolute terms, falling to 25th in percentage terms. With today's 'flat cash' commitment to the science budget, inflation is set to erode the science budget by a cumulative sum of £276m from now until 2015/16 (6%). Flat cash is far from flat.

An example of the unprecedented commitment of other nations to science and engineering for economic growth comes from South Korea, whose President said in her inaugural speech in February this year,

"At the very heart of a creative economy lie science, technology and the IT industry, areas that I have earmarked as key priorities. I will raise the quality of our science and technology to world-class levels."

President Park, Republic of Korea, Presidential Inauguration Speech, February 2013

President Park plans to increase the total expenditure on research and development to 5% of GDP by 2017, up from 4% in 2011. The government's investment in basic science will rise from 35.2% of that total to 40% by 2017. She also aims to set up a new overarching 'ministry of future innovative science'. (See CaSE website for examples of the commitments of other global leaders, including China, Brazil, USA, Germany and Singapore).

It is vitally important that the UK sets an upward trajectory for investment in science and engineering that will ensure we regain our place in the premier league of scientific nations.

# Capital

We await tomorrow's announcement from the Treasury to learn further details on capital support for science and research. [Update: You can read CaSE's comments on that announcement here]

CaSE is pleased that the government have listened to the scientific community and responded with a long-term framework for investment in capital. Research-active companies and charities have clearly stated that a long-term public investment framework is needed for them to maintain their vital investment in the UK research base.

While the increase in capital spending is welcome, we urge the government to act upon the recommendations of the House of Lords inquiry into infrastructure which will soon be published in order to maximize this investment. A long-term framework which gives funders foresight of the amounts and timings of capital investment would make most efficient use of that money. The recent trend of allocating capital in media-friendly 'announce-ables' has resulted in less funds being available for much-needed upgrades and ongoing maintenance and puts pressure for the Research Councils to spend money as it comes available, rather than strategically.

Capital pays for equipment but not the people needed to run it, update it and maintain it. So capital income without matched streams of running costs is potentially extremely wasteful. Imagine the computers at the Large Hadron Collider crashing because they're running on Windows 95. Or simply the magnificent machine falling in to disrepair because there was no-one to maintain it.

Furthermore, the scientific community should be able to choose which scientific avenues to pursue in response to the cutting edge technology that capital investment can bring. Navigating those avenues of scientific enquiry should remain the work of scientists and not be dictated by government.

# Cross-departmental funding for UK science and engineering

Funding for science and research is more than the science budget – although this is a crucial component. Many departments invest heavily in research and a number of those have today seen deep departmental budget cuts. CaSE calls on the government to take a holistic view of funding for UK science and engineering across the whole of government.

# CaSE highlights the following details from today's announcements

**Research Budget** 

• The Government is maintaining resource funding for science in cash terms at £4.6 billion in 2015-16.

#### **Capital Investment**

- The Government is increasing science capital funding in real terms from £0.6 billion in 2012-13 to £1.1 billion in 2015-16, and in line with inflation to 2016-17.
- The Government has increased capital spending on science over the course of this Parliament by £1.4 billion above the amount committed at Spending Review 2010. This includes investment in projects including autonomous robotics, Big Data, and major upgrades and new facilities at the Harwell Science and Innovation Campus.
- The Government will set a long-term capital budget for science in the next Parliament growing in line with inflation to 2020-21.

## TSB Support for Innovation

• The Government has also provided as an additional resource funding of £185 million for the Technology Strategy Board (TSB) to support innovation, including Catapult Centres and the Biomedical Catalyst.

#### **Research Partnership Investment Fund**

• The Government will extend the Research Partnership Investment Fund (RPIF) to 2016-17, making available at least £100 million each year of match-funding to leverage private investment in science infrastructure.

#### Small Business Research Initiative (SBRI)

• £100 million will be channelled through the SBRI in 2013-14 to support a broad range of innovative companies, especially small businesses, to develop ground-breaking solutions to specific public sector needs.

#### DCMS

The Department for Culture Media and Sport is having its resource budget cut by 7%, but funding reductions limited to 5% for museums, the arts and community sport.

Update: CaSE's comments on the Spending Review received coverage in The Guardian and Nature.