

HE & Research Bill Workshop: Research and Innovation

18th July 2016 | Event summary

Thank you to all those who attended the workshop and in particular to the Royal Society for hosting. This workshop provided an opportunity to go through the research and innovation aspects of the Bill (particularly part 3 and schedule 9) in depth and by theme. As the bill continues its journey through the parliamentary process, it provided an opportunity our sector to come together and discuss areas of concern and specific bill amendments that may benefit from clarification (whether through further engagement with government, through parliamentary debate or other means).

The discussion was centred around four broad and overlapping themes, UKRI & council links, Innovation, Teaching & Research, and Governance. If numbers are a measure of priority the two themes that generated the most interest were UKRI & Council links, and Innovation. The concerns, questions and proposed amendments raised by each table are recorded in detail by theme below.

Taking the discussion as a whole, some overarching priorities and concerns emerged.

Pragmatism and principle

In a number of areas opinions were split as to whether we should fight some of the major changes proposed in the bill or seek to mitigate the risks those changes bring. This was raised in relation to research council charters being abolished, Innovate UK being part of UKRI, and whether the bill should be going ahead at all considering the enormous challenges, uncertainty and increased workload facing the sector and government due to Brexit. Broadly it was considered that though these are genuine and perhaps very valid objections, the Government have been very clear that they intend for this bill to proceed through parliament and into law, in the original timeframe. Therefore although there may be good opportunities to fully debate some of these issues, particularly in the House of Lords, the overarching view seemed to be that effort would be best placed ensuring that the legislation is in the best possible condition for research within the political direction of travel.

Consultation and parliamentary scrutiny

In a number of areas of the bill, including Secretary of State powers to omit or amend Councils and public appointments to UKRI, questions were raised as to whether the bill included sufficient and appropriate requirement for consultation and parliamentary scrutiny. This may reveal a protectionism from the community but some of the amendments proposed and outlined in detail below are intended to strengthen the governance structure of UKRI as well as to make sure that major decisions affecting the research base receive appropriate scrutiny and can be challenged if needed.

Skills

The functions of UKRI is notably silent on post-graduate training and developing skilled people. These are core functions of Research Councils at present and outlined in the Royal Charters. The specific amendment to include skills within the UKRI function is reflective of a wider concern about join up across teaching, training, skills and research & innovation, which has been made all the more pressing by the new departmental structures splitting higher education from research in the Department for Education and Department for Business, Energy and Industrial Strategy respectively. Ensuring there is appropriate and clear responsibility, accountability and join-up for this is a priority.

UKRI & Council links

93/94 Haldane – Debate/Amendment

The current wording proposes that the Secretary of State's powers to direct funding is more restricted in relation to Research England compared with the other Councils within UKRI. This intention merits clarification in debate and perhaps amending to extend the principle to all funding through UKRI. (Would extending this principle conflict with any desirable funding streams or activity?)

93 (2a)

There were suggestions to include 'institutions' as well as courses of study and programmes of research in the list outlined in this clause. (Would extending this principle conflict with any desirable funding streams or activity?)

95 Dual support system – Debate/Amendment

This clause is a welcome protection in law of the dual support system. This commitment is represented by the 'balanced funding principle'. It may be helpful to recognise through legislation that the two funding streams should be grounded in a complementary evaluation and allocation mechanism, with QR-funding based on a retrospective evaluation of research excellence and allocated as an unhypothecated grant. Further, amendment to the [explanatory notes](#) to add white paper wording on hypothecation (part 3 chapter 30 clause 95 in explanatory notes).

There was discussion as to whether there would be any possibility in law to protect dual support funding beyond England. But as this is a matter for devolved administrations to decide through their higher education funding councils it is difficult to see how this could reasonably be achieved in law. It could perhaps be raised in debate.

85 UKRI functions - Amendment

UKRI functions should include:

- cross-disciplinary function of UKRI is not set out in the legislation, only the disciplinary responsibilities of its constituent Councils. This should be set out in the functions of UKRI.
- responsibility for PGR training and ongoing skill development (per Charters at present) should be added in to the functions of UKRI so that UKRI has a responsibility regarding skills for research and innovation and related professions. It was considered that having this as a function of UKRI rather than separately within the functions of each of the nine councils would be more appropriate as it is a cross cutting role. The legislation would still then allow for responsibility for skills and training within disciplines could be delegated to a Council level.
- Public engagement to be specifically listed, although there was debate as to whether to make this an amendment or pursue by other means (a detailed list in a legal document ends up discounting any other activity not explicitly listed, while a vague list can be interpreted to refer to a broader remit). This may be more fruitful as a probing amendment or parliamentary question.
- 85.1.c should include 'humanities' – it is thought that the exclusion was in error in the first instance.

89 Research England and knowledge exchange - Amendment

Research England functions should include reference to knowledge exchange which could be done by inserting a new function in clause 89 (2). It is expected to provide funding for this activity through

the Higher Education Innovation Fund (HEIF) which is currently funded by Hefce. This proposal was also raised and supported by the group focusing on innovation.

89 (4) Research England and Devolved Administrations – Amendment

This clause should be amended to ensure join up between Research England and the higher education funding bodies in devolved administrations. Amend so it reads ‘consult such persons as Research England considers appropriate, including relevant bodies in the devolved administrations.’

91 (1) – UKRI strategy

At present the legislation doesn’t require that the Executive Chairs of the Councils are involved in the production of the UKRI research and innovation strategy. There could be value in adding in (c) Consult with committee executive chairs in development of UKRI strategy.

40 Research degree awarding powers - Question

Regarding research degree awarding powers, should UKRI have joint responsibility with OfS?

99 UKRI and cross cutting funds - Clarification

Clarification is needed on the management of cross cutting funds within UKRI

Retain

Although there are a number of clarifications and amendments we’d like to see, it could be beneficial to state in briefings that the sector values the commitments in the bill regarding Haldane and Dual Support.

Innovation

88 Protection of Innovate UK’s business facing focus – Debate

There was discussion as to whether clause 88 (3a) provided sufficient protection of Innovate UK’s business facing focus. The wording of the bill around strategy development and delivery plans (clause 91/92) for UKRI and the Councils also raises questions about of how Innovate UK will deliver its business facing role with regard to wider government strategic aims and bodies, ie industrial strategy and government procurement, and not simply as part of UKRI. There could be an opportunity to underline and protect Innovate UK’s distinct identity through amendments to statements in the bill on strategy formation (91/92). Ensuring Innovate UK’s strategy interacts with the Industrial Strategy as well as strategy for research will help Innovate UK contribute to join up across the research and innovation spectrum.

A debate in Parliament clarifying the purpose of Innovate UK and its focus on business-led innovation – in particular tackling the drift towards describing Innovate UK functioning as the technology transfer office for the Research Councils.

88 (3) Skills for innovation

There was discussion around whether responsibility for skill development for innovation should be included in the functions of Innovate UK. This was also raised more broadly in relation to the absence of responsibility for post-graduate training and skill development in the bill, in contrast to the Research Councils Royal Charters where it is described as a core function. The conclusion was that it would be appropriate for the responsibility for post-graduate training and skills for research and innovation be included as a core function of UKRI and therefore would cut across all of the councils.

S9 (16) 3 UKRI forming or investing in a company - Clarification

At present this is permitted activity for UKRI only under active consent of the Secretary of State. The discussion noted the value of this activity to date, including spin out activity and formation of, for example, MRC Technology. Clarification as to how this clause fits alongside the proposal around grants to loans within Innovate UK would be welcome.

Teaching & Research links

103 (1) Cooperation and information sharing between UKRI and OfS – Amendment

This clause provides the legal basis for cooperation between UKRI and OfS. Concerns were raised that it is not sufficiently strong. The division of teaching and research responsibilities in government departments as well as across UKRI and OfS provides additional structural separation of teaching and research raising the importance of a strong legal underpinning for join up across these interconnected areas. It has been suggested that the 'may' within this clause be amended to a 'must'. Other, or additional ways to achieve this essential join up could be through amending the legislation to require the appointment of a board member who sits on both the UKRI and OfS board. Further in the practical set-up of both organisations a sub-committee could be created focusing on monitoring, maintaining and improving teaching and research links and cooperation between the two organisations.

It was also suggested that this could be addressed by referring to the other organisation in the functions of both UKRI and OFs (clause 2 (1) – OfS)

Clause 103, in particular, also leads to questions regarding the location government accountability and authority for different aspects of this bill following the separation of responsibility for higher education and research & innovation to the DfE and DBEIS respectively. Clause 103 (2) states that the OFS and UKRI must cooperate if required to do so by the Secretary of State. Clarity is needed around how and where responsibility and authority sits for join up across these two areas.

Governance

Much of the discussion around governance focused on ensuring that the UKRI board representation, lines of accountability and appointment processes are clear and appropriate. It will be important to give close attention to the chain of authority within UKRI and into BEIS/DfE and ensure that the appointment processes are appropriate, including who is consulted as part of the process.

UKRI Executive Committee - Clarification

In the structure the Nurse Review proposed, the heads of research councils along with the UKRI CEO, formed an executive committee ([p30](#)). Is the recommendation for the executive committee intended to be taken forward into the structure of UKRI? There was discussion as to whether this structure would need to be articulated in legislation or in guidance documentation. Certainly we would like to hear from BEIS whether the intention is to implement the recommendation for the Executive Committee.

S9 (2) 4 Appointment of UKRI CEO and members - Amendment

The requirements currently state that the Secretary of state must consult the UKRI Chair. This should stand, but at present further consultation is outlined for the appointment of Board members in the Royal Charters of Research Councils. It states that before appointing any member on account of their qualifications in science, the Secretary of State shall consult the President of the relevant National Academy. This process should be maintained through an amendment to this clause.

S9 (2) 5 Experience of the UKRI Board members – Amendments

This clause states that when appointing members to the UKRI board, the Secretary of State must have regard to the desirability of the members between them having experience of research, development, industry and other professional experience such as financial or commercial. A specific amendment was:

(2) 5c – insert the word ‘charity’ to ensure the charity sector is appropriately represented on the UKRI board.

A more general discussion was whether the legislation should be more specific in relation to the characteristics of board members. The Government have [stated](#), in line with Nurse recommendations ([p27](#)) that the first UKRI CEO will be a leading scientist. The requirement for the CEO to be a leading scientist, or a ‘highly distinguished scientist capable of delivering a managerially efficient organisation and of interacting effectively with Government’ per the Nurse Review, should be contained within the legislation through an amendment to this clause.

The Royal Charters of the Research Councils state that ‘at least half’ of the Board shall be appointed by reason of their qualifications in [science/insert discipline depending on Council]. Taking into account the broader remit of UKRI beyond a single council a slightly different proportion may be preferable. For instance, an amendment could be inserted as S9(2)6 stating ‘at least one third of UKRI board members, including the CEO, shall be appointed by reason of having experience outlined in 2(5a)’ – namely research into science, technology, humanities and new ideas.

It was also proposed that the Chair & CEO of UKRI and the Executive Chairs of Councils should as part of their appointment process appear in front of the Science and Technology Select Committees in both houses.

S9 (3) Appointment of executive chairs and council members

This should echo the consultation process for the UKRI council and include the consultation of the Chair and CEO of UKRI, and the Executive Chair in the case of the Secretary of State using their power to appoint an ordinary Council member. It should also include consultation with the President of the relevant National Academy as above.

90 Delegated functions from UKRI to Councils – Clarification

At present the bill allows for UKRI to delegate any of its functions to the Councils, with some specific restrictions. Is there specific intent to delegate particular functions, such as entering into contracts (S9 (16))? For clarity of intent, as well as to better outline the level of authority and independence that will be given to Executive Chairs, the intention for delegated functions could be set out by debate and/or in a guidance document.

87(5) & 84(2) Power to change or omit Research Councils

The bill gives the Secretary of State power to add or change or remove a research council by regulation. It was felt there is a need for more specific and ‘firmer’ protection around this power so that there is necessary consultation and the process is more secure. For instance 84(3) could be amended to require consultation and parliamentary debate.