



# Department for Business Innovation & Skills

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In SR10 my predecessor consulted key stakeholders on the strategic priorities for science and research funding and I am keen to continue that dialogue for forthcoming spending decisions for the FY 15/16. I would therefore welcome your views, those from the organisations you represent and other interested stakeholders on key priorities and challenges for the science and research budget.

## **Key priorities for the research base**

As part of the allocations process in 2010 the criteria in annex A were developed, in consultation with stakeholders, to guide prioritisation. I consider key criteria to be:

- Ensuring excellence with impact, sustaining our national capability and international competitiveness
- Maximising the contribution to UK economic growth
- Continuing to improve the efficiency of the research base
- Maximising the leverage from private, charitable and international funders

I'd welcome your views on these issues and the wider criteria.

## **Interactions between the research base and the wider innovation ecosystem**

The research base is part of a wider innovation ecosystem. The interactions between different parts of this system are critical. I would welcome views on how the research base could interact more effectively with partners in business, charities and public bodies, both in the UK and overseas.

In addition I'd welcome your thoughts on:

- The role of the science and research ringfence in supporting national objectives
- The optimum balance between resource and capital
- Factors that influence the confidence and funding inclinations of bodies outside the science and research base, not least those in the innovation ecosystem

I'd be grateful for views on these issues and any wider points you would like to make by 17<sup>th</sup> May.

Yours sincerely

A handwritten signature in black ink, appearing to read "John O'Reilly". The signature is written in a cursive style with a large initial 'J' and 'O'.

**John O'Reilly**  
**Director General, Knowledge and Innovation**

## **Annex A: Criteria developed for the prioritisation of science and research funding in 2010.**

- Further concentrating funding on research centres of proven excellence and with appropriate critical mass and multi-disciplinary capacity to address national challenges and compete internationally.
- Providing relative protection to funding in areas attracting leveraged funding from collaboration with charities, business and other private sector funders of research.
- Maintaining a substantial flow of new researchers
- Maintaining national capability to support other Government departments that deal with crises such as foot and mouth disease and extreme weather events.
- Providing researchers with access to key large scale research infrastructure, both here and abroad.
- Supporting cross-Council research into strategic national challenges identified by Government, such as Energy and Climate Change.
- Pursuing a research cluster strategy to support economic growth in strong and emerging industrial sectors, and encouraging close working between Research Councils and TSB.
- Maintaining stability of funding over the medium-to-long term to achieve best Value for Money, provide institutional stability and enable recruitment and retention of research staff (through continuation of a ring-fenced budget).
- Promoting financial sustainability in the UK research base through maintenance of the full economic cost policy of research funded by Research Councils.