



Update: Spending Review and Strategic Delivery Plan Refresh

Information for RE Council
November 2024



Research
England

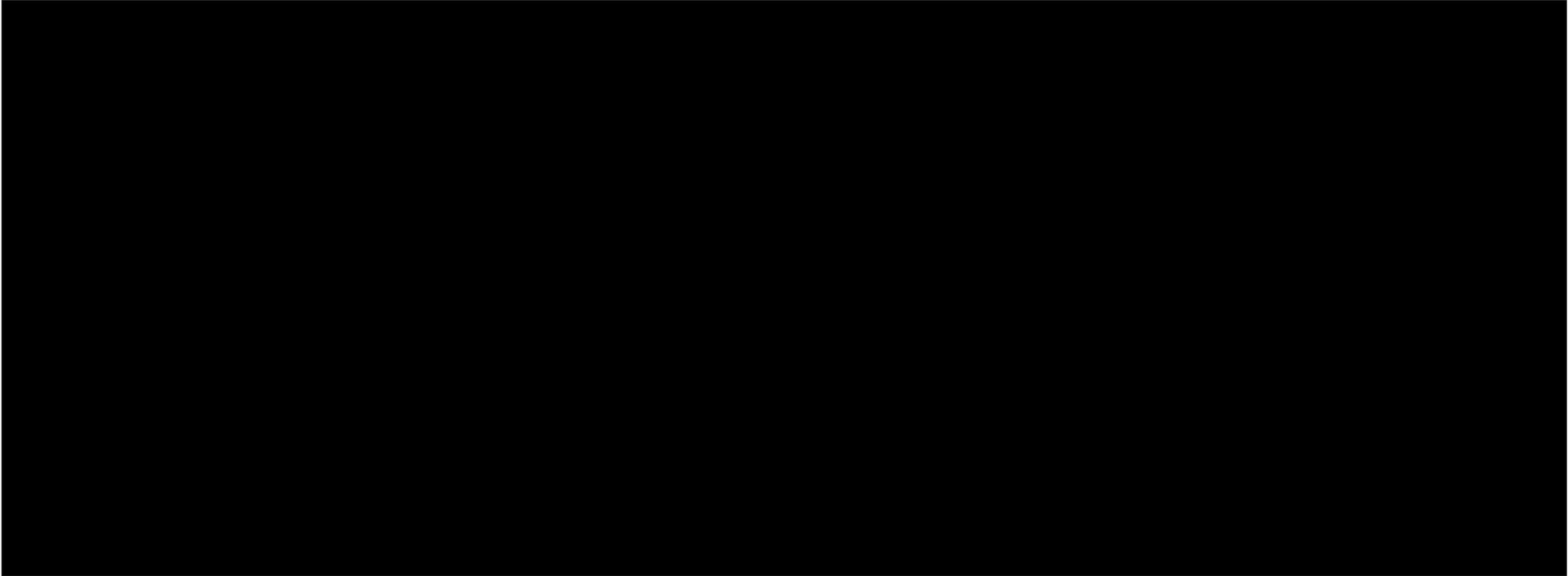
Spending Review: Phase 1



Research
England

SR: Phase 1 – Research

Principles guiding RE spending decisions



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Flat cash or Reduction considerations

- Possible options: flat cash, -£50m, -£100m
- In a zero-sum game, traditionally we have maintained all funding streams at existing levels to maximise stability.
- Making any changes in order to prioritise a strategic area would involve reductions to save money for elsewhere.
- Flat cash is still a decrease. An uplift of ~£29m would be required for a real-terms settlement in AY2025-26.

Q/ What is the RE priority? How far is this altered by different funding settlements?

Q/ Would we want to target additional funding to particularly vulnerable policy aims under this settlement?

Q/ If so, what funding streams would we reduce to pay for it? I.e. On what basis would we deprioritise a strategic area?

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Modelling options for AY2025-26

Option 1/

Maintain relative size of all funding streams

- Flat cash: no change
- Reduction: pro-rata reduction to all SIRF funding streams

Option 2/

Reduction applied to mainstream QR only

- Flat cash: no change
- Reduction: reduce mainstream QR

Option 3/

Apply greater reduction to some streams in order to protect other streams

- Flat cash: no change
- Reduction:
 - a) Complete protection for priority areas: RDP, SPE and Charity QR. Reduction applied equally to remaining streams.
 - b) Complete protection for priority areas: RDP, SPE and Charity QR. Impact limited to X% for ringfenced funding. Remaining reduction applied equally to remaining streams (MSQR, Business QR)

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Option 1: pro-rata reduction to all SIRF funding streams

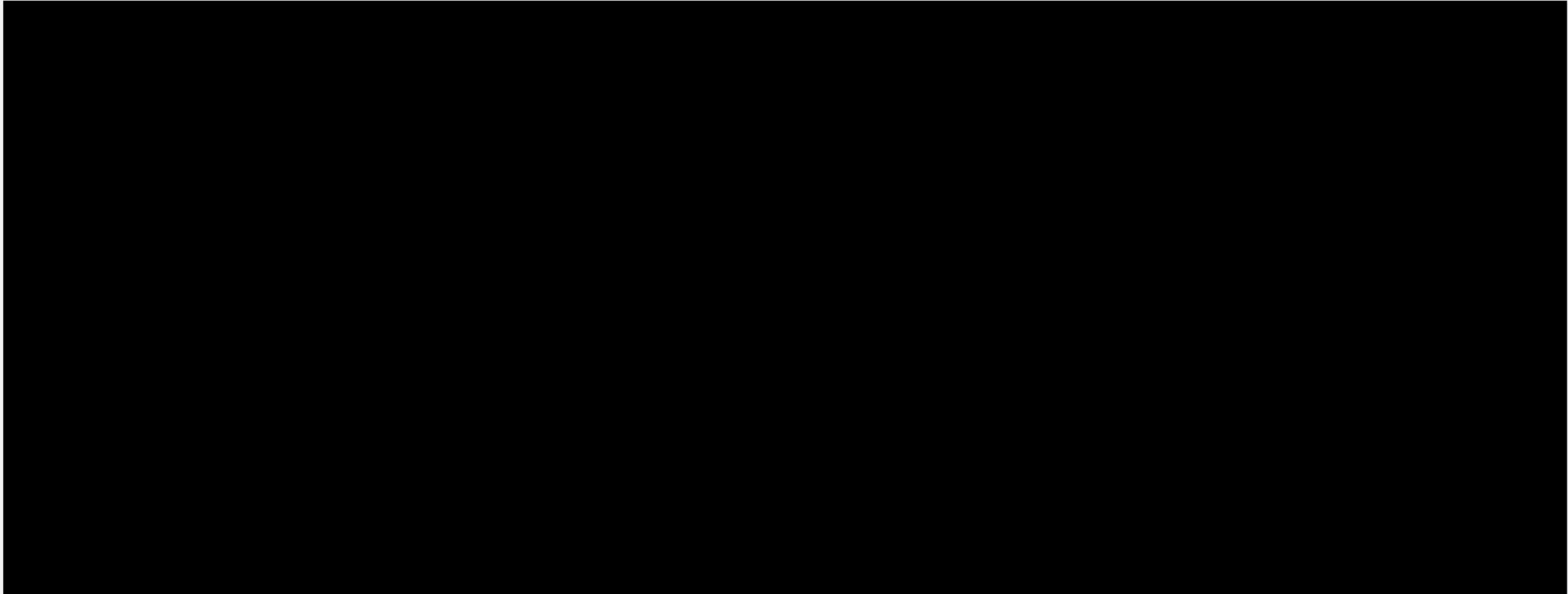
- £50m cut = 2.4% decrease
- £100m cut = 4.8% decrease
- This approach applies the cut proportionality across all funding streams:
 - indicates no change in relative priorities supported by these funding streams
 - would result in the same level of reduction across all HEPs (not withstanding expected fluctuations where streams which rely on annual data e.g. RDP, Charity QR and Business QR)

	AY 2024-25	-£50m	-£100m
Policy Support Funding	29	28	28

*Figures rounded to nearest million

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Option 2: reduction applied to Mainstream QR only



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Option 3: Apply greater reduction to some streams in order to protect other streams:

3a/ Complete protection for priority areas: RDP, Specialist Provider Element and Charity QR. Reduction applied equally to remaining streams.

3b/ Complete protection for priority areas: RDP, SPE and Charity QR. Impact limited to X% for ringfenced funding. Remaining reduction applied equally to remaining streams (MSQR, Business QR)

- A hybrid option allows a more targeted approach, spreading the loss more widely than MSQR but while maintaining some strategic protection in priority policy areas.

Q/ Is this worth it? For the level of impact, and strategic messaging, how far should we spread the impact of a funding reduction across streams?

	AY2024-25	Option 3a: - £100m	Option 3b: -£100m
Policy Support Funding	29	27	27