



Priorities for the 2021 Budget

Wellcome Trust, 14 January 2021

The November Spending Review delivered a much-needed multi-year settlement for core parts of UK Research & Innovation. We look forward to working closely with UKRI to inform the deployment of that new resource to deliver the best outcomes for UK science.

We hope the Chancellor will use this Budget and future fiscal events to continue expanding his ambitions for UK R&D, in pursuit of the Government's £22bn target for 2025.

The Government should minimise the erosion of existing R&D budgets as financial responsibility for Horizon Europe association is transferred to BEIS.

By choosing to associate to Horizon Europe, the Government has significantly strengthened the future of UK R&D. It is now up to the research community to make the most of this opportunity, and we will be encouraging colleagues across the sector to submit applications and rebuild the UK's record of high success rates within European R&D programmes.

Association represents a significant, multi-year financial commitment which was previously met through the UK's EU membership fees. The exact figure depends on variables including GDP data, exchange rates and administration fees, but we estimate this could total ~£1.9 billion per year. A financial responsibility of this scale cannot be entirely accommodated within existing R&D budgets without undermining the recent settlements for R&D and ultimately stalling progress towards the Government's £22bn target.

Instead, the Government should process this accounting change in a way that minimises disruption to BEIS' existing R&D commitments. UKRI's recent multi-year settlement provides the stability required to invest strategically and leverage other partners; undermining this commitment could shake confidence across the R&D sector. By protecting existing commitments, Horizon Europe association can make a material contribution towards achieving the Government's public investment target for R&D.

The Government should provide time-limited financial support to research charities as they seek to bridge the R&D spending gap caused by the Covid-19 pandemic.

The pandemic has seen charities' income plummet. As the UK went into lockdown charity shops were closed, fundraising events were cancelled, and donations fell. Members of the Association of Medical Research Charities (AMRC) are reporting a 37% loss in fundraising income, posing an existential threat to the research they fund across the UK.

We lend our full support to AMRC's call for a Life Sciences-Charity Partnership Fund.¹ This time-limited co-investment scheme would provide a level of matched funding from Government for future charity research over the next three years. This would help to preserve charities' vital contribution to the UK's life sciences ecosystem and economy, including their unique role in championing rare disease research and the patient voice within R&D strategy.

¹ <https://www.amrc.org.uk/Blog/government-must-act-now-to-save-charity-funded-research>

The Government should protect and expand the UK's international leadership on global health through ODA-funded R&D.

As the ODA budget temporarily falls to 0.5% GNI, the Government should protect the amount spent on R&D. Beyond this immediate choice, we support a swift return to the UK's long-term commitment of 0.7% GNI. This investment has helped the UK make a vital contribution to solving global challenges and furthered the UK's reputation for innovative global leadership.

Since 2015, the proportion of ODA invested into R&D has risen around three-fold – and may now have risen even higher due to the Covid-19 response. This rapid and significant increase has funded a major expansion of research activity and jobs across UK universities, as well as forging new collaborations across the world.

This investment delivers many benefits to the UK, including through the current Covid-19 pandemic. Prior ODA-supported R&D investments during Ebola and Zika outbreaks have helped build connections and expertise within the UK research community, which are now being put to use in tackling the global challenge of Covid-19.

In recent years, ODA-funded R&D has also helped to:

- Develop a vitamin A-fortified sweet potato variety in Mozambique and Uganda, resulting in a doubling of vitamin A intake among women and children.²
- Develop new approaches to testing and treating HIV, leading to a 30% reduction in HIV infections for participating communities.³
- Bring social science insight to support the agencies responding to the Ebola outbreak in Eastern Democratic Republic of Congo.⁴
- Expand surveillance capacity and capability on drug-resistant infections in low- and middle-income countries, through the DHSC-led Fleming Fund. We would recommend the continuation of this initiative, as set out in the Fund's newly developed business plan.

Reduced funding would undermine the reputation that the UK has built over many years – compromising the impact of investments made so far and threatening the research jobs created across UK universities. With R&D working across long timescales, even a temporary reduction can have an impact that will echo for many years.

The Government should recommit to providing the resources required for the UK's leading role in tackling antimicrobial resistance.

The UK has established a strong leadership role in tackling antimicrobial resistance (AMR) and the global threat it represents. We urge UKRI to renew AMR as a strategic priority while seeking the resources necessary to continue the scale of previous commitments (c.£100m, 2014-21).

Funding should be allocated to support a wider roll-out of the new NHS 'Netflix-style' subscription model for procuring antibiotics, subject to the successful completion of the NHS pilot by 2022/23.⁵ This would build on the approach of offering non-volume-based procurement contracts for antibiotics for use in NHS England. We urge funding to be allocated to extend the scheme to a larger number of antibiotics, following the completion of the pilot, to provide much-needed support to antibiotic R&D.

² https://www.ukcdr.org.uk/wp-content/uploads/2020/08/01766-UKCDR-Case-Study_Crop.pdf

³ https://www.ukcdr.org.uk/wp-content/uploads/2020/08/01766-UKCDR-Case-Study_HIV-AIDS.pdf

⁴ https://www.ukcdr.org.uk/wp-content/uploads/2020/08/01766-UKCDR-Case-Study_Ebola.pdf

⁵ <https://www.gov.uk/government/news/world-first-scheme-underway-to-tackle-amr-and-protect-uk-patients>

The Government should attract research talent to the UK by lowering the financial and administrative disincentives.

The Government's Global Talent Visa represents a welcome improvement in the process of bringing research talent to the UK, but its impact will be limited without reforms to visa costs.

The UK is one of the most expensive countries in the world for immigration charges. The Immigration Health Surcharge recently increased to £624 per year – meaning that a family of 4 on a 5-yr Global Talent Visa will need to pay more than £13,000 up front to move to this country.

UK charges are more than five times higher than the average for leading science nations.⁶ If the Government is serious about attracting research talent to the UK it should substantially reduce these charges so that they are in line with other competitor countries, and account for any effective cross-subsidy of DHSC to effectively reduce or remove the Immigration Health Surcharge as needed.

For more information on the content of this submission, please contact Ben Bleasdale (b.bleasdale@wellcome.org, 020 7611 8780) at Wellcome Trust.

⁶ <https://royalsociety.org/-/media/policy/Publications/2019/international-visa-systems-explainer-july-2019.pdf> - Note that UK costs have increased further since this paper was published.