



A submission from the British Academy to the Triennial Review of the Research Councils– March 2013

Introduction

- 1 The British Academy – the UK’s national academy for the humanities and social sciences – welcomes the opportunity to submit evidence to the Triennial Review. The Academy’s submission addresses questions regarding the effectiveness and efficiency of the research councils, and whether changes need to be made to the number of research councils. Given the Academy’s disciplinary scope, this submission also focuses on issues of particular relevance to the humanities and social sciences, including the roles of the Arts and Humanities Research Council (AHRC) and the Economic and Social Research Council (ESRC).

Purpose

- 2 The Royal Charter objectives for the Research Councils continue to be appropriate and should be maintained. The British Academy supports the Haldane Principle, which together with a stable funding framework and the dual support system, has helped to create an environment for competitive, outstanding research.

The effectiveness and efficiency of the research councils

- 3 The Review has raised questions about the effectiveness of the research councils in delivering their objectives, whether the current disciplinary divisions between the councils are appropriate, and whether seven research councils is the right number. In addressing these questions, it is important to consider the way in which research council funding complements the institutional block grant funding (QR) which goes to universities from the funding councils (such as the Higher Education Funding Council for England, HEFCE). Together, these two funding streams constitute what is generally known as the dual support system. The research councils plays an important role in providing both project funding, often focused on strategic priorities identified nationally with grants awarded to research proposals of the highest quality, as well as funding talented individuals at key stages of their research careers.

- 4 Research councils also play an important role in enabling the next generation of researchers through most notably in the form of studentships to support postgraduate research students. This support provides students with opportunities to study in high-quality environments, with supervision support from experienced academics, and equips them with the skills necessary to maintain the UK's research base.
- 5 The Academy considers that, on balance, the current structure for funding research works well, as is evidenced by the fact that UK research consistently 'punches above its weight'. The UK is extremely fortunate in having one of the most productive and efficient research base in the G8.¹ It is generally agreed that the UK's distinctive and well-established system for public funding for research, focused around the dual support system (research council funding and institutional QR block grant), is central to this achievement, with the UK ranked first among OECD countries on citations per GDP and per researcher. Each leg of dual support complements the other, each directing funding towards excellence, whether at a university level or to individual researchers and research teams.
- 6 While the returns on research council investment in research are often long-term and difficult to quantify with precision, there are reasons to believe they are high. For example, a report from 2010 estimated that the £3.5 billion a year currently spent on publicly funded research generates an additional annual output of £45 billion in UK companies, with benefits far greater than those from other areas of Government-supported R&D.² Government-supported R&D makes up just under half of the Government's total spend on science and research and almost matches the combined budgets of the funding and research councils.³ The data analysed for the report (on market sector productivity, R&D and non-R&D intangible assets, and public sector R&D spending) provided "strong evidence of market sector productivity benefits from public spending on research councils with a very high, but diminishing, estimated rate of return. We find no evidence of market sector spillovers from public spending on civil or defence R&D. Taken together these findings

¹ According to the Global Research Report from 2011, the UK spends 4% of the world's Gross Expenditure on R&D on 6% of the world's researchers who are authors on 8% of the world's research articles and reviews. These papers attract 11% of the world's citations and so create 14% of the world's highly cited output. Those exceptional articles include 17% of the world's research papers with more than 500 citations and 20% of those with more than 1000 citations. Its average research impact now surpasses that of the USA. See *Global Research Report United Kingdom, Evidence/Thompson Reuters (October 2011)*

² Imperial College Business School, *Public Support for Innovation, Intangible Investment and Productivity Growth in the UK Market Sector* (March 2010).

³ "Including the UK contribution of £365 million to the EU R&D budget, the grand total of all Government expenditure on SET in 2005/06 was £9,649 million. The Science and Engineering Base (Research Councils and Higher Education Institutions) accounted for 50% of total SET expenditure, with 20% by civil departments, 26% by defence, and 4% by the UK's contribution to EU R&D." Extract from SET Statistics: Net Government Expenditure on departments in cash terms.

tentatively suggest that in a world of constrained fiscal spending Government innovation policy should focus on direct spending on innovation, specifically research councils, rather than through tax incentives, such as the R&D tax credit, to firms.”

- 7 Over the last ten years or so, the research councils have increased their collaborations with each other. These take the form not only of a series of cross-cutting council initiatives addressing many of the major challenges facing society today, but also of shared services to support the delivery of their objectives (such as grant administration, IT, HR, finance and procurement), aimed at heightening efficiencies.
- 8 While it is clear that these efforts have borne fruit and have led to notable efficiencies, there remains scope to increase joint working and co-ordinated activities. For example, it would be helpful to review the councils’ existing mechanisms to support interdisciplinary and multidisciplinary research. Consideration might also be given to ways in which the councils support high-risk innovative research, bearing in mind that (as with all high risk initiatives) the majority of research of this nature is likely to have a low success rate in terms of eventual outcome and impact, but this should be outweighed by the rewards that flow from the ones that are successful. Care also needs to be taken to ensure that the balance between response mode funding on the one hand and strategic directed funding on the other is appropriate, given that so much of the most innovative research results from response mode funding.
- 9 The Academy is concerned that the increase in undergraduate tuition fees in English universities, together with limited sources of funding available for postgraduate studentships and the lack of a government backed postgraduate loan system, will be a major deterrent to postgraduate study. The risk is that the UK’s research base will struggle to attract the most talented UK graduates, with consequent damage to the UK in general and higher education in particular. The funding provided by the research councils in the form of postgraduate studentships is vital in attracting, nurturing and training the UK’s best students. It is important, therefore, that postgraduate support is viewed as a high priority by the research councils, and that the funding they provide is sufficient for the full duration of the postgraduate training and research programme, in order to guarantee that these programmes can continue to be internationally competitive. The British Academy also considers that there is scope for the research councils to heighten cross-disciplinary training provision provided through their doctoral training centres (or equivalent).
- 10 Further consideration should also be given to the ways in which the councils might work together to simplify and align (where appropriate) the procedures and processes for their application and award procedures.

The humanities and social science perspective

- 11 The two research councils for the arts, humanities and social sciences – the AHRC and the ESRC – support half the total cohort of academic researchers, and more than half (at 53%) of the researchers in the RAE 2008 4* category (research that is world-leading in terms of originality, significance and rigour). While some disciplines (e.g. biomedical sciences and life sciences) can access funding from a large variety of sources, the humanities and social sciences do not have the same range of large funders, and rely more heavily on the funding they receive through dual support, which represents close to 70% of their total funding.
- 12 Given the size of the research cohort represented by the AHRC and the ESRC, together with the range of disciplines and approaches that they cover (spanning the full spectrum of the creative and performing arts, the humanities and the social sciences), the British Academy does not believe that there would be any advantages to be gained in merging the two councils into one. Such a body would be unwieldy and would doubtless struggle to reflect the needs of such a varied and diverse research community, which risks undermining the UK's highly successful track record of research in these disciplines.
- 13 The present situation seems to us to have achieved the best of both worlds. On the one hand, the move of AHRC from Bristol to Swindon in 2010 has allowed for valuable economies and efficiencies on the administrative side. On the other, maintaining separate external identities and profiles has allowed AHRC and SRC to be very precise and responsive in the way they target and supporting the research needs of a range of very distinct academic communities. Further merging on the delivery side would be as counter-productive as any attempt to return to separate administration for the two Councils.
- 14 Further, the funding provided by the AHRC and the ESRC is fundamental in maintaining national capacity in vulnerable disciplinary areas of strategic priority, such as languages on the one hand and quantitative skills on the other. The British Academy is concerned that the important role played by the AHRC and the ESRC in supporting national capacity in these areas would be undermined should the two councils be merged into one, or even into one single research council for the whole range of subjects, as this priority would struggle to gain due attention and prominence.
- 15 The AHRC and the ESRC work closely together, and with other funders like the British Academy, to ensure that they avoid duplication in the funding that they provide, that there is a clear focus for their respective schemes, and that there is a robust process of delineation of which subjects/fields come under which research councils. As part of these efforts, for example, the British Academy, the AHRC and the ESRC drew up in January 2011 a joint

statement setting out how the three bodies “work together in planning and delivering their various programs with the specific aim of ensuring each is clearly distinctive and, overall, addresses strategic and developmental needs including the provision of sufficient new capacity.”⁴

Conclusion

16 The British Academy believes that the current structure of the research councils is effective and contributes to the UK’s highly successful track record in research. For the humanities and social sciences, there is no evidence to suggest that there would be any advantage in changing the current structure and number of research councils. **At a time of fiscal constraint, it would be risky to rethink this structure when the prospective benefits of such a move are unproven and are likely to be costly in the immediate short-term.**

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The British Academy, established by Royal Charter in 1902, champions and supports the humanities and social sciences across the UK and internationally. It aims to inspire, recognise and support excellence and high achievement across the UK and internationally. As a Fellowship of over 900 UK humanities scholars and social scientists, elected for their distinction in research, the Academy is an independent and self-governing organisation, in receipt of public funding. Views expressed in this submission are not necessarily shared by each individual Fellow.

⁴ http://www.britac.ac.uk/funding/support_for_research.cfm