



Kirsty Williams AM  
Cabinet Secretary for Education  
Welsh Government  
5th Floor  
Tŷ Hywel  
Cardiff Bay  
CF99 1NA

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Dear Minister,

Post Brexit, it will be important that the Welsh economy can develop in a challenging and competitive environment. The Learned Society shares with the Welsh Government the belief that a vibrant research sector is imperative to growing Wales' productivity, innovation and economic prosperity

As you are aware, Wales's relies more than other UK countries on its universities for much of its research base. Our higher education sector operates in a competitive global environment where international recognition of its research excellence and innovation has the potential to enhance Wales's reputation and encourage inward investment. Governmental support for university research has been a catalysis for what has been achieved within the sector in Wales since devolution.

Therefore, I am writing on behalf of the Learned Society of Wales, to express concerns regarding the large reduction to funding allocations for AY 2017/18 announced in HEFCW's June circular. As Wales's National Academy of science and letters, we bring together the most successful and talented research fellows connected with Wales for the shared purpose and common good of advancing and promoting Wales's excellence in research. We consider that any cuts to the recurrent QR funding is likely to have significant short term and long term impact on the existing and planned research activities of universities.

Over the past 7 years, the Learned Society of Wales has assiduously promoted the quality of research in Wales, both inside and outside the nation, with a view to demonstrating what talent and merit can achieve and to help encourage a more confident, self-assured, resilient and successful country. For example, in October 2016, the Society arranged for science research in Wales to receive a welcome boost with the publication of a dedicated feature article in *Science*, one of the world's pre-eminent international scientific journals. This year the Society commissioned King's College to undertake an independent review on the [Impacts of Academic Research from Welsh universities](#). **This analysis provides a unique in-depth insight into the societal and economic benefits from Wales's REF impact case studies. One of the motivations for this review, was the fact that in REF 2014, Wales secured 49% at 4\* (outstanding) in the impact sub-profile, exceeding the UK average of 44%. The review demonstrates the direct benefit of academic research to Wales to the country's culture and heritage, to its economy, to public education and to social cohesion. It is an impressive story that we should celebrate in Wales, particularly given the geographical reach of research impact activities involved over 100 countries and six continents. According to the King's report, science, engineering, manufacturing and industry saw some of the highest concentrations of impact activity outside of Wales, with 42% of all references to impacts on the sector situated in the UK and 45% internationally.**

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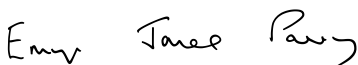
Although the focus of the current HEFCW funding allocations are not allocated against specific funding lines, the net effect will inevitably impact QR funding. Unlike England and other larger EU countries, where much of the R&D expenditure comes from business, Welsh Universities produce over 84% of all the research outputs and nearly half of all the Research & Development investment. The annual QR grant, administered by HEFCW remains the single largest regular source of research income for the University sector's research activities, and a distinctive pillar of the UK's successful dual support system. The certainty and predictability of QR allows for long term planning, providing continuity for research teams and the capacity to attract and retain leading researchers. Despite its importance, the Welsh percentage of the UK's QR funding has been declining, from 4.3% in 2007/8 to 3.9% in 2014/15 significantly below the 4.8% share expected on the basis of its share of the UK population. This is in contrast to Scotland, where over the same period QR has risen from 12.4% in 2007/8 to 14.2% in 2014/15 nearly double the % share for its population

QR funding is critically important for Wales because it has been a major and consistent contributor to the success of the Welsh University sector's improved research performance over the past decade. However as the great majority of research undertaken by the arts and humanities is not grant funded, cuts in QR funding will have a significant negative impact, diminishing the capacity of universities to contribute and sustain the cultural heritage of Wales.

QR funding remains a crucial part of the UK's dual funding system that provides the basic research infrastructure (e.g including the salary costs of permanent academic researchers, support staff, equipment and libraries). Critically, it is the bedrock from which Universities can lever further research funding from the competitive research councils. In Wales, the annual £70M QR investment has enabled universities to competitively win some 60% further investments from UK Research Councils. It has also been key in gaining substantial grants from the EU structural funding and the Horizon 2020 programme. As Wales is disproportionately reliant on higher education for R&D compared with the rest of the UK it is particularly vulnerable to disruption in QR funding especially as Welsh higher education is still in the process of building the research capacity to be internationally competitive.

Ensuring that Wales has the future research capacity to win greater competitive funding to build a strong and sustainable science base and contribute to greater economic productivity, will require on-going investment and a long-term strategy that provides a future roadmap where universities can manage to balance and finance their research and educational missions within the growing demand to operate in an internationally competitive higher education sector.

Yours sincerely



Sir Emyr Jones Parry  
**President Learned Society of Wales**

cc Chair of HEFCW and Chief Scientific Adviser

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