

The Rt Hon Lord Drayson PhD
Minister for Science and Innovation

Phil Willis MP
Chairman, Science and Technology Select
Committee
House of Commons
London SW1P 3JA

Our ref: 2010/0040702
Your ref:

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Thank you for your letter of 18 December 2009, asking for clarification on two matters relating to the resources for science and research.

Firstly, on a detailed breakdown of the £600 million efficiency savings from across higher education and science and research budgets announced in the Pre-Budget Report (PBR). The PBR was not a Spending Review and without any firm indication of the Department's overall budget beyond 2010-11 no detailed decisions on where efficiency savings across higher education and science and research have yet been made. In addition the Department will also wish to make an informed decision on future funding against the background of Lord Browne's independent review of higher education funding and student finance which will report next year. The review will be looking at the wider funding and sustainability of the whole Higher Education system and the Government will reflect on the review's findings before setting budgets beyond 2010-11. There was no direct relation between the STFC announcement on 16 December and the announcements made in the PBR. The STFC announcement on programme prioritisation for 2010-15 was the culmination of an extensive consultation process between May and December 2009.

Secondly, you have asked about a difference of £555 million between planned and outturn science research expenditure for 2007-08 as indicated by the Science, Engineering and Technology (SET) Statistics (Table 3.2: Net Government expenditure on R&D by departments in real terms) and whether, in fact, this indicates monies lost to science research. Initial analysis suggests that the differences between the two sets of figures are predominantly due to administrative changes to the way in which departmental R&D expenditure data has been reported in this recent issue of the SET Statistics. But I would like to look at this data in more detail to ensure that I fully understand what is behind the apparent reduction. We are looking closely at this issue and I will provide a full reply on this by 28 February.

Yours ever


LORD DRAYSON
MINISTER FOR SCIENCE AND INNOVATION