



Ein cyf/Our ref: RE/536/21

Bethan Davies
Clerk
Finance Committee
Senedd Cymru

1 April 2021

Dear Bethan,

At the Finance Committee meeting held on 10 March I undertook to provide the Committee with more information on HEFCW's approach to funding research in Wales.

It is for the Council to determine the distribution of funds allocated to it by the Welsh Government, albeit taking account of the priorities set out in the Minister for Education's annual remit letters. Research, and in particular Quality Research, has been emphasised as a priority for this government.

Research funding accounts for the majority of HEFCW's funding allocations to universities in Wales. The Council currently allocates around £71m annually through its main formula-based funding method, Quality Research (QR). QR funding is provided on the basis of the outcomes of the Research Excellence Framework, which assesses the quality of research in UK universities.

HEFCW also supports innovation and engagement in our institutions, including civic mission activity, through its Research Wales Innovation Fund, which was reinstated in 2020-21. The Fund currently allocates around £7.5m per annum supported by three-year Research and Innovation Strategies.

HEFCW also provides funding of around £6.5m per annum to institutions for the training of postgraduate research students and supports a number of research initiatives such as Sêr Cymru.

In 2020-21 HEFCW distributed a total of £9.430m Higher Education Research Capital funding received from Welsh Government, £5.950m of which was provided by the Department of Business Energy and Industrial Strategy (BEIS).

Details of HEFCW's total funding allocations, in particular its support for research and innovation in Wales, can be found here: <https://www.hefcw.ac.uk/en/funding/>

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

In terms of the £44m capital funding allocated to HEFCW by the Minister for Education on 9 March 2021, I explained to the Committee that this funding was not allocated for research but for capital investment by our universities.

HEFCW published its circular <https://www.hefcw.ac.uk/wp-content/uploads/2021/03/W21-09HE-Additional-Capital-Funding-2020-21.pdf> on 10 March which sets out the basis on which this additional capital funding will be allocated to institutions and details of their approach to monitoring the expenditure. HEFCW will also be reporting to the Minister for Education next month on the distribution and impact of the additional funding provided to support institutions and students during the pandemic.

Yours sincerely,

A handwritten signature in black ink that reads "Rebecca Evans". The signature is written in a cursive style with a large initial 'R'.

Rebecca Evans AS/MS

Y Gweinidog Cyllid a'r Trefnydd
Minister for Finance and Trefnydd