



UK Research  
and Innovation

# 2022-23 — 2024-25

budget allocations  
for UK Research  
and Innovation



# Budget summary

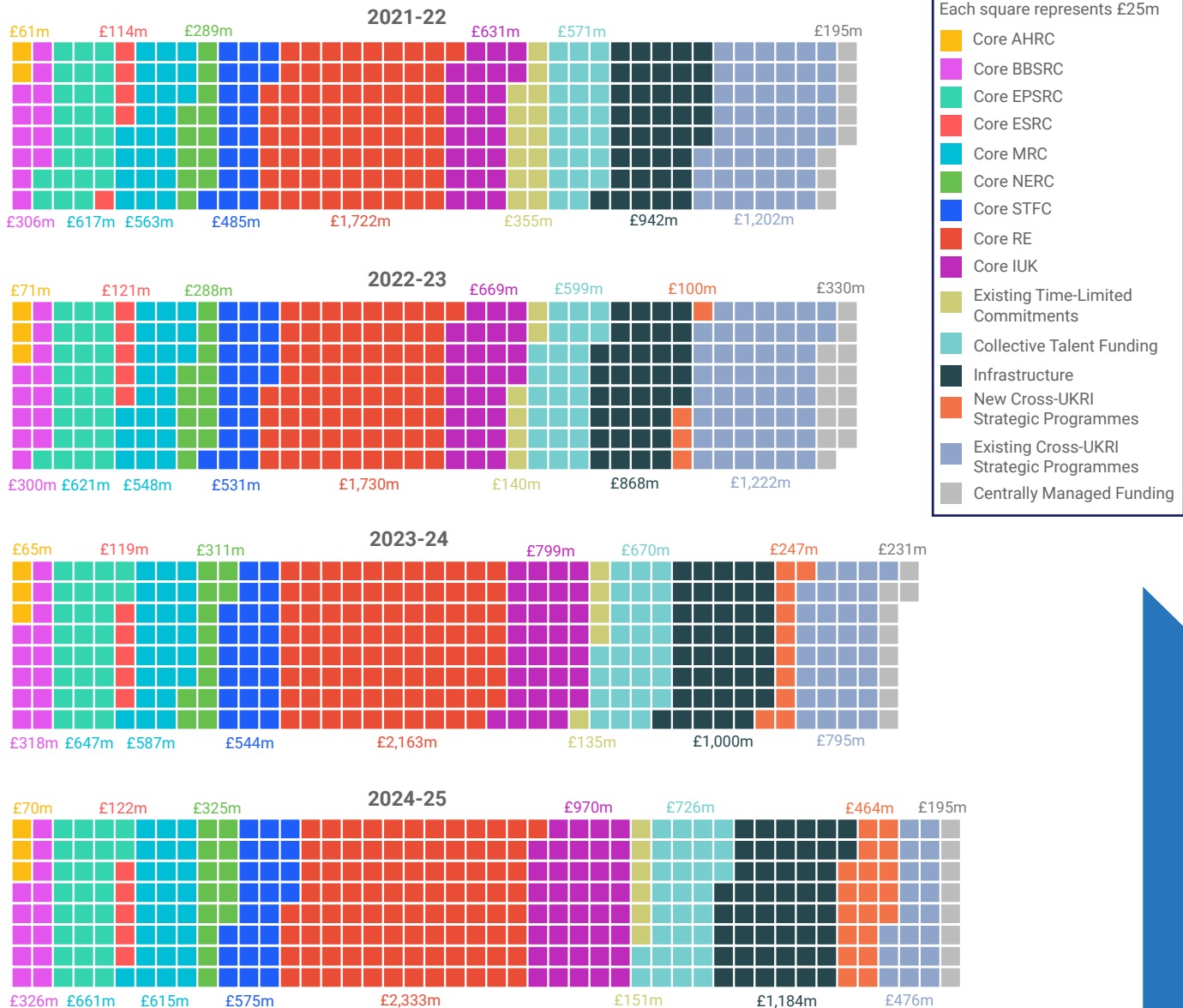
- In March 2022, the Department for Business, Energy and Industrial Strategy (BEIS) confirmed a total budget of £25.1 billion for UK Research and Innovation (UKRI) for the three financial years 2022-23 to 2024-25.
- This is a 14% increase in our budget between 2021-22 and 2024-25, rising from £7,785 million to £8,874 million (Table 1).
- A multi-year budget for all parts of UKRI for the first time, gives us the long-term security to plan strategically as we deliver our five-year UKRI Strategy. We will take this opportunity to invest in a diverse and balanced portfolio, aligning investments across our budgets to target our priorities leading to an outstanding research and innovation system in the UK that drives economic, social, environmental and cultural benefits for all citizens, transforming tomorrow together. To achieve this we will embed four Principles for Change across all our work – diversity, connectivity, resilience, and engagement – and these principles are reflected in our allocations.
- Research and innovation (R&I) almost always require investments longer than a year, such as funding for institutes which typically run on five year or longer cycles. Between 2022-23 and 2024-25, our existing, in flight or already announced activity reduces from 95% to 53% of our total annual budget, opening up headroom for new world-class R&I activity (Figure 1).
- In Spending Review 2021, we secured increased flexibility in how we invest in R&I, allowing us to achieve greater agility and resilience for the system. We will use this flexibility to develop an integrated investment portfolio with every pound delivering on multiple objectives.
- We will leverage the strength and breadth of investments in R&I across our Councils with new cross-UKRI strategic programmes, learning from existing programmes such as the Industrial Strategy Challenge Fund, Fund for International Collaboration, Strength in Places Fund and the Strategic Priorities Fund, whilst ensuring their successful completion.
- We will transition to working in a collective manner across £2 billion of talent initiatives, covering studentships and fellowships, building on our strong track record in working across Research Council remits. This will allow us to harmonise further our talent investments to reduce bureaucracy, and to make it more efficient and easier to work across disciplines and across the R&I system, including the private, public and third sectors (Table 2).
- Providing stability of funding for higher education institutions, we will maintain the balance of dual support<sup>1</sup>.

<sup>1</sup> This allocation will hold the balance of dual support at around 64p (including Official Development Assistance (ODA) funding) at around 64p for Research England for every £1 invested through our Research Councils and cross-UKRI activities between 2022-23 – 2024-25.

**Table 1: UKRI total budget**

UKRI Budgets	Total £m							
	2017/18	2018/19	2019/20	2020/21	2021/22 <sup>3</sup>	2022/23	2023/24	2024/25
<b>Total<sup>2</sup></b>	<b>6,768</b>	<b>6,842</b>	<b>6,957</b>	<b>8,188</b>	<b>7,785</b>	<b>7,904</b>	<b>8,373</b>	<b>8,874</b>

**Figure 1: Trends in UKRI budgets, 2021-22 to 2024-25<sup>4</sup>**



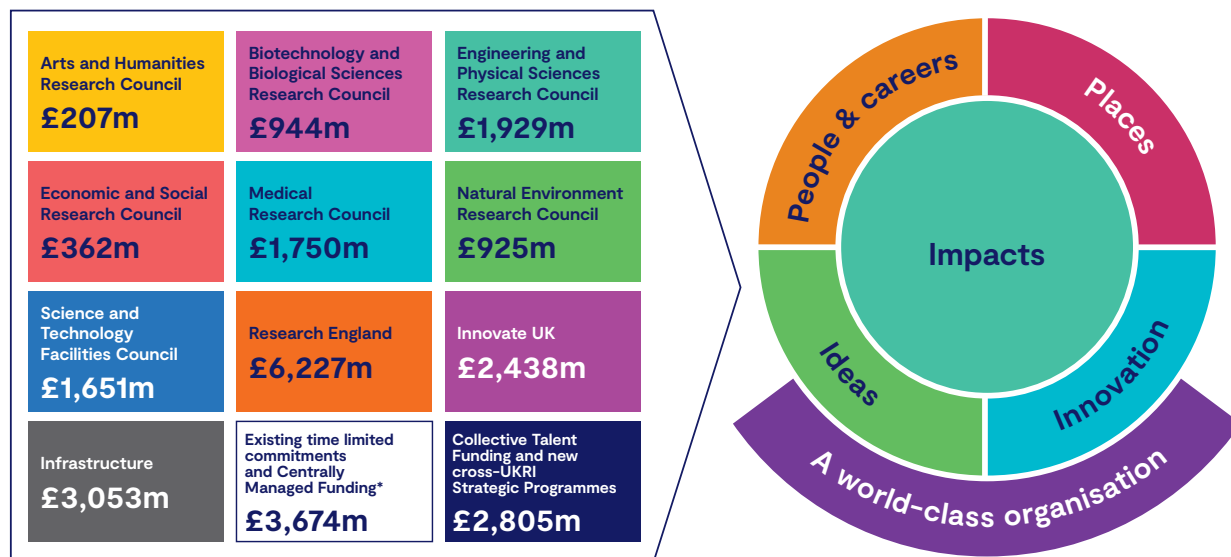
2 All Figures exclude funding for ODA, Financial Transactions, BEIS Managed Programmes (excluding the Department for Transport Zero Emission Programme that will be delivered by Innovate UK) and Department for Education Strategic Priorities Grant. Figures are indicative and may vary over the course of the three-year period.

3 2021-22 figure does not include ODA funding as per figure previously published by BEIS in 2021. UKRI was originally allocated £25,146m over the Spending Review 21 period in BEIS's partner organisation R&D allocation publication in March 2022. Subsequently, a budgetary pressure has emerged within the 'BEIS Programmes' area of BEIS's R&D budget relating to the COVID-19 pandemic. To manage this pressure, £4m has been reallocated from UKRI to 'BEIS Programmes' in 2022/23. Furthermore, at Spring Statement 2022, the Chancellor announced a £117m package to create 1,000 new AI PhDs. UKRI has therefore been allocated an additional £8.6m in 2024/25 to begin delivery of this package. As a result there has been a net increase in UKRI's allocation to £25,151m.

4 Budgets have been rounded to nearest £25m to represent in squares. The sum of planning allocations to individual budgets and Councils is £815 million higher cumulatively over 2022-23 – 2024-25 than the UKRI budget limit to mitigate the risk of underspends and ensure best use of available funding. Figures presented are in nominal terms. Budgets exclude funding for ODA, Financial Transactions, BEIS Managed Programmes (excluding Department for Transport Zero Emission Programme that will be delivered by Innovate UK) and Department for Education Strategic Priorities Grant.

# Our budgets 2022-23 – 2024-25

## Delivering the UKRI Strategy: total funding allocations, 2022-23 – 2024-25



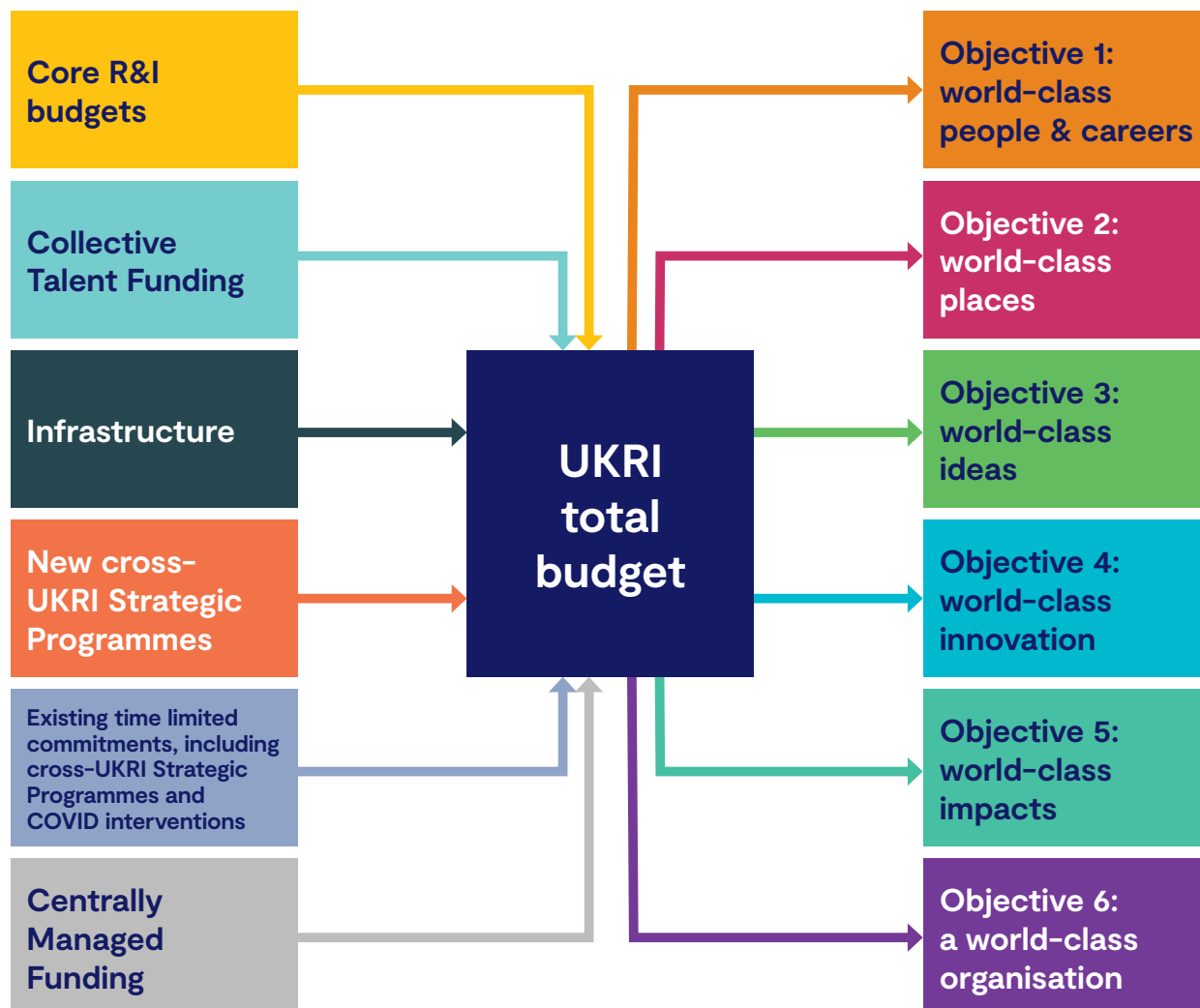
\*includes existing cross-UKRI Strategic Programmes (and other time limited commitments such as COVID interventions), support for UKRI transformation, public engagement, and open access

Earlier this year, UKRI published our first long-term Strategy 2022-2027. And for the first time since UKRI was created, we now also have a multi-year settlement across all areas of our budget, which allows us to use our investment to begin delivering our five-year Strategy.

**Our investments will support our six objectives:  
to foster world-class people and careers, places, ideas, innovation,  
and impacts, and ensure that UKRI is a world-class organisation.**

We will get maximum value from our investments by ensuring greater connectivity across what we do, addressing multiple objectives with every pound.

**UKRI's total budget comprises investment across key spend areas that individually and collectively support multiple priorities within our six strategic objectives**



Our allocations signal how we are building on our successes of working across Council remits, to work together as a single organisation more effectively and efficiently than ever before, delivering our ambitious Strategy which provides us with a unity of purpose to work together with and for our community and partners.

We look forward to engaging widely on designing the details of our new collective investments, including collective talent and new strategic programmes, over this financial year. In addition, this Autumn, we will publish our Corporate Plan and our council Strategic Delivery Plans which will provide further details on our three-year plans to start delivering our Strategy. It will demonstrate how we will convene, catalyse and invest in R&I ideas and impacts at all stages and in the people, places and infrastructures that deliver them.

There are multiple ways in which we can show how individual investments make up our total UKRI budget over the next three years. Within this document, we have chosen to show these simply by financial year and by key spend areas: core R&I budgets, existing time-limited commitments, collective talent funding, infrastructure, new and existing programmes and centrally managed funding.

## Our 2022-23 - 202-25 budgets include<sup>5</sup>:

- **A £18.9 billion investment over the three-year period through core budgets for our seven Research Councils, Research England and Innovate UK, and for existing time limited commitments and Collective Talent Funding (Table 3). This includes:**
  - **£16.4 million for Council core R&I budgets, including:**
    - £6,227 million for English Higher education institutions (HEIs) through Research England.
    - £2,438 million for the core innovation budget of Innovate UK.
    - £7,768 million for the core research budgets of the Research Councils.
  - **£426 million for existing time limited commitments, including COVID-19 interventions.**
  - **Taken together, these allocations meet the SR21 commitment to increase core R&I funding by £1.1 billion per year more by 2024-25 compared to 2021-22.**
  - **A £2 billion investment over the three-year period for a new collective cross-Council approach to talent initiatives, covering studentships and fellowships (Table 3). This includes funding for existing commitments of Future Leaders Fellowships.**
  - **A £3 billion investment over the three-year period in infrastructure funding (Table 4). This includes:**
    - £48 million for Carbon Zero Fund.
    - £129 million for Digital Research Infrastructure Programme.
    - £482 million for the Infrastructure Fund.
    - £370 million for existing infrastructure investments.
    - £129 million for the UK Research Partnership Investment Fund (UKRPIF), managed by Research England.
    - £1,070 million for World Class Labs delivered through the Research Councils.
    - £145 million for International subscriptions.
    - £679 million for Research Capital Investment Fund (RCIF): Higher Education Research Capital (HERC) England and HEI Research Capital England<sup>6</sup>.
  - **A £3.3 billion investment over the three-year period for new cross-UKRI strategic programmes and to continue planned delivery of existing cross-UKRI strategic programmes (Table 5). This includes:**
    - **£2.5 billion for existing cross-UKRI strategic programmes previously funded through the National Productivity Investment Fund, including:**
      - £60 million for the Fund for International Collaboration.
      - £805 million for the Industrial Strategy Challenge Fund.
      - £430 million for the Strategic Priorities Fund.
      - £210 million for the Strength in Places Fund.
      - £196 million for other existing cross-UKRI Strategic Programmes, including Administrative Data Research UK.
      - £792 million for dual support consequentials of existing cross-UKRI strategic programmes.
    - **A £811 million investment over the three-year period for new cross-UKRI strategic programmes to enhance further the delivery of our six strategic objectives outlined in our Strategy (Table 5). We look forward to engaging widely with our community in designing these.**

<sup>5</sup> Figures have been rounded in line with figures in breakdown tables.

<sup>6</sup> HERC allocations to devolved administrations Higher Education funding bodies will be allocated by BEIS.

- A £756 million investment over the three-year period for centrally managed funding, including support for admin and transformation, public engagement and open access uplift (Table 5).

In addition to this allocation, our overall budget will also include:

- A financial transactions budget of £150 million over the three-year period, along with £52 million for repayments, which will allow the continuation of Innovate UK's innovation loans programme.
- A Department for Education Strategic Priorities Grant contribution of £48 million to Research England programmes in 2022-23.
- In 2022-23 UKRI plan to deliver programmed ODA funding of £143 million (not included in the allocation in Table 1). Outturn ODA may differ depending on transfers agreed between departments, particularly in response to Ukraine costs. UKRI's allocation of ODA funding in 2023-24 and 2024-25 will be agreed and announced later this financial year<sup>7</sup>.
- Additional funding for programmes that Innovate UK will manage on behalf of BEIS. These will be announced later this financial year. For 2021-22, Innovate UK managed £240 million of programmes on behalf of BEIS.
- Additional non-ODA funding for international partnerships to be allocated by BEIS and announced later this financial year.

## Breakdown

Table 2: Budget across key spend areas

UKRI Budgets	Total (£m)			
	2021/22	2022/23	2023/24	2024/25
Core R&I Budgets	4,839	4,881	5,553	5,999
R&I Budgets – existing time-limited commitments (including COVID interventions)	355	140	135	151
Collective Talent Funding	571	599	670	726
Infrastructure	942	868	1,000	1,184
New cross-UKRI Strategic Programmes	0	100	247	464
Existing cross-UKRI Strategic Programmes	1,202	1,222	795	476
Centrally Managed Funding	195	330	231	195
<b>UKRI Total<sup>8,9</sup></b>	<b>7,785</b>	<b>7,904</b>	<b>8,373</b>	<b>8,874</b>

<sup>7</sup> ODA outturn figures may differ from allocations due to transfers undertaken and agreed between departments, budget exchanges, and any financial year underspend that may occur.

<sup>8</sup> All Figures exclude funding for ODA, Financial Transactions, BEIS Managed Programmes (excluding the Department for Transport Zero Emission Programme that will be delivered by Innovate UK) and Department for Education Strategic Priorities Grant. Figures are indicative and may vary over the course of the three-year period.

<sup>9</sup> The totals of the individual UKRI budget lines sum to £815m more than UKRI's total funding to mitigate the risk of underspends and ensure best use of available funding.



**Table 3: Core R&I budgets and collective talent funding**

Council	Total (£m)			
	2021/22	2022/23	2023/24	2024/25
Arts and Humanities Research Council	61	71	65	70
Biotechnology and Biological Sciences Research Council	306	300	318	326
Engineering and Physical Sciences Research Council	617	621	647	661
Economic and Social Research Council	114	121	119	122
Medical Research Council	563	548	587	615
Natural Environment Research Council <sup>10</sup>	289	288	311	325
Science and Technology Facilities Council <sup>11</sup>	485	531	544	575
Research England <sup>12</sup>	1,772	1,730	2,163	2,333
Innovate UK <sup>13</sup>	631	669	799	970
<b>Core R&amp;I Budgets Total<sup>14</sup></b>	<b>4,839</b>	<b>4,881</b>	<b>5,553</b>	<b>5,999</b>
Existing time-limited commitments (including COVID interventions) <sup>15</sup>	355	140	135	151
Collective Talent Funding <sup>16</sup>	571	599	670	726
<b>Total<sup>17</sup></b>	<b>5,765</b>	<b>5,619</b>	<b>6,358</b>	<b>6,876</b>

**Table 4: Infrastructure**

Infrastructure	Total (£m)			
	2021/22	2022/23	2023/24	2024/25
Carbon Zero Fund	8	8	16	24
Digital Research Infrastructure Programme <sup>18</sup>	17	17	42	70
Infrastructure Fund	33	59	142	281
Existing infrastructure investments	223	174	134	62
UK Research Partnership Investment Fund (UKRPIF)	94	29	25	75
World Class Labs	336	316	368	386
International subscriptions	43	49	48	48
Research capital investment fund (RCIF): Higher Education Research Capital (HERC) and HEI Research Capital England	188	216	225	238
<b>Total</b>	<b>942</b>	<b>868</b>	<b>1,000</b>	<b>1,184</b>

10 Natural Environment Research Council (NERC) figures include resource funding for the Antarctic Logistics and Infrastructure partition, to support the UK's scientific operations in the Antarctic, rising from £44.6m in 22/23 to £52.3m in 24/25.

11 Science and Technology Facilities Council's (STFC) budget reflects increases in international subscriptions, including the transfer from MRC of responsibility for funding European Molecular Biology Laboratory (EMBL), and provision for the impact of rising energy costs on operating domestic facilities.

12 Research England figures are for financial years 2022-23 – 2024-25. Allocated budgets for academic years 2022-23 – 2024-25 will vary and be announced separately. We will hold the balance of dual support at 64p (this currently excludes ODA funding which is to be confirmed, along with dual support for new strategic programmes).

13 Innovate UK was allocated £2.6 billion across 2022-23 – 2024-25 in Spending Review 2021. This includes funding for activities accounted for in 'existing time limited commitments', including a £118m Zero Emissions Freight Vehicles programme, of which £80 million delivered in 2024-25, that Innovate UK will deliver on behalf of the Department for Transport.

14 Council core R&I budgets as shown do not include funding for existing time limited commitments, infrastructure, strategic programmes and collective talent. Funding for these budgets will be delivered by Councils but has been excluded in core Council R&I figures within this publication.

15 Existing time-limited commitments include funding for COVID interventions and one-off committed project spend.

16 Collective talent funding includes an additional £8.6 million in 2024-25 as part of a £117 million total government investment to create 1,000 new AI PhDs through Centres for Doctoral Training, as announced in the Spring Statement 2022.

17 All figures exclude funding for ODA, Financial Transactions, BEIS Managed Programmes (excluding the Department for Transport Zero Emission Programme that will be delivered by Innovate UK) and Department for Education Strategic Priorities Grant. Figures are indicative and may vary over the course of the three-year period.

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**Table 5: Cross-UKRI Strategic Programme Breakdown**

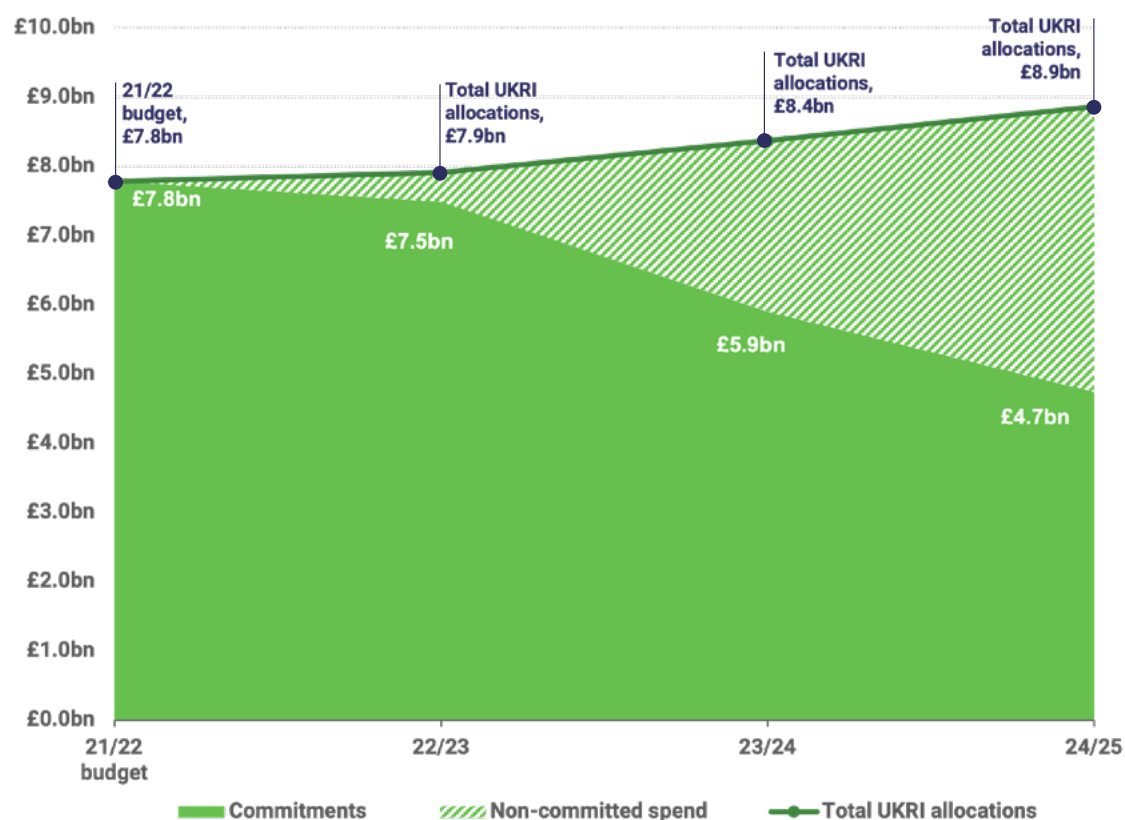
Programme	Total (£m)			
	2021/22	2022/23	2023/24	2024/25
Fund for International Collaboration	47	40	15	5
Industrial Strategy Challenge Fund	542	457	252	96
Strategic Priorities Fund	183	190	155	85
Strength in Places Fund	69	71	76	62
Other cross-UKRI Strategic Programmes	73	50	69	78
Dual support for existing Strategic Programmes (previously NPIF)	289	414	228	150
<b>Existing cross-UKRI Strategic Programmes Total</b>	<b>1,202</b>	<b>1,222</b>	<b>795</b>	<b>476</b>
New cross-UKRI Strategic Programmes	0	100	247	464
<b>Total<sup>19</sup></b>	<b>1,202</b>	<b>1,322</b>	<b>1,042</b>	<b>940</b>

## Ringfences and commitments

- UKRI's overall budget is subdivided into a number of categories or ringfences. Spending Review 2021 provided fewer ringfences along with additional scope to move funds from one to the other.
- The bulk of our research grants are awarded for two to four years, our PhD programmes for three or four years, and our fellowship schemes last up to seven years. Funding for institutes typically run on five year or longer cycles. This leads to large forward commitments, so whilst there is responsiveness intrinsically built into the system, significant strategic shifts to the balance of funding or immediate reductions to funding present challenges in the near term without breaking commitments to programmes already underway.
- Between 2022-23 – 2024-25, we have £18.1 billion of funding currently committed for existing, in flight or programmes already announced by Ministers.

<sup>19</sup> All figures exclude funding for ODA and BEIS Managed Programmes. Figures are indicative and may vary over the course of the three-year period.

Figure 2: UKRI planning assumption of existing, in flight or already announced activity\*



\*at the time of publication

