

Part of
Education and childcare during coronavirus



Notice
University research support package: explanatory notes
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The UK's world-class research and researchers play a vital role in delivering local and national economic prosperity but we recognise that some of that research is at risk from a range of income losses as a result of coronavirus. That is why the government is announcing today a package to support universities to continue research and innovation activities.

Firstly, around £280 million government funding will be made available to universities and research organisations impacted by coronavirus for grant extensions. The first amounts will be made immediately available and will provide additional resource and flexibility to sustain grants funded through UK Research & Innovation (UKRI) and the National Academies and affected by the coronavirus pandemic, allowing them to continue developing existing ambitious and innovative research projects. This funding includes supporting researchers' salaries and other research costs such as laboratory equipment and fieldwork. UKRI will contact universities and research organisations with details of their grant extension allocation shortly.

Secondly, from the Autumn, government will demonstrate its commitment to research by providing a package of support to research-active universities, consisting of low-interest loans with long pay-back periods, supplemented by a small amount of government grants. In sharing responsibility for the future of science and research with our world-leading university system the government will cover up to 80% of a university's income losses from international students for the academic year 20/21, up to the value of non-publicly funded research activity in that university.

We expect the level of support being provided to go a significant way to addressing reductions in research income. This second part of this package will be targeted towards sustaining research and innovation activity and capacity in universities across the UK so universities will need to demonstrate that funding is being spent on research activity and on sustaining high quality research capacity and capability including, a particular emphasis on STEM research and areas of research typically funded by charities and businesses. This funding will be available to bolster those universities who are taking their own steps to make efficiencies, in line with the rest of the economy, to protect their research bases.

We recognise that universities will want to use this funding to protect areas of medical research that have been developed in part with support of charities. Charity-funded research has been a distinctive feature of the UK research system and a successful partnership with government through the charity element of QR. Now is the time to align that partnership as a more sustainable element of the research system.

The support made available to individual institutions through this second part of this package is subject to the conditions set out in the explanatory notes below and the final details of the proposal will be subject to business case approval. Government will develop the details of this support package, including further conditions working with the sector over the weeks ahead.

Our research base helps to deliver higher levels of productivity and anchor R&D-intensive companies to the UK, and we will continue to be a welcoming and world class destination for international students and researchers, now and into the future. Government has already undertaken communications activity to promote UK higher education to international students, appointed Sir Steve Smith as the International Education Champion and introduced a range of visa flexibilities for current and prospective international students. This is all with a view to ensuring we maintain the UK's ability to attract students from all around the world.

Alongside this, the Department for Education (DfE) is continuing to work with the Department for Business, Energy and Industrial Strategy (BEIS), Her Majesty's Treasury (HMT) and other government departments to develop a process through which Higher Education providers at risk of closure will be able to apply to government to access a restructuring regime as a last resort. Government will review providers' circumstances and assess the need for restructuring where there is a case to do so. Where action is required, this will come with attached conditions. The government will work with the devolved administrations on this approach. More detail will be made available in due course.

Explanatory notes

Overall package

Is this a guarantee that all universities will receive support to cover up to 80% of income losses from international students?

Not necessarily. Support will be dependent on an institution's ability to take advantage of the grants and loan being made available. Some universities may be restricted by current levels of borrowing or by agreements with existing lenders. Support is also capped at the level of an institution's non-publicly funded research to ensure that funds are being directed towards universities conducting research.

What will the balance be between grants and loans?

The overall balance between loans and grants will be at least 75:25 in favour of loans. We will continue to develop the details of the policy over the next few weeks in consultation with the sector.

How does support for extensions to grants fit with the overall support available?

Overall, the grant funding available includes funding for grant extensions to projects supported by UKRI and the National Academies. We, therefore, expect any funding received by institutions through the grant extension allocation to be taken into account when allocating further grant funding to HEIs.

Are all HE providers eligible for support?

To be eligible to apply for the second part of this package, a provider in England must be an "Approved (Fee Cap)" provider registered with the Office for Students and already in receipt of UKRI/Research England funding. Equivalent providers in Scotland, Wales and Northern Ireland will also be eligible to apply. Eligibility is different for UKRI grant extension proposals – see section below.

What is meant by non-publicly funded research?

This is made up of research in a university that is funded by businesses and charities as well as research activity funded by universities from their own income.

Why is support based on drops from international students? What about other losses in research revenue such as from businesses and charities?

The international student metric when combined with the measure of 'non-publicly funded research' is a good proxy for overall Covid-19 losses to research revenue. In return for support, Government will be asking for universities to demonstrate how funds are being utilised to sustain research in areas typically funded by charities and business. We will also take into account the income HEIs receive from business and charity research.

How will losses from international students and the value of non-publicly funded research be estimated?

We will make use of historic data – comparing AY20/21 data with 2018/19 out-turn.

What will the terms of the loan be?

The loan/grant offer is expected to be a generic deal available to universities. The precise terms of the loan will be developed, but we expect it to include a long pay-back period (i.e. around 10 years) with low interest.

What will universities be required to deliver in return for support?

Universities will be required to demonstrate that funds are being spent on research and on retaining research talent. Universities will be expected to show they are taking their own steps to make efficiencies, in line with the rest of the economy, to protect their research bases. Precise metrics and outputs/outcomes will be developed as we develop the details of the policy over the next few weeks. There will be separate requirements for grant extension proposals.

Will support be available across the UK?

Yes. Support will be made available to eligible universities across the UK. The UK Government is working with the devolved administrations to discuss how this is best delivered across the 4 nations.

Will support be directed towards STEM disciplines?

The vast majority of research funding goes towards STEM disciplines. Funds from the overall package will also be used to mostly support STEM, given it will address shortfalls in funding in a number of areas, including from charities and businesses.

When will support be made available?

Support can be expected to be available from later this year. Support for grant extensions will be available earlier.

How do universities apply for funding?

More details will follow as the scheme is developed over the coming weeks. Organisations will be contacted by UKRI or academies with regard to support for grant extensions.

How will this regime fit with the DfE Restructuring Regime?

DfE are working closely with BEIS and other government departments to ensure coherence between the types of support available.

Is there a possibility that some providers will qualify for funding through both of these Open schemes?

Government is working to ensure a coherent approach. Where a provider receives funding through the Research Stabilisation Package, it would be taken into consideration of eligibility for support through DfE's Restructuring Regime.

What about financial support for teaching intensive institutions and the impact on regional economies?

The DfE Restructuring Regime will look to support teaching intensive institutions where there is a case to do so and where intervention is possible and appropriate. The Government recognises the important role that higher education providers make to regional and local economies through the provision of high-quality courses aligned with local, regional and national economic and societal requirements. This will be within scope of the decision making process for intervention. Further detail on the Restructuring Regime will be announced in due course.

Will this cover loss of income from EU Research and Innovation programmes?

No. The UK government is currently considering participation in future programmes, and will consider a relationship in line with the participation of other non-EU Member States in Horizon Europe (and Euratom Research & Training), provided that this represents value for money and is in the UK's interests. The shape and content of EU Programmes post-2020, including Horizon Europe, is still being finalised in the EU institutions. The regulations for these EU Programmes must be adopted by the EU before arrangements for potential UK participation could be finalised.

The government will provide funding to mitigate against any loss of funding resulting from any changes in our participation in the EU R&I framework programme, Horizon Europe, so that we protect and stabilise UK R&I. As a responsible government, we are developing alternative schemes to support international research and innovation collaboration, in tandem with progressing our input to Horizon Europe negotiations. The government will provide funding to mitigate against any loss of funding resulting from any changes in our participation in the EU R&I framework programme, Horizon Europe, so that we protect and stabilise UK R&I. Horizon Europe alternatives, if required, will be managed through a programme of alternatives which is separate to, but will complement, this Stabilisation Fund.

How will any EU R&I alternatives work with this coronavirus support?

BEIS teams are working closely to ensure that Horizon Europe alternatives are complementary to, and that they do not duplicate coronavirus support measures. BEIS is working with the National Academies, the Devolved Administrations, and UKRI to develop credible options to address immediate short-term needs, as well as more ambitious plans for the longer-term, that will enable world class collaborative research and innovation.

What about non university research organisations?

We recognise that not all research is conducted in universities and that other publicly funded research organisations are also under pressures as a result of coronavirus, albeit not directly linked to the concerns over international student numbers.

UKRI Costed Grant extension allocation

What is the aim of the UKRI coronavirus grant extension allocations?

The aim of the UKRI grant extension allocations is to provide UK organisations with resources to sustain UKRI grant-funded research and fellowships affected by the coronavirus pandemic. This can include support for research and technical staff and research infrastructures during the period of pandemic disruption and its immediate aftermath.

What funding is available?

The total investment from UKRI is £180 million. In addition, a permitted change in use for existing UKRI grant funding (for grants ending after FY2020 to 2021) of up to £80 million will give the sector further flexibility to redistribute likely grant underspends due to coronavirus disruption.

Where has the funding come from?

The impact of coronavirus has impacted delivery plans for some activities and this has enabled UKRI to re-prioritise resources to address coronavirus pressures this financial year.

What organisations are eligible?

Individual allocations to organisations will be calculated based on the value of the UKRI grants held by an organisation whose funding finishes between 1 April 2020 and 31 March 2021.

What happens next? How can I access the funding?

Organisations will be contacted by UKRI in due course with details of their grant allocation.

How have you calculated the allocations? What grants have been included/excluded?

The allocation is calculated by looking at the value of payments that organisations are profiled to receive between 1 April 2020 and 31 March 2021 for competitively awarded UKRI grants with a planned end date during the same time period. The total allocation funding will be awarded to organisations pro rata to the total value of profiled payments.

How can the money be used?

The allocation provides organisations with resources to sustain UKRI grant-funded research, research and technical staff, and research infrastructures during the period of pandemic disruption and its immediate aftermath. UKRI expect organisations to use funds to ensure that UKRI grant outcomes continue to be met, and the value of its grant investments continue to be realised.

What does change of use mean?

In this instance change of use refers to the ability to transfer funding from other grants in the allocation to support extensions of research and fellowship activities under the CoA Terms and Conditions. It is anticipated that this may come from underspends in travel, consumables, etc. This does not mean change of use to support coronavirus related research for which there are other UKRI schemes available.

National Academy Grant Extensions

How will the costed grant extensions from the National Academies work?

Applicants will have to meet strict criteria in terms of being impacted by coronavirus, as well as meet the usual standards for grant applications. Each National Academy will communicate further details in due course.

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