



# Higher Education and Research Act 2017

## 2017 CHAPTER 29

### PART 3

#### RESEARCH

##### *Establishment of United Kingdom Research and Innovation*

#### **91 United Kingdom Research and Innovation**

- (1) A body corporate called United Kingdom Research and Innovation or, in Welsh, Ymchwil ac Arloesedd y Deyrnas Unedig, is established.
- (2) In this Act that body is referred to as “UKRI”.
- (3) Section 92 and Schedule 9 contain further provision about UKRI.

#### **92 The Councils of UKRI**

- (1) UKRI is to have the following committees (referred to in this Part as the “Councils”)—
  - (a) the Arts and Humanities Research Council,
  - (b) the Biotechnology and Biological Sciences Research Council,
  - (c) the Economic and Social Research Council,
  - (d) the Engineering and Physical Sciences Research Council,
  - (e) the Medical Research Council,
  - (f) the Natural Environment Research Council,
  - (g) the Science and Technology Facilities Council,
  - (h) Innovate UK, and
  - (i) Research England.
- (2) The Secretary of State may by regulations amend subsection (1) so as to—
  - (a) add or omit a Council, or
  - (b) change the name of a Council.

- (3) But the regulations may not omit, or change the name of, Innovate UK or Research England.
- (4) Before making regulations under subsection (2), the Secretary of State must consult such persons as the Secretary of State considers appropriate.
- (5) UKRI must, if requested to do so by the Secretary of State, carry out such a consultation, on behalf of the Secretary of State, of such persons.
- (6) In such a case, UKRI must carry out the consultation in accordance with such directions as the Secretary of State may give.

*Research and innovation functions and role of the Councils*

**93 UK research and innovation functions**

- (1) UKRI may—
  - (a) carry out research into science, technology, humanities and new ideas,
  - (b) facilitate, encourage and support research into science, technology, humanities and new ideas,
  - (c) facilitate, encourage and support the development and exploitation of science, technology, new ideas and advancements in humanities,
  - (d) facilitate, encourage and support knowledge exchange in relation to science, technology, humanities and new ideas,
  - (e) collect, disseminate and advance knowledge in and in connection with science, technology, humanities and new ideas,
  - (f) promote awareness and understanding of science, technology, humanities and new ideas,
  - (g) provide advice on any matter relating to any of its functions, and
  - (h) promote awareness and understanding of its activities.
- (2) The activities which UKRI may carry out in, or in connection with, exercising a function conferred by subsection (1) are not restricted to the United Kingdom.
- (3) The functions conferred by subsection (1)(a) to (f) include, in particular, power to encourage and support the provision of postgraduate training in science, technology, humanities and new ideas.
- (4) For the purposes of this Part, “knowledge exchange”, in relation to science, technology, humanities or new ideas, means a process or other activity by which knowledge is exchanged where—
  - (a) the knowledge is in, or in connection with, science, technology, humanities or new ideas (as the case may be), and
  - (b) the exchange contributes, or is likely to contribute, (whether directly or indirectly) to an economic or social benefit in the United Kingdom or elsewhere.
- (5) Section 94 makes further provision about the giving of financial support under this section.
- (6) Sections 95 to 98 provide for UKRI to make arrangements for the exercise of functions by the Councils on UKRI’s behalf.

#### **94 Financial support: supplementary provision**

- (1) The power of UKRI under section 93 to give financial support includes, in particular, power to make grants, loans or other payments.
- (2) Financial support may be given by UKRI under that section on such terms and conditions as UKRI considers appropriate.
- (3) The terms and conditions may, in particular—
  - (a) enable UKRI to require the repayment, in whole or in part, of sums paid by UKRI if any of the terms and conditions subject to which the sums were paid is not complied with,
  - (b) require the payment of interest in respect of any period during which a sum due to UKRI in accordance with any of the terms and conditions remains unpaid, and
  - (c) require a person to whom financial support is given to provide UKRI with any information it requests for the purpose of the exercise of any of its functions.
- (4) In exercising the power under section 93 to give financial support to any person, UKRI must have regard to the desirability of not discouraging the person from maintaining or developing funding from other sources.

#### **95 Exercise of functions by science and humanities Councils**

- (1) UKRI must arrange for the Council listed in the first column of the following table to exercise such functions of UKRI in respect of the field of activity listed in the corresponding entry in the second column of the table as UKRI may determine.

<i>Council</i>	<i>Field of activity</i>
Arts and Humanities Research Council	Arts and humanities
Biotechnology and Biological Sciences Research Council	Biotechnology and biological sciences
Economic and Social Research Council	Social sciences
Engineering and Physical Sciences Research Council	Engineering and physical sciences
Medical Research Council	Medicine and biomedicine aimed at improving human health
Natural Environment Research Council	Environmental and related sciences
Science and Technology Facilities Council	Astronomy, particle physics, space science, nuclear physics and provision and operation of research facilities in relation to any area of activity specified in this column

- (2) Arrangements under this section may, in particular, provide for the exercise by the Council concerned of UKRI's functions under paragraph 8(1) and (2) of Schedule 9 in relation to relevant specialist employees.
- (3) A “relevant specialist employee”, in relation to a Council, means—

- (a) a researcher or scientist employed by UKRI to work in the Council’s field of activity (see the table in subsection (1)), or
  - (b) a person who has knowledge, experience or specialist skills which is or are relevant to the Council’s field of activity and is employed by UKRI to work in that field of activity.
- (4) Arrangements under this section must require the Council concerned, when exercising any function to which the arrangements relate, to have regard to the desirability of—
- (a) contributing (whether directly or indirectly) to economic growth, or an economic benefit, in the United Kingdom,
  - (b) advancing knowledge (whether in the United Kingdom or elsewhere and whether directly or indirectly) in, or in connection with, science, technology, humanities or new ideas, and
  - (c) improving quality of life (whether in the United Kingdom or elsewhere).
- (5) The Secretary of State may by regulations—
- (a) amend the first column of the table in subsection (1) in consequence of provision made by regulations under section 92;
  - (b) amend the second column of that table.
- (6) Before making regulations under subsection (5), the Secretary of State must consult such persons as the Secretary of State considers appropriate.
- (7) UKRI must, if requested to do so by the Secretary of State, carry out such a consultation, on behalf of the Secretary of State, of such persons.
- (8) In such a case, UKRI must carry out the consultation in accordance with such directions as the Secretary of State may give.

## **96 Exercise of functions by Innovate UK**

- (1) UKRI must arrange for Innovate UK to exercise such functions of UKRI as UKRI may determine for the purpose of increasing economic growth in the United Kingdom.
- (2) But arrangements may not be made under this section for the exercise by Innovate UK of UKRI’s function mentioned in section 93(1)(a).
- (3) Arrangements under this section must require Innovate UK, when exercising any function to which the arrangements relate, to have regard to—
- (a) the need to support (directly or indirectly) persons engaged in business activities in the United Kingdom,
  - (b) the need to promote innovation by persons carrying on business in the United Kingdom, and
  - (c) the desirability of improving quality of life in the United Kingdom.

## **97 Exercise of functions by Research England**

- (1) UKRI must arrange for Research England to exercise such functions of UKRI as UKRI may determine for the purpose of giving financial support within subsection (2) or (3).
- (2) Financial support is within this subsection if it is given to the governing body of an eligible higher education provider in respect of expenditure incurred, or to be incurred, by the provider for the purposes of either or both of the following—

- (a) the undertaking of research into, or knowledge exchange in relation to, science, technology, humanities or new ideas by the provider;
  - (b) the provision of facilities, or the carrying out of other activities, by the provider which its governing body considers it is necessary or desirable to provide or carry out for the purposes of, or in connection with, research into, or knowledge exchange in relation to, science, technology, humanities or new ideas.
- (3) Financial support is within this subsection if it is given to any person in respect of expenditure incurred, or to be incurred, by the person for the purposes of the provision by any person of services for the purposes of, or in connection with—
- (a) the undertaking of research into science, technology, humanities or new ideas by eligible higher education providers receiving financial support which is within subsection (2), or
  - (b) the undertaking of knowledge exchange in relation to science, technology, humanities or new ideas by eligible education providers receiving such financial support.
- (4) Arrangements under this section must require Research England, when exercising a function for the purpose of giving financial support, to consult such persons as Research England considers appropriate before determining any terms and conditions to be imposed in relation to the financial support.
- (5) “Eligible higher education provider” has the same meaning as in section 39.

## **98 Exercise of functions by the Councils: supplementary**

- (1) UKRI may arrange for any Council to exercise such other functions of UKRI as UKRI may determine in addition to those exercisable by the Council pursuant to arrangements under section 95, 96 or 97 (as the case may be).
- (2) Arrangements under subsection (1) may result in a function of UKRI being exercisable by more than one Council.
- (3) A function of UKRI which is exercisable by a Council on UKRI’s behalf pursuant to arrangements under sections 95 to 97 or subsection (1) may also be exercised by UKRI.
- (4) Arrangements under sections 95 to 97 or subsection (1) must require the Council concerned to provide UKRI with such advice or information about the exercise of any function to which the arrangements relate as UKRI may require it to provide.

### *Strategies and strategic delivery plans*

## **99 UKRI’s research and innovation strategy**

- (1) UKRI must—
  - (a) if requested to do so by the Secretary of State, prepare a strategy for the exercise of its functions during the period specified in the request, and
  - (b) submit the strategy to the Secretary of State for approval.
- (2) A strategy under subsection (1) is referred to in this Part as a “research and innovation strategy”.

- (3) A research and innovation strategy must specify—
  - (a) the period before the end of which each Council must submit a strategic delivery plan to UKRI under section 100, and
  - (b) the period to which such a plan must relate.
- (4) The Secretary of State may approve a research and innovation strategy with or without modifications.
- (5) UKRI must publish a research and innovation strategy approved under this section in such manner as the Secretary of State may require it to be published.

### **100 Councils’ strategic delivery plans**

- (1) This section applies where UKRI publishes a research and innovation strategy under section 99.
- (2) UKRI must arrange for each Council to—
  - (a) prepare a strategic delivery plan for the period specified in the strategy by virtue of section 99(3)(b), and
  - (b) submit it to UKRI for approval.
- (3) The strategic delivery plan must be submitted before the end of the period specified in the strategy by virtue of section 99(3)(a).
- (4) A strategic delivery plan is a plan setting out the Council’s proposals for the exercise by the Council, during the period to which the plan relates, of functions of UKRI pursuant to arrangements under sections 95 to 98.
- (5) UKRI may approve a strategic delivery plan with or without modifications.
- (6) UKRI must publish a strategic delivery plan approved under this section in such manner as the Secretary of State may require it to be published.
- (7) Arrangements under sections 95 to 98 must require the Council concerned, when exercising any function to which the arrangements relate, to do so in accordance with any relevant strategic delivery plan.
- (8) A strategic delivery plan is a “relevant strategic delivery plan” for the purposes of subsection (7) if—
  - (a) it was prepared by the Council concerned and has been approved under this section, and
  - (b) it relates to the period during which the function concerned is being exercised.

### *Funding and directions*

### **101 Grants to UKRI from the Secretary of State**

- (1) The Secretary of State may make grants to UKRI of such amounts, and subject to such terms and conditions, as the Secretary of State considers appropriate.
- (2) Where a grant is made in respect of functions exercisable by Research England pursuant to arrangements under section 97, terms and conditions under subsection (1) in respect of those functions may be imposed only if—

- (a) they are requirements to be met before financial support of a specified amount or of a specified description is given by Research England in respect of activities carried out by an institution, and
  - (b) they apply to every institution, or every institution within a specified description, in respect of whose activities that support may be provided.
- (3) Where a grant is made in respect of functions exercisable by Research England pursuant to arrangements under section 97, any terms and conditions under subsection (1) in respect of those functions may not be framed by reference to—
  - (a) particular courses of study or programmes of research (including the contents of courses or programmes and the manner in which they are taught, supervised or assessed), or
  - (b) the criteria for the selection and appointment of academic staff and for the admission of students.
- (4) Terms and conditions under subsection (1) may, in particular—
  - (a) provide for the allocation of the whole or a part of the grant to a particular Council and for subsequent changes in that allocation,
  - (b) enable the Secretary of State to require the repayment, in whole or in part, of sums paid by the Secretary of State if any of the terms and conditions subject to which the sums were paid is not complied with, and
  - (c) require the payment of interest in respect of any period during which a sum due to the Secretary of State in accordance with any of the terms and conditions remains unpaid.
- (5) Where the Secretary of State makes a grant to UKRI under subsection (1), the Secretary of State must publish—
  - (a) the amount of the grant, and
  - (b) if the terms and conditions of the grant allocate the whole or a part of that amount to a particular Council—
    - (i) the name of the Council, and
    - (ii) the amount of the grant which is so allocated to it.
- (6) In this section “specified” means specified in the terms and conditions.

## **102 Secretary of State’s power to give directions to UKRI**

- (1) The Secretary of State may give UKRI directions about the allocation or expenditure by UKRI of grants received under section 101.
- (2) The Secretary of State may give a direction under this section in respect of functions exercisable by Research England pursuant to arrangements under section 97, only if—
  - (a) it relates to requirements to be met before financial support of a specified amount or of a specified description is given by Research England in respect of activities carried out by an institution, and
  - (b) it relates to every institution, or every institution within a specified description, in respect of whose activities that support may be provided.
- (3) The Secretary of State may not give a direction under this section in respect of functions exercisable by Research England pursuant to arrangements under section 97 which is framed by reference to—

- (a) particular courses of study or programmes of research (including the contents of courses or programmes and the manner in which they are taught, supervised or assessed), or
  - (b) the criteria for the selection and appointment of academic staff and for the admission of students.
- (4) UKRI must comply with any directions given under this section.
- (5) In this section “specified” means specified in the direction.

### **103 Haldane principle, balanced funding and advice from UKRI**

- (1) The Secretary of State must have regard to the matters mentioned in subsection (2) when—
- (a) deciding to make a grant under section 101,
  - (b) determining any terms and conditions of a grant under that section, or
  - (c) giving a direction under section 102.
- (2) The matters are—
- (a) the Haldane principle, where the grant or direction mentioned in subsection (1) is in respect of functions exercisable by one or more of the Councils mentioned in section 95(1) pursuant to arrangements under that section,
  - (b) the balanced funding principle, in any case, and
  - (c) any advice provided to the Secretary of State by UKRI about the allocation of funding in relation to its functions.
- (3) The “Haldane principle” is the principle that decisions on individual research proposals are best taken following an evaluation of the quality and likely impact of the proposals (such as a peer review process).
- (4) The “balanced funding principle” is the principle that it is necessary to ensure that a reasonable balance is achieved in the allocation of funding as between—
- (a) functions exercisable by the Councils mentioned in section 95(1) pursuant to arrangements under that section, and
  - (b) functions exercisable by Research England pursuant to arrangements under section 97.

### *General functions*

### **104 General duties**

- (1) In exercising its functions, UKRI must have regard to the need to use its resources in the most efficient, effective and economic way.
- (2) In exercising its functions, including its duty under subsection (1), UKRI must have regard to guidance given to it by the Secretary of State.

### **105 Power to require information and advice from UKRI**

- (1) UKRI must provide the Secretary of State with—
- (a) such information regarding any of its functions, or obtained in the exercise of any of its functions, as the Secretary of State may require it to provide, and



- (b) such advice regarding any of its functions as the Secretary of State may require it to provide.
- (2) UKRI must provide information or advice under subsection (1) in such form as the Secretary of State may require it to be provided.

#### **106 Studies for improving economy, efficiency and effectiveness**

- (1) UKRI may arrange for studies falling within subsection (2) to be promoted or carried out by a person.
- (2) Studies fall within this subsection if they are designed to improve economy, efficiency and effectiveness in carrying out activities in respect of which UKRI gives financial support.
- (3) A person promoting or carrying out such studies at the request of UKRI (“a researcher”) may require the person carrying out the activities—
  - (a) to provide the researcher or an authorised person with such information as the researcher may reasonably require for that purpose, and
  - (b) to make available for inspection, to the researcher or an authorised person, their accounts and such other documents as the researcher may reasonably require for that purpose.
- (4) “Authorised person” means a person authorised by the researcher.

#### **107 Provision of research services**

- (1) UKRI may, in connection with any of its functions, provide research services to a person (whether or not in the United Kingdom).
- (2) The following are “research services”—
  - (a) undertaking research into science, technology, humanities or new ideas;
  - (b) making facilities available for the undertaking of such research by another person;
  - (c) the carrying out of any other activity for the purposes of, or in connection with, the undertaking of such research.
- (3) Research services provided by virtue of this section may be provided subject to such terms and conditions as UKRI considers appropriate.
- (4) UKRI may charge for research services provided by virtue of this section.

#### **108 Representing the United Kingdom**

UKRI must, if so requested by the Secretary of State, represent the government of the United Kingdom in matters relating to international relations in any field of activity connected to its functions.

#### *Supplementary*

#### **109 Predecessor bodies and preservation of symbolic property**

- (1) The following bodies corporate (each a “research council”) cease to exist—

- (a) the Arts and Humanities Research Council,
  - (b) the Biotechnology and Biological Sciences Research Council,
  - (c) the Economic and Social Research Council,
  - (d) the Engineering and Physical Sciences Research Council,
  - (e) the Medical Research Council,
  - (f) the Natural Environment Research Council,
  - (g) the Science and Technology Facilities Council, and
  - (h) the Technology Strategy Board.
- (2) The Royal Charters establishing the research councils, and any supplemental Royal Charter granted to a council, are revoked.
- (3) A property transfer scheme made by the Secretary of State under Schedule 10 in connection with a research council must, in particular, make provision for the transfer of the symbolic property of the council to UKRI.
- (4) The symbolic property of a research council is—
- (a) the name of, and any other name used by, the council,
  - (b) any goodwill in a name falling within paragraph (a),
  - (c) any logo or insignia of the council, and
  - (d) any seal of the council.

## **110 Amendments to powers to support research**

- (1) In section 5 of the Science and Technology Act 1965 (further powers of Secretary of State), after subsection (1) insert—
- “(1ZA) The power to give financial support under subsection (1)(a) includes, in particular, power to make a grant, loan or other payment, on such terms and conditions as the relevant authority considers appropriate.
- (1ZB) The terms and conditions may, in particular—
- (a) enable the relevant authority to require the repayment, in whole or in part, of sums paid by it if any of the terms and conditions subject to which the sums were paid is not complied with,
  - (b) require the payment of interest in respect of any period during which a sum due to the relevant authority in accordance with any of the terms and conditions remains unpaid, and
  - (c) require a person to whom financial support is given to provide the relevant authority with any information it requests for the purpose of the exercise of any of its functions.
- (1ZC) In subsections (1ZA) and (1ZB), “the relevant authority” means—
- (a) in the case of the power of the Secretary of State to give financial support under subsection (1)(a), the Secretary of State;
  - (b) in the case of the power of the Welsh Ministers to give financial support under subsection (1)(a), the Welsh Ministers;
  - (c) in the case of the power of the Scottish Ministers to give financial support under subsection (1)(a), the Scottish Ministers.”
- (2) In section 10 of the Higher Education Act 2004 (research in arts and humanities), after subsection (4) insert—

- “(5) The powers under this section to give financial support include, in particular, power to make a grant, loan or other payment, on such terms and conditions as the relevant authority considers appropriate.
- (6) The terms and conditions may, in particular—
- (a) enable the relevant authority to require the repayment, in whole or in part, of sums paid by it if any of the terms and conditions subject to which the sums were paid is not complied with,
  - (b) require the payment of interest in respect of any period during which a sum due to the relevant authority in accordance with any of the terms and conditions remains unpaid, and
  - (c) require a person to whom financial support is given to provide the relevant authority with any information it requests for the purpose of the exercise of any of its functions.
- (7) In subsections (5) and (6), “the relevant authority” means—
- (a) in the case of the power under subsection (1)(a), the Secretary of State;
  - (b) in the case of the power under subsection (2)(a), the Welsh Ministers;
  - (c) in the case of the power under subsection (3)(a), the Scottish Ministers;
  - (d) in the case of the power under subsection (4)(a), the Northern Ireland Department having responsibility for higher education.”

### *Interpretation*

## **111 Definitions**

- (1) In this Part—
- “Council” has the meaning given by section 92;
  - “humanities” includes the arts;
  - “knowledge exchange” has the meaning given by section 93;
  - “research and innovation strategy” has the meaning given by section 99;
  - “science” includes social sciences.
- (2) In this Part, a reference to the United Kingdom includes a reference to any part of the United Kingdom.