

Briefing: Spring Budget 2024

Enabling economic growth by investing in research, development, and innovation (RDI) and supporting science education

In recent years we have looked to science to provide the answers, and time and time again science has delivered – from vaccine development and testing, to innovating new technologies to tackle the climate emergency. Chemistry makes a significant contribution to the UK economy, so it is vital that government creates the right conditions for chemistry-using companies, including SMEs, to flourish and for chemistry education and skills. Research by Cambridge Econometrics for the RSC in 2020 showed that over the period 2013-19 the chemical science sector contributed an average £83bn annually to the UK economy, returning £3.2bn to HM Treasury and delivering an average of £39bn GVA per year¹.

To maintain our position as one of the top science nations globally and equip our future workforce, we are calling on the government to:

1. Deliver on the UK's ambition for science and innovation,
2. Provide a UK Chemicals Strategy for health, innovation, and environment,
3. Ensure an excellent chemistry education for all.

1. Delivering on the UK's ambition for science and innovation:

To maximise the benefits that RDI bring, the government should:

- Enable the UK to **lead the G7 on RDI investment and aim to be among the top science nations globally**.
- Ensure any underspend from the Horizon Europe budget in 2023-24 and previous years is ringfenced for RDI.
- Provide clarity and certainty on **longer-term RDI investment plans**. Once the Government has achieved its commitment to invest £20 billion per year on RDI by 2024/25, this should increase to £22 billion per year by 2026/27, in line with previous commitments.
- Create a stable policy environment to boost confidence in the UK for public and private investors, and high-skilled workers, to locate their lives and businesses in this country. Domestic and international investors want certainty before committing to long-term RDI investment decisions.
- Ensure that increased investment and support is **felt across all regions and nations of the UK**.
- **Attract the best talented researchers and innovators through an internationally competitive visa scheme** and ensure the UK workforce **is equipped with skills that are fit-for-purpose**. There is a global market for people with advanced skills in cutting-edge research and innovation disciplines, and their presence boosts economic returns. The immigration system needs to support research,

¹ [workforce-summary-report \(rsc.org\)](https://www.rsc.org/workforce-summary-report)

development, and innovation activity in the UK to enable economic growth. It must be flexible, affordable, and welcoming.

2. A sustainable economy for innovation, health and the environment

The UK's resource use is unsustainable, and we are creating vast amounts of waste and pollution in our linear take-make-use-waste economy. To protect our environment and access to critical minerals the government should drive the transition to a sustainable circular economy of materials by:

- Building and investing in appropriate UK resource and waste infrastructure and ensure robust product labelling and material tracking.
- Incentivising **resource-efficient design and production** alongside assessments of criticality and substitutability of materials.
- **Supporting world-class research** into sustainable materials, including to limit emissions along the entire material and product lifecycles.

To build national confidence in chemicals regulation, we are also calling on the government to establish an independent National Chemicals Agency akin to the Foods Standards Agency (FSA) and Medical and Healthcare Regulatory Agency (MHRA) to provide evidence and policy direction for chemicals, waste, and pollution prevention. The government must:

- Allocate cross-governmental department budgets to include necessary **bespoke training and upskilling regulatory professionals** in the skills and competencies needed to deliver high quality regulatory regimes for chemicals.

3. An excellent chemistry education for all

The government must ensure that young people have the skills and careers information needed to progress in the chemical sciences and contribute to the future economy by:

- Providing investment to **address the science teacher recruitment and retention crisis** including a systematic approach to high-quality subject-specific teacher professional development.
- Addressing the lack of funding in schools. According to our most recent Science Teacher Survey **underfunding was cited as the biggest single challenge faced by schools** (58%).
- Making budget available to enable training providers to use apprenticeship levy payments to cover certification costs for qualifications where they are not mandated in the apprenticeship standard.

Contact:

The Royal Society of Chemistry would be happy to discuss any of the issues raised in this briefing in more detail. Any questions should be directed to Emily Wood at woode@rsc.org.