Royal Botanic Gardens, Kew : government response to the Committee's seventh report of session 2014-15 : first special report of session 2015-16 / House of Commons Science and Technology Committee.

House of Commons

Science and Technology Committee

Royal Botanic Gardens, Kew: Government Response to the Committee's Seventh Report of Session 2014–15

First Special Report of Session 2015–16

Ordered by the House of Commons to be printed 8 September 2015

HC 454
Published on 14 September 2015
by authority of the House of Commons
London: The Stationery Office Limited
£3.50

Science and Technology Committee

The Science and Technology Committee is appointed by the House of Commons to examine the expenditure, administration and policy of the Government Office for Science and associated public bodies.

Current membership

Nicola Blackwood MP (*Conservative, Oxford West and Abingdon*) *(Chair)*
Victoria Borwick MP (*Conservative, Kensington*)
Jim Dowd MP (*Labour, Lewisham West and Penge*)
Chris Green MP (*Conservative, Bolton West*)
Liz McInnes MP (*Labour, Heywood and Middleton*)
Dr Tania Mathias MP (*Conservative, Twickenham*)
Carol Monaghan MP (*Scottish National Party, Glasgow North West*)
Graham Stringer MP (*Labour, Blackley and Broughton*)
Derek Thomas MP (*Conservative, St Ives*)
Matt Warman MP (*Conservative, Boston and Skegness*)
Daniel Zeichner MP (*Labour, Cambridge*)

Powers

The Committee is one of the departmental Select Committees, the powers of which are set out in House of Commons Standing Orders, principally in SO No.152. These are available on the Internet via www.parliament.uk

Publications

Committee reports are published on the Committee's website at www.parliament.uk/science and by The Stationery Office by Order of the House.

Evidence relating to this report is published on the Committee's website at www.parliament.uk/science.

Committee staff

The current staff of the Committee are: Simon Fiander (Clerk); Dr Grahame Danby (Science Clerk); Dr Elizabeth Rough (Committee Specialist); Darren Hackett (Senior Committee Assistant); Julie Storey (Committee Assistant); and Nick Davies (Media Officer).

Contacts

All correspondence should be addressed to the Clerk of the Science and Technology Committee, House of Commons, London SW1A 0AA. The telephone number for general inquiries is: 020 7219 2793; the Committee's e-mail address is: scitechcom@parliament.uk.

First Special Report

On 4 March 2015 the Science and Technology Committee published its Seventh Report of Session 2014–15, *Royal Botanic Gardens, Kew* [HC 866]. On 14 August 2015 we received the Government's response to the Report, which included as an annex an earlier letter from the then Parliamentary Under-Secretary of State for Natural Environment and Science. The Government Response is appended below.

Appendix: Government response

Introduction

The Government welcomes the Science and Technology Committee's report "Royal Botanic Gardens, Kew". It provides a helpful contribution to the consideration of Kew's organisational development and funding for the future.

My predecessor, Lord De Mauley, provided you with an initial response that welcomed your report. I would like to reiterate his thanks to the Committee and endorse the points that he made in his letter of 30 March 2015 (included in Annex A).

I would like to take the opportunity to comment on your recommendations further and provide you with an update on our work with Kew on these issues. We will continue to bear the recommendations in mind as we progress our work for the Comprehensive Spending Review.

Recommendations and Responses

1: ***We have seen that austerity in Government has posed more risk to fundamental long term research than other types of research which are better able to compete for research council funding. The Government needs to protect this kind of world class research in the UK and ensure it receives proper recognition within Research Excellence Framework assessments*** **(paragraph 13, page 7).**

RBG Kew has a well-deserved global reputation for pioneering collections-based scientific research, capacity building and data access. Kew performs a vital role as part of our national capability and science infrastructure, contributing significantly to global plant & fungal science capability. It deserves support from Government and many others. The Government has been closely involved in discussions with RBG Kew to ensure that its scientific standing is maintained and enhanced while living within its budget.

RBG Kew's new Science Strategy sets out a clear plan and key deliverables that will help secure Kew's future as an established and world leading centre of excellence in plant and fungal knowledge. The outputs from this programme of work will contribute towards solving some of the critical challenges facing humanity today.

Kew's scientific and collections management activities are funded through a mixture of Government funding alongside science grants, philanthropy and other self-generated income. We estimate that Defra contributes approximately 40% of the total of Kew's science budget (around £17m this year). This investment will ensure that Kew's scientific collections, knowledge and data can be used by governments, academics, industry and the public, globally, thereby creating opportunities for innovation and economic growth. We also welcome Kew's plans to increase its income from science grants as well as commercial sources of income and partnership with industry.

The Research Excellence Framework enables selective distribution of research funding to universities on the basis of quality. Other research organisations, such as the Research Council centres and Government Laboratory Agencies, are outside this framework. An independent, expert review of the science at RBG Kew was carried out in 2012 to assess the quality, balance, scope and appropriateness of its programme. This indicated it was difficult to judge the overall quality of Kew science outputs by comparison with university departments, since Kew's scientific work is of a very different nature. The review did conclude that Kew's work in plant discovery and description is of world class quality and of great global significance. It also concluded that RBG Kew is highly regarded as an international botanic collection and research facility.

Defra is currently reviewing research, monitoring and other evidence activity with Kew, other agencies and Non Departmental Public Bodies. This is with a view to setting out and communicating our future priorities following the comprehensive spending review.

2: We therefore recommend that the Government writes to our successor Committee to provide an update on how funding will be changed to provide longer term security to both the management of Kew and its contribution to world class science **(paragraph 30, page 12).**

RBG Kew is funded from commercial income, charitable giving and other grants as well as receiving Government funding (currently around 40% of its total income). We recognise the difficult financial position that Kew has been in and we have responded to help ease this. This has included:

Working hard to get a fair deal for Kew in challenging times:

Despite pressures on government finance, we have been able to provide a good settlement for Kew for 2015/16, maintaining operational funding at the same level as it was for 2013/14. This includes more money provided this financial year as 'unrestricted' funding (i.e. flexible funding RBG Kew can spend freely within the parameters of its statutory duties); a key ask of Kew during the Select Committee's evidence session and referenced in your report. The level of unrestricted funding is now over 65% of Defra funding—up from 50% in 2012/13.

Defra has also provided considerable capital funding to RBG Kew. Since 2012/13 we have provided over £9m on RBG Kew's information technology and £10m for the Temperate House Precinct Project.

We will continue to work closely with Kew and HM Treasury on the comprehensive spending review—which will determine funding from 2016 onwards across the whole of government.

Providing enhanced flexibility in the way Kew manages its Government funding:

We have listened to Kew's wish to have more flexibility in how it can manage its government funding, akin to the way the Natural History Museum operates. We have therefore extended to Kew more of the 'freedoms' that are available to certain museums and galleries. Key freedoms now available to Kew are:

- The ability to apply for preferential Government loans. We are pleased that Kew is benefiting from a £530k loan for a project that will help grow its self-generated income.
- The ability to earn interest on their non-government funds.
- Flexibility to opt in or out of central government procurement on a case by case basis.
- Permission to spend previously generated reserves.
- Exemption from the requirement to use the Government Banking Service.
- Exemption from central marketing and advertising controls.

Enabling greater opportunity for commercial activity:

We will continue to work with Kew to seek to remove barriers to achieving greater commercial activity. This will help Kew to increase its self-generated income, one of its strategic key aims. Kew has increased its non-Defra funding by 50% in the last 4 years and aims to continue along this trajectory.

3: *We recommend that the Government ensures that future funding to Kew has a far greater proportion that is unrestricted. The forthcoming triennial review of Kew should provide an opportunity to consider whether Kew's funding should be more consistent with that of the Natural History Museum. We would expect that the triennial review teams for Kew and the Natural History Museum work closely to ensure more consistency of treatment* (paragraph 31, page 12).

We recognise that Kew would like to have increased levels of its Government funding provided as 'unrestricted' and as I have set out above have achieved this for funding for 2015/2016. We will look for opportunities to improve this further during the comprehensive spending review.

We note the Committee's recommendation on a future review of Kew and closer working between RBG Kew and the National History Museum. We agree that there are areas of joint interest between the two organisations. I am pleased that these organisations have a

longstanding relationship and have successfully collaborated for over two centuries. In particular they have worked together on complementary areas such as their herbarium collections. This has included a recent pilot project for the mass digitisation of their herbarium specimens.

Officials in my department will continue to engage closely with those in the Department for Culture, Media and Sport on issues relevant to both the Natural History Museum and Kew. They will also continue to engage with other government departments to inform how Kew delivers outputs, and accesses sources of funding, across Government.

The Cabinet Office is currently considering the future Arm's Length Body review programme, encouraging greater collaboration across departments. We will consider the best approach for Kew in light of new guidance.

Your report is extremely valuable. We all recognise the important work Kew undertakes and the key role it fulfils for the nation.

Annex A — Initial response from Lord de Mauley, Parliamentary Under-Secretary of State for Natural Environment and Science, to Select Committee, 30 March 2015

I would like to thank the Committee for its report on 4 March 2015 on the Royal Botanic Gardens (RBG), Kew. This comes at a helpful point in Kew's organisational development and your analysis and recommendations are welcome.

We have a shared view that RBG Kew performs a vital role and needs all the support that Government and others can provide. After the general election, the Ministerial team responsible for RBG Kew will provide a full response to your report.

In the meantime I would like to take the opportunity to comment on a few points in your report.

RBG Kew's restructuring programme

It is expected that there will be 100 post closures at the end of the re-structuring process but this does not, as your report implies, correlate directly to redundancies. For example, 47 of these FTE post closures are for scientific roles. Those have resulted in under 30 science redundancies rather than the 50 referred to in your report.

As Richard Deverell said when giving evidence to the Committee "most of the changes we are implementing this year at Kew are to do with making Kew fit for purpose and effective in the 21st century…I…have already said that we would need to make significant changes in restructuring across the whole of Kew irrespective of funding".

I strongly agree with Richard that Kew needs to have the right skills in place to deliver a new scientific vision and respond to future global challenges.

Freedom to Manage Kew's Budget

You recommended that Kew be given more freedom to manage its budget and be given an indication of funding over the longer term. I do not feel, however, that your report fully captured the progress we have and are making in this respect. For example:

- The often reported 'hole' in Kew's 14/15 budget was addressed to a significant degree by additional Government funding last year.
- We have plans in place to maintain Kew's operating funding at 2013 levels right through to April 2016.
- We already provide Kew with multi-year funding, such as for the Millennium Seed Bank and the refurbishment of the Temperate House.
- We recognise the issue of unrestricted versus restricted funding and plan to give more resource to Kew in flexible, unrestricted resources in the next financial year.
- We will review the funding models for Kew later this year.

- We have extended to Kew more of the 'freedoms' that are available to certain museums and galleries.

Links with Other Government Departments

I do agree with your recommendations about links between the Triennial Review of Kew with that of the Natural History Museum. Officials in my Department have and will continue to engage with those in DCMS as well as DfID, FCO and HMT on the future objectives and funding for RBG Kew. This is being taken forward as part of the preparations for the next Comprehensive Spending Review and the expected Triennial Review of RBG Kew later this year.

Once again, I would like to thank you for your report and hope you find this information useful.

Printed in the United Kingdom by The Stationery Office Limited
09/2015 51331 19585

ISBN 978-0-215-08623-5

9 780215 086235