

House of Commons
Science and Technology
Committee

**THE WORK OF THE
MEDICAL RESEARCH
COUNCIL**

Third Report of Session 2002–03

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*Report, together with
Proceedings of the Committee,
Minutes of Evidence and Appendices*

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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 Office of Science and Technology and its associated public bodies.

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THIRD REPORT

The Science and Technology Committee has agreed to the following Report:

THE WORK OF THE MEDICAL RESEARCH COUNCIL

INTRODUCTION

1. Our Committee is appointed by the House of Commons to examine the expenditure, administration and policy of the Office of Science and Technology (OST) and its associated public bodies.¹ These associated public bodies are not clearly defined; the Non-Departmental Public Bodies associated with the OST are, strictly, sponsored by its parent Department, the Department of Trade and Industry (DTI) rather than by OST itself. We have taken the term to cover the seven Research Councils and the Council for Science and Technology, and (in part) the Human Genetics Commission and the Agriculture and Environment Biotechnology Commission.²

2. As part of our scrutiny of the Research Councils, we are holding a rolling programme of scrutiny sessions with individual Research Councils, with the objective of calling in all the Research Councils over the course of the Parliament. In December 2002 we published our first Research Council scrutiny report on the Work of the Particle Physics and Astronomy Research Council (PPARC).³ We decided that the next Research Council to receive our attention should be the Medical Research Council (MRC) and announced this on 15 September 2002, highlighting the UK Stem Cell Bank and the UK Biobank as particular areas of concern and inviting submissions from interested parties. A distinct section on the Biobank appears at the end of the report. We held an oral evidence session on 4 December 2002 with the Chief Executive, Professor Sir George Radda, and the Director of Corporate Affairs, Mrs Jane Lee.

3. We have received 15 memoranda from various parties relating to our scrutiny of the MRC. In addition the Committee and the Chairman have received confidential correspondence from a number of MRC-funded researchers wishing to make their views known, but who have been unwilling to jeopardise further funding by submitting formal evidence to the inquiry. These views have been taken into account, as appropriate.

ORIGINS AND OBJECTIVES

4. The MRC is the oldest UK Research Council, established in 1913, and is based in central London. It is the principal public sector funder of basic and applied research relevant to medicine. Its mission is to:

- encourage and support high quality research with the aim of maintaining and improving human health;
- train skilled people, and advance and disseminate knowledge and technology to help meet national needs for health, quality of life and economic competitiveness; and
- promote public engagement with medical research.

¹ House of Commons Standing Order No. 152.

² The Human Genetics Commission is jointly sponsored by OST and the Department of Health. The Agriculture and Biotechnology Commission is jointly sponsored by OST and the Department of the Environment, Food and Rural Affairs.

³ First Report of the Science and Technology Committee, Session 2002-03, *The Work of the Particle Physics and Astronomy Research Council*, HC161

INCOME AND EXPENDITURE

5. The MRC's expenditure on research was £400 million in 2001-02, making it the largest public funder of biomedical research. (The Wellcome Trust, a private charity is larger, with research support reaching £482 million in 2001-02⁴). As well as its Parliamentary grant-in-aid, the MRC has income from other sources, principally from other Government Departments, from a private fund (built up from private donations) and from its commercial fund, which is the income from exploitation of its intellectual property.

Table 1: MRC income between 1997-98 and 2001-02 (£million).

	1997-98	1998-99	1999-00	2000-01	2001-02
Parliamentary grant in aid	289.1	294.0	304.6	319.7	345.3
<i>Other income</i>					
Government departments	9.4	10.1	11.4	11.6	16.7
Joint Infrastructure Fund	–	–	–	1.5	10.2
Other UK public sector ⁵	2.4	2.7	1.4	2.4	2.0
Charities	3.3	3.4	3.4	4.0	4.4
Industry	4.4	3.7	1.6	1.7	2.1
International and overseas bodies	4.3	5.0	7.6	8.2	8.9
Commercial fund	1.6	2.9	7.5	18.0	11.7
Transfers from Private Fund	–	–	1.7	–	4.0
Miscellaneous	9.1	6.4	11.7	15.8	10.9
Total income	323.6	328.2	350.9	382.9	416.2

⁴ The Wellcome Trust, *Annual Report and Financial Statements 2002*, pp 13-14. The figure of £482 million is comprised of £412 million in grants and £70 million on direct activities.

⁵ Including Research Councils and NHS Trusts

Table 2: MRC expenditure between 1997-98 and 2001-02 (£million).

	1997-98	1998-99	1999-00	2000-01	2001-02
Institutes and staff	152.2	155.8	180.7	190.4	195.3
Universities and other institutions	155.8	147.8	151.7	157.3	184.2
National resources ⁶	–	–	–	2.2	11.7
Administrative costs	12.8	12.3	12.7	12.8	13.6
Commercial exploitation	–	–	–	4.9	8.1
Total	320.8	315.9	345.1	367.7	412.9

Underspend and contingencies

6. In the MRC's operating plan, the financial summary includes a budgeted underspend (£3.2 million in 2002-03).⁷ Professor Radda told us that this was to cover, for example, an unexpected "mishap in one of the grantholders' laboratory", yet the MRC has a separate £2 million contingency fund.⁸ In its supplementary evidence, the MRC explained that the contingency fund is intended for the "mishaps" referred to by Professor Radda or "other essential expenditure which cannot be met from budgets" but that the planned underspend was still necessary.⁹ In our report on the work of PPARC, we recommended that "a mechanism be developed outwith the standard rules on carry forward of voted expenditure to allow Research Councils to put money aside for specified future uses".¹⁰ **Research Councils should be able to use their funds flexibly but we would not support the use of this flexibility to starve current research projects of funds.**

PERFORMANCE AND TARGETS

7. The MRC publishes performance targets in its Annual Report. Its targets for 2000-01 are shown in Table 3.

⁶ Activities which make resources available to the whole community, e.g. the UK Biobank project, MRC Geneservice and the Human Nutrition Resource Centre (separately identified from other activities from 2000-01 onwards).

⁷ MRC Operating plan 2002/03 and 2003/04, p.5

⁸ Q 9

⁹ Ev 64

¹⁰ First Report of the Science and Technology Committee, Session 2002-03, *The Work of the Particle Physics and Astronomy Research Council*, HC161, para 26

Table 3: MRC performance targets for 2000-01.

Area and target	Achievement in 2000-01
<i>Grant applications</i>	
Receipt of all grant applications will be acknowledged within 15 working days and applicants given an indication of the timetable for consideration	100% through the new Electronic Application and Assessment system
Grant applications will be considered by the MRC's peer review process within 26 weeks of the submission date	68% considered within 26 weeks ¹¹
Feedback will be provided to grant applicants within seven working days of a decision being made	45% within seven working days 55% within 10 working days
<i>General correspondence</i>	
Replies to general correspondence will be sent within 15 working days	97.5% within 15 working days
<i>Payment of invoices</i>	
Payment of bills will be within 30 days of presentation	70% paid within 30 days of presentation

8. We were concerned by the poor level of feedback to grant applicants. According to Professor Radda, this was “following a year of a very, very large number of grants that we had been dealing with. I think we were just overwhelmed with proposals”.¹² He said the MRC was looking at ways of improving the working of its research management group: “I think it is really just sharpening up the processes and making everybody aware, who is dealing with those grants, that they need to actually move on and give the feedback in a timely and accurate way”. We are slightly puzzled by this. If 2000-01 was such an exceptional year it would seem an overreaction to overhaul an entire department's working practices. Nevertheless we are pleased to see the MRC improving the efficiency with which it administers its grants. We are disappointed by the limited number of performance targets that the MRC sets itself. The smooth running of an organisation or its ambition to improve its output cannot be expressed by the efficiency with which it sends out letters. Not all performance measures are quantifiable but where they are it seems reasonable that a public body should produce benchmark standards. Some examples are:

- Performance measures for its public engagement, as published by the Biotechnology and Biological Sciences Research Council (BBSRC);¹³
- The MRC says that it is “seeking strong citation performance”¹⁴ – how strong?
- It is our impression that some areas of the MRC website are not up to date – why not aim to review the content of all pages once a month?

We understand that Research Councils UK is undertaking a programme to streamline the administration of the Research Councils. We recommend that as part

¹¹ Some decisions were not reached within 26 weeks because funding decisions were deferred for financial reasons, or because some applications required consideration by more than one research board.

¹² Qq 2-5

¹³ Biotechnology and Biological Sciences Research Council Annual Report and Accounts 2001-2002, page 18

¹⁴ Ev 31

of this process a standard and extensive set of performance indicators is drawn up which will be applied to all Research Councils.

RESEARCH SUPPORT

9. The MRC's support for research is divided into:

- research grant schemes;
- international appointments;
- individual research training and career development awards;
- long-term funding for work in The MRC's own research centres; and
- investment in university infrastructure and national facilities.

10. A breakdown of the MRC's research support is shown in Tables 4 and 5.¹⁵ They show that, against a backdrop of a steadily increasing expenditure, the MRC's spending on new grants has fluctuated substantially, with new awards in 1999-2000 more than twice that in 2001-02.

Table 4: Estimated expenditure in different categories of research support (£million).

	2000-01	2001-02	2002-03	2003-04
MRC units	190.0	203.2	222.5	224.7
Grants, fellowships, studentships, Special contributions etc.	147.6	173.7	205.4	190.7
Other, ie running costs, restructuring, international subscriptions.	23.4	24.2	26.2	27.2
Total	361.0	401.1	454.1	442.5

Table 5: Value of new awards in different categories of research support (£million).

	1998-99	1999-00	2000-01	2001-02
MRC Units and Institutes	28.4 (15%)	36.1 (12%)	42.1 (19%)	9.8 (6%)
Research grants and contributions	122.8 (63%)	216.5 (74%)	127.9 (56%)	100.8 (65%)
International subscriptions	0	0	5.0 (2%)	1.5 (1%)
Training Awards: Fellowships	27.3 (14%)	23.6 (8%)	32.3 (14%)	22.7 (15%)
Training Awards: Studentships	17.1 (9%)	17.1 (6%)	20.1 (9%)	19.9 (13%)
Total	195.6	293.3	227.4	154.7

¹⁵ Ev 36

Research grants

11. The MRC offers a range of different grant schemes. The key features of the principal funding schemes are shown in Table 6. Some grants (not Co-operative Group, Centre, and Development Grants) may be held by individual researchers, although the MRC says that many scientists prefer to collaborate to bring the necessary expertise to bear on a problem, for example in taking forward a clinical trial.¹⁶

Table 6: Forms of MRC's research support.

Programme Grants	Support long-term programmes. Principal investigators can apply at any time and may hold these grants either on a stand alone basis or as part of an MRC Centre or Co-operative Grant Group. Awards are made for five years in the first instance but consideration is given to renewing the award.
Career Establishment Grants	Support for up to 5 years for researchers recently appointed to academic posts to enable them to establish themselves as independent researchers capable of winning support in open competition. Application is through an annual competition for ring-fenced funds. Awards are not renewable. These awards may be held on a stand-alone basis or as part of a Co-operative Group Grant.
Strategic Grants	Support work which makes a specific contribution to implementing The MRC's scientific strategy. Investigators may apply in response to a call to the scientific community for proposals on a specific topic. These initiatives are often intended to build research capacity in a health priority area. Support is usually for three years.
Clinical Trials Grants	Support for clinical trials that either break new ground in terms of research questions/methodologies or add significantly to our understanding of human health and health care. There is a twice yearly call for proposals.
Co-operative Group Grants	Establish or bring together critical research mass in ways which add to individual projects and increase the productivity of the research. They provide support for five years and comprise two elements: a core grant; and a minimum of three peer reviewed grants of which two must be MRC funded. A Core Group grant offers additional resources to be funded that might be difficult to justify for a single project, for example shared equipment or skilled technical support, shared data-sets or cohorts. Successful applicants must demonstrate that productivity will be increased by bringing together a critical mass of independent researchers and their projects. Grants which may be included in the Co-operative Group include any of the above grants plus short term (three years) project based Co-operative Component Grants. Researchers may apply at any time to form a new Co-operative Group or to apply for a Component Grant within an existing Co-operative Group. Consideration is given to applications for renewal of the Co-operative Group Grant for further periods of five years.
Centre Grants	Provide long-term support to sustain high-quality multidisciplinary research centres through a partnership with universities. Centres will have a coherent research strategy, be led by a scientific director, contain a mix of different forms of support and the MRC will provide infrastructure support. Applications for a Centre Grant will be led by a university host. Applications for Centre Component Grants, usually two or three years in duration, which contribute to the aims and objectives of the Centre and add value, may be submitted by researchers at any time. MRC Programme and Strategic Grants may also be submitted as components of a Centre.
Development Grants (Centre or Cooperative Group)	Help institutions reach the point where they and individual researchers meet the eligibility criteria to apply for Centre or Cooperative grants. They run for three years and are non-renewable.

¹⁶ Ev 66

Research support strategy

12. The current grant structure follows the results of a review by the MRC announced in 1997. It proposed a major reorganisation of university funding mechanisms aimed at:

- supporting the development of strategic scientific leadership and coordination of university centres;
- making it easier for the MRC to provide higher quality infrastructure;
- facilitating interdisciplinary grouping; and
- offering a wide range of career options for researchers.¹⁷

The principal change was the introduction of Collaborative Grants in place of Project Grants, for the financial year 1998-99. The total number of grants awarded has fallen dramatically from around 1500 in 1996-97 to 250 in 2000-01 (see Table 7).

Table 7: MRC's grant support in 1996-97 and 2001-02.

Grant	Total number of grants awarded	
	1996-97	2000-01
Programme Grants	182	37
Project Grants	910	–
Cooperative Group Grants	–	63
Strategic Grants ¹⁸	368	47
<i>Source: MRC Annual Report 1996-97; Ev 37</i>		

Programme grants

13. The MRC describes Programme Grants as its “principal mechanism for supporting both focused and more broadly based long term research programmes”.¹⁹ These awards are for large amounts: in 2000-01, the MRC made 37 awards to the value of £62 million. Professor Radda told us that “What we said to researchers is that ‘If you do not want to work with other people, then why do you not try and think in terms of five years rather than three years. So if you want to come in as an individual, put forward a proposal, small or large, for a five year period. You have to apply less frequently and you have more time to tackle some significant problems’”.²⁰ This sounds a reasonable approach but the psychologists who wrote to us are under the impression that small project grants are not available and that “MRC money is tending to go to large groups that are already well funded”.²¹ Save British Science says that there has been a “deliberate shift away from allowing individual researchers to apply for grants” and that “there is no good reason to abolish individual project grants altogether”.²² **If the research community is under the misapprehension that small project grants are not available when in fact they are the MRC is doing a poor job of communicating with its community. We recommend that the MRC gives a higher priority to keeping its research community better informed of its policies.**

¹⁷ MRC Annual Report 1996-1997, p.15

¹⁸ Strategic grants include clinical trials.

¹⁹ MRC Annual Report and Accounts 01-02, page 6

²⁰ Q 20

²¹ Ev 30

²² Ev 57

Career Establishment Grants

14. These grants aim to help establish young researchers. Few grants are awarded (11 in 2000-01) and competition is fierce (11% success rate in 2000-01). The low success rate for this grant scheme suggests that many young researchers are struggling to get funding. We notice that the amount of money allocated for these grants went up from £3.1 million to £4.7 million in 2001-02 but that fewer awards were made. The average grant size has doubled from £280,000 to £560,000. The MRC says it has increased expenditure on training new generations of researchers from £27 million in 1996-97 to £42 million in 2001-02.²³ This is laudable but this is of little consequence if newly trained researchers find it impossible to get funded. As the evidence from the psychological societies put it, “Young researchers are being frozen out of key funding that is necessary to enable them to begin their independent research careers”.²⁴ The UK Life Sciences Committee (UKLSC) is concerned about the “lack of funding available from the MRC for young researchers”. The Cooperative Group Component Grants are the MRC’s principal source of project funding (see Paragraphs 15-19 below) and UKLSC argues that “to be eligible to apply for such grants the researcher has to be a member of an MRC-funded Co-operative Group. This makes it difficult for young, independent researchers to secure funding”.²⁵ **We welcome the fact that the budget for its Career Establishment Grants is ring-fenced but recommend that the MRC reconsiders the amount of money available and the size of each individual grant in order to support a greater number of young researchers.**

Strategic Grants

15. In 2000-01, The MRC awarded 47 new Strategic Grants worth £34.5 million.²⁶ According to The MRC, for Strategic Grants “Principal Investigators may apply in response to a call to the scientific community for proposals on a specific topic”.²⁷ It is common for Research Councils to run programmes in which funding is directed at a particular area of study. For example, much of the research funded by EPSRC on renewable energy is delivered through its Infrastructure and Environment Programme.²⁸ This form of research support is generally termed “managed mode” funding. In contrast, response mode funding is used to describe funding mechanisms in which researchers can submit proposals in what area they wish to work. The distinction may not always be rigid. As Professor John O’Reilly, Chief Executive of the Engineering and Physical Sciences Research Council (EPSRC), told us: “We provide a great deal of signposting of priorities and so on and through consultations we do push out that we would like to see proposals in this particular area, so it is not hard and fast ... it is more a continuum between those in terms of the way we work”.²⁹ It is sensible in our view to strike a balance between response mode and managed mode. The EPSRC says that across all its research support mechanisms, 38% is managed mode.³⁰ The MRC asserts that “All of MRC’s grant mechanisms are in response mode”; quite clearly they are not.³¹ This is more than an issue of semantics. The MRC has been criticised for moving away from a response-mode open grants competition and for allocating too much money in ring-fenced initiatives.³² In fact for the years 2000-01 and 2001-02, Strategic Grants comprised around 28% of research support, which is not unreasonable. **The balance of response mode and managed mode**

²³ Ev 32

²⁴ Ev 30

²⁵ Ev 17

²⁶ Ev 37

²⁷ Ev 67

²⁸ Written evidence to Committee’s inquiry “Towards a non-carbon fuel economy: research, development and demonstration” from Engineering and Physical Sciences Research Council (unpublished)

²⁹ Minutes of evidence taken before the Science and Technology Committee, 23 October 2002, Q32

³⁰ Written evidence to Committee’s inquiry “Towards a non-carbon fuel economy: research, development and demonstration” from Engineering and Physical Sciences Research Council (unpublished)

³¹ Ev 32

³² Ev 30, 17

funding is a sensitive issue for researchers and the MRC should communicate its research support strategies openly and without ambiguity.

Cooperative Group Grants

16. The MRC's Cooperative Group Grants made up 13% of grant expenditure in 2000-01 but represented 35% of all applications and 25% of all awards. In 2000-01, 63 awards were made at a cost of £16.7 million. The Cooperative Group Grants "draw together researchers to improve the overall output of research and enhance individual research projects".³³ We have heard three major criticisms of the scheme:

- It creates artificial alliances;
- The groups are not sustainable; and
- It discriminates against certain disciplines.

17. According to the British Psychological Society, the Association of Heads of Psychological Departments and the Experimental Psychology Society "The pressure to form co-operative groups is distorting the way some researchers are working, encouraging them to form artificial alliances for the purpose of the funding mechanism rather than for the excellence of the science".³⁴ Professor Radda told us that "If it is artificial, then the review at the renewal, I hope, will pick it up that actually it has not been done in the spirit of what it is designed to do".³⁵ **It is regrettable that any artificial alliances encouraged by Cooperative Group Grants are only likely to be identified after they are funded. We were under the impression that rigorous peer review would be able to pick out such marriages of convenience before the money is allocated.**

18. The MRC currently recognises 142 Cooperative Groups, yet Professor Radda told us that initially the MRC had only expected to be able to sustain about 100.³⁶ A number of the memoranda of evidence received expressed concern about the operation of this scheme, particularly in the face of the inability of the MRC to fund almost half of the Alpha-A (top) rated projects, and the consequent difficulty for researchers in maintaining the required component grants required for continued eligibility for Co-operative Group Grants. **Having embarked on a programme of collaborative research on the basis that this would provide sustained funding, many researchers are now having the rug pulled from beneath their feet.**

19. Concern has also been expressed about the effect of the Co-operative Group Grant scheme on smaller groups and disciplines. The memorandum from the psychology societies said that "Psychology has been severely affected by changes in the MRC funding priorities", and in particular by the "MRC's decision to withdraw project grants in favour of (the) Co-operative Group Scheme". The memorandum claims that because of this scheme and other funding decisions "the MRC has found itself unable to fund first-rate science proposed by able individuals"³⁷. Other memoranda also drew attention to the adverse effect of the MRCs introduction of the Co-operative Grants Scheme.

20. The MRC's Cooperative Group Development Grants are designed to help institutions to get themselves in a position which would allow them to be eligible to apply for support under the Co-operative Group Scheme. We have heard that this scheme has not worked out in practice and that with the Cooperative Group Grants the MRC "has acquired a reputation for preserving an 'inner-circle' of favoured projects and institutions. As such, this does not engender the healthy research environment that the MRC should be aiming

³³ MRC Annual Report and Accounts 01-02, page 6

³⁴ Ev 30

³⁵ Q 19

³⁶ Qq 15-16

³⁷ Ev 30

for”.³⁸ **The Cooperative Group Grant scheme has provoked understandable resentment and frustration among the medical research community. The MRC should take an objective look at the system and be honest enough to admit the scheme’s failings and make the necessary changes.**

21. It is now five years since the MRC took its decision to reorganise its research support system. It is far from clear that it has been a success. **The Research Councils are embarking upon a process of harmonising their administration, including their grant-awarding strategies.**³⁹ **This process should recognise that different areas of research have contrasting requirements but this is a valuable opportunity for the MRC to reconsider its research support strategy.**

Grant application success rate

22. In the Committee’s evidence session with the EPSRC for our inquiry into a non-carbon fuel economy, its Chief Executive, John O’Reilly, told the Committee, “if the success rate of highly regarded proposals is between one in two to one in three then the system itself is a workable and sustainable one. When success rates get to be very low then I think it is not”.⁴⁰

Table 8: Success rate for MRC grants in 2000-01 and 2001-02.

	Applications		Awards		Cost (£million)		Success (%)	
	00-01	01-02	00-01	01-02	00-01	01-02	00-01	01-02
Centres	11	19	4	1	1.1	1.8	36	5
Programme	83	69	37	24	62.0	28.3	45	35
Strategic	147	106	47	23	34.5	15.4	32	22
Co-operative	328	235	63	25	16.7	4.8	19	11
CEG	96	102	11	8	3.1	4.7	11	8
Other	265	136	92	44	6.4	3.9	35	32
Total	930	667	254	125	123.8	59.8		

23. Table 8 shows that the success rate declined dramatically in 2001-02, particularly for the Cooperative Group grants, which was 11%. This is despite a drop in the number of applications.

24. There has also been a big drop in the funding available for new grants. In 1999-2000 the amount of money allocated for new grants was £206 million, and this dropped to £124 million and then £59 million in the subsequent years. In the original submission to the Committee, the MRC claimed that the large difference in the figures for 2001-02 is mainly due to the “commitment of funds for establishing the Mary Lyon Centre”.⁴¹ On 2 December, the MRC submitted revised evidence in which this sentence was changed to the “commitment of funds for the UK Biobank project and International Appointments”. This is consistent an article in the journal *Nature*, in which an MRC spokesperson reportedly

³⁸ Ev 31

³⁹ Research Councils UK Strategy Group terms of reference, www.research-councils.ac.uk

⁴⁰ Minutes of evidence taken before the Science and Technology Committee, 23 October 2002, Q 30

⁴¹ Ev 37

said the shortage of funds was due to the MRC's investment in large new projects such as Biobank.⁴² We queried this with Professor Radda, who acknowledged that a mistake had been made with the original submission. The total sum pledged by the MRC for the first five years of the running of Biobank is £20 million. According to its annual report only £700,000 was spent on international appointments in 2001-02. Combined, these figures come nowhere near the huge drop in grant funding. Professor Radda also stressed in giving evidence that Biobank was funded from new money: "Biobank money has not come in competition with grants".⁴³

25. We asked Professor Radda whether the funding situation was worse than in previous years. He replied that, "No. We have been through periods where, because of the fluctuations in the funding, the way we fund, there are years which are worse".⁴⁴ The MRC's grant in aid has risen in each of the past four years, however; but there are clearly fluctuations in the amount of money that the MRC has to spend on new grants. In 1999-2000, Professor Radda told us that "we had a big increase in allocation of funds from OST and we spent it on very good science" but that "if, in the next year, you do not get a similar increase in your funding then your headroom goes down".⁴⁵ This is true but the MRC knew from the Spending Review settlement what its income would be. Any organisation has to make the best judgement it can about its future income and budget accordingly. The MRC, however, is in the fortunate position of knowing not only what its income will be for the year ahead but also its income for the year following that. When it makes an award it knows what financial commitment it makes; it is a simple piece of financial modelling. Professor Radda said that the MRC had to spend a lot of money on new grants in 1999-2000 because it could not carry much of the money over.⁴⁶ But it did draw £1.7 million from its private fund and £7.5 million from its commercial fund in that year. Professor Radda told us that "with hindsight we could have had more foresight".⁴⁷ We believe that the current situation could and should have been foreseen. **The MRC has mismanaged its funds in such a way as to create unwarranted fluctuations in its awards of new grants with consequent adverse impacts on their research community. It appears to have gambled on increases in income that were not, and were unlikely to be, forthcoming.**

26. Professor Radda told us that the MRC was "paying a price" for the increase in funding in 1999-2000.⁴⁸ This is an unfortunate phrase: it is the medical research community that is paying the price (see Box 1). In its meeting in July 2002, the MRC decided that it could only fund 45 of the 84 applications it had received that had been rated alpha-A (the highest rating) by their peer-reviewers. This is not a trivial matter: those that were unfunded were from some of the best research teams in the country and will have significant effect on their work. The Society of Fertility and Reproduction says that "the inability to fund outstanding grants is catastrophic: the researchers involved in preparing the applications will have invested significant effort and time for nothing. For many, funding is the only way of supporting their team of specialists and hence their long-term research programmes will be compromised without funding".⁴⁹ The UK Life Sciences Committee told us that "the long delay between preparing and submitting a grant application and hearing the result means that 6 months to a year is lost if an excellent grant proposal is not rewarded" and that "this could lead to scientists deciding to relocate abroad, and to a loss in international esteem for UK biomedical research".⁵⁰ Professor Nigel Leigh from the Institute of Psychiatry and a member of a Cooperative Group considers that

⁴² Top projects suffer as medical funding falters, *Nature*, 15 August 2002, vol 418, p.714

⁴³ Q 148

⁴⁴ Q 23

⁴⁵ Q 23

⁴⁶ Q 23

⁴⁷ Q 27

⁴⁸ Q 24

⁴⁹ Ev 60

⁵⁰ Ev 17

“writing grants for the MRC has become something of a farce”.⁵¹ **Research funders all risk unpopularity among those researchers whose applications are not successful, and it is in the nature of the business that not all applications are successful, but the recent success rate for the MRC’s grant applications has fallen to levels that are unacceptable.**

27. The MRC can point to the large number of awards funded in previous years, particularly 1999-2000. But not all of the grants awarded in this and previous years will have been alpha-A rated. What the MRC has done is to fund a number of lesser projects in recent years, only to find that it cannot afford to fund the best in 2002-03. The case history presented in Box 1 demonstrates that besides the failure to fund research projects of the highest quality the MRC has alienated researchers and wasted a huge amount of their time. **The anger of the research community at the MRC’s funding problems is not only understandable but entirely justified.**

Box 1.⁵²

In January 2001, a research team submitted an outline proposal for a clinical trial grant to the MRC. In June 2001, following satisfactory assessment of the proposal by three referees, the team was invited to submit a full proposal taking into account the views of the referees. Before submitting the full proposal, the principal investigator spent a considerable amount of time researching issues of concern to the referees. These were addressed in appendices to the full proposal which was submitted in September 2001. The full proposal was sent by the MRC to 18 international referees of whom 13 replied, 12 being in favour of the project. In December 2001, the principal investigator received the feedback from the referees via the MRC, which totalled 26 pages of A4. The principal investigator was required to respond to their comments and queries. This required further research and extra work which included the preparation of a nine-page table (including two pages of references) containing results of all the prospective studies that had ever been carried out in the area.

The proposal was considered by the relevant board of the MRC where it was classed as Alpha A, the highest possible rating. In January 2002, the principal investigator was asked by the MRC Board to reply to questions raised by a Government agency. The proposal was then further considered by the MRC in February 2002. A decision on the proposal was deferred pending further information. To that end, the principal investigator was asked to submit a revised proposal setting out the minimum resources required to conduct the trial. This was considered by an MRC Board in June 2002. At that meeting, the Board banded the proposal Alpha A but asked that costs should again be reduced by cutting some posts and reducing the research cost of the work to be done in the general practices. The principal investigator reworked the budget yet again on the basis that the additional funding required could be secured from other sources. This fundraising took up a considerable amount of time but it was considered worth it as the MRC had given the impression that the trial would be funded, albeit at a lower level than originally requested.

The Council of the MRC met on 24 July but decided not to fund the trial, because of the shortage of funds. The total process between first application and notification of unsuccessful outcome took 18 months and in the region of 350 man hours of the principal investigator alone.

⁵¹ Ev 51

⁵² The details of this grant application have been withheld to ensure the anonymity of the applicant.

28. Many of the MRC's grant schemes run for five years. Indeed, in its submission to the inquiry, it made much of its support for long-term research.⁵³ This is a laudable attempt to give researchers long-term funding and provide stability but by awarding grants in this fashion, the MRC gambles on its future income. The MRC is not alone among Research Councils in having to make long-term estimates of income, yet we are not aware of similar problems with other Research Councils. Indeed, much of the research funded by PPARC has even longer horizons, particularly when it is associated with large facilities. **The MRC has failed to make realistic predictions about future income nor has it achieved a sensible balance of long-term and shorter-term research funding. It should remedy this situation in the future.**

29. The MRC has not been entirely frank with the Committee or the media about the shortage of funds available for grants in 2002. It is vital that public bodies are open.

Implications for other funders

30. The financial constraints at The MRC, along with its funding policies, are placing a "great strain" on other research funders, principally BBSRC and the Wellcome Trust.⁵⁴ The August 2002 issue of *The Biochemist* reported BBSRC's Director of Science and Technology's view that BBSRC was now receiving grant applications that would previously have been funded by the MRC.⁵⁵ Professor Nigel Leigh says that the lack of access to MRC funding "places a huge burden on the Wellcome Trust, which has responded magnificently. Without the Trust, British clinical science would be in a sorry state".⁵⁶ **It is extremely regrettable that the policy decisions of the MRC should impact on other funders. We hope the establishment of Research Councils UK will prevent this situation in the future. We also recommend that other medical research funders are consulted before any further change to the MRC's funding strategy.**

Training and careers

31. The MRC's support for training and careers can be divided into their support through studentships and research fellowships.

Studentships

32. The MRC's support for studentships has remained stable since 1998-99, with new awards amounting to 20.1 million in 2000-01 and £19.9 million in 2001-02. Since other forms have suffered substantial reductions in the funds available for new awards following a peak in 1999-2000, studentships have represented a growing proportion of new awards. In 2001-02 it represented 13% of the value of new awards (see Table 5). This reflects an increase in the annual PhD stipend following the 2000 Spending Review, which announced a rise from £6,800 in the 2000-01 academic year to £7,500 in 2001-02 and £9,000 in 2003-04.⁵⁷ The MRC says "In the light of the recommendations of the Roberts review on the supply of scientists and engineers ..., [it] will review MRC post graduate research training in 2002-03 in order to improve its attractiveness and flexibility".⁵⁸ We were interested to see the MRC, in its latest Operating Plan, state that it "intends to award up to 30 studentships in strategic areas that have been identified as needing increased research workforce capacity". **The MRC is justifiably keen to support the next generation of medical scientists. But it must not do this at the expense of current research. We**

⁵³ Ev 36

⁵⁴ Ev 30

⁵⁵ *The Biochemist* Vol 4 No 4, August 2002, page 34

⁵⁶ Ev 51

⁵⁷ Department of Trade and Industry, *Science Budget 2001-02 to 2003-04*, November 2000, page 5

⁵⁸ MRC Operating plan 2002/03 and 2003/04, para 6.2

believe that the MRC's current financial problems should have been borne more equally across all its budgets.

33. We were hampered in our analysis of our figures by the submission of corrected figures for the value of new studentships almost four months after the original data were supplied to us. **The MRC has on three occasions corrected information submitted to us relating to its expenditure on new awards. This does not give us confidence in the rigour with which it publishes financial data nor the seriousness with which it views our scrutiny of its work.**

Fellowships and postdoctoral researchers

34. Support for postdoctoral researchers comes in two forms: through its fellowship grants to individuals; and through research grants, a large part of which goes on researchers' salaries. In 2001-02, The MRC allocated £32.3 million on new fellowships. Unlike the MRC's funding of studentships, its spending here is more closely allied to the total funds available. This is sensible. **While ring-fencing of the MRC's budget for some projects is useful (see paragraph 14), in general we believe that it should have a set notional proportion of its budget for different schemes but allow itself sufficient flexibility to respond to unexpected demands.**

35. The MRC reports that around 70% of research grants goes to support researchers' salaries. Most of this will be for postdoctoral researchers as in most cases the salaries of permanent university academic staff are met through the university block grant from DfES. Two factors are likely to affect this in the future: increased salaries to improve recruitment and retention and the impact of the EU Fixed-Term Work Directive.⁵⁹ The MRC says that some universities have already requested more experienced (and hence more expensive) staff in order to recruit researchers successfully and that it expects increased demand from other universities. It says these increases cannot be quantified. **We appreciate the difficulties in anticipating the effect of the new employment regulations and the increased salaries for postdoctoral researchers but it is important that the MRC makes the best estimate it can. A business would expect to calculate, as best it can, the impact of new regulations or changes in legislation on its income and expenditure. The MRC should be run in a business-like fashion.**

36. In our recent report on short-term contracts in science and engineering, we recommended that all the Research Councils follow the MRC's lead in allowing contract research staff (CRS) to apply for its grants. The MRC told us that they support 3,500 scientists in UK universities, of whom around 1500 are CRS.⁶⁰ The MRC told us that "about 2% of the grants (19 in all) awarded over the last 4 years" were awarded to CRS but that "many young researchers have insufficient experience in writing grant proposals and that they are more likely to be successful as co-applicants".⁶¹ **We appreciate that not all contract researchers will have either the inclination or the experience to apply for MRC grants. What is important is that this option is available to them and that those with a good idea for a research proposal are free to pursue it. We commend the MRC for this policy.**

⁵⁹ Ev 63

⁶⁰ Q 77

⁶¹ Ev 67

Senior appointments

37. Research Professorships provide long-term personal support for scientists of exceptional ability working in areas of strategic value to the MRC. In its operating plan the MRC says “The MRC will review its Research Professorship scheme in 2002, and relaunch the scheme in 2003. The review will look at ways of ensuring that new recruits to the cadre can represent the MRC’s interests across a broad spectrum of research issues as well as benefit from protected research time. Attention will be paid to creating enhanced security of tenure for these appointments where required”. Professor Radda expanded upon this during his appearance before the Committee: “The relaunch scheme is likely to be identifying areas where there is a need to bring in or to strengthen, at the senior level, some area of research, rather than just having it open for any field”.⁶² **We recognise the importance of the Research Professorship scheme for attracting and retaining top flight researchers in the UK and the value of creating secure research-only academic posts so that individuals can play to their strengths rather than being distracted by teaching obligations. The MRC’s decision to focus on shortage areas seems a sensible one.**

38. The MRC has an International Appointments Initiative which aims to attract “outstanding overseas scientists to work in the UK”. It says the scheme will be extended to encourage overseas scientists to take up positions in MRC units. The scheme is quoted as one of the reasons for the fall in funding available for grants. The amounts are small (£700,000 in 2001-02⁶³); nevertheless we wonder whether it is prudent to import scientific brains when our home-grown talent is suffering from a shortage of MRC funds.

Institutes, Centres and Units

39. The MRC has 40 facilities of its own. Three of these are large institutes: the National Institute for Medical Research at Mill Hill and the Clinical Science Centre in London; and the Laboratory for Molecular Biology at Cambridge to 8 smaller centres and 29 units, which are generally based in universities.⁶⁴ The centres and units compete for funding equally with universities and are not necessarily set up on a long-term basis. Of the 50 that were in existence 10 years ago, 27 have closed down, 23 remain and 7 new ones have been set up. Professor Radda describes this as “recycling” though we would prefer “turning over”: his term implies that some investment in these centres and units can be recouped, which is misleading.⁶⁵ We do support the process, however: **it is important that the MRC takes a dynamic approach to the funding support for its own research institutions, which it enables it to exploit new areas of research and avoids ossification.**

40. We are aware that the MRC’s own facilities have been hit particularly hard by its budgetary problems.⁶⁶ Professor Radda explained to us that when a grant is awarded to a university, it is a binding contract. When the finances are tight, therefore, it is the in-house facilities that are asked to make the budget cuts.⁶⁷ In 2000-01 the MRC spent £190 million on its institutions and they received 16% of new awards for research support (£42 million). The following year, the MRC spent £195 million on its own facilities but they received only 5% of new awards (£10 million). This contrasts with university support, which rose from £157 million to £184 million. Professor Radda said that the drop in the new awards for its institutions did not have any impact on their research as “this is new money for units as opposed to the existing funds that go on a five yearly review basis”.⁶⁸ If reducing the

⁶² Q 78

⁶³ MRC Annual Report and Accounts 01-02, p.31

⁶⁴ www.mrc.ac.uk

⁶⁵ Q 56

⁶⁶ Ev 63

⁶⁷ MRC Staff Bulletin 317, July 2002

⁶⁸ Q 56

number of new awards to its research institutions has no effect the question arises as to why the MRC awards them. We suspect the truth is different, and indeed we are aware of deep dismay from a distinguished centre director. Unfortunately his employment contract prevents him from expressing his views in public. **There is no point in spending money on infrastructure by setting up MRC Centres but then denying them the funds to conduct any research.**

Mary Lyon Centre

41. The Mary Lyon is a new facility at Harwell in Oxfordshire, owned and run by the MRC. Its aim is to house a range of genetic variants for use as animal models of disease for biomedical research. On its website, the MRC says that its £15 million cost has come from the Government as part of its Cross Research Council Genomics Programme.⁶⁹ However, in its submission to the Committee the MRC says that half of its expenditure on its units and centres in 2000-02 (£42 million) went on the Mary Lyon Centre, i.e. £21 million. Furthermore, in its Operating Plan for 2002-03 to 2003-04, it says expenditure on the Centre for 2001-02 to 2003-04 is expected to be £11.3 million. This discrepancy is all the more curious since Professor Radda maintained that “there was something like a five or six per cent difference between the initial estimate and what it is actually costing”.⁷⁰ This difference may reflect the fact that the second phase has been shelved or scaled down.⁷¹ This would not be consistent, however, with a “Summary of the main issues discussed at the Council meeting 27 March 2002” presented on the MRC’s website: “Council agreed to *increase the budget sufficiently to deliver the facility* [our italics] as proposed at the March 2001 Council meeting. Seeking additional external funding was considered as an option, although it should not be allowed to slow down the project”.⁷² **The MRC has failed to provide a coherent and consistent assessment of the funding of the Mary Lyon Centre. It should be more open about its finances if it is to avoid arousing suspicion that its financial management is not all it should be.**

42. According to its website and its Annual Review, the Mary Lyon Centre was due to open at the end of 2002.⁷³ Professor Radda, in giving evidence to us, maintained that the Centre would open on time. But by this he meant summer 2003; indeed this is the date quoted in the MRC’s Operating Plan.⁷⁴ This slippage is not particularly serious. Of greater concern is the inconsistency of information provided by the MRC and Professor Radda’s denial that the Centre would open late. The website has still not been updated, despite this having been drawn to the MRC’s attention during the evidence session. **Out of date information on the MRC’s website undermines confidence in the accuracy of information it places there. It does not reflect well on the priority given by the MRC to communicating with its community. It is disappointing that the Mary Lyon Centre will be opened later than originally planned and regrettable that the MRC seems to wish to obscure this fact.**

RESEARCH PRIORITIES

43. The MRC says in its Research Strategy and Priorities 2001-2004 that “The MRC does not earmark funds for particular topics. Research proposals in all areas compete for the funding available. Research excellence and importance to health are the main considerations in funding decisions”. The MRC published a public consultation document in July 2002. It asks “Should health needs play a greater role in determining where MRC allocates its funds?”. These statements seem to be contradictory: if the MRC does not

⁶⁹ www.mgu.har.mrc.ac.uk/lyon.html

⁷⁰ Q 50; Operating Plan 2002-03 and 2003-04, para 4.7

⁷¹ Ev 67

⁷² www.mrc.ac.uk

⁷³ www.mgu.har.mrc.ac.uk/lyon.html; MRC Annual Review and Accounts 01/02, p.10

⁷⁴ Q 52

earmark funds for particular topics, how can it direct funds towards certain health care priorities? Of greater concern is that the MRC should move further towards research driven by the demands of the NHS. Professor Radda rightly identified the work of Watson and Crick and that the structure of DNA was not likely to be of immediate benefit to patients but we are now reaping the rewards. It is very easy to look at short-term health care needs and lose sight of the basic research which will provide long-term benefits. The MRC should also be aware that a shift from basic research could increase the burden on BBSRC. **The MRC should find a healthy balance between its spending on blue skies research and that directed by the nation's immediate health care needs. We are reassured that the processes are in place to achieve that balance but concerned by the MRC's temptation to place a greater emphasis on short-term health care needs.**

NHS

44. The relationship between The MRC and the NHS is set out in a Concordat, which specifies the arrangements that enable The MRC to take into account Health Departments' specific interests and priorities, as well as the general health needs of the nation. Senior Departmental officials are full members of Council and its key subcommittees. A three tier system of priorities has been developed:⁷⁵

- broad strategic topics identified as general priorities by health departments and NHS;
- focused research needs that are amenable to a planned approach to research, e.g. antibiotic resistance, prostate cancer, Biobank and mental health; and
- ad hoc issues where the national need for research is unanticipated and an urgent response is required, e.g. causes and incidence of autism and chronic fatigue syndrome.

45. In November 2002, the Department of Health published a development plan for the proposed NHS University (NHSU). Chapter 10 deals with its research function in its. It states:

“The planning, commissioning, and application of research will be central to the development and operation of NHSU. We will support the conduct of high-quality research and its effective application to clinical excellence, health improvement, patient involvement and the modernisation of health and social care”.⁷⁶

This proposal sounds as if it should have a significant effect on the work of the MRC. We were surprised to learn, therefore, that Professor Radda, in giving evidence to us, was not aware of NHSU's proposed research function, nor had many views on NHSU at all. He told us that “the document on the NHS University arrived on my desk this morning and, in anticipation of this discussion here, it is not one that I have tried to study”.⁷⁷ We appreciate the demands the our scrutiny places on The MRC but given that the document was published two weeks before Professor Radda appeared before us, we feel he had plenty of time to formulate a view. The MRC's supplementary evidence says that NHSU's research function could strengthen the competitiveness of NHS-originated proposals for MRC funding and that the MRC “looks forward to the possibility of developing strategic research partnerships with the NHS University, particularly in the areas of health services research, primary care and public health research”.⁷⁸ This is a rather luke-warm response to the suggestion that NHSU will “work in close partnership and collaboration with centres of research and development excellence in higher education, in the service itself and in specialist research institutes”.⁷⁹ The NHS University's development plan raises some important issues for the MRC to address. We recommend that the MRC plays an active role in informing and shaping the NHS University's research function.

⁷⁵ Ev 65

⁷⁶ Department of Health, *Learning for Everyone: A Development Plan for NHSU*, November 2002, Page 79

⁷⁷ Q 93

⁷⁸ Ev 64

⁷⁹ Department of Health, *Learning for Everyone: A Development Plan for NHSU*, November 2002, Section 10.2

Cancer

46. The National Cancer Research Institute was established on 1 April 2001. It is staffed and housed by the MRC and Professor Radda, was appointed Chairman. In its report *Cancer Research – A Follow-up* the report stated that “We welcome the establishment of a National Cancer Research Institute and are pleased to hear of strengthening links between Government, charities and industry, although it is too soon to judge the effectiveness of its projects. We believe that the Institute could benefit from a higher profile amongst those not directly involved in its work”.⁸⁰ Professor Radda told us that “I regard that as probably the best success story in my time at the MRC”.⁸¹ **We are pleased to learn that Professor Radda is so positive about the development of the National Cancer Research Institute. We shall be monitoring its progress closely as it develops.**

SPENDING REVIEW 2002

47. The MRC, in line with the increases for all the Research Councils, received a substantial increase in its budget from the 2002 Spending Review (see Table 9).⁸²

Table 9: Spending Review 2002 allocation for the MRC (£ million).

Resource				Capital			
Baseline	SR2002 allocation			Baseline	SR2002 allocation		
03–04	03–04	04–05	05–06	03–04	03–04	04–05	05–06
411.504	0.480	19.770	58.160	14.557	0.000	8.915	15.195

The increase included funds for a cross-Council programme on stem-cell research. The MRC will receive £26 million of the £40 million for the years 2004-05 and 2005-06. Some of this money (and the BBSRC’s) will go to fund a UK Stem Cell Bank. This will be considered later in paragraphs 47-49.

48. The MRC also submitted a proposal, with BBSRC, EPSRC and CCLRC, for a programme on brain science. The bid, for £37 million, was only partially successful. Of the £24 million for the MRC, only £9.7 million will be forthcoming. The MRC tells us that this will “limit our scope to develop the sort of programme originally envisaged”. We understand that a further bid is planned for Spending Review 2004. Dr John Taylor, Director General of the Research Councils, told us during our oral evidence session on the Science Budget allocations on 11 December 2002 that brain science was one of the “Tier 2 set of areas where we have added some money to pump prime or funds match with the councils”.⁸³ We heard from Lord Sainsbury, Minister for Science and Innovation, that “Research Councils can add money from their own other free money to back that up”.⁸⁴ From what we have learnt, free money is in short supply at the MRC.

⁸⁰ First Report of the Science and Technology Committee, Session 2001-02, *Cancer Research - A Follow-up*, HC 444, para 22

⁸¹ Q 99

⁸² Department of Trade and Industry, *Science Budget 2003–04 to 2005–06*, December 2002, page 34

⁸³ Minutes of evidence taken before the Science and Technology Committee, Session 2002-03, HC160-i, Q35

⁸⁴ Minutes of evidence taken before the Science and Technology Committee, Session 2002-03, HC160-i, Q34

STEM CELL BANK

49. The MRC announced on 9 September 2002 that the National Institute for Biological Standards and Control had been appointed to set up the UK Stem Cell Bank. This will enable medical researchers to work towards using stem cells to understand the processes involved in cell differentiation and development and for use as possible new treatments for common diseases. The £2.6 million contract for the bank will be awarded and managed by the MRC; the costs will be shared between the MRC, and the BBSRC, with The MRC being the majority funder. The initial funding is for three years. We asked the MRC what the financial plans were beyond this and to outline funding scenarios. Its response is disappointing. We were looking for evidence that despite the many variables, the funders were looking ahead but we have found none. The MRC tells us that Management Committee for the bank will develop charging scenarios that involve academics paying marginal costs and industry paying full economic costs. Professor Radda told us that it might “start paying for itself to some extent”.⁸⁵ In its subsequent written evidence, The MRC told us that these fees will go towards the bank’s running costs but we understand this income will not be significant in the short term⁸⁶.

50. A high level Steering Committee has been set up to oversee its operation, chaired by Lord Patel. This Committee will develop the code of practice for the bank and for the use of stem cell lines, and will regulate the use of embryonic stem cell lines. The bank will establish a local management committee that will report directly to the Steering Committee. There will also be User and Clinical Liaison Committees which will discuss respectively, issues relating to the use of the bank by the scientific community and issues relating to the generation of stem cell lines for banking, and eventually for clinical application. We asked the MRC how the members and observers of the Oversight Committee were appointed. The MRC said: “The chairmanship and membership/observership of the Oversight Committee were agreed by Council (itself a body of non-executive members with broad stakeholder interests) in consultation with all UK health ministers and with OST/DTI”.⁸⁷ This does not tell us how these people were identified or nominated; openness and transparency are important if the venture is to gain public confidence.

51. **The Stem Cell Bank is a world-leading venture which we wholeheartedly support but the management and transparency of this publicly funded body must be beyond reproach.** The UK Biobank, which we discuss below has funding confirmed for the first five years of operation but the MRC has presented us with budgetary projections for the next seven years (see paragraph 53). This is welcome but the MRC should be able to do the same for the stem cell bank. The MRC should have some sort of idea as to how much it will need to spend and where it will get the money from.

UK BIOBANK

52. UK Biobank will be “the world’s biggest study of the role of nature and nurture in health and disease”⁸⁸. Around 500,000 participants between 45 and 69 years will contribute a blood sample, lifestyle details and their medical histories to create a national database. Researchers will use Biobank to uncover the genetic and environmental factors that lead to common conditions such as cancer, heart disease, diabetes and Alzheimer's disease which are caused by complex interactions between genes, environment and lifestyle.

⁸⁵ Q 62

⁸⁶ Ev 67

⁸⁷ Ev 68

⁸⁸ www.ukbiobank.ac.uk

Funding

53. The budget proposals on which the Council of the MRC and the Governors of the Wellcome Trust made their funding decisions in March and April 2002 are shown in Table 10. So far £45 million has been committed, with £20 million each from the Wellcome Trust and the MRC, and a further £5 million from the Department of Health. This leaves a £15 million shortfall for the first seven years of operation. Professor Radda explained to us that “We would expect that Wellcome, the Department of Health and us would continue to make commitments to it. What we would also expect, by that time to actually generate income from the Biobank, from industrial organisations who would take up some of the information”.⁸⁹

Table 10: Projected costs for the UK Biobank (£million).

Financial Year	02-03	03-04	04-05	05-06	06-07	07-08	08-09	Total
Total cost ⁹⁰	1.7	4.4	9.2	11.1	11.9	12.8	7.8	58.9
MRC’s contribution ⁹¹	0.8	1.7	4.1	5.1	5.5	5.9	3.9	27.0

54. The MRC estimates Biobank’s annual running costs beyond 2009 to be £3-4 million.⁹² **We appreciate the difficulties in projecting the long-term running costs of Biobank at this stage but we are reassured to see that the issue is being actively considered now.**

Science

55. The Human Genetics Commission (HGC) concludes that Biobank “is an extremely important and valuable research project if the benefits of advances in genomics are to be converted into a more detailed understanding of complex diseases”.⁹³ The scientific rationale for the project is not without its critics. At an HGC meeting on 19 November Professor Alan Wright, from the MRC Human Genetics Unit in Edinburgh, voiced concerns that the methods used to identify links between single genes and disease might not work for diseases in which a large number of genes had a minor effect.⁹⁴ We are also aware of criticism that the project has been driven by epidemiologists and that there is less confidence in the clinical genetics community that the project will generate useful data. GeneWatch, a “public interest group which aims to ensure that genetic technologies are developed and used in the public interest”, submitted a detailed critique of the scientific validity of the project.⁹⁵ Its principal objections are based on:

- the inadequacy of medical records;
- the relatively elderly cohort being used would make it difficult to study cardiovascular and metabolic diseases; and
- it may identify spurious links between genes and disease.

Genewatch argues that a smaller, more focused study (20,000 to 100,000 people) would yield more useful information.

⁸⁹ Q 107

⁹⁰ Including 5% contingency

⁹¹ Assuming that the £5 million contribution from the Department of Health is spread evenly over 5 years.

⁹² Ev 68

⁹³ Ev 52

⁹⁴ Ev 53

⁹⁵ www.genewatch.org; Ev 27-28

56. The HGC evidence highlights the importance of proteomics (the study of the proteins produced by living organisms) as a means of discovering the link between genes and environment and of providing targets for drugs and antibody therapies. The HGC understood that there were plans to take or store samples in Biobank in a way that would allow later proteomic analysis. We put this issue to The MRC and were partially reassured to learn that the blood plasma that will be stored could be used for proteomic analysis, provided it is stored under suitable conditions but it is our understanding that in some diseases the proteins of interest will only be found in the tissues and not the plasma. The MRC told us that the UK Biobank team will seek expert advice on the appropriate storage conditions to use, and “endeavour to include this in the protocol if it proves practicable and affordable”.⁹⁶

57. Professor Radda said that “Biobank came as an idea from the serious scientific community who said to us ‘We now have all this wonderful information about the genome. What are you going to do about using that information to improve the health of the public? How can you convert that into real health care benefits?’ and this is clearly one of the ways of doing that”.⁹⁷ **The Biobank is an exciting project and we commend the MRC’s efforts to ensure that the UK is taking the lead in harvesting the fruits of the human genome. We are concerned, however, that funds were allocated to the project before the scientific questions over its value and methodology were fully addressed.**

Peer review

58. GeneWatch argues that the peer review process has been inadequate and questions why the funders did not seek an independent body to organise its peer review.⁹⁸ In a written answer to our Chairman, Hazel Blears, Parliamentary Under Secretary of State for Public Health, insisted that “12 experts were involved [in Biobank’s peer review], 10 of whom were from overseas... None of these had prior involvement in the development of the protocol nor were they involved with organisations likely to participate in the study or benefit financially.”⁹⁹ We consider that it is the independence of the reviewers rather than the independence of the organising body is of principal importance. Of greater concern is how the peer-review process informed the funding decision, particularly in view of the fact that many Alpha-A-rated research proposals were rejected last year (see paragraph 25 above). **It is not clear to us that Biobank was peer-reviewed and funded on the same basis as any other grant proposal. Our impression is that a scientific case for Biobank has been put together by the funders to support a politically driven project.**

59. GeneWatch suggests that peer reviewers comments should be published anonymously. We appreciate that this is an unusual step and in some cases the identity of the reviewer may be apparent from the comments, but we feel that Biobank does not have widespread confidence and that this would be a positive step. **We recommend that the MRC publish the comments of Biobank’s peer reviewers anonymously to build confidence that the project is fully justified and supported by the scientific community.**

Consent

60. The HGC discussed the issue of consent of participants before their participation in genetic databases in great detail in its report *Inside Information*. The report concluded that “it should not deceive the participant about what might be done with their sample or information”. There is a tension between seeking general consent which risks misleading participants and very specific consent which may prove very restrictive in the way that the

⁹⁶ Ev 69

⁹⁷ Q 110

⁹⁸ Ev 21

⁹⁹ HC Deb, 10 Jun 2002, col 1091W

information and samples may be used. The HGC argues that “it is acceptable to seek general consent in cases where there is to be irreversible or reversible anonymisation of data and samples”.¹⁰⁰ The HGC’s guidelines have support from the Consumers’ Association.¹⁰¹ We asked the MRC whether it was planning to adopt the guidelines. The answer was equivocal: Mrs Jane Lee, the MRC’s Director of Corporate Affairs, said “Our planning has gone in parallel with that report being drafted and in many ways that is why we have not moved faster because we wanted to know the outcome of that study”.¹⁰² **We believe that fully informed consent is an essential requirement for participation in Biobank. The MRC may have good grounds for not adopting the Human Genetics Commission’s guidelines on consent for Biobank but it should state clearly what its position is and, if it disagrees with them, explain why.**

Consultation

61. The MRC says in its evidence “A project of the scale and nature of the UK Biobank cannot succeed without widespread support from the public and a wide range of stakeholders, including the NHS and potential users of the resource”.¹⁰³

Public

62. The MRC describes two phases of public consultation in 2000 and 2002.¹⁰⁴ The first consisted of a series of group discussions and one-to-one in depth interviews with more than 150 people across the UK.¹⁰⁵ Its aims were to:

- explore public attitudes to the broad issue of human biological samples being collected and stored for research purposes;
- examine public attitudes to the use of samples in conjunction with existing health data for the purposes of genetic research;
- investigate response to the Biobank; and
- provide initial input to the nature and structure of an ongoing public consultation process.

The results were to be used to draw up guidelines concerning the use of human DNA samples. The latter looked at the ethical and management issues surrounding Biobank. It involved three focus groups of 20 people in three UK locations. Participants were between 45 and 69 to reflect the age range of Biobank’s participants.¹⁰⁶

63. It is not clear to us how the results of the consultation were used to develop the Biobank project. Mrs Lee said it was about “informing the way that we are planning” but would not result in a change of tack.¹⁰⁷ We have concerns about the scale of the consultation. The first study concluded that “Given the publicity surrounding recent cases of research on organs removed without permission, there is some wariness towards the practice of research on samples, and signs of a loss of faith in those who carry it out – members of the medical profession”. Given that there is this concern, we feel there were grounds for a more extensive consultation and an attempt to stimulate greater public awareness. The Consumers’ Association is clearly unimpressed by the extent of the consultation undertaken by Biobank’s funders, as it is conducting a study itself.¹⁰⁸ Public consultation does not come cheap and given the pressures on the MRC’s finances we are hesitant about recommending further investment in this area. Nevertheless, we were

¹⁰⁰ Ev 54

¹⁰¹ Ev 58

¹⁰² Q 131

¹⁰³ Ev 33

¹⁰⁴ Ev 33

¹⁰⁵ The Wellcome Trust, MRC, *Public Perceptions of the Collection of Human Biological Samples*, October 2000

¹⁰⁶ The Wellcome Trust, MRC, *Biobank A Question of Trust: A Consultation Exploring and Addressing Questions of Public Trust*, February 2002

¹⁰⁷ Q 87

¹⁰⁸ Ev 58

pleased to learn from Professor Radda that there will be further consultation.¹⁰⁹ **We fear that the project’s long-term viability could be threatened if Biobank’s funders fail to adopt a more open approach and engage not only the projects’ participants and stakeholders but the wider public.**

Stakeholders

64. The MRC reports that there were consultations with healthcare professionals in primary care and in industry, and that there were meetings with the HGC and a workshop on governance and ethical issues attended by representatives of the HGC, patient and pressure groups, as well as experts on biomedical law and ethics and the social aspects of genetics. We are pleased to see the HGC involved in the development of Biobank, but clearly not to the Commission’s satisfaction: “HGC has been slightly frustrated by our inability to consider some specific aspects of Biobank in public HGC meetings until such time as a formal funding decision was made. Whilst we respect the difficulty that Funding bodies may have had discussing the details during these early stages, this has hampered our detailed examination of some of the issues”.¹¹⁰ HGC is “concerned to ensure that the Funders consult widely with other groups and companies to establish whether simple changes at the outset could dramatically improve the value of Biobank for a wide range of research.” An example of this is the collection of samples for proteomic analysis. HGC reports the views of Dr Andrew Lyall of Oxford GlycoSciences, who feels that proteomics is important in establishing the link between disease and the environment and for developing therapies (see paragraph 54 above).¹¹¹ The Consumers’ Association told us that for “a project that has such fundamental ethical implications, an adequate level of consultation with all key stakeholders is extremely important. It is also essential that this takes place well before the project is underway and that there is clarification of the underpinning principles and procedures at this early stage. Unfortunately, this approach has not been followed with Biobank to date”.¹¹²

65. John Hutton, Minister of State for Health, told the House on 3 July 2002 that “I hope that the [consultation] process followed will help to establish a consensus on the future direction of the project”.¹¹³ We fear that this will not be the case. As our Chairman told the House on 3 July 2002, “we will not be able to establish trust behind closed doors. The discussions about the design of Biobank have to come out of the closet and into the open. We need an open-ended, democratic debate about how to conduct this research and about how to make it safe”.¹¹⁴ **It is our impression that the MRC’s consultation for Biobank has been a bolt-on activity to secure widespread support for the project rather than a genuine attempt to build a consensus on the project’s aims and methods. In a project of such sensitivity and importance consultation must be at the heart of the process not at the periphery.**

Commercial interests

66. The HGC has found from its consultation and opinion surveys that the issue of confidentiality of the information and access by commercial interests was of major concern.¹¹⁵ The Consumers’ Association shares these concerns, stating that public interest must take priority over commercial interests and argues that the funders should outline clearly who they see as the beneficiaries of the Biobank.¹¹⁶ Professor Radda told us that

¹⁰⁹ Q 137

¹¹⁰ Ev 52

¹¹¹ Ev 53

¹¹² Unpublished submission from Jackie Glatter, Consumers’ Association

¹¹³ HC Deb, 3 July 2002, Col 369

¹¹⁴ HC Deb, 3 July 2002, Col 368

¹¹⁵ Ev 54

¹¹⁶ Ev 59

he had had expressions of interest from the pharmaceutical industry but that they were holding back because “too early an involvement from them might jeopardise the programme, particularly because we are insisting that it is in the public domain and the results will be available to all”.¹¹⁷ **The MRC appears to be taking a sensible attitude to industrial involvement in Biobank. It must be made clear that all results will be in the public domain but we recognise that if new therapies are to arise from Biobank industry’s involvement is inevitable and necessary.**

67. The HGC reports that the Association of British Insurers, the UK Forum for Genetics and Insurance and the British Society for Human Genetic have issued a statement to the effect that insurers will not consider results from research studies.¹¹⁸ We welcome that assurance and are pleased to see the insurance industry taking a more enlightened approach to genetics since our predecessors published their report on Genetics and Insurance in 2001.¹¹⁹

Management and administration

68. Biobank will be operated and controlled by an independent not-for-profit company limited by guarantee, jointly owned by the MRC and the Wellcome Trust.¹²⁰ The project will have a scientific committee and an independent oversight (or monitoring) body. The UK Biobank resource will be centrally managed from a coordinating centre with responsibility for delivering the project. It will coordinate the activities of several Regional Centres who will be responsible for participant recruitment and initial data and sample collection. Institutions were invited to bid to host the Coordinating and Regional Centres. Site visits of short-listed applicants are underway.

69. The oversight body has a role in holding the Biobank management to account and safeguarding the interests of participants.¹²¹ The MRC says that the members and chairman of the oversight body will be appointed according to the Nolan principles. John Hutton told the House on 3 July 2002 that “The monitoring [oversight] body will exist solely to represent and protect the interests of the participants and the general public. We perceive its independence, authority and credibility as crucial to the success of the Biobank”.¹²² The HGC believes that the oversight body should include elected representatives. The funders have set up an interim advisory group “to develop further the ethics and governance of Biobank”. The MRC says the group will “will advise the funders on the spectrum of expertise required on this group and how participants’ interests can best be represented, prior to the [oversight] body being established”. Our Chairman suggested to the House on 3 July 2002 the institution of participants panels at each regional centre.¹²³ **We agree with the Human Genetics Commission that Biobank’s participants should be represented on the independent oversight body or on participants’ panels at each regional centre. It is vital that participants play an active role in the management of the project.**

¹¹⁷ Q 144

¹¹⁸ Ev 55

¹¹⁹ Fifth Report of the Science and Technology Committee, Session 2000-01, *Genetics and Insurance*, HC 174

¹²⁰ Ev 67

¹²¹ Ev 67

¹²² HC Deb, 3 July 2002, col 371

¹²³ HC Deb, 3 July 2002, col 368

Security and confidentiality

70. According to the Biobank, data and samples will be coded to protect the confidentiality of the individual participants.¹²⁴ It says that scientists using the data for research will not be able to identify individuals but that the data cannot be fully anonymous because the study organisers will have to be able to add information on participants' health to the individual records at a later date. The Consumers' Association raises three questions about risks of releasing identifiable data:¹²⁵

- Who will have control of the storage and access of files?
- What security measures will be in place?
- Who will hold the key to the reversing of anonymised data and will they be independent of the owners and users?

The HGC argues for “careful arrangements for vetting staff and for ensuring that maintenance of confidentiality should be a condition of employment. Any material breach of this should result in dismissal”.¹²⁶ The MRC told us that “Only a very few individuals employed within the co-ordinating centre will have access to the identifying data, in order to allow follow-up information on health from NHS records to be added to the correct records. Security will be a key issue in preparing the detailed specification for the computer systems. Prior to accessing any data, users will be required to sign a licence agreement including provisions to ensure confidentiality is protected”.¹²⁷ Nevertheless, the HGC rightly recognises that there is a risk that the identifiable data could be made public: “Ultimately there will remain a remote possibility that identifiable information will be released from the UK Biobank and that this must be clearly explained when seeking consent. The safeguards to ensure confidentiality will need to be clearly spelt out, along with the possible nature and type of breaches of confidentiality”.¹²⁸

71. The HGC cites the views of Dr Ross Anderson that “encryption could become a technical ‘comfort blanket’ that led to complacency about other aspects of data integrity”. Dr Anderson told the HGC that “inference control”, a technique that limits the ability to deduce the identity of an individual, could prevent information being obtained by a series of overlapping data queries.¹²⁹ **The Human Genetics Commission has recommended that the Government fund research into encryption techniques to ensure data security. We support this view.**

72. The HGC is concerned by comments made by the Information Commissioner about the exclusions in the Data Protection Act which may allow access to information to some parties, including the police: “We feel that this is sufficiently important to merit a statement to Parliament by the Home Secretary or other senior Minister. This should clearly state that the police would never request access to the UK Biobank, or failing, that make clear the circumstances under which police access might be sought for particularly serious crimes. This information could then be given to individuals when seeking consent”. The Consumers' Association agrees, stating that “the appropriate legal safeguards should be in place before Biobank starts recruitment”.¹³⁰ The Biobank website concedes that the police could have access to records, but “only in the unlikely event that the courts require information by court order”. It should be unlikely, given that a national database of only 500,000 people between 45 and 69 years would be of little use to a police investigation but we recognise that the pressures faced by the police in high profile cases may lead to an attempt to use data stored in Biobank. The arguments for legislation are complex and we will not comment here except to express dismay that the HGC's views, first aired in its

¹²⁴ www.ukbiobank.ac.uk

¹²⁵ Ev 58

¹²⁶ Ev 54-55

¹²⁷ Ev 68

¹²⁸ Ev 55

¹²⁹ Ev 54

¹³⁰ Ev 59

report *Inside Information*, published in May 2002, have yet to receive a response from Government.¹³¹ Hazel Blears, Parliamentary Under Secretary of State for Public Health, said, in a written answer to the Chairman on 10 June 2002, merely that “The Government do not currently intend to introduce further safeguards for the protection of personal genetic information before members of the public are asked to donate blood samples to the UK Biobank”.¹³² **It is important that participants in Biobank are aware of the risk that police could obtain access to their data and samples before giving consent and before their samples are taken. The funders should monitor to what extent this issue acts as a disincentive to participation.**

Conclusion

73. We are not qualified to comment on the scientific merits of the UK Biobank. Nevertheless, we are concerned that the peer-review and funding process that led to its establishment was less than satisfactory. The MRC is only one of three funders and the Wellcome Trust has contributed the same amount (£20 million). The funders together must bear equal responsibility for the lack of confidence that exists in some quarters in the project and concerns about its operation.

OVERALL CONCLUSION

74. **The MRC has a distinguished history and can claim credit for the high status of UK biomedical research. We commend it for valuable work it undertakes to maintain that reputation. Nevertheless, there is significant disquiet about the policies and performance of the MRC from individual researchers and organisations. We realise that we were unlikely to receive submissions from people with no grievances but we have concluded that those who have submitted evidence have legitimate concerns. We have found evidence of poor financial management and poor planning, with too many funds committed over long periods leading to large numbers of top quality grant proposals being turned down. The MRC has introduced misguided strategies for its research support that have discriminated against young researchers and some disciplines. It is has been guilty of inconsistent and inadequate communication which have hampered our ability to assess the MRC’s performance and misled its research community. Combined, these have harmed the reputation of the organisation and caused great resentment among and inconvenience to the research community it is meant to be supporting.**

¹³¹ Human Genetics Commission, *Inside Information - Balancing Interests in the Use of Personal Genetic Data*, May 2002

¹³² HC Deb, 10 Jun 2002, col 1122W

LIST OF RECOMMENDATIONS AND CONCLUSIONS

1. **Research Councils should be able to use their funds flexibly but we would not support the use of this flexibility to starve current research projects of funds (paragraph 6).**
2. **We understand that Research Councils UK is undertaking a programme to streamline the administration of the Research Councils. We recommend that as part of this process a standard and extensive set of performance indicators is drawn up which will be applied to all Research Councils (paragraph 8).**
3. **If the research community is under the misapprehension that small project grants are not available when in fact they are the MRC is doing a poor job of communicating with its community. We recommend that the MRC gives a higher priority to keeping its research community better informed of its policies (paragraph 13).**
4. **We welcome the fact that the budget for its Career Establishment Grants is ring-fenced but recommend that the MRC reconsiders the amount of money available and the size of each individual grant in order to support a greater number of young researchers (paragraph 14).**
5. **The balance of response mode and managed mode funding is a sensitive issue for researchers and the MRC should communicate its research support strategies openly and without ambiguity (paragraph 15).**
6. **It is regrettable that any artificial alliances encouraged by Cooperative Group Grants are only likely to be identified after they are funded. We were under the impression that rigorous peer review would be able to pick out such marriages of convenience before the money is allocated. (Paragraph 17).**
7. **Having embarked on a programme of collaborative research on the basis that this would provide sustained funding, many researchers are now having the rug pulled from beneath their feet (paragraph 18).**
8. **The Cooperative Group Grant scheme has provoked understandable resentment and frustration among the medical research community. The MRC should take an objective look at the system and be honest enough to admit the scheme's failings and make the necessary changes (paragraph 20).**
9. **The Research Councils are embarking upon a process of harmonising their administration, including their grant-awarding strategies.¹³³ This process should recognise that different areas of research have contrasting requirements but this is a valuable opportunity for the MRC to reconsider its research support strategy (paragraph 21).**
10. **The MRC has mismanaged its funds in such a way as to create unwarranted fluctuations in its awards of new grants with consequent adverse impacts on their research community. It appears to have gambled on increases in income that were not, and were unlikely to be, forthcoming (paragraph 25).**

¹³³ Research Councils UK Strategy Group terms of reference, www.research-councils.ac.uk

11. **Research funders all risk unpopularity among those researchers whose applications are not successful, and it is in the nature of the business that not all applications are successful, but the recent success rate for the MRC's grant applications has fallen to levels that are unacceptable (paragraph 26).**
12. **The anger of the research community at the MRC's funding problems is not only understandable but entirely justified. (Paragraph 27).**
13. **The anger of the research community at the MRC's funding problems is not only understandable but entirely justified. (Paragraph 27).**
14. **The MRC has failed to make realistic predictions about future income nor has it achieved a sensible balance of long-term and shorter-term research funding. It should remedy this situation in the future. (Paragraph 28).**
15. **The MRC has not been entirely frank with the Committee or the media about the shortage of funds available for grants in 2002. It is vital that public bodies are open. (Paragraph 29).**
16. **It is extremely regrettable that the policy decisions of the MRC should impact on other funders. We hope the establishment of Research Councils UK will prevent this situation in the future. We also recommend that other medical research funders are consulted before any further change to the MRC's funding strategy (paragraph 30).**
17. **The MRC is justifiably keen to support the next generation of medical scientists. But it must not do this at the expense of current research. We believe that the MRC's current financial problems should have been borne more equally across all its budgets (paragraph 32).**
18. **The MRC has on three occasions corrected information submitted to us relating to its expenditure on new awards. This does not give us confidence in the rigour with which it publishes financial data nor the seriousness with which it views our scrutiny of its work (paragraph 33).**
19. **While ring-fencing of the MRC's budget for some projects is useful (see paragraph 14), in general we believe that it should have a set notional proportion of its budget for different schemes but allow itself sufficient flexibility to respond to unexpected demands (paragraph 34).**
20. **We appreciate the difficulties in anticipating the effect of the new employment regulations and the increased salaries for postdoctoral researchers but it is important that the MRC makes the best estimate it can. A business would expect to calculate, as best it can, the impact of new regulations or changes in legislation on its income and expenditure. The MRC should be run in a business-like fashion (paragraph 35).**
21. **We appreciate that not all contract researchers will have either the inclination or the experience to apply for MRC grants. What is important is that this option is available to them and that those with a good idea for a research proposal are free to pursue it. We commend the MRC for this policy (paragraph 36).**
22. **We recognise the importance of the Research Professorship scheme for attracting and retaining top flight researchers in the UK and the value of creating secure research-only academic posts so that individuals can play to their strengths rather than being distracted by teaching obligations. The MRC's decision to focus on shortage areas seems a sensible one (paragraph 37).**

23. It is important that the MRC takes a dynamic approach to the funding support for its own research institutions, which it enables it to exploit new areas of research and avoids ossification (paragraph 39).
24. There is no point in spending money on infrastructure by setting up MRC Centres but then denying them the funds to conduct any research (paragraph 40).
25. The MRC has failed to provide a coherent and consistent assessment of the funding of the Mary Lyon Centre. It should be more open about its finances if it is to avoid arousing suspicion that its financial management is not all it should be (paragraph 41).
26. Out of date information on the MRC's website undermines confidence in the accuracy of information it places there. It does not reflect well on the priority given by the MRC to communicating with its community. It is disappointing that the Mary Lyon Centre will be opened later than originally planned and regrettable that the MRC seems to wish to obscure this fact (paragraph 42).
27. The MRC should find a healthy balance between its spending on blue skies research and that directed by the nation's immediate health care needs. We are reassured that the processes are in place to achieve that balance but concerned by the MRC's temptation to place a greater emphasis on short-term health care needs (paragraph 43).
28. We are pleased to learn that Professor Radda is so positive about the development of the National Cancer Research Institute. We shall be monitoring its progress closely as it develops (paragraph 46).
29. The Stem Cell Bank is a world-leading venture which we wholeheartedly support but the management and transparency of this publicly funded body must be beyond reproach. (Paragraph 51).
30. We appreciate the difficulties in projecting the long-term running costs of Biobank at this stage but we are reassured to see that the issue is being actively considered now (paragraph 54).
31. The Biobank is an exciting project and we commend the MRC's efforts to ensure that the UK is taking the lead in harvesting the fruits of the human genome. We are concerned, however, that funds were allocated to the project before the scientific questions over its value and methodology were fully addressed. (Paragraph 57).
32. It is not clear to us that Biobank was peer-reviewed and funded on the same basis as any other grant proposal. Our impression is that a scientific case for Biobank has been put together by the funders to support a politically driven project. (Paragraph 58).
33. We recommend that the MRC publish the comments of Biobank's peer reviewers anonymously to build confidence that the project is fully justified and supported by the scientific community (paragraph 59).
34. We believe that fully informed consent is an essential requirement for participation in Biobank. The MRC may have good grounds for not adopting the Human Genetics Commission's guidelines on consent for Biobank but it should state clearly what its position is and, if it disagrees with them, explain why (paragraph 60).

35. We fear that the project's long-term viability could be threatened if Biobank's funders fail to adopt a more open approach and engage not only the projects' participants and stakeholders but the wider public. (Paragraph 63).
36. It is our impression that the MRC's consultation for Biobank has been a bolt-on activity to secure widespread support for the project rather than a genuine attempt to build a consensus on the project's aims and methods. In a project of such sensitivity and importance consultation must be at the heart of the process not at the periphery (paragraph 65).
37. The MRC appears to be taking a sensible attitude to industrial involvement in Biobank. It must be made clear that all results will be in the public domain but we recognise that if new therapies are to arise from Biobank industry's involvement is inevitable and necessary (paragraph 66).
38. We agree with the Human Genetics Commission that Biobank's participants should be represented on the independent oversight body or on participants' panels at each regional centre. It is vital that participants play an active role in the management of the project (paragraph 69).
39. The Human Genetics Commission has recommended that the Government fund research into encryption techniques to ensure data security. We support this view (paragraph 71).
40. It is important that participants in Biobank are aware of the risk that police could obtain access to their data and samples before giving consent and before their samples are taken. The funders should monitor to what extent this issue acts as a disincentive to participation. (Paragraph 72).
41. The MRC has a distinguished history and can claim credit for the high status of UK biomedical research. We commend it for valuable work it undertakes to maintain that reputation. Nevertheless, there is significant disquiet about the policies and performance of the MRC from individual researchers and organisations. We realise that we were unlikely to receive submissions from people with no grievances but we have concluded that those who have submitted evidence have legitimate concerns. We have found evidence of poor financial management and poor planning, with too many funds committed over long periods leading to large numbers of top quality grant proposals being turned down. The MRC has introduced misguided strategies for its research support that have discriminated against young researchers and some disciplines. It has been guilty of inconsistent and inadequate communication which have hampered our ability to assess the MRC's performance and misled its research community. Combined, these have harmed the reputation of the organisation and caused great resentment among and inconvenience to the research community it is meant to be supporting. (Paragraph 74).

PROCEEDINGS OF THE COMMITTEE RELATING TO THE REPORT

WEDNESDAY 12 MARCH 2003

Members present:

Dr Ian Gibson, in the Chair

Mr Parmjit Dhanda
Mr Tom Harris
Mr David Heath
Dr Brian Iddon

Mr Tony McWalter
Geraldine Smith
Bob Spink
Dr Desmond Turner

The Committee deliberated.

Draft Report (The Work of the Medical Research Council), proposed by the Chairman, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 74 read and agreed to.

Resolved, That the Report be the Third Report of the Committee to the House.

Ordered, That the Chairman do make the Report to the House.

Ordered, That the provisions of Standing Order No. 134 (Select committees (reports)) be applied to the Report.

Several papers were ordered to be appended to the Minutes of Evidence.

Ordered, That the Appendices to the Minutes of Evidence taken before the Committee be reported to the House.—(*The Chairman.*)

A paper was ordered to be reported to the House.

[Adjourned till Wednesday 19 March 2003 at Four o'clock]

LIST OF WITNESSES

Wednesday 4 December 2002

MEDICAL RESEARCH COUNCIL

Professor Sir George Radda and Ms Jane Lee Ev 1

LIST OF APPENDICES TO THE MINUTES OF EVIDENCE

1.	UK Life Sciences Committee	Ev 17
2.	Genewatch UK	Ev 18
3.	British Psychological Society, Association of Heads of Psychology Departments and the Experimental Psychological Society	Ev 30
4.	Medical Research Council	Ev 31
5.	Mr David Price, University of Edinburgh	Ev 50
6.	Professor P Nigel Leigh, Institute of Psychiatry, Guy's and St Thomas' School of Medicine	Ev 51
7.	Human Genetics Commission	Ev 51
8.	Save British Science	Ev 57
9.	Consumers' Association	Ev 58
10.	Society of Reproduction and Fertility	Ev 60
11.	Academy of Medical Sciences	Ev 61
12.	Professor Andre Lumsden, MRC Centre for Developmental Neurobiology, King's College, London	Ev 62
13.	Association of University Teachers	Ev 63
14.	Medical Research Council (supplementary)	Ev 63

LIST OF UNPRINTED EVIDENCE

Additional written evidence has been received from the following and has been reported to the House, but to save printing costs it has not been printed and copies have been placed in the House of Commons Library where it may be inspected by Members. Other copies are in the Record Office, House of Lords, and are available to the public for inspection. Requests for inspection should be addressed to the Parliamentary Archives, Record Office, House of Lords, London, SW1A 0PW(Tel 020 7219 3074). Hours of inspection are from 9.30 am-5.30pm on Mondays to Fridays.

1. UK Precise