Minutes of the Council business meeting held at One Kemble Street on 7 July 2015

Present:

<table>
<thead>
<tr>
<th>Council</th>
<th>Head Office staff</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr Donald Brydon (Chairman)</td>
<td>Ms Sam Bartholomew</td>
</tr>
<tr>
<td>Sir John Savill (CEO)</td>
<td>Mr Hugh Dunlop</td>
</tr>
<tr>
<td>Dr John Brown</td>
<td>Mr Bruce Minty</td>
</tr>
<tr>
<td>Professor Doreen Cantrell</td>
<td>Dr Declan Mulkeen</td>
</tr>
<tr>
<td>Professor Dame Sally Davies</td>
<td>Dr Tony Peatfield</td>
</tr>
<tr>
<td>Professor Dame Janet Finch</td>
<td>Dr Frances Rawle</td>
</tr>
<tr>
<td>Professor Dame Sally Macintyre</td>
<td>Ms Sally-Louise Smith</td>
</tr>
<tr>
<td>Dr Ruth McKernan</td>
<td>Dr Jim Smith</td>
</tr>
<tr>
<td>Baroness Onora O’Neill</td>
<td>Dr Sherie Wright</td>
</tr>
<tr>
<td>Ms Vivienne Parry</td>
<td>Ms Sharmila Nebhrajani</td>
</tr>
<tr>
<td>Professor Michael Schneider</td>
<td>Dr Heike Webber (item 5B)</td>
</tr>
<tr>
<td></td>
<td>Dr Joe McNamara (item 8)</td>
</tr>
<tr>
<td>Observer</td>
<td>Ms Linda Holliday (items 8-10)</td>
</tr>
</tbody>
</table>

Apologies:
Professor Chris Day
Professor Patrick Johnston
Dr Mene Pangalos

Council business meeting

The meeting began at 2.00pm.

1. Announcements and apologies

Mr Brydon welcomed members to the meeting and offered congratulations to the MRC associated people whose achievements had been recognised in the 2015 Queen’s Birthday Honours list:

- **Dr Megan Davies**, Head of MRC Centre Cambridge, had been appointed a Member of the Order of the British Empire for services to Medical Research.
- **Dr Wendy Ewart**, formerly MRC Deputy Chief Executive Officer and Chief of Strategy, had been appointed a Member of the Order of the British Empire for services to Medical Research.
- **Professor Pete Downes**, Principal and Vice-Chancellor of the University of Dundee, had been knighted in recognition of his achievements in higher education and life sciences.
2. **Register of declared interests**

The Chairman requested that members inform the secretariat of any updates to their declarations of interest.

3. **Minutes of the Council meeting held on 6 May**

The minutes of the Council meeting held on 6 May were approved as an accurate record.

4. **Matters arising**

**MRCT Power of Attorney**

Mr Minty reminded members that at the March meeting, Council had approved the issuing of the 2015 Power of Attorney to MRCT which had been updated to reflect changes in personnel at MRCT. He requested Council’s permission to include one further name in the Power of Attorney: Andrew Farquharson, MRCT’s new head of IP starting in September. Council approved the request.

4A. **Report from the Council Audit and Risk Assurance Committee**

Dame Janet updated members on the discussions at the Council Audit and Risk Assurance Committee (CARAC) meetings on 29 April and 25 June.

She informed Council that CARAC’s terms of reference had been reviewed at the April meeting and consideration had been given as to whether CARAC should have a remit to review value for money issues. The matter had subsequently been discussed at the June meeting of CARAC and it had been agreed that this was the responsibility of the Chief Executive as Accounting Officer and therefore should not be included within CARAC’s remit.

A key item that had been discussed at the June meeting had been the annual report and accounts. The audit completion report had recommended certification of the financial statements with an unqualified audit opinion and CARAC had accepted this, thereby enabling the Accounting Officer to sign the annual report and accounts.

Plans to transfer the Audit and Assurance Services Group (AASG) to the Government Internal Audit Agency (GIAA) in April 2016 had been discussed at the June meeting; members had expressed concern regarding the impact of the transfer on the audit service that the MRC would receive.

CARAC had also discussed the plans to transition from UK SBS to new services and agreed that the transition should be a regular item on CARAC’s agenda.

The process of recruiting a new member for CARAC was underway. There had been a very strong field of applicants and interviews would take place on 15 July.

Dame Janet informed Council that it had been agreed that the non-Council members of CARAC could observe a Council meeting to help them improve their understanding of how the MRC operated. It would be arranged so that each member observed a different meeting.

Dame Janet then turned to the Corporate Risk Register and noted that the highest risk related to the quality of the recruitment service from UK SBS. A full report on the issues would be provided at the next CARAC meeting and this would subsequently be reported to Council.
Council noted that CARAC had had a detailed discussion regarding building safety as part of the lessons learnt review following the Holborn fire earlier in the year. CARAC also received a report on health and safety twice a year.

4B. Report from the Ethics, Regulation and Public Involvement Committee (ERPIC)

Baroness O’Neill informed Council that ERPIC had met on 30 June. Funding for the Nuffield Council on Bioethics (NCoB) was coming up for renewal and it had been noted that the funders (the Nuffield Foundation, the Wellcome Trust and the MRC) were discussing possible changes to the NCoB’s terms of reference to reflect the work it had been undertaking which was outwith its current remit. It had been agreed that the NCoB should be granted a short extension to its funding to allow time for the terms of reference to be reviewed and the subsequent renewal bid prepared.

ERPIC had discussed the proposed EU Data Protection Regulation. The EU Justice and Home Affairs Council had agreed its General Approach on 15 June, and triilogue negotiations between the Council, the Commission and the Parliament had begun. The current situation was more positive for research than had been feared as key research exemptions from the European Commission’s proposal had been maintained in the Council of Ministers’ text. Despite this, it would still be necessary for Council to pay close attention to developments as triilogue negotiations progressed.

ERPIC had also received an update on Trustworthy Research Environments (TREs). The concept had been introduced at the previous ERPIC meeting as a way to define the general parameters which would allow the storage of patient information to support research. These contrasted with entities known as ‘safe havens’ which represented point technical solutions to particular data security issues. The Ministerial Industry Steering Group had convened a work stream to enable streamlined, safe and legal access to patient data for researchers in academia and industry; this included the development of parameters for the TREs. There had also been discussions with the Health and Social Care Information Centre (HSCIC) as an important data provider to support research.

4C. Update from the Strategy Board meetings held on 7 May and 16 June

Sir John updated Council on discussions at the Strategy Board meetings that had been held on 7 May and 16 June; Professor Day and Dame Sally Macintyre had attended the May meeting and Professors Day and Cantrell had attended the June meeting.

There had been a key discussion at the May meeting regarding opportunities for engagement between the MRC and EPSRC. Professor Phil Nelson (CEO, EPSRC) and Dr Lesley Thompson (Director Sciences and Engineering, EPSRC) had attended the meeting and provided an overview of EPSRC’s strategic priorities and current thinking. Professor Nelson had highlighted that the Healthcare Technologies challenge theme was a key part of EPSRC’s research portfolio, and analysis of the 2014 REF case studies had shown the largest number of EPSRC-funded impact case studies to be in the healthcare sector. This was an indication of how important healthcare technologies were, and Sir John added that developing technologies to promote public health was a new MRC objective. The MRC and EPSRC’s joint investment in developing the engineering and physical sciences base at the Crick was another good example of an area of common interest.

Other items covered at the May meeting had included:

- the outcome of the review of the National Prevention Research Initiative (NPRI) which had highlighted the good value for money of the scheme;
- an update on progress with the cross-Council Antimicrobial Resistance (AMR) strategy;
- a presentation from the Director of the MRC Clinical Sciences Centre (CSC), Professor Amanda Fisher, outlining her five-year vision for the institute ahead of its quinquennial review.
At the June meeting, Strategy Board had endorsed the direction of travel of the MRC-led strategy tackling ‘target validation’ and a proposed two-step process for the establishment of a UK ‘Targeted Discovery for Disease’ network.

Strategy Board had also discussed the success of the MRC-led Stratified Medicine initiative and agreed that this should be built upon with a further major five-year initiative to be developed in consultation with industry.

Other items discussed at the June meeting had included:

- an update on the whole genome sequencing initiative and progress on joint working with the Devolved Administrations and Genomics England Ltd (GEL) to expand whole genome sequencing across the UK;
- a summary of the Biomedical Catalyst (BMC) scheme and the key findings from an independent evaluation of the scheme carried out by Ipsos Mori in spring 2015, the provisional analysis of which was positive;
- the need for investment in Cryo-EM and NMR infrastructure, as infrastructure capacity within the UK still lagged behind key international competitors. Strategy Board had supported further investment into this technology.

Finally, Strategy Board had supported proposals for a new core-funded National Informatics Research Institute. Further details regarding this were included in the CEO’s report.

5A. CEO’s report to Council

Sir John Savill introduced this item and discussed the following matters:

MRC Director of Capacity, Skills and Infrastructure

Sir John informed Council that Dr Anne-Marie Coriat, Director of Capacity, Skills and Infrastructure, would be leaving the MRC at the end of August to become Head of Research Careers at the Wellcome Trust. The move would likely lead to even stronger communication between the MRC and the Wellcome Trust.

UK Vaccine Network

Sir John updated Council on the Government’s plans to invest £20m towards a new UK Vaccines Research and Development Network to combat the outbreak and spread of deadly viruses internationally. In June, Sir John had committed £5m on behalf of the MRC towards the network to be delivered over the next five years.

Dame Sally Davies highlighted how agile the MRC and BBSRC had been in committing funding and support for the network; this had been recognised in the Prime Minister’s G7 press release. Professor Chris Witty, Chief Scientific Adviser and Director of Research and Evidence at the Department for International Development, would chair the first meeting where all interested parties would discuss how to take the network forward.

Developments in informatics

In June 2014, the ten e-Health funding partners had reviewed the second annual report of the Farr Institute, which included an update on the four individual Farr centres as well as the cross-cutting activities of the Farr network. The funders had recognised the progress made within each centre and work to co-ordinate cross-cutting activities, but identified some areas for improvement. The funders supported the plan to create a cohesive national informatics institute that had the potential to address these issues and leverage maximum value from the funders’ current investments. This would be captured as a transformative objective for the spending review.

Council members highlighted the need to ensure that the next generation understood the opportunities for careers in bioinformatics as often careers teachers at schools were
unaware of the area. Sir John confirmed that Strategy Board agreed and the MRC’s training and careers review had focused on this area. The MRC had also had discussions with HEFCE as it was within their remit to develop a strategy to ensure that the right graduates were coming to post-graduate research. The Crick and CSC also had programmes in the area.

5B. **Comprehensive spending review**

Dr Mulkeen introduced this item and highlighted that, given the Government’s commitment to reducing the deficit and cutting public spending, there was a risk that as an outcome of the spending review the MRC’s budget could be reduced in either cash or real terms. A flat cash settlement had been estimated to translate into a real terms cut of around nine to ten per cent (13 per cent without an adjustment to the baseline for IP income) by 2020/21. Dr Mulkeen presented slides outlining the practicality of various approaches to implementing possible cuts and current thinking as to which areas of the MRC’s investment should be relatively protected. He invited Council to discuss and agree the key principles to be applied in the event of budget cuts; this would help to inform further modelling of the impact as discussions regarding the spending review progressed.

6. **Finance report**

Mr Dunlop introduced this item and informed Council that the 2014/15 Annual Report and Accounts had been signed off by the Comptroller and Auditor General and laid before Parliament on 2 July 2015. He also reported that BIS had confirmed the 2015/16 administration budget allocation. The year-to-date results were as expected for this stage of the financial year and there was nothing of significance to raise with Council.

7. **Risk management annual report**

Council noted the risk management annual report which provided a summary of the risk and assurance activities during 2014/15. Dame Janet highlighted that the report presented a positive picture and demonstrated that the MRC had strong governance and functions in relation to risk and assurance.

8. **Outcome of the quinquennial review (QQR) of Human Nutrition Research**

The quinquennial review (QQR) of the MRC Human Nutrition Research unit (HNR) had been considered at the April 2015 Management Board meeting. Management Board had recommended that the unit should close, but with stand-alone support continuing for its research programmes and the completion of the National Diet and Nutrition Survey (NDNS) funded through a contract with Public Health England (PHE). Council was now asked to take a decision on the future of the unit.

Council supported the conclusions of the Panel and agreed that HNR should close. Council also endorsed the transitional arrangements recommended by Management Board to manage the closure of the unit and the completion of the NDNS contract.

Sir John highlighted that a consequence of the resource centre model was that it meant that the MRC had been spending money on infrastructure rather than science and was, in effect, subsidising the investments of other funders. NIHR provided good infrastructure and the MRC should be investing in the science that took place in NIHR’s infrastructure. Council agreed that the MRC should focus on investing in science and the resource centre model should not be returned to.

Finally, Sir John informed Council that OSCHR had recently asked that the MRC and NIHR, working with other OSCHR partners and the research councils, lead a review to look at the strategic coordination of research and infrastructure in food and nutrition science and the UK capability to inform health policy and engage with the global food industry. The review would also inform planning for the future of NDNS (beyond the end of the current
9. **Refreshed HR programme**

Ms Smith introduced this item and provided an overview of the revised Human Resources (HR) and Organisational Development (OD) Programme 2015-17. The programme had been developed with input from HR colleagues, Management Board and the Trade Union Side. She explained that the programme built on the previous 2013-15 programme but with more focus on developing the organisation and helping the MRC to redefine itself following sustained periods of organisational change. The corporate drivers for the MRC in 2015-17 included: changing MRC employment structures as a result of the university unit and NIMR transfers and other continuing changes as QQR and science strategy outcomes were implemented; the Comprehensive Spending Review and Government policy to introduce further administrative efficiencies; and the importance of partnerships, collaborations and public engagement as the MRC moved to becoming predominantly a funding organisation with smaller intramural investment. Key HR themes within the programme included how to attract and support the best people, reward and recognition, career development, and equality and diversity. Overall the aim of the programme was to ‘create a great environment for great scientists to do great science’.

The Chairman thanked Ms Smith for the overview. Council agreed that the programme was impressive and approved its implementation.

10. **White space: Diversity in science**

Ms Holliday introduced this item and noted that the topic had been suggested by Dr Pangalos who was unfortunately unable to attend the meeting. She explained that equality and diversity was a running theme throughout the HR and Organisational Development Programme 2015-17, and the paper provided an overview of the MRC’s actions and activities to promote diversity.

Members commended Head Office for the comprehensive range of activities it was undertaking. Members agreed that the MRC was leading the way in this area and suggested that the HR team should find a way to showcase what the MRC was achieving and share details of its approach with the other research councils and more widely. It was noted that a number of the initiatives introduced by the MRC were being picked up and implemented by other organisations such as the Wellcome Trust.

There was some discussion as to whether the concept of ‘place’ should be included in the MRC’s consideration of equality and diversity issues. Members agreed that while ‘place’ was not covered in equalities and diversity legislation, it was relevant in terms of mobility in the workforce. For example, people with dependents may have less scope to relocate for career opportunities further afield owing to their family commitments.

Council noted that the MRC had introduced ‘Diversity Role Model’ as a category in the 2015 CEO Awards Scheme to ensure that individuals’ efforts in supporting, embracing and promoting diversity were recognised and rewarded. Additionally, the MRC’s HR team was developing a diploma for post-docs and programme leaders in diversity and other soft skills to help embed diversity in the rising generation.

Baroness O’Neill reported that, through her role as chair of the Equality and Human Rights Commission, she was aware that there was evidence that things, on the whole, were improving. In autumn 2015, the Commission would publish a comprehensive report on equality and human rights progress in England, Scotland and Wales, entitled ‘Is Britain Fairer?’. The report was based on the evidence collected by a large-scale, year-long systematic review conducted in consultation with government, academic, business and voluntary sectors partners. There was good evidence that older people and women were more present in more work places in more ways. The data collected for the report only went up to 2013, so it was likely that the situation had improved even more than the report would show.
Members highlighted that a different slant on diversity in the academic environment had been reported in the recently published Dowling Review of Business-University Research Collaborations. There was a perception in academia that collaborating with industry, or spending time in industry, was damaging to an academic career path. To address this, the review recommended that universities needed to ensure that recruitment and promotion criteria for relevant disciplines rewarded rather than penalised academics who had achieved excellence in translational and collaborative activities, and that these messages were communicated effectively.

Members suggested that the MRC HR team should work with the communications team to ensure that all public communications appropriately reflected diversity. For example, diversity could have been more prominent in some of the documents for the MRC’s centenary celebrations.

Finally, members noted that there was a lot of great work going on in the MRC’s units and institutes to promote diversity which should also be recognised. One example was the CSC’s Suffrage Science event which was organised annually on International Women’s Day to commemorate, promote and unite women across science and engineering.

11. Update on regulatory issues

Dr Rawle introduced this item and informed Council that the paper summarised the status of all the recent and proposed legislative and regulatory changes of relevance to the MRC and medical research generally. There was good progress to report on the Psychoactive Substances Bill which was part of the new government’s legislative programme announced in the Queen’s speech. Medical products would be excluded and the MRC had developed a good dialogue with the Department of Health and the Home Office to draft a workable research exemption into the bill.

Sir John thanked Dr Rawle for the update and for producing such a thorough paper. He highlighted that in the past the MRC would have led on policy work in these areas but with the constant reductions to the administration budget this was no longer possible; the MRC now had to rely on other organisations, such as the Wellcome Trust, to take the lead with the MRC providing input and support where possible.

Council agreed that this was an issue that the government should be aware of and noted that the Nurse Review might give some consideration to the matter.

Finally, Council remarked that there were a lot of regulatory issues that impacted (or had the potential to impact) on the MRC; the landscape was extensive and complex. Members suggested that information included in the paper should be added to the relevant policy pages on the MRC website to help inform smaller organisations and researchers of the legislative and regulatory changes they needed to be aware of. This information would of course need to be kept up to date.

12. University units update

Council noted the progress with the university unit programme which had been outlined in the paper.

13. Cross-research council coordination and initiatives

Mr Brydon informed Council that the aim of this item was to update Council on the progress of cross-research council coordination and research initiatives.

Council noted the update and discussed the way that communication activities were being undertaken by RCUK. Members expressed concern that if RCUK were to deal with communications for all the research councils, the specific scientific guidance and expert input needed for effective public engagement strategies could be lost.

Sir John agreed that while this was a concern, there were mechanisms for each of the research councils to feed in their expertise. These would be significantly increased when
an RCUK EG agreement that each research council communications team spend c.10 per cent of its time working collaboratively to support broader research council messages took effect. The Cabinet Office Communications Capability Review had highlighted that the community was not good at getting across the importance of research and what it does for the nation. Coordination of communications across the research councils should help make a stronger case to demonstrate why research was important.

Members expressed interest in the Living with Environmental Change (LWEC) partnership which brought together 22 major UK public sector organisations (including the MRC) and users of environmental research. While not continuing in its current form, the area of environmental influences on health remained very important. ‘Urban Living’ was currently being considered as a potential programme for cross-council working and Council welcomed this, although noting that the proposed organisation of the initiative might need to change to embrace health issues fully. Sir John highlighted that a key area for the MRC to consider was supporting new ways of measuring environmental exposure.

14. **Programme for September/October open Council meeting**

Council noted the programme for the September/October open Council and business meetings which would be held at the University of Dundee.

15. **Any other business**