

MEDICAL RESEARCH COUNCIL



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Council: December 2017
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Trade Union Side access: In part

Minutes of the Council business meeting held at Wills Memorial Building, University of Bristol on 4 October 2017

Present:

Council	Head Office staff
Mr Donald Brydon (Chairman)	Ms Sam Bartholomew
Sir John Savill (CEO)	Mr Sandy Bulger
Professor Chris Day	Mr Hugh Dunlop
Professor Dame Janet Finch	Mr Bruce Minty
Professor John Iredale	Dr Declan Mulkeen
Mr Richard Murley	Dr Tony Peatfield
Baroness Onora O'Neill	Mrs Helen Page
Professor Irene Tracey	Dr Frances Rawle
	Dr Chris Watkins
Observer	Dr Mark Palmer (items 1-7)
Dr Helen Bodmer (BEIS)	

Apologies:

- Professor Jonathan Bisson
- Dr John Brown
- Professor Doreen Cantrell
- Dr Pauline Williams
- Dr Mene Pangalos

1. Announcements and apologies

Mr Brydon welcomed members to the meeting and informed Council that that Professor Jonathan Bisson, Director of Health and Care Research Wales, had been appointed to Council on an ex officio basis from 1 October 2017 to 31 October 2018. He also reported that this would be the last Council meeting for Dr Chris Watkins, Director of Innovation and Mr Sandy Bulger, Director of Major Projects, both of whom would be leaving the MRC shortly (in October and November respectively). Ms Sharmila Nebhrajani, Director of External Affairs, would also be leaving the MRC in November and had sent her apologies for this Council meeting. Mr Brydon noted that all three had made a fantastic contribution to the MRC and would be missed.

Apologies had been received from Professor Bisson, Dr Brown, Professor Cantrell and Drs Williams and Pangalos.

2. Register of declared interests

The Chairman requested that members inform the secretariat of any updates to their declarations of interest. Dame Janet highlighted that she had recently been appointed to the Council of the University of Leicester; her declaration of interest had been updated accordingly.

3. Minutes from the July Council meeting

The minutes of the Council meeting which had been held on 5 July were approved as an accurate record.

4. Matters arising

4A. Report from the Council Audit and Risk Assurance Committee (CARAC)

Dame Janet provided an update on the key discussions at CARAC meeting which had been held on 28 September. CARAC had been informed that following a series of issues with the email system in head office, the IT team had accelerated migration to the Cloud; this had gone well and was now almost complete.

4B. Minutes from the July and September Strategy Board meetings

Sir John introduced this item and noted that six Council members had attended the residential Strategy Board meeting held on 19-20 July at Cumberland Lodge. He thanked Mr Brydon, Professors Cantrell, Day, Iredale and Tracey and Dr Williams for their attendance. The residential meeting had afforded an opportunity for a stock-take of progress against current priorities. The MRC's 'strategic triangle' had been developed for the 2015 Comprehensive Spending Review (CSR) as a visual representation of the three delivery plan themes: Priority Challenges, Discovery for Medicine and Transforming Health Research and Innovation. Taking into account current delivery plan priorities and activities, Strategy Board had considered new frontiers in health research that could inform future strategy for the MRC. Board and overview group chairs had highlighted key areas that had emerged from recent meetings and strategy workshops; these were detailed in the July Strategy Board minutes.

Strategy Board had agreed that the 'strategic triangle' should be refreshed to reflect the MRC's new ambitions such as health technologies and complex biological systems and a continuing emphasis on discovery science underpinning all strategic priorities.

Strategy Board had also discussed the Industrial Strategy Challenge Fund (ISCF) and emerging priority challenges in healthcare. The MRC had been allocated £11.6m for Biomedical Catalyst – Confidence in Concept from wave 1 of the Industrial Strategy Challenge Fund (ISCF). In wave 2, nine large-scale, challenge based bids were being developed across the research councils and Innovate UK. The MRC was involved in three of the bids: early diagnosis; mental health and healthy ageing.

Through the National Productivity Investment Fund (NPIF) the MRC had received sufficient funding for 118 PhD studentships starting in Autumn 2017. Additionally, £210m had recently been allocated to the research councils, Innovate UK and national academies to support fellowships starting in 2017/18. Of this, the MRC expected to receive £37.5m, some of which would come from the new Rutherford Fund established to attract international talent in the UK. Sir John and Professor Phil Nelson (EPSRC) had developed a proposal for a major UKRI talent initiative that could be funded from the

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NPIF from 2018/19 onwards. The goal of the proposed 'Career Accelerator Fellowships' programme would be to support exceptional early career researchers in their transition to independence. Recruitment would be at UKRI-level, taking a cross-disciplinary approach, and would be based on quality and fit to strategic priorities.

Sir John noted that Professors Cantrell and Iredale had attended the Strategy Board meeting held on 6 September. Discussions at the meeting had included reports from each of the research boards outlining current strategic activities and investments, future research challenges and opportunities, and implementation plans for the coming year; this would be a regular item in the future.

Professor Andrew Morris, Director of Heath Data Research UK (HDR UK), had also attended the meeting and presented his vision for the institute.

4C. MRC Shareholdings

Mr Dunlop introduced this item and presented an overview of the MRC's shareholdings. The value of the MRC's shares in quoted companies amounted to £8.4m as at 8 September; it was not possible to value the MRC's holdings in private unquoted companies so these were not included in the investment figures. Management Board was responsible for making operational decisions regarding the MRC's equity investments. The process for equity investment approvals included a mixture of differing formalities and needed to be improved. To address this, a subset of Management Board would be delegated to act as first focus to ensure appropriate assurance and governance, reporting back to Management Board and Council on a periodic basis.

Mr Brydon noted that the MRC was precluded from making additional investment outside of IP in start-up companies. He stressed the importance of maximising the return to the MRC which the ban on follow-on investment prevented. Council asked Dr Bodmer to raise the matter within BEIS. Dr Watkins informed Council that the Rainbow Seed Fund set a precedent in this regard. It was an early-stage venture capital fund backed by BEIS and its nine partners included the Science and Technology Facilities Council (STFC), the Biotechnology and Biological Sciences Research Council (BBSRC) and the Natural Environment Research Council (NERC).

Members discussed the commercialisation of research and noted that there was a workstream looking how this should be co-ordinated under UK Research and Innovation (UKRI).

Council agreed that the MRC should have a set of principles covering when it was appropriate to hold shares, and how these should be managed including proper governance and access. It was agreed that Mr Dunlop would develop the principles for consideration at the March 2018 Council meeting.

5. **CEO's report**

Management Board update

Sir John updated Council on the plans to cover the roles of Mr Bulger, Ms Nebhrajani and Dr Watkins following their forthcoming departures in October and November.

Recruitment to the new MRC Council under UKRI

The recruitment campaign for members for the new Councils under UKRI would be launched shortly. Council members would be updated once the date for the launch had been confirmed and the process for existing Council members to apply would be clarified.

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UKRI

Sir John noted that it had been announced on 8 September that Ian Kenyon, current Chief Finance Officer (CFO) of Cancer Research UK, would become the first CFO of UKRI. The members of the *UKRI Board* had also been announced on 28 September. It looked to be a very strong board and included three former MRC Council members: former CEO Professor Sir Leszek Borysiewicz; Ms Vivienne Parry; and Professor Dame Sally Davies. Additionally, the updated *UKRI narrative* had now been published and had been circulated to Council members on 3 October.

Industrial Strategy Challenge Fund (ISCF)

Sir John reported that he, Dr Watkins and Dr Mulkeen had been working hard on the bids for the second round of ISCF funding. Eleven bids had been submitted on 15 September, of which three addressed health challenges. Sir John had taken on the role of sponsor for a challenge around exploiting rich health data to enable early diagnosis and development of precision medicines; while Dr Ruth McKernan (CEO of Innovate UK) had sponsored challenges around use of new technologies for mental health, and around ageing (with Professor Chris Whitty). The bid based on health-data aligned loosely with major themes suggested in the Life Sciences Industry Strategy, and further work was being done to build a consensus on the best approach. Council would be updated when the outcome of the bids was known.

The Crick

Mr Bulger informed Council that the Greater London Authority (GLA) would meet on 6 October to consider Barratt Homes' application for planning permission for the Mill Hill site. It was expected that the GLA would require that the developed site include a higher proportion of affordable housing.

LMB directorship search

The advertisement for a new Director of LMB had gone live on 1 September, with a closing date of 3 November. Recruitment consultants had been engaged and were undertaking a national and international search to ensure a diverse field.

Prion Unit update

Sir John reminded Council that at the conclusion of the Prion Unit quinquennial review in 2015, Council had agreed to award core funding for the structural biology programme, subject to a senior lead for the programme being made in time for the CEO to report to Council in October 2016. This was still an outstanding issue but interviews were scheduled for 10 October and it was hoped the appointment would be announced by December Council.

Refurbishment of the Courtauld Building to house the Prion Unit was near completion. It was hoped that completion would be in January 2018.

MRC Dashboard

Sir John drew Council's attention to the MRC quarter one 2017/18 dashboard report which had been included in his written report for information.

6. Finance report

Council noted the finance report, which included an update on the 2017/18 operating budget and the year-to-date results to the end of August 2017. During the year, the MRC had received additional funding as an increase to the spending review allocations.

Work was underway on the mid-year bottom-up forecast and programme resource looked to be on track for budget out turn at the end of the year.

7. Global Health Update

Mr Brydon welcomed Dr Mark Palmer, MRC Director of International Strategy, to the meeting. Dr Palmer had drafted a comprehensive paper detailing the MRC's global health research and he presented a brief overview of the paper to Council. He reminded members that Council had last been updated on global health research in 2012. Since then, there had been a significant increase in funding available to the MRC in this area following reallocation by the government of Official Development Assistance (ODA) for research. The UK was a strong player in the field and UK funders worked very closely together. The MRC's global health portfolio was overseen by the Global Health Group, chaired by Professor Peter Piot (although he would be stepping down shortly). The MRC was involved in a number of partnerships with other health research funders including the MRC-Department for International Development (DFID) Concordat; the European and Developing Countries Clinical Trials Partnership which included 14 European Countries and 14 African Countries; the Joint Global Health Clinical Trials Scheme with Wellcome, DFID and the Department of Health; the African Research Leadership (ARL) scheme with DFID; the Global Alliance for Chronic Diseases with many international partners. Additionally, the Newton Fund and the Global Challenges Research Fund (GCRF) both offered further funding opportunities for the MRC.

Dr Palmer highlighted the MRC's rapid response to the Zika outbreak; the initiative had been launched within two days of the World Health Organization (WHO) declaring that Zika posed a Public Health Emergency of International Concern. A strong response had been received from the research community and 26 awards had been made totaling £3.3m. The MRC had also recently joined the Global Research Collaboration for Infectious Disease Preparedness (GLOPID-R), an alliance which brought together research funding organisations on a global scale to facilitate an effective research response within 48 hours of a significant outbreak of a new or re-emerging infectious disease with pandemic potential.

Sir John emphasised the importance of global health research to the MRC. The MRC was world-leading and a key part of that was driven by its global health research. He commended Dr Palmer for the contributions he had made to this area. Sir John noted, however, that although the science budget had been protected in the spending review (2016/17 to 2020/21), this was largely based on ODA funding. This ring-fenced money reduced flexibility and meant that there had effectively been a cut in the unrestricted budgets of the research councils since 2015. In the future, it would be important for UKRI to make a strong case for a core unrestricted budget that could fund excellent research like that undertaken at LMB and the Crick.

Sir John also acknowledged Brexit and the impact this could have on research. He noted that the Government had published its position paper on Brexit, science and innovation which implied that the Government would try to negotiate associated status of future framework programmes. He noted that there was a strong feeling within the research community that the UK needed to be associated with the Horizon 2020 programme after exiting the EU.

Mr Brydon thanked Dr Palmer for his excellent report. Members discussed how the MRC's global health research aligned with Wellcome's priority area 'our planet, our health' and noted that UKRI would create opportunities to think in a broader way. Members also noted that the MRC's global health funding was very strong in interdisciplinary research and this could be a model for the future.

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There was some discussion regarding the MRC's overall strategy for capacity-building in global health research. Dr Palmer explained that the Global Health Group had reviewed different capacity building schemes; part of the challenge was that it was not just the capacity of the researchers that needed to be built upon but also the institutions. The MRC, and other funders, were supporting a project to develop good financial grants management so that African institutions would be better able to demonstrate their ability to handle international grant funding. The MRC was looking to build research infrastructure in a way that could sustain research, creating an environment where researchers could be competitive. The African Leadership scheme was a good example of this.

Finally, Council noted that the Foreign and Commonwealth Office funded the Science and Innovation Network which had approximately 90 officers in over 30 countries and territories around the world building partnerships and collaborations on science and innovation.

9A. University unit update

Mr Dunlop provided Council with an update on the University Unit Programme.

10. White space: MRC Pension Scheme update

Mr Dunlop updated Council on the proposals for the operation of the MRC Pension Scheme (MRCPS) on transfer to UKRI.

11. Research integrity and reproducibility update and annual report on allegations of research misconduct 2016/17

Dr Rawle introduced this item and provided an update on work by the MRC, RCUK and others to promote research integrity and reproducibility. Dr Rawle reported that the MRC's aim was for universities to inform the MRC at an earlier stage of allegations of research misconduct related to MRC funding. University policies had high confidentiality requirements which made sharing information about their employees difficult. Therefore, the MRC was working to reassure universities that information provided would be treated with as much regard for confidentiality as the university was expected to observe. This had led to an increase in the number of allegations of research misconduct that the MRC had been informed of.

Dr Rawle noted that the House of Commons Science and Technology Committee had started an inquiry on Research Integrity to which RCUK had submitted written evidence in March. The inquiry had been put into abeyance following the announcement of the General Election, but the Committee had now been reconstituted and the inquiry would continue. The MRC wanted to make the case that further regulation in the area was unnecessary as self-regulation was working. Across RCUK data was being collected from assurance visits to provide a better picture of the situation.

Council noted the report and agreed that the draft RCUK Narrative statement on Research Integrity 2017 and the draft MRC statement on Research Integrity and investigations into allegations of scientific misconduct for 2016/17 should be published when finalised.

12. Appointment of the Infections and Immunity Board (IIB) Chair

Sir John reported that three strong candidates had been shortlisted and interviewed; all had been appointable. The Panel had been unanimous that **Professor Paul Kaye**,

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University of York should be appointed as IIB chair from 1 April 2018 until 31 March 2020, with the option to extend this for a further two years until 31 March 2022.

Council approved the appointment of Professor Kaye as IIB Chair.

12. Draft agendas for the joint Council/Strategy Board meeting and Council business meeting on 6 December

Council noted the draft agendas and that Mr Brydon had sent apologies for the meeting as he would be overseas.

13. Any other business and close

Sir John reminded Council that the last MRC Council meeting – as MRC was presently constituted - would be held on 7 March 2018 at the Hurlingham Club. This would be followed by an event to mark the past 105 years of the MRC and to look forward to the next 105 years.

It had been announced during the meeting that Dr Richard Henderson (a former Director of LMB and MRC Council member) had been awarded the 2017 Nobel Prize in Chemistry, alongside Professor Jacques Dubochet and Dr Joachim Frank (LMB alumnus) “for developing cryo-electron microscopy (cryo-EM) for the high-resolution structure determination of biomolecules in solution.” Members expressed their delight at this news and Sir John agreed to send a note on behalf of Council to congratulate Dr Henderson on his impressive achievement.