

# MEDICAL RESEARCH COUNCIL



# 03

Trade Union Access: in part

Author: Simone Bryan

## Minutes of the Council Business meeting, held via zoom videoconference, on 18 May 2021

<b>Attendees</b>		
<b>MRC Council</b>	<b>Management Board</b>	<b>MRC Head Office</b>
Fiona Watt	Rob Buckle	Rachel Benny
Richard Murley (Chair)	Patrick Chinnery	Simone Bryan
Kim Graham	Hugh Dunlop	Christina Mulligan
Roger Highfield	Glenn Wells	
John Iredale		<b>Guests</b>
Jill Pell	<b>Apologies</b>	Sarah Collinge (item 7)
Munir Pirmohamed	Fiona Driscoll	Toni-Jo Henderson (item 10)
Andy Richards	Susan Simon	Ottoline Leyser (Item 4)
Eleanor Riley		Mark Palmer (Item 5)
Graham Spittle	<b>UKRI Observer</b>	Nathan Richardson (item 3)
Irene Tracey	Isobel Stephen	
Charlotte Watts		
Pauline Williams		
Louise Wood		

### 1. Welcome and Apologies

The Council business meeting was held via Zoom videoconference. Mr Richard Murley welcomed everyone to the meeting.

Apologies were received from Dr Susan Simon and Fiona Driscoll. Professor Charlotte Watts left after item 7.

### 2. Register of declared interests

Mr Murley asked members to send any updated declarations to the secretariat.

### 3. Minutes of the Council meeting held on 4 March 2021

The minutes of the Council Business Meeting were approved as an accurate record of the meeting.

### **3a. Matters Arising: Quarterly Operations Update**

Members noted the quarterly operations dashboard provided in the papers.

#### **LMS update following the extraordinary meeting of Council**

Mr Murley welcomed Dr Nathan Richardson, MRC Associate Director Research Programmes Group, to the meeting. Dr Richardson updated Council on the taskforce that will develop guidance to Council on delivering a renewed strategy for promoting clinical science as part of a significant strategic refresh for the MRC's London Institute of Medical Sciences (LMS). MRC Head office had worked closely with LMS and Imperial College London to agree the Terms of Reference, membership and meeting schedule of the taskforce. Dr Nathan updated Council on recent changes to the interim senior leadership team at LMS.

Council noted the update and supported the continuation of MRC head office working closely with Imperial College, and LMS leadership and staff during the forthcoming period of change. Members highlighted the importance of clarifying the remit of the new strategy, in that it should appropriately embrace technological development, interdisciplinarity and translation, and that there should be sufficient scope for the incoming Director to develop her/his case to Council to bring MRC core support back up to level funding to facilitate the implementation of the new strategy.

It was agreed that a report from the taskforce should be presented to Council later in the year once the taskforce had completed its work.

### **4. Update from Dame Ottoline Leyser**

Council members welcomed Dame Ottoline Leyser to the meeting. Dame Ottoline gave a short opening statement and took questions from members.

In her opening remarks, Dame Ottoline outlined the complex landscape in which UKRI was operating, particularly with regard to how the research and innovation system was at a key moment of transition following the challenges and pressures placed upon the system by the global pandemic; the challenging spending review settlement for research and innovation; and cuts to the Official Development Assistance budget. The COVID pandemic had mobilised the expertise across UKRI and had engaged the different levers and channels for influencing the agenda across academic, business and third sectors. Overall, the sector had worked together to deliver impactful interventions and to protect the research and innovation system as much as possible from the instabilities that COVID had caused. There were opportunities for the research and innovation system in addressing the Government's 'building back better' agenda and opportunities to demonstrate the value of UKRI, particularly the vital role the organisation had played in contributing to the UK's response to the coronavirus pandemic.

Dame Ottoline outlined the importance of individual Research Council's engagement with their respective communities to articulate the UK Government's vision of a strong economy with Research and Innovation at its core. In autumn last year, UKRI published its refreshed vision for an outstanding research and innovation system in the UK that gives everyone the opportunity to contribute and to benefit, enriching lives locally, nationally and internationally. UKRI was now considering what areas of the system needed focus to deliver the goal of an inclusive knowledge economy and to shape how UKRI develops as an organisation to support the changes needed to realise this goal. UKRI had multiple tools to fulfil its stewardship role through the ways in which it supports and convenes, catalyses, incentivises, invests in and conducts research and innovation. Priorities for UKRI included contributing to achieving the Government's 2.4% R&D investment target, including how UKRI works in partnership with industry to support increased economy-wide investment in research and innovation; putting its stewardship principles into effect - bidding for a Spending Review settlement that would enable UKRI to increase diversity, connectivity, improve resilience across the whole

research and innovation system, and engaging well and widely so that the system could speak with one unified voice.

Council members thanked Dame Ottoline for her opening remarks and asked a number of questions on these issues. Members were keen to hear reflection from Ottoline, one year into her role, where UKRI had made strides in delivering the vision set out in the Nurse report, and where progress was still to be made. Dame Ottoline confirmed that UKRI had, through its corporate plan, articulated a clear, coherent, collective vision that guides how the organisation will work with multiple partners and communities to bring about a research and innovation system in the UK that gives everyone the opportunity to contribute and benefit. Each of the nine constituent councils' strategies and activities would combine to deliver UKRI's mission together. Dame Ottoline highlighted that although nine organisations had come together to create UKRI, the Councils would maintain their strong identities and responsibilities for fostering relationships and engagement with their own communities, and that communities would now benefit from, and add value to the collective UKRI endeavour. There was recognition that bottom-up approaches would be needed to capture the benefits of interdisciplinary and collaborative research and to input into the activities of central UKRI, and UKRI was working to develop strategic research themes reaching across Councils to feed into plans for the Spending Review. With permanent appointments to the posts of UKRI Chief Finance Officer, Chief People Officer and Chief Operating Officer, there were now opportunities to build the operating model for UKRI that matched the opportunities afforded by its creation.

Council members wanted to understand where UKRI was with respect to achieving the Government's R&D spending target of 2.4% of GDP by 2027, and what MRC could do to support UKRI in reaffirming this commitment. Dame Ottoline emphasised a whole-systems approach would be vital to realise the ambition of the R&D spending target. Working collaboratively with business and industry to understand their needs and to leverage investment and support delivery of research would be critical for this. There was an essential role for the research sector in highlighting and celebrating successes of R&D investment, particularly in demonstrating the value and success of UKRI, and the vital part the organisation had played in addressing the global pandemic. To do this, language used and key headline messages would be important for capturing the attention of Government and ensuring messaging was aligned with Government priorities. In addition, members highlighted how nuanced engagement with different stakeholders and across the Devolved Nations was important. Understanding the different opportunities and needs of UKRI's many stakeholders would be critical for successful engagement and again, ensuring messages resonated with stakeholder priorities, as would highlighting how UKRI can work in partnership to meet stakeholder needs and deliver success. UKRI's unique position at the interface between government, academia and business, and collective intelligence across UKRI's remit put the organisation in a strong position to deliver this nuanced engagement.

Council wanted to understand how UKRI should be organisationally structured to deliver its functions most effectively, and whether there were opportunities to put formal mechanisms in place for knowledge sharing and best practice across the individual Councils of UKRI. Dame Ottoline confirmed there was no requirement for uniformity in general across Research Councils, but there was an imperative to understand how and why things were done differently across the Research Councils, to share best practice and to align processes, where appropriate to do so. UKRI HR was working to understand the different needs of all its constituent parts in terms of career opportunities, career development and attractiveness of roles for its staff. Members commented that secondments and delivery of cross cutting funding schemes could offer opportunities for career development. UKRI's Future Leader's Fellowship programme was highlighted as an example of how to successfully deliver cross cutting programmes of interdisciplinary research that spanned the remits of all Councils. Furthermore, the programme went some way to addressing the challenges of balancing the tension between blue skies research and strategic research, given blue skies research was less likely to sit within the remit of one Council. Members suggested UKRI should give consideration to the development of, and investment in, other large cross cutting interdisciplinary programmes of research that could address these issues.

## **5. ODA update – impacts on MRC investments**

Mr Murley welcomed Dr Mark Palmer, MRC Director of International Relations, to the meeting. Dr Palmer updated Council on the impact of the Official Development Assistance (ODA) budget allocation on the MRC's Global Health portfolio and the steps UKRI and MRC had taken to protect the portfolio. In March 2021, UKRI was given an allocation of £125 million of Official Development Assistance (ODA) funding for expenditure on the Global Challenge Research Fund (GCRF) and Newton Fund projects during the 2021/22 financial year. This represented a £120 million gap between allocations and commitments. UKRI was further advised that there would be a cap on 'Other-ODA' reported through expenditure out of core Budgets. Due to the uncertainty of future budgets and the certainty of the reduced budget for 2021/22, UKRI was forced to take the unprecedented step of initiating a process to rescind grants already awarded, to halt or cancel any ODA grants already in the system and to cancel new ODA funding rounds for 2021/22. At the same time UKRI and individual councils acted to try and mitigate the impact of the budget reduction and cap on Other-ODA. BEIS additionally agreed that a number of UKRI grants that were on climate change could be partly covered by the International Climate Fund. This resulted in an additional £12m of resource being available to support GCRF awards.

UKRI is working with research councils to identify ways to reduce the impact of the ODA cuts by re-designating some ODA activities; re-badging research as non-ODA where that could be justified. Reducing the size of the Other-ODA pot in this way created space to transfer grants from being categorised as GCRF to Other-ODA, where justified. It was anticipated that once the level of Other-ODA funds available to UKRI was settled and the re-designation was complete, revised criteria for determining whether to designate work as ODA or Non-ODA would be proposed. It was confirmed that the overseas units in The Gambia and Uganda, and MRC's more bespoke applied global health funding mechanisms would remain within the portfolio that could be reported as ODA. Changes to the requirements to report research as ODA were currently the subject of debate across Whitehall and future designations would not be finalised until the position is agreed with BEIS.

Council noted the update and acknowledged the excellent work that had been done by MRC staff in the measures taken to mitigate the impact of budget reductions. Members were interested to understand the approach taken to engaging with, and communicating the impacts of the budget cuts to international partners, particularly with regards to managing the reputational risks to UKRI. Dr Palmer confirmed that there was ongoing and regular communication with international partners, good relationships had been maintained, and that most partners understood there were large pressures on the budget given the pandemic. The internal relations team were using communication channels through UKRI offices in other countries, international research and innovation networks and existing partnerships with other international Research Councils to facilitate communication and engagement. Individual relationships with funded researchers were being managed by Programme Managers who were working together with Principal Investigators to mitigate risks to individual research grants.

## **6. Finance Report**

Mr Hugh Dunlop, MRC Chief Operating and Finance Officer presented the finance report to Council covering the Spending Review Outcome and 2021/22 budgets. The provisional outturn for 2021/22 was presented. Overall MRC was £12.1m (1.3%) lower than forecast, the main variances included; slippage within the Strategic Priorities Fund, underspend in Operating Expenditure and underspend in Official Development Assistance due to late grant start dates and reprofiling of awards.

The ODA budget was still to be announced, but the UKRI allocation had increased, which would allow an increase to the baseline Commitment Budget. Mr. Dunlop explained how current year spend was made up of commitments from previous years, and the remainder could be committed to all other new research, split into support for funding decisions by financial year. The commitment budget was based on a flat real settlement which assumed that core allocation would remain flat over the next 5 years and that existing GCRF legal commitments would be covered. Existing Intellectual Property income streams would tail off over the period as licensing agreements expire, which would lead to lower

commitment budgets in the future, although the settlement for 2023 and beyond looked positive. It was confirmed that a regular update on ODA would be presented to Council as part of future finance reports.

Council noted the update and asked questions about the flexibility MRC has to over-profile expenditure. It was confirmed that MRC has ongoing budget discussions with UKRI regarding financial pressures throughout the financial year. UKRI had flexibility to vire funds, depending on pressures on Council budgets and associated risks, with redirection of underspends.

## **7. Science Commitment Budget**

Mr Murley welcome Dr Sarah Collinge, Head of MRC Funding Operations, to the meeting. Dr Collinge presented Council with options for allocating the 2021/22 science commitment budget. The commitment budget represented MRC's 'business as usual' funding, distributed through regular and repeating funding opportunities and used to make commitments to new research, usually through grants/fellowships spanning 2 to 5 years duration. Council had previously considered 2021/22 planning in October and December 2020 and March 2021, but those discussions were limited by considerable budget uncertainty. The current economic circumstances dictated that this year's budget was considered as a 'holding position'. Longer-term planning for the commitment budget at this stage was not possible, the anticipated spending review in Autumn 2021 would confirm the trajectory for future commitment budgets. A 'flat real' settlement had been confirmed by UKRI for 2021/22 Council core budgets. The commitment level was considerably above the figures previously presented to Council; the increase was in part due to the recent UKRI settlement and also planning changes to accommodate some large triennial commitments that need to be accounted for in the 2021/22 year, to invest in the next phase of Doctoral Training Partnerships (DTP) and a new UKRI approach to the translation Confidence in Concept (CiC) scheme. This created a commitment 'peak' in 2021/22 that would not be carried over to following years.

Council discussion in March 2021 had indicated some preference for increasing investment in Training. At that time the financial outlook prompted concern regarding the impact of increasing one budget at the expense of other areas; however, now with the improved settlement, Council noted it was possible to make significant budget increases without needing to cut into other funding streams. Members raised concerns about the potential for increased demand and the impact on response mode success rates in light of the pandemic, which had both caused delays in research activity and created financial pressures in the charity sector, and in particular how this might play out for early career researchers and MRC fellowship schemes. To date accurate modelling of award rates was proving difficult given that application numbers and quality are determined by the community and not under MRC control. While there was no significant change in application numbers submitted to the research boards as of yet, there was already evidence of increased demand in Career Development Award (CDAs) application levels which had risen in the last year. Members asked whether there was flexibility to target training funds for CDAs and whether any analysis had been carried out to understand if unsuccessful CDA applicants are successful in securing fellowships from other funders. It was confirmed that MRC's Training and Careers Advisory Group had the flexibility to apportion funds flexibly across MRC's training schemes to target demand and critical career stages, and that MRC's Evaluation and Analysis team had recently undertaken work to analyse fellowship success rates, the outputs of which would be shared with Council.

Members highlighted the importance of monitoring not only success rates, but also the diversity of applicants and awardees. Concerns were raised regarding the disproportionate impact of the pandemic on researchers with caring and home-schooling responsibilities, and on early career researchers and career paths. It was confirmed that monitoring of applicants was carried out routinely and that MRC was in ongoing discussions with the university sector to monitor any change in demographics of applicants. Activities MRC was undertaking to support researchers included allowing for a narrative CV within grant applications that sets out the impact of the pandemic on productivity, and issuing guidance to funding board members and peer reviewers on how to account for the impact of the pandemic when assessing applicants' career trajectory and productivity.

Council approved the option to prioritise budget increase for Research Boards and Fellowship schemes to help address low award rates and target expected increase in demand, and approved the recommended level of delegated responsibility to Management Board for in-year budget review and allocation adjustments.

## **8. Principles of Transition Support and Unit Closure**

Dr Rob Buckle, MRC's Chief Science Officer presented Council with an update on the principles of transition support and unit closure, providing Council with an opportunity to review MRC's current approach. Dr Buckle gave an overview of the issues that are taken into consideration following the decision by Council to close an MRC Unit, supported by case studies from recent examples (Centres were not considered further given that their support was provided in the form of a time-limited grant). MRC uses Units and Centres as mechanisms of support when there is a need for more concerted action to address important scientific opportunities and health needs and where stand-alone grant support has proved insufficient to achieve the desired impact. The expectation was that the specific need for these targeted support mechanisms evolved over time and that MRC's unit and centre portfolios would turn over providing financial headroom for the MRC to re-invest in new research areas. The changes in Unit and Centre numbers from 2005 was presented, showing a general trend of decreasing numbers with a Unit being closed every 18 months to 2 years on average. The closure of a Unit could be complex as many units had staff on MRC legacy terms and conditions, and there were legal obligations between MRC and Universities that had to be observed. Typically the wind-down of a unit took 15-18 months from the point of decision. A significant part of this was determined by the legal requirement for MRC to give the university 12 months' "Notice of Termination" of the Strategic Alliance Agreement (SAA) and the need to accommodate the close out requirements for staff on legacy MRC terms and conditions as well as issues relating to managing the transfer of data and assets. In some cases, the MRC was required to work with the University to transition any high quality and strategically important research to an alternative model, or transfer to stand-alone MRC Programme Grant funding. This may include funds to allow for tapering of fully-funded group leader salaries over a few years to the norm for grant funding, thereby facilitating the university to accommodate them under normal academic funding models.

Council welcomed clarity on the issues involved and noted the processes, which had been negotiated with Trade Unions. Council was satisfied with the current approach and noted that there was little that could be done to shorten timescales for closure, given the legal obligations that had to be observed. Members asked whether the new unit/centre (CoE) model that was considered by Council in December as part of the MRC's unit and centre portfolio review would allow for more flexible options for closure. It was confirmed that this would be the case, given the new CoE model would consist of time limited investments established with terms and conditions more akin to normal research grant arrangements, with staff on Higher Education Institute contracts and salaries provided as percentages of time spent on the grant, rather than through core support. It was noted that Council's desire to move the existing units towards this model could take a number of years to deliver. Questions were asked about the criteria by which units' strategic value and relevance were assessed, and how outputs and impacts of investing in a particular area could be quantified. It was reaffirmed that the MRC's unit and centre portfolio review had recommended that QQR assessment of MRC units should shift focus to explicitly address how units fulfilled their strategic remit and national role. Council's rolling programme had been updated to include an annual review by Council of MRC's unit portfolio on a thematic basis, and it was anticipated that in this way MRC's whole portfolio will be reviewed every three years.

## **9. Re-evaluating the Approach to MRC Unit Investment**

Professor Fiona Watt, MRC's Executive Chair, presented Council with a summary of current issues affecting the management of MRC's unit portfolio and plans for a refreshed approach. Areas that needed consideration were Head Office engagement and oversight of units, how to attract and retain

the best staff, particularly into Programme Leader Track positions, and the need to better clarify what constitutes a unit and how much freedom MRC units have to operate. Domain-specific expertise resides in MRC boards and panels, but the Unit portfolio was not equally distributed across the boards, leading to some parts of the office being over-burdened with quinquennial reviews and management of the unit portfolio. A proposal for re-evaluating the approach to managing MRC investment in units was presented which would bring together the various strands of discussion with early involvement of unit directors, MRC head office staff and MRC research board chairs.

Members highlighted the importance of nurturing the relationship with Directors and staff based in MRC's large investments by regularly meeting to discuss policy and strategy developments. It was important to do this for individual relationships, but also to bring people together to develop networks and create a sense of shared purpose. MRC's approach to managing cohort and population studies, overseen by MRC's Population Health Sciences Group, was cited as an example of a successful approach to managing large investments. Council agreed plans for a task and finish group to be established to address the issues, chaired by Professor Patrick Chinnery, the MRC Clinical Director, reporting outcomes to Council at the end of the year.

Council asked questions about what activities were already planned to address the issues raised through the recent staff consultation exercise regarding MRC culture, for example concerns relating to siloed working and long hours, and members suggested that rotating secondments could offer a way of sharing knowledge and building relationships across the large organisation. It was confirmed that new initiatives were underway including a new internal equality, diversity and inclusion forum and a formal mentorship scheme.

## **10. Biannual Risk Review**

Mr Murley welcomed Toni-Jo Henderson, MRC Risk Business Partner to the meeting who presented the Biannual risk review to Council. Connected risks across UKRI were highlighted and the risks highlighted by Council members following their December 2020 meeting had been mapped to existing risks on the register, and new risks recorded.

Council noted the update and commented that risks associated with staff morale should be added to the register and commented that it would be difficult to reduce the target score for cyber security risks. Overall, members agreed more clarity was needed about the distribution of roles and responsibilities between UKRI and MRC Council with respect to the overall responsibility for managing risk and setting risk appetite relevant to MRC's individual sector, particularly now there was no longer an Audit and Risk Assurance subcommittee of Council. Members commented that Council could be responsible for a small number of strategic risks, but there should be clarity on the process for how this oversight feeds into UKRI activity, and clarity on the process for oversight and responsibility of the lower level risks recorded on the register.

It was agreed that a senior member of the UKRI's risk team should be in attendance for Council's next risk review, to clarify roles and responsibilities.

## **11. Plans for Physical Space at the Mammalian Genetics Unit**

Dr Glenn Wells, MRC Director of Strategy, presented Council with a proposal for the temporary use of the facilities currently occupied by the Mammalian Genetics Unit (MGU). Following Council's decision to close the MGU, occupancy by the MGU will cease by end of March 2022. This means that the building currently occupied by the unit will be partially vacant and there will be no research activity on the site other than those activities undertaken by the Mary Lyon Centre (MLC). Both aspects were

undesirable, and the former represented a financial burden for MRC. A long-term view on the occupation of this building had not yet been formed.

The preferred solution was to sub-lease the vacant space to an organisation supporting start-ups in the life science sector with a flexible lease term of 3-5 years, allowing a review (break) after 3 years. The option would include the support of companies in managing and pursuing their growth as well as ensuring the move to new, larger facilities, if the companies were successfully developing. This was an area of expertise that the MRC was unable to provide. There was significant activity in the Oxford area, however, not all of these were providing physical space for the activities of the entrepreneurs.

Members noted the options and commented that renting the space to an organisation that provides an extended service of practical support and mentoring to start-up businesses in the life science sector, which was not provided by many or any others in the area, would be very beneficial to the early stage ecosystem and would help to deliver a supportive ecosystem that enables commercialisation. It also represented an opportunity for MRC to overcome a temporary gap as well as offering new opportunities for collaborations with MRC (MLC). Members suggested that consideration would need to be given as to how MRC would also engage with rapidly growing scaleup companies. Council highlighted that discussions with the executive team at the Babraham Research Campus could be useful to help shape thinking on what could add value to the sector.

Council approved support for the recommended option to negotiate a temporary tenancy with an organisation/incubator that supports start-up businesses in the life-science sector.

## **12. Review of Council Objectives for 2021/22**

Simone Bryan, Programme Manager for Policy, Ethics and Governance presented Council with a brief summary of its annual self-assessment of effectiveness, progress against Council objectives set for 2020/21 and proposed objectives for 2021/22. Under the MRC Council's terms of reference, Council was required to conduct an annual self-assessment of its effectiveness. The process included a questionnaire sent to Council members, followed by discussions between the Executive Chair and individual Council members. Overall it was reported that the meetings received effective leadership and were run well. All members felt that the meetings between Council and Strategy Board were useful and that the frequency was right, however several members felt that Council should be much more involved in strategy setting. Over the course of 2021, MRC will be developing its Strategic Delivery Plan and will be required to monitor and report progress against the Plan. Council would be involved in developing and approving overall MRC strategy and ensuring MRC's positioning in the context of UKRI strategy. The secretariat would ensure sufficient time was scheduled on Council agendas for these discussions. In addition, Council would be more involved in the development of strategic initiatives and programmatic strategy development, both through attendance at Strategy Board meetings and through specially convened discussions. Seven objectives were proposed for 2021/22, specific to this year's Council business.

Council noted the summary of its self-assessment exercise and agreed the proposed actions. Council objectives for 2021/22 were approved. Council noted the draft agenda for the joint meeting of Council and Strategy Board in July and the plans to hold an in-person meeting, should government guidelines allow.

## **13. Any Other Business**

No items were raised.

## **14. Council Private Business**

Following the meeting members held a private business meeting.

*Items for Information*

**15. Updates from the Executive**

Council noted the Updates from the Executive.

**16. UKRI Annual Update on Freedom of Information Requests**

Council noted the UKRI annual update on freedom of information requests.