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Minutes of the Council Business meeting held on 4 December 2023

Attendees		
MRC Council	Executive Board	Presenters/Guests
Patrick Chinnery	Rob Buckle	Ian Viney
Richard Murley	Hugh Dunlop	Helen Morgan
Roger Highfield	Claire Newland	Heike Weber
Simon Hollingsworth	Jonathan Pearce	Rebecca Barlow
Precious Lunga	Susan Simon	
Jill Pell		Secretariat
Munir Pirmohamed	Observers	Simone Bryan
Andy Richards	Isobel Stephen	Kathryn Jackson
Eleanor Riley	Emily Gale	
Graham Spittle	Rebecca Aarons	

1. Welcome and Apologies

The Council Business meeting on 4 December 2023 was held at the Francis Crick Institute, chaired by Senior Independent Member, Mr Richard Murley.

Apologies were received from Professors Irene Tracey and Kim Graham. Professor Simon Hollingsworth joined the meeting virtually and Isobel Stephen left the meeting after item seven.

2. Register of declared interests

Mr Murley asked members to declare any new interests and send updated declarations to the secretariat.

3. Minutes of the Council Business meeting on 4 October 2023 and Stakeholder Engagement Sessions on 3 and 4 October 2023

One amendment was requested, that Dr Simon Hollingsworth be added to the list of attendees. The remaining minutes were confirmed as accurate records of the meetings.

4. UKRI Update

Isobel Stephen UKRI Executive Director of Strategy, updated Council on the recent letter to Professor Ottoline Leyser from the Secretary of State; UKRI's response to the Autumn

Statement; and the Government's response to the Nurse Review of the Research, Development and Innovation Landscape.

Members noted the update and commented on the importance of equality, diversity and inclusion within the research and innovation sector, and how UKRI had a role in setting international standards in equality, diversity and inclusion by leading best practice across its operations and funding delivery.

5. Monitoring of Science Operations and Outcomes – Annual Report

Dr Ian Viney, MRC Director of Strategic Evaluation and Impact and interim UKRI Chief Data Officer, presented Council with its annual update on monitoring of science operations and outputs. The report provided assurance to Council that MRC had a robust monitoring process and demonstrated that across a range of indicators the MRC portfolio continued to be thematically diverse, clinically relevant and was delivering high quality output. Members were informed of the 2021/22 application numbers and award rates, including rates by gender and ethnicity, peer review response rates, expenditure distribution and research outputs. Dr Viney highlighted how there had been a decrease in publications in 2022, however, this may be a correction following the pandemic. There were slight falls in funding from other sources reported by MRC funded teams, for example, NIHR, Wellcome and European Commission, possibly indicating a drop in availability of funding overall. A UK Health Research Analysis report due to be published in January 2024, showed that health research has had 14 years of near flat funding with a small real-terms decrease when comparing 2018 and 2022. A correction to table 3.1 was highlighted.

Discussing the figures, Council was concerned by the lower rate of awards to female applicants and applicants from ethnic minorities. It was confirmed that female researchers had higher award rates for fellowships, and it was encouraging to see more -proposals with female researchers as lead applicants or co-applicants for research grants being submitted, although award rates remained lower than those led by male researchers. Through its university visits, MRC would explore if it could do more to support researchers with application guidance and understand university's local arrangements for mentoring schemes, to ensure there was equitable access across the researcher population. The MRC associate board and panel member scheme would help to increase diversity of MRC board/panel membership. Award rates from female applicants and applicants from ethnic minorities would continue to be monitored closely.

Council welcomed the update. Members commented that it would be useful to understand how much MRC funded in partnership with other Councils, charities, NIHR and other partners and highlighted the importance of impact case studies to complement the data. In particular, narratives that highlight translational impacts would be beneficial in communicating how the people and projects MRC invests in lead to benefits for patients and wider societal and economic impact. Members emphasised that examples of collaborative working across the constituent parts of UKRI leading to subsequent pull through into business would be especially important and useful as UKRI approached the Spending Review (SR).

Reviewer response rates continued to decline and had fallen below 27 per cent. This trend was shared across UKRI and other funders. Members suggested that there was also some decline in the quality of reviews MRC received. It was suggested that board and panel members may be able to provide light touch assessments of the quality of reviews, given the investment in time already spent reading the reviews as part of the assessment process. Such an approach might provide a way of better monitoring the situation, although care would need to be taken not to add to the bureaucracy of the process. Reviewers that had no previous relationship with the MRC displayed the lowest response rate. The most cited reason for declining to review was lack of time, not that proposals were outside the reviewer's expertise.

The low response rate was a concern as MRC substantially relied on this pool of external experts and a large amount of office resource was utilised to secure the required number of reviews per funding application. Ways to improve the peer review response rate were discussed, recognising that it should be a multi-faceted approach, including ways to incentivise and recognise the contribution of peer reviewers and engagement with MRC-funded research community. The benefits and disbenefits of peer review colleges were discussed and it was highlighted that while peer review colleges work well for some Councils, MRC was in a unique position within the funding ecosystem in terms of competing with many other biomedical funders for reviewers' time. Council agreed it would be useful to have a more in depth discussion on how to improve reviewer response rates at a future meeting.

Members thanked Dr Viney for his update and suggested that for future updates it would be useful to be provided with a narrative assessment alongside the report, that outlined the extent to which the objectives set out in the annual report had been fulfilled.

6. Finance report

Helen Morgan, Head of Finance for MRC and EPSRC, provided Council with an update on the overall financial position, the 2023/24 extramural commitment budget and allocation, and 2023/24 risks and opportunities. MRC continued to report a balanced budget across core research and World Class Labs allocations to UKRI at the end of October 2023. The UKRI forecast overspend was at UKRI level unpalatable and UKRI had commissioned a requirement to all areas to identify 'levers' to reduce spend in this financial year. MRC had identified Accounting Levers, and MRC Executive Board had been asked to signpost any areas where slippage would be desirable or have reduced impact. The final position surrounding any in-year Department for Science, Innovation and Technology (DSIT) underspends, either Horizon Europe (HEu) related or other, were still unknown at this time. However, MRC was standing ready and working closely with the central UKRI finance leads to identify potential opportunities to optimise the benefit of such additional funds.

Council welcomed the update and noted the risks and opportunities outlined. Members commented that MRC had a very broad research portfolio and there was a perception that there had been little change to the portfolio over the longer term which reflected the changing research landscape and was prioritised to areas where there was potential for the greatest societal and economic benefit. In this context, questions were raised as to the scale of MRC's investment in AI and quantum, and it was confirmed that MRC was working with DSIT and OLS on developing a bid for the new government investment of £100m for the AI Life Sciences Accelerator Mission, which will capitalise on the UK's strengths in secure health and cutting-edge AI. There had been investment in capital equipment within MRC Institutes and through the World Class Labs fund, and now through UKRI's Infrastructure fund, but members commented that MRC should further consider where it could benefit from partnerships and co-funding in this area, and that overall, the budget could be better used as a lever to drive forward MRC's ambitions. It would be important for MRC to consider the balance between open response mode and top-down funding directives for driving forward its ambitions, and to communicate its ambitions clearly to the community.

7. Science Commitment Budget

Dr Rob Buckle, MRC's Chief Science Officer, introduced this item and provided Council with information on the 2024/25 science commitment budget planning. In this second commitment planning discussion, Council was asked to identify its preferred option for balancing funding across funding streams. The commitment budget represented MRC's 'business as usual' funding distributed through established regular repeating funding opportunities and MRC-led strategic funding opportunities and currently led to around 37 per cent of MRC's research expenditure. It represented half of the core allocation that MRC controlled, with the other half

supporting units, institutes, facilities and platforms. A further 25 per cent of MRC's expenditure originated in UKRI budgets, such as health ageing and wellbeing, that MRC competes to secure. The 2024/25 financial year was expected to require large multi-year investments into Doctoral Training Partnerships and Translation UKRI Impact Accelerators, which had not appeared in the commitment budget for the last two years, resulting in less budget available to allocate to other activities, and representing an 11 per cent decrease in the budget available for new awards through standard MRC mechanisms.

In 2024/25, the current unit portfolio would be transitioned to the MRC CoRE model, with a subsequent anticipated increase in grant applications to research boards. The final position surrounding any in year underspends was still unknown at this time. It was also highlighted that within the training funding stream, and in light of sustained budget increases to it over the past two years, 100 per cent of applications considered internationally competitive were now being funded.

At the October meeting Council considered assumptions that could be made about more favourable spending review outcomes for MRC. As Council indicated some appetite for taking this risk, options had been modelled representing either a flat-cash approach or a real-terms one per cent uplift to MRC budget. Across both options, two scenarios were presented to Council for discussion; Option A continued the prioritisation of training established over the last two years, and Option B adjusted prioritisation towards strategy, offering the most potential for leverage and flexible positioning for next spending review. This could also be re-directed to other areas, for example training, should high quality demand increase more than anticipated. Translation was also prioritised under this option. It was highlighted that as UKRI reaches the end of the spending review there is uncertainty about the timing of future reviews and the direction of future settlements, given this and the final position on underspends being unknown, a cautious approach to planning for level funding was recommended.

Council members welcomed the update and commented that the budget should be used as a lever to drive MRC's ambitions, and that overall, the way in which the commitment budget was allocated should be aligned with MRC's strategy. There was a perception that in recent years there had been little change to how the budget was allocated across MRC's funding streams, however, MRC's unique role within the biomedical funding ecosystem was acknowledged, in that year-to-year balancing of the budget was important for avoiding abrupt changes and for supporting the stability of the ecosystem in a way that was different to that of other funders. Council raised concerns that lowering research board budgets would lead to increased competition, which may adversely affect mid-career researchers, and this was a risk that needed to be carefully managed. It was confirmed that option B adjusted prioritisation towards strategy, which represented the budget line offering the most flexibility to be re-directed to other areas, for example research board budgets, should it be needed to maintain award rates. It was noted that recent changes of leadership and / or areas of strategic focus within UK biomedical charities presented MRC with opportunities for both reconnecting and forging new partnerships. Questions were asked about how well MRC's strategy was implemented through its funding delivery structures and mechanisms. It was confirmed that each funding Board/Panel had an objective to deliver against its areas of strategic focus and cross cutting priorities, as reviewed by Strategy Board on an annual basis, however, it was recognised that more could be done to better clarify how different parts of the MRC can work together effectively to deliver its strategy.

Members noted that an increase to the budget of one per cent, without knowing the future SR settlement, would create an additional financial pressure on future operating budgets. Nevertheless, Council was minded to move in this direction, and further supported the development of option B as this gave the most potential for leverage and the ability to align MRC's budget to strategy. A final decision on the commitment budget would be made at

Council's meeting in March, when there would be further information available regarding the level of UKRI underspends.

8. Advancing an open and collaborative research and innovation culture

Dr Claire Newland, MRC Director of Policy, Ethics and Governance, presented Council with an overview of priority research policy, ethics and regulation where MRC is, or plans to provide direction, leadership, or influence, in order to enable biomedical research and innovation to thrive. Council was asked to consider the current strategic delivery plan and longer-term potential priority areas, implementation plans, progress, and emerging outputs and impacts as presented in the paper. Advice was sought from Council on whether there were major missed opportunities and threats, or areas to de-prioritise.

Members welcomed the update and highlighted the importance of being clear about key policy and ethics areas where MRC can lead or influence, and those that are delivered through other organisations, for example the Nuffield Council on Bioethics. Furthermore, it would be important for MRC to continue to support key delivery partners in identifying areas of strategic focus. Carrying out gap analyses of its areas of activity across key delivery partners remained important, (which may help identify any major missed opportunities or threats), and to consider how progress in priority areas would be tracked, particularly for areas such as embedding positive research culture with MRC Centres of Excellence (CoRE), which would be difficult to monitor using data driven metrics alone. It was confirmed that from summer 2024, a summary of progress towards achieving the strategic ambitions and priorities within the MRC SDP would be provided to MRC Council on an annual basis, as part of the new approach to performance monitoring. This would provide a regular opportunity to review priorities and progress and consider the need for any midcourse adjustments to address missed opportunities or threats. For embedding positive research culture within MRC CoRE, a maturity model would be implemented, and progress would be assessed at the mid-term point, with opportunities to discuss progress on an annual basis.

Questions were asked about the importance of the use of AI in research as an area of policy activity for MRC. It was confirmed that the importance and impact of AI for biomedical research and innovation was very high overall, but in the context of what MRC as a funder could contribute within this very broad sector, it was clear that other organisations were best placed to lead. MRC would continue to work closely with key partners such as the Ada Lovelace Institute, MHRA, the Nuffield Council on Bioethics and other Councils across UKRI, such as ESRC and AHRC. Members commented on the need for MRC to develop a policy or position statement on the use of AI in research as this had implications for corporate reputation and would be in accordance with UKRI's position as a responsible and ethical funder. In developing such a statement, it would be important to consider public attitudes, given the public interest and sensitivity in this area.

Council confirmed that leading and influencing research policy and ethics was an important role for MRC. Members supported the approach to prioritisation and endorsed delivery through other organisations where appropriate to do so.

9. People Plan & operating model

Mr Hugh Dunlop, MRC Chief Finance and Operating Officer, and Katie Spindloe, MRC HR Business Partner, updated Council on the current operational pressures and provided an update on the activity that was in train, through the People Plan, to try to address the pressures. The challenges faced by the MRC Head Office as noted by Council previously continued specifically, rapid staff turnover and the requirement to reduce UKRI operating

expenditure including headcount. MRC was working with HR colleagues to get better data to inform the situation.

Council noted the update and the risk to delivery of MRC's scientific strategic objectives posed by the current challenges MRC faced with recruitment and retention of skilled staff, particularly at the Band E level, however members agreed that the overall UKRI attrition rate was low. Members noted similarities between the results obtained from the 2023 UKRI People Survey with those obtained from similar surveys in the university sector. Members asked questions about whether further work was being done that would better inform how to improve staff engagement and experience. It was confirmed that focus group work was being carried out to better understand what people were experiencing locally, in order to identify if there were specific areas of staff experience that needed addressing. Members made suggestions that might help MRC to improve recruitment and retention including; considering how to widen the pool of talent MRC was recruiting from in terms of geographical location, and whether there were options for people to be based outside of the London and Swindon Head Offices, and how to better describe the career development offer and career path trajectory of individuals recruited into programme manager roles.

An update on progress against the MRC People Plan and developments in the UKRI Operating Model would be brought to Council at a future meeting.

10. Strategic Budget update

Dr Heike Weber, Associate Director of Strategy and Planning updated Council on the investments made through the strategic budget following Council endorsement in July 2022 of the new approach to supporting strategic investment opportunities. The strategic budget had been used to support a number of the activities which had since been amplified or fully supported through the UKRI Strategic Themes. It was estimated that an initial recommended investment of around £83m over two years has resulted in an additional £220m investment from other funders, including other parts of UKRI and NIHR. Examples of this included the Population Health Improvement initiative, the UK Rare Disease Research Platform (UK RDRP); and the Epidemic preparedness and zoonotic disease initiative. The strategic budget had also been used to support investments aligned to the Government's Life Sciences Vision. The Neurodegeneration initiative and the Cancer Immunotherapy Response Research Programme are co-investments with the Office for Life Sciences, with delivery of the latter by MRC. MRC planned to use the 2024/25 strategic budget to build momentum towards the next Spending Review by providing an evidence base for future commitments. For example, areas for consideration by Strategy Board at its December meeting included support for data infrastructure, and an examination of the feasibility of investment in longitudinal population studies.

Council noted the update.

11. SDP performance framework update

Dr Rebecca Barlow, Head of Programme, Strategy and Planning presented Council with MRC's Strategic Delivery Plan performance monitoring framework which had been completed for the remaining four objectives of the MRC's Strategic Delivery Plan 2022-2025, and updated Council on plans for an annual progress report which will be presented to Council from summer 2024. Previously, office staff had received helpful challenge and constructive

feedback from MRC Council which highlighted the importance of monitoring progress and being able to critically assess whether MRC was making positive steps towards achieving its strategic ambitions. To address this challenge, a new approach to performance monitoring (including a new monitoring framework) has been developed which focuses on tracking a selection of measures to map progress against the high-level ambitions and priority subheadings within the SDP. MRC staff had continued to develop and refine the framework, working with colleagues across the office to identify targeted outcomes for the remaining four objectives: World-Class Places, Ideas, Impacts and Organisation. At the March meeting of MRC Council, it was agreed that a progress report would be presented on an annual basis starting in summer 2024.

Council noted the update and asked questions about the level of resource required to monitor and report progress against the Strategic Delivery Plans. It was confirmed that a successful reporting framework would help avoid duplication of effort and allow MRC to easily contribute to UKRI-level monitoring and evaluation activities, including those for cross-UKRI initiatives such as the UKRI Strategic Themes. The MRC Strategy and Planning team had worked closely with the MRC Evaluation and Analysis team and colleagues across Head Office to develop the proposed metrics to identify and make use of pre-existing data sets, or planned data collection, so as to reduce the burden on colleagues wherever possible. The annual report will provide a narrative summary of MRC's progress, supported by key figures and case studies from the framework. Members emphasised the importance of narrative and being able to demonstrate clear outputs and commented that it would be useful to consider crafting the key messages for an audience of ministers and special advisers.

12. Annual pensions discussion

Hugh Dunlop briefly updated Council on the MRC Pension Scheme provisional actuarial valuation results, the recommended Employers pension contribution rates for the Scheme and the risks associated with the Scheme and mitigating strategies.

Council noted the update and asked questions about the buyouts in the public sector. It was confirmed that MRC would be guided by public sector pensions policy on the issue of buyouts.

13. Equality, Diversity & Inclusion and Environmental Sustainability considerations

Council reviewed the decisions made during the meeting for EDI considerations and environmental considerations, noting that EDI considerations were implicit for the discussion on monitoring MRC's science operations, science commitment budget planning, advancing an open and collaborative research and innovation culture, and the people plan and operating model. It was noted that all items had environmental sustainability considerations embedded within the discussion.

14. Any other business

Under Any Other Business it was announced that UK Biobank has been awarded £127m over ten years to sustain its infrastructure and facilitate its move to Manchester.

The MRC/ESRC co-funded Population Research UK, a new national resource designed to maximise the use of, and benefits from, UK longitudinal population studies across social, economic and biomedical science, had recruited a new leadership team.

15. Council private business

Items for Information

Council noted the following papers for information:

- 16. Updates from the Executive**
- 17. Quarterly Operations Updates: dashboards**
- 18. Board and Panel Reports**