

From the President
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Meg Hillier MP
Chair, Public Accounts Committee
House of Commons
London

Dear Chair

I am writing as President of the Academy of Medical Sciences, an independent body representing the diversity of medical science within the UK. Our elected Fellowship includes the UK's foremost experts drawn from a diverse range of research areas, and we welcome the opportunity to respond to the Committee's review of **Science Capital Spend**. Capital investment is essential to maintaining excellence in the UK's research base, and should be strategically coupled to resource spending through an independent process governed by the Haldane Principle.

The UK is a global leader in research, generating 15.9% of the world's most cited articles with just 3.2% of global R&D expenditure.¹ These outputs are based on a successful funding system, which includes a diverse selection of inter-dependent public, private and charitable funders. Maintaining this global eminence requires striking a balance between sustaining excellence in areas of strength, as well as identifying and developing emerging research areas.

We welcome the Government's commitment to maintaining capital spending on research at £1.1bn up to 2021, and the long-term horizon this provides for the community. As highlighted by this inquiry, it is essential that this funding is targeted in order to deliver maximum benefit to UK research capacity. We acknowledge and support the legitimate role of Government in providing high-level priorities for research; this in turn can foster coordination and respond to long-term research demands. However, this role should not diminish the ability of the Research Councils and the Higher Education Funding Council for England to allocate funding based on excellence, judged on either potential or past performance, as assessed by the research community itself.

The importance of the Haldane principle in delivering an independent research agenda informed by experts in the community and insulated from near-term political pressures, has been noted by the recent report from the National Audit Office (NAO), and was reiterated by the previous Government in 2010.^{2,3} We believe that the role of Government in capital allocation decisions should be as part of a Research Council-led research agenda which is informed by experts, and oriented towards promoting excellence.

¹ Department of Business, Innovation and Skills (2013). *International Comparative Performance of the UK Research Base*

² National Audit Office (2016). *BIS's capital investment in science projects*

³ Rt Hon David Willetts (2010). Written Ministerial Statements, Monday 20 December 2010

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To maximise the value of public investment, capital allocations must be coupled with sustainable resource commitments and investment in skills to continually develop the UK's research capacity. Failure to adequately forecast maintenance, operational and upgrade costs creates a risk of inefficient investment and lower research performance, as highlighted in the NAO report. The National Academies have previously noted the need to consider the broader context of research investments, and the Research Councils and HEFCE are well-placed to take this long-term perspective and engage with the research community and wider stakeholders to inform strategic direction. We believe this should remain the major route for such capital allocations.

A central factor in the success of UK research and innovation is the diverse funding landscape, which encompasses public, private, charity and EU funding sources. These operate synergistically and public research facilities can support industry activities, attracting regional investment and supporting shared usage. Such clusters of excellence should be supported, and the Stevenage Bioscience Catalyst provides an example of the benefits of such an approach, where public capital investment was combined with pharmaceutical and charity partners to create a highly attractive environment for translational research.^{4,5}

The ability of the UK's leading research community to continue delivering health and wealth benefits requires continued support for the Haldane principle, to empower Research Councils to identify and support excellence and create a stable and coordinated investment environment across both capital and resource spending. We believe that this approach, coupled with close cooperation across funders, is essential to reducing waste, maximising the return from capital investment, and assuring that the UK remains an attractive place for business and innovation.

I would be delighted to discuss this further with the Committee.

Yours sincerely



⁴ Academy of Medical Sciences (2015) Geographical clusters FORUM meeting report

⁵ Stevenage Bioscience Catalyst. www.stevenagecatalyst.com

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