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## All change for funding of medical research in the United Kingdom

Researchers have long wanted a simpler method for allocating research funds in the UK. A new distribution process is in the offing—though precise details are lacking, **Susan Mayor** reports

Far reaching changes to the funding of academic medical research in the United Kingdom are on the horizon, with two new initiatives announced by the chancellor in his recent pre-budget speech.

Firstly, the budgets from the two existing streams for the public funding of medical research, the Medical Research Council and NHS Research, will be merged. And secondly, the current system for allocating research funding to UK universities—the research assessment exercise (RAE)—is being scrapped after the 2008 exercise.

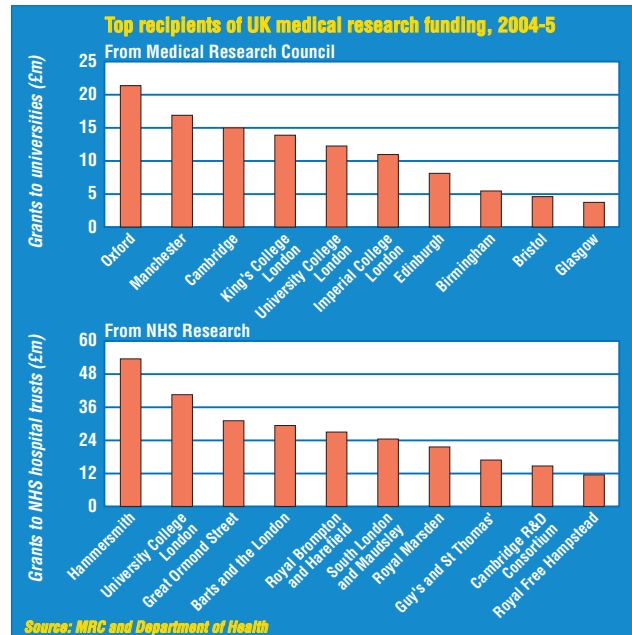
The current system is based on a peer review process, intended to direct limited research funds to centres of excellence. In its place, a simpler “metrics based” system is being proposed—one that would be based on readily available figures. This might be a university’s total research income from non-government sources, such as research councils, industry, and charities, which has previously been shown to correlate with research funding allocated by the RAE.

In his speech on 22 March, the chancellor, Gordon Brown, said that one of his aims was to increase investment in science in the UK: “Britain will in future have a single budget for the [MRC] and NHS Research. It will be worth at least £1bn [€1.44bn; \$1.78bn] a year.” He noted, “America has its path-breaking National Institutes of Health. And we will now build agreement on the right design and institutional arrangements for the British model.”

The MRC is a national organisation funded by UK tax revenue, which currently funds research in all areas of medical and related science—£546m in 2007-8. NHS Research is the research division of the Department of Health, and it provided £753m in 2006-7. Under the proposals, their budgets will be merged to create a single fund

that is allocated for research. Details of how the merged fund will be administered are still being developed.

A report, *Science and Innovation Investment Framework 2004-2014: Next Steps*, which was published at the same time as the budget, explains that the change is designed to provide “a more coherent framework for health research and development.”



It has been suggested that the ring fencing arrangement might be designed to prevent research funds given to the NHS being diverted to patient care. Nancy Rothwell, MRC research professor at the University of Manchester, said, “The strong feeling is that in some trusts the research and development money is propping up patient care.”

Colin Blakemore, the MRC’s chief executive, said, “The establishment of a single, jointly held health research fund will hugely facilitate the translation of research findings into clinical benefits for people in the UK and around the world.”

Scrapping the RAE system

is the second major change to the allocation of funding for research.

Under the RAE, the quality of higher education research is assessed by peer review. This is led by discipline based panels using written submissions from universities, including information on the outputs of staff working in research. Institutions are given a score that determines their research funding allocation. They are ranked in terms of research status—with a 5\* ranking (the top grade) conferring huge status, as well as funding. The system has had massive impact, with departments losing staff and even being closed if they failed to achieve top ranking and thereby lost out on research funds.

The *Next Steps* report argued that the RAE had improved

Instead of institutions planning to do the best research, the best knowledge creation, they talk about ‘planning for the RAE.’ It creates a massive planning blight for the 18 months up to the exercise and for the 18 months afterwards until the results are published.”

The RAE rapidly becomes historical, Professor Thomas pointed out, noting that research funding in 2006 is based on research that was published 10 years ago. “Metrics related to either [MRC] or total research income would produce much the same result as [the] RAE but would be timely—related to current research activity rather than historical data,” he concluded.

Steve Smith, the vice chancellor of the University of Exeter, argued that the RAE had been effective in mapping the performance of academic staff and had provided flexible funding that could be used for a variety of purposes. He said that the RAE had been vital in setting up the Peninsula Medical School, which was established in 2002. It would have been impossible with funding from specific research councils, he said.

Professor Smith acknowledged that a metrics based system might work quite well in medicine and some areas of science that are widely funded by research councils. “But it would not work at all well in the humanities, as other research grants in these areas are very small.” It would also shift funding between different centres, he argued, based on recent research showing that using metrics, defined as research council income, to assess research funding would rank institutions very differently compared to the RAE. “Five of the top 10 institutions ranked on funding using one system move to the bottom using the other system,” he said.

The minister for higher education, Bill Rammell, has set up a working group to develop the successor to the RAE. Consultation on the government’s proposals will run from May until October 2006. Final decisions will be announced in time for this year’s prebudget report. (See editorial p 983.) □

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*Science and Innovation Investment Framework 2004-2014: Next Steps*, is available at [www.ost.gov.uk](http://www.ost.gov.uk). Tell us how the UK should rate research at [bmj.com](http://bmj.com).