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Sir David Cooksey
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25 Buckingham Gate
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27 July 2006

Dear Professor Sir David,

We are writing, as the Chief Executives of the eight Research Councils, to let you have our combined thoughts on a number of principles that we believe are essential if the proposed single health fund is to deliver the major benefits to the health and well-being of the people of the UK that its admirable vision seeks.

We agree that the principle of closer strategic coordination and rationalisation of funding across public sector health research will likely bring great benefits to the UK research base and to healthcare throughout the world. However, it is important to recognise that the UK research system generally works well at present and UK research productivity, especially in biomedical areas, exceeds that of the United States and other G8 countries. It is vital that we do not lose existing strengths in pursuing new opportunities.

A second important principle for the new health research fund will be that, within the new health research fund, strategic and research funding decisions should be transparent and accountable. We recommend that all parts of the funding system should be based on the principles that have proved effective for the UK's system of Research Councils. Specifically:

- Individual funding decisions should be taken by mission-oriented specialist bodies at arms length from the Department(s) that ultimately benefit from the research. The decision should be taken using the best practice in independent peer review as developed across the Research Councils
- Most aspects of strategy development should be devolved to an arms length body – to ensure that strategies and implementation activities fully reflect the scientific tractability of the problem, as well as current scientific strengths and weaknesses. Oversight should remain light touch, rather than introducing much stronger “top down” direction-setting.

The Governance system also has to ensure coherent policies and decision-making across the whole of the UK science base. The case for investment in biomedical and clinical sciences needs to be judged in the context of decisions on other areas of science and in the context of cross-cutting performance metrics. This will enable an effective balance across the research base to be effected whilst maintaining the synergies which exist

between research councils underscoring the benefits attendant on us already having established RCUK. Separate decisions – as might occur if the ring-fencing distanced OSI from the decisions on allocations – would be less reliable. No matter who gained or lost funding as a result, inconsistent or ill informed treatment of different sectors would weaken the science base in the long run.

Please do not hesitate to contact us if you would like an amplification of the above.

Yours sincerely,

Professor Ian Diamond Chief Executive ESRC



Professor Keith Mason Chief Executive PPARC



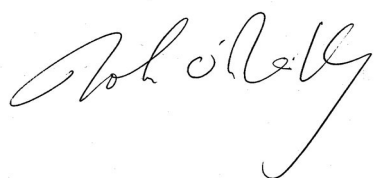
Professor Philip Esler Chief Executive AHRC



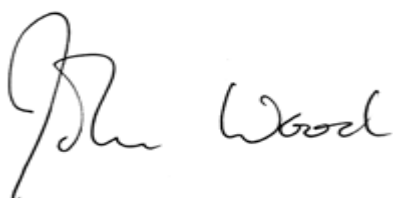
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