

## U.K. SCIENCE FUNDING

# Academics Fear Research Cuts to Pay Overhead Costs

LONDON—It is now 4 months since university-based researchers got their first look at a long-awaited special report chaired by the government's education troubleshooter Sir Ron Dearing. While its advice was initially welcomed as the first comprehensive look at the higher education system in 30 years, a closer look at the fine print has prompted fears that changes it proposes could lead to massive cuts in academic research funding.

The new Labour government will publish its plans for higher education in a white paper by the end of the year. Dubbed "Lifelong Learning," it will be Labour's most important policy so far for higher education and will aim to provide many more people with access to higher education. There is concern, however, that it may adopt one option suggested by the Dearing report—that research councils pay the full cost of overhead support for the research they fund in universities. If that happens, the councils' spending power could be reduced by 20%, and hundreds of research jobs will be lost. "This would affect our funding very badly," says George Radda, chief executive of the Medical Research Council, adding that a 20% loss would be "huge."

Researchers' initial response to the Dearing report was one of relief (*Science*, 1 August, p. 628). After years of funding problems and restructuring, accompanied by a huge increase in the number of students in higher education, the government was finally going to address the problems in a reasoned way. But despite positive comments about the needs of the university research sector, the section of the report devoted to research was a disappointment. "Research is the least well worked through section," says Radda. "The report comes apart in your hands when you begin to look at the implications," says one researcher.

One recommendation in particular has set alarm bells ringing: a radical shift in the way the overhead costs of research are funded. At present, grant providers such as the six research councils fix overhead costs at 45% of the staff costs on project grants. Most of the remaining overhead costs for university research are covered by block grants from the higher education funding councils. But Dearing recommends that those who fund the research should pay as much as 100% of the overhead costs for the projects they support, so that more funds from the higher education councils can be devoted entirely to basic facilities, such as buildings

and equipment. "In principle this would be fine, but in practice, if the research councils had to find the extra money, it would lead to a totally unjustified reduction in the amount of research we could fund," says Geoffrey Findlay, secretary at the Particle Physics and Astronomy Research Council.

The extra bill for the research councils, estimated at \$165 million, could jeopardize hundreds of jobs for postdoctoral researchers and lead to a long-term reduction of about 20% in direct support for research from the councils. "It's vital to press for new funds" to cover overhead costs, says Mark Ferguson, head of biology at the University of Manchester.

So far, the government has given no indication of whether it intends to carry through on Dearing's recommendations or, if it does, whether it will provide extra funds for the research councils. And contradictory statements by government ministers have added to the air of uncertainty. Margaret Beckett, secretary of state for the Department of Trade and Industry, which oversees science spending, has told researchers that science policy is still being formulated and will adopt

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a long-term approach to funding and be "people-centered." However, higher education minister Tessa Blackstone said in a recent article that "a world-class science base is vital to our national prosperity. But that is different to arguing that we must increase the already significant proportions of young people studying science and engineering in higher education." Secretary of State for Education David Blunkett has also criticized as "excessive" the amount of time some university staff spend on research.

Such comments are sending a chill through

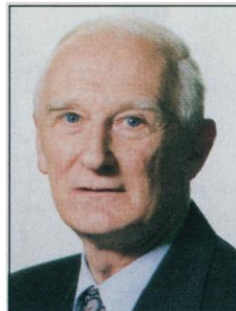
the universities and, given the government's commitment to keeping a tight hold on the fiscal purse strings, researchers are bracing for bad news. Some have suggested, however, that there is one obvious solution: Transfer funds from the higher education councils to the research councils. But most researchers believe that this solution would not be adequate. The higher education councils' support for universities has failed to keep up with the need to improve facilities, leaving universities with an estimated minimum backlog of \$205 million in renovations. Ferguson thinks it would be "absolutely appalling" to rob one set of hard-pressed budgets to help another. And Alistair MacFarlane, who drafted the Royal Society's response to the Dearing report, agrees that it would be "ineffective" to try to solve the problem with such a transfer of funds.

Some researchers are now beginning to contemplate the worst-case scenario—that the research councils may simply have to pay more for their research. "If new money is not forthcoming, the [Royal Society] would accept with reluctance that the least bad alternative is to reduce the number of grants awarded by the research councils," says MacFarlane. "It's a bullet we're willing to bite to maintain quality." Such a move would also force changes in the relationship between the research councils and the universities. Says Radda: "If we are fully funding overhead costs, then we would want a better idea of whether those funds are actually supporting research. ... Some universities are much better at this than others, but I hope that doesn't lead to a competition."

The prospect that the Dearing report will create a more competitive research environment has worried some private funders as well. The Wellcome Trust, Britain's largest source of private biomedical research funds, said in its response to the government on the Dearing report: "Whatever figure is finally agreed, the trust believes that it should be applied across the U.K., to prevent competition between universities on overhead rates."

But the real victims of a move to the research councils providing full overhead support would be young researchers. Research councils would have to cut the number of grants, substantially reducing research opportunities. Such a decision would give credence to "the dangerous assumption that the present science base is too large," says Ferguson. "We have a lot of talented people," but science is "an international playing field: If we can't support them, they will go elsewhere."

**—Nigel Williams**



**Troubleshooter.** Sir Ron Dearing.