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Weekly Political Update

Week ending 20 April 2012

Westminster

Deafness, hearing loss and tinnitus

Click on link for full transcript

Item	Summary
Parliamentary Question on video relay	Gemma Doyle MP (Lab/Co-op, West Dunbartonshire) asked the Government what progress has been made on the formation of a video relay sub-group of the e-Accessibility Forum, and when it will hold its first meeting. Communications Minister Ed Vaizey MP (Con, Wantage) said the Government expects the initial membership of the sub-group to be finalised in April, after which the group can decide the date of its first meeting.
Parliamentary Question on Ofcom consultation of relay services	Gemma Doyle MP asked the Government when Ofcom was due to publish the results of its consultation on relay services. Communications Minister Ed Vaizey MP (Con, Wantage) stated that Ofcom is currently working on a statement and a further consultation on text relay, which will be published this spring.
Parliamentary Question on access to telecommunications for deaf people	Gemma Doyle MP also asked which telecommunications companies the Government had held discussions with about deaf people's access to telecommunications, and which companies had responded to its request for cost-effective solutions to meet the needs of deaf people.
Parliamentary Question on augmentative and alternative communication aids	Virendra Sharma MP (Lab, Ealing, Southall) asked the Government what recent assessment they have made of the commissioning arrangements for augmentative and alternative communication aids.

Disability issues – employment and welfare

Click on link for full transcript

Item	Summary
Parliamentary Questions on employment support allowance tribunals	Martin Caton MP (Lab, Gower) asked what proportion of appeals to employment support allowance tribunals were successful in each of the years from 2008 to 2011 and what the cost to the public purse was.

<u>Parliamentary Question on backlog of appeals against welfare decisions</u>	Shadow Employment Minister Stephen Timms MP (Lab, East Ham) asked the Government about the cost of additional funding for tribunal services in order to deal with the backlog of appeals against employment and support allowance decisions.
<u>Parliamentary Question on successful appeals against welfare decisions</u>	Shadow Employment Minister Stephen Timms MP (Lab, East Ham) asked the Government when they expect to publish data on the number of successful appeals against employment and support allowance 'fit for work' and work-related activity group decisions.
<u>Parliamentary Question on the introduction of Personal Independence Payment</u>	In response to a question about piloting Personal Independence Payments from Shadow Disabilities Minister Anne McGuire MP (Lab, Sterling), Minister for Disabled People Maria Miller MP (Con, Basingstoke) stated that the Government's intention was not to pilot the new benefit, which is due to replace Disability Living Allowance, but to phase its introduction and to initially limit the number of new claims to a few thousand per month. She stated that the Government intends to evaluate the introduction and to publish a report to Parliament after two years.

Social care

Click on link for full transcript

Item	Summary
<u>All Party Group enquiry into provision of social care</u>	The All Party Local Government group has launched an enquiry into the future of care provision and will be hearing evidence from a variety of key stakeholders over the next three weeks. The group will publish recommendations in the summer to inform the forthcoming Government White Paper on social care.

Biomedical research

Click on link for full transcript

Item	Summary
<u>Science and Technology Select Committee enquiry into commercialisation of research</u>	MPs on the House of Commons Science and Technology Select Committee heard from a range of universities and pharmaceutical companies during an evidence session into the commercialisation of research.

<u>Parliamentary Questions on research and development grants</u>	Shadow Business Secretary Chuka Umunna MP (Lab, Streatham) asked a series of questions about recent research and development grants awarded by the Technology Strategy Board.
<u>Parliamentary Question on UK science research funding</u>	Shadow Science and Innovation Minister Chi Onwurah MP (Lab, Newcastle) asked the Government what proportion of UK science research funding comes from the Sixth European Framework Programme for Research and Technological Development.

[Parliamentary Question on video relay](#)

Gemma Doyle: To ask the Secretary of State for Culture, Olympics, Media and Sport what progress has been made on the formation of a video relay sub-group of the e-Accessibility Forum; and when it will hold its first meeting.[103040]

Mr Vaizey: Several organisations such as the Mobile Broadband Association, BT, Positive Signs, Telecommunications Advisory Group, PhoneAbility, UK Council on Deafness along with video relay service providers such as Sorenson, Sign on Screen, Significan't and Sign Solutions have expressed interest in video relay sub-group.

The initial membership is expected to be finalised in April, after which the sub-group can decide the date of its first meeting.

[Parliamentary Question on Ofcom consultation of relay services](#)

Gemma Doyle: To ask the Secretary of State for Culture, Olympics, Media and Sport when Ofcom will publish the results of its consultation on relay services.[103039]

Mr Vaizey: Ofcom is currently working on a statement and a further consultation on text relay, which will be published this spring.

[Parliamentary Question on access to telecommunications for deaf people](#)

Gemma Doyle: To ask the Secretary of State for Culture, Olympics, Media and Sport with which telecommunications companies he has held discussions on deaf people's access to telecommunications; and which companies have responded to his request for cost-effective solutions to meet the needs of deaf people.[103038]

Mr Vaizey: The Secretary of State for Culture, Olympics, Media and Sport, my right hon. Friend the Member for South West Surrey (Mr Hunt), held a round table meeting with telecoms providers on video relay services (VRS) in September 2011. The meeting focused on access to telecommunications services in the UK for hearing impaired users, in context of the Ofcom's review of relay services in the UK. The meeting was attended by BT, Kingston Communications, Everything Everywhere, O2, Vodafone, 3, Talk Talk, Virgin Media and BSkyB. Ofcom's consultation proposed significant improvements to help meet the needs of hearing impaired users, particularly through the proposals for next generation text relay (NGTR) that would provide an enhanced text relay service available 24/7, enabling support for two-way simultaneous

communication and allowing mainstream equipment to be used. The Secretary of State is keen that businesses and telecommunication companies also provide VRS for their disabled customers. BT is currently running a trial for its disabled customers and the Secretary of State hopes that others will also follow suit.

The Secretary of State is pleased that Ofcom will also consult on specific proposals for VRS in the summer as this will help to progress work in this area.

[Parliamentary Question on augmentative and alternative communication aids](#)

Mr Virendra Sharma: To ask the Secretary of State for Health what recent assessment he has made of the commissioning arrangements for augmentative and alternative communication aids.[102712]

Mr Simon Burns: No separate assessment has been made. Alternative and Augmentative Communication Aid Services are incorporated into definition five (Assessment and Provision of Equipment for People with Complex Physical Disabilities (all ages)) of the Specialised Services National Definitions Set. The Health and Social Care Act enables the NHS Commissioning Board (NHS CB) to take responsibility for commissioning specialised services which are currently commissioned at both a national and regional level and as informed by the Specialised Services National Definitions Set. No final decisions have yet been taken over which services will be directly commissioned by the NHS CB.

Ministers expect to be able to confirm this later in the year after consultation with the NHS CB.

[Parliamentary Questions on employment support allowance tribunals](#)

Martin Caton: To ask the Secretary of State for Work and Pensions what proportion of appeals to employment support allowance tribunals were successful in each of the years from 2008 to 2011.[102552]

Chris Grayling: The Department regularly publishes official statistics on employment and support allowance (ESA) and the work capability assessment (WCA).

The latest report was published in January 2012 and can be found on the internet at the link as follows: http://research.dwp.gov.uk/asd/workingage/index.php?page=esa_wcaTable 3 in the publication gives the outcomes of completed appeals by the month the claims started.

The latest information available relates to claims beginning before end November 2010 and includes outcomes of appeals on these cases heard up to the end of November 2011. Note that these figures do not include WCAs completed on incapacity benefits reassessment claims.

[Parliamentary Question on cost of benefit appeals](#)

Martin Caton: To ask the Secretary of State for Justice what the cost to the public purse was of employment support allowance tribunal appeals in each of the years from 2008 to 2011.[102551]

Mr Djanogly: Her Majesty's Courts and Tribunals Service (HMCTS) hears appeals against Department for Work and Pensions decisions on entitlement to employment and support allowance (ESA). The estimated total cost to HMCTS of ESA appeals during the period April 2008 to March 2011 is summarised in the following table.

For each period the estimated costs were calculated by multiplying the average cost of an individual First-tier Tribunal Social Security and Child Support case in that year by the number of ESA appeals disposed of during the year.

Total cost of employment and support allowance appeals		
	Number of ESA appeals cleared	Total cost (£ million)
2008-09(1)	125	0.035
2009-10	70,535	19.8
2010-11	176,567	42.2

(1) Employment and support allowance was introduced in October 2008.

[Parliamentary Question on backlog of appeals against welfare decisions](#)

Stephen Timms: To ask the Secretary of State for Justice what the cost to the public purse has been of additional funding for tribunal services in order to deal with the backlog of appeals against employment and support allowance decisions.[103050]

Mr Djanogly: Appeals against Department for Work and Pensions (DWP) decisions on entitlement to employment and support allowance are heard by Her Majesty's Courts and Tribunals Service (HMCTS). DWP funds the cost of increased volumes of appeals following welfare reform changes, above an agreed baseline.

HMCTS received £1.3 million of additional funding in 2008-09, £9 million in 2009-10, £20.9 million in 2010-11 and £26.3 million for 2011-12 to deal with the increased volume of ESA appeals.

[Parliamentary Question on successful appeals against welfare decisions](#)

Stephen Timms: To ask the Secretary of State for Work and Pensions (1) when he expects to publish data on the number of appeals and successful appeals against employment and support allowance fit for work and work-related activity group decisions; [103051]

(2) what proportion of people making new claims for employment and support allowance who were (a) placed into the work-related activity group and (b) found fit for work have lodged an appeal against the decision.[102458]

Chris Grayling: The Department regularly publishes official statistics on employment and support allowance (ESA) and the work capability assessment (WCA).

The latest publication was released in January 2012 and can be found on the Departmental website at: http://research.dwp.gov.uk/asd/workingage/index.php?page=esa_wcaThe next provisional release date is 24 April 2012. Table 3 of the publication mentioned above covers the number and outcomes of appeals heard on Fit for Work decisions in the initial functional assessment.

Information on appeals heard on work-related activity group decisions is not available. Note that information of the number of claimants found fit for work who have lodged an appeal that has not yet been heard is not available.

[Parliamentary Question on the introduction of Personal Independence Payment](#)

Mrs McGuire: To ask the Secretary of State for Work and Pensions what steps his Department plans to take as part of the piloting of personal independence payments to monitor the effects on disabled people who become ineligible for support in respect of (a) care home use, (b) avoidable hospitalisation, (c) Motability vehicles, (d) receipt of other support including carer's allowance and

(e) other matters; and what steps his Department plans to take to ensure the results of such monitoring are taken into account in the roll-out of personal independence payments.[101822]

Maria Miller: On 12 March 2012, Official Report, columns 9-10WS, I published a written ministerial statement which detailed the Government's plans regarding the introduction of personal independence payment. Our intention is to phase the introduction of personal independence payment, this is not a pilot exercise. When personal independence payment is introduced in April 2013, we will limit the number of new claims to a few thousand per month.

This will help ensure that processes and procedures are working fully before processing large volumes of new claims. We will evaluate the introduction of personal independence payment. The precise scope of the evaluation is yet to be finally determined but results will be made publicly available. We will also publish a report to Parliament, two years after the introduction of personal independence payment, on the assessment.

All Party Group enquiry into provision of social care

A group of MPs have launched an inquiry examining the future of care provision. The All Party Local Government group will be hearing evidence from experts from the social care sector and from local authorities in Parliament over the next 3 weeks.

Supported by the LGiU and Partnership the inquiry will hear evidence from a number of organisations including local authorities, the Department for Health and the Kings Fund and will publish recommendations in the summer to inform the forthcoming Government White Paper on social care.

Chair of the Group Heather Wheeler MP commented:

"Holding this Inquiry is so important. At a local level social care is a massive issue both because of the quality of care delivered, but also the cost of care. People know a lot more because of the Dilnot Report, but there are still so many unanswered questions. This Inquiry gives us the opportunity to explore this area, hear from experts, and contribute to finding ways forward to the White Paper".

Andy Sawford, Chief Executive at LGiU commented:

"This Inquiry focuses on one of the most important public policy issues of our time. An ageing population offers us lots of opportunities, but it also presents some challenges. We need to ensure that older people receive the care they need and that they are able to make informed decisions about that care. Local authorities are responsible for 40 per cent of all social care funding for older people – and therefore play a key role in the commissioning and provision of care services.

But a growing disconnect between demand and available resources means that role has to evolve. Increasingly, and excitingly, local authorities will be helping people to lead independent lives and develop sufficient resources to manage their own care.

Coinciding with the publication of the government's Social Care White Paper, the Inquiry will examine this changing role, capture current best practice, and establish the principles that should inform the adult social care system of the future.

Everyone deserves a secure and dignified old age, this Inquiry will be a crucial step in ensuring they receive one".

Chris Horlick, Managing Director, Care, Partnership commented:

“Partnership believes that adult social care is one of the most significant issues facing the UK. Accordingly we are delighted to be sponsoring this inquiry examining the future of care provision and welcome the scrutiny and expertise with which the Local Government All Party Parliamentary Group will bring to bear on this issue.”

Science and Technology Select Committee enquiry into commercialisation of research

First session

During a Commons Science and Technology Committee session on ‘Bridging the Valley of Death’, MPs heard about the challenges involved with firms and universities working together to extend the traditional role of universities into commercialising research.

Universities needed to be confident that intellectual property could be incubated until it could be handed over to be built upon, rather than buried, MPs were told.

Witnesses agreed that broader, longer and less prescriptive funding schemes needed to be made available to help foster innovation, and that these should be recurrent and not provided simply on an initial basis.

The Committee heard evidence from:

- Dr Douglas Robertson, Chair, Praxis-Unico and Director of Research and Enterprise Services, Newcastle University
- Dr Paul Nightingale, Science and Technology Policy Research, University of Sussex
- David Connell, Senior Research Fellow, Centre for Business Research/ UK Innovation University of Cambridge
- Professor Luke Georghiou, Vice-President (Research and Innovation), University of Manchester

Summary

The Origins and Retention of IP

Opening the session, Labour Chair of the Committee Andrew Miller asked if innovation began with intellectual property (IP) or the entrepreneur.

Responding, Dr Nightingale said that, generally, the focus on innovation should be on firms, and large firms, rather than start-ups.

Following, Dr Robertson said that tacit knowledge and ideas were important, alongside IP.

Mr Connell said that both mattered, but that for Cambridge and their successful companies, there was a general assumption that innovation was based on IP. However, in terms of job generation and profitability, firms profited most from solving customer problems, he added.

Policy was often influenced by looking at the experience of high profile companies where entrepreneurial drive which was the key, rather than the IP, meaning that products were quicker to market, he explained.

Turning specifically to universities, the Chair asked if there was a rule of thumb on how long universities would hold on to IP.

Professor Georghiou explained that universities fostered researchers with good ideas, and institutions saw themselves as holding on to IP in a way that it could become stable before passing it on. It was not the intention of universities to keep hold of IP forever, he added.

Dr Robertson added to this, explaining that IP needed to be passed on to those who would make good use of it, rather than those who sought not to.

Dr Nightingale remarked that a particularly successful example was the University of California's IP model, based on diffusion, which made IP readily available throughout the state.

The Challenge for Universities and the Economy

The Chair asked if universities should extend their traditional roles of teaching and research into commercial activities.

Agreeing, Professor Georghiou said that this should not dominate a university's activities, but that the mission of social and economic responsibility was also key, as well as engaging students to be entrepreneurial.

Dr Robertson remarked that universities faced challenges in terms of the absorptive capacity of the UK economy, particularly in terms of finding an investing partner.

Adding to this, Mr Connell said that universities needed to also look to medium sized companies as partners, remarking that policy makers had assumed that universities could take the development and exploitation of research further than was actually possible. Academics did not work full time on development, he explained.

The "exploratory development stage" had to be conducted in a more commercial environment than simply engaging with venture companies. New and specialised institutions could be created to undertake this, or Government could put money into very early stage companies before they were right for venture capital investment, he added.

Dr Nightingale offered that the UK had world class universities in their capacity to move new technology into the economy, but that it had been said by some in venture capital that some universities were "ignorant, greedy and risk-averse".

Disagreeing, Professor Georghiou said that UK universities were as good as US ones in this regard, but said that there was a challenge in spreading expertise further afield, rather than replacing it with bureaucratic structures.

The Innovation Model and the Government's Role

Conservative MP Stephen Mosley said that the traditional linear model of innovation had been discredited in previous evidence, and asked if Government put too much emphasis on this.

Answering, Dr Nightingale agreed, and said that universities provided skilled individuals to drive innovation, but that the majority of this was arising from companies.

Dr Robertson said the model suited a process that was easy to manage and challenge. However the challenge for technology development was that it was "full of failure", and that this presented problems for public investment. This was a challenge for the Technology Strategy Board, he added, explaining that he favoured the venturing model.

Giving the example of Cambridge, Mr Connell explained that the "soft start-up" model was prevalent, where companies started by undertaking development contracts for individual customers. The key source of jobs in product companies were through technology consultancies, he explained.

It was helpful to look at the process as being a two stage one: by creating expertise based organisations that did R&D for money, and then moving into products, bringing more substantial gains in employment. He offered examples of Microsoft and Vodafone as being spin-out companies that had originated from a soft start-up.

Dr Robertson said that there was a challenge in tackling revolutionary ideas, creating new industries, and keeping these in the UK.

Mr Mosley pressed on what role the Government and organisations had to play in this regard.

Responding, Mr Connell said that the key to making the model work was lead customers committing to paying for feasibility studies, demonstrated development or buying a prototype product, perhaps with a view for the product to be sold on to competitors at a later stage.

The Government could specify the problems it needed solved, technologies that needed developed, and then funding, as a customer, the development of these technologies. Innovation budgets should be switched into programmes of this kind, he added.

Dr Robertson said that the Government needed to invest substantially, citing the extent of public sector intervention in the form of the SBIR scheme in the US, and the example of the previously established University Challenge Fund.

Plaid Cymru MP Hywel Williams asked if the Government struck the right balance in being selective enough in choosing likely successful companies for investment, and how money could be prevented from being wasted on weak firms.

Responding, Dr Nightingale said that the ability of anyone to pick winners was extremely difficult, and advised the Government not to do so. The issue was the need to create an environment of growth and innovation. He explained that firms varied in how they grew over time, making picking winners even more challenging.

There was a danger of targeting too little money in too many areas, Dr Robertson added. He explained that it was difficult for a university, teaming with a business, finding appropriate public funding for its projects, he added.

The Nature and Beneficiaries of Funding

Conservative MP Gareth Johnson asked about match funding and whether this would have a disruptive effect on companies looking to “muscle in” on pre-existing technology.

In reply, Dr Nightingale said that BIS’s match funding schemes were cheap and effective, and generated jobs. It was an effective piece of Government policy, he added. He warned that, for others advocating for a US-style SBIR scheme, studies had shown that this had not led to significant job creation.

Dr Robertson added that the Government should judge match funding proposals from university and business partnerships, rather than stipulating pre-defined areas outcomes. Core funding schemes, and not tax credits were the key to forcing companies of thinking of new developments.

Labour MP Graham Stringer pressed on the Government’s further investment into Graphene research at Manchester University.

In reply, Professor Luke Georghiou explained that this opportunity rarely came along and that whilst the National Graphene Institute was there to also support commercialisation by incubating start-ups and attracting businesses into the UK, but that some aspects would take time to realise.

Adding to this, Dr Robertson said that there was a wider need for recurrent funding, not simply the initial investment.

Conservative MP Stephen Metcalfe asked if the Government had achieved the balance right between assigning funds, with regard to supporting commercialisation.

Mr Connell explained that small technology businesses did not have a strong lobby, and so funding needed to be shifted to focus on these, and more specifically towards higher risk investments in R&D.

Important beneficiaries of the R&D tax credit schemes were the banks, he added, explaining that according to the last R&D scoreboard, HSBC and RBS came above British Aerospace and Rolls Royce in terms of R&D.

This suggested that the R&D tax credit programme had grown to the extent that it was supporting a significant quantity of routine R&D, which companies could arguably fund themselves. This could be better targeted on more high risk, long term areas of R&D investments, he argued.

Additionally, Dr Nightingale explained that, comparatively speaking, the UK spent half as much as the US on R&D. On commercialisation, the question was less about the money put in, but whether or not money was put into programmes that would generate innovation. Match funding to build up a professional investor system was very important, he argued.

Mr Metcalfe asked if the Technology Strategy Board (TSB) had enough money allocated to it to make a difference to UK plc.

Professor Georghiou said that it was still “sub critical” in the amount of money that was available, whilst Mr Connell argued that substantially more funding was needed.

The Barriers to Commercialisation

Labour MP Pamela Nash asked about the barriers to the commercialisation of science, and asked about the role of the Catapults and bridging the gap between universities and companies. She also pressed on whether the TSB was taking the right approach.

Responding, Mr Connell welcomed catapults and said that there were still questions over whether being spread over different geographical settings was optimal. However, the current and former Government had been moving in the right direction, he offered.

The Government would do well to draw on the expertise of the four Cambridge technology consultancies, he said.

Adding to this, Dr Robertson said that barriers included the early stage venture environment in the UK, and the absorptive capacity of the UK industry, primarily because business investment in R&D were among the lowest levels in the OECD. More technology entrepreneurs needed to be involved more heavily in the policy process, he argued.

Dr Nightingale said that proper evaluation of schemes needed to take place, and suggested shutting down the Patent Box, labelling it as one of the “worst pieces of public policy” he had ever seen.

Better Evaluation

Conservative MP Caroline Dinenage asked for views on the accusation that there was no “single overriding voice” across the innovation landscape, and on the view that the University of Oxford saying that the UK’s innovation eco system suffered from “initiative-itis”.

Responding, Professor Georghiou said that “initiative-itis” was not new, and a lot of schemes were either too small, recycled or re-announced. Larger, more flexible, long running schemes were needed, he added, explaining that better evaluation was also required.

Another barrier was an “insufficient” entrepreneurial culture outside the innovation system, whereby bright students wanted to work in small, high-tech companies, he argued.

Mr Connell added that when looking at Government organisations involved in technology, they tended not to provide annual reports but brochures. It would be good achieve reports into where they money had been spent, he argued.

Additionally, Dr Nightingale said that many evaluation reports were insufficient because they merely asked for opinions on receiving “free money”, and that the need for evaluation needed to be built into every public policy scheme.

Conservative MP Sarah Newton asked to what extent the Government should be looking at the geographical locations in supporting new industries and emerging technologies.

Professor Georghiou noted that the vast bulk of investment was concentrated in the South East, whilst Dr Nightingale acknowledged this, and said that there needed to be a reliance on quality.

Ms Newton pressed on the impact on the commercialisation of research as a result of the loss of Regional Development Agencies.

In reply, Professor Georghiou said the challenge involved preserving RDAs' functions rather than the channel by which outcomes were delivered.

Second session

The Committee then heard from:

- Dr. Ian Tomlinson, Senior Vice President, Head of Worldwide Business Development and Biopharmaceuticals R&D, GlaxoSmithKline
- Dr. David Tapolczay, Chief Executive Officer, Medical Research Council Technology
- Dr. Gareth Goodier, Chair, Shelford Group, Chief Executive, Cambridge University Hospitals NHS Foundation Trust
- Dr. Andy Richards, Serial biotechnology entrepreneur and business angel
- Dr. Ted Bianco, Director of Technology Transfer, Wellcome Trust

Summary

The Success of the Biosciences Sector

Opening the session, Labour Chair of the Committee Andrew Miller asked what had made the biosciences sector so successful.

Responding, Dr Tapolczay said that the most successful bioscience clusters globally enjoyed the presence of major pharmaceutical establishments, specialising in R&D.

Dr Richards cited the quality of the research base in the UK, and described how innovation could take place where clusters provided a level of security for employees in the sector to be able to join startups, and return to larger companies if these failed.

Dr Bianco described the strong culture of entrepreneurship in the US around MIT and Harvard. Dr Tomlinson cited the concentration of funding in aiding the critical mass and innovations in clusters.

The Chair asked what Wellcome's new venture fund had added to the toolkit of exploiting bioscience research.

Responding, Dr Bianco said that Wellcome had an investment group to work for a financial return, a mission-related division with no financial return expectation, Sigma with a financial return proposition.

Different Models

Conservative MP Stephen Metcalfe asked about the Stevenage Innovation Park, and how the model differed from more traditional models.

In reply, Dr Tomlinson said that multiple factors existed, but an important point was that the Stevenage site was adjacent to a 3,500-strong R&D facility owned by GSK, giving informal impetus to build networks for innovation.

Adding to this, Dr Bianco said that the role of public research and how it could be used in industry to be profitable was of particular importance, explaining that open innovation would be a "win" for the

country if pharma companies believed that an interesting an open debate can take place, with sharing learning.

Dr Richards restated the importance of the need for an informal mix of shared learning between colleagues, to which Dr Tapolczay underlined the need for a concentration of talent and the availability of funding.

Additionally, Dr Tomlinson said that GSK always looked to take specific and concrete action to take to stimulate the biosciences community, and praised the Patent Box legislation as having been instrumental in the company's decision to expand into Ulverston.

Following on, Dr Richards said that the Stevenage development had to be viewed in context of the global movement of pharmaceutical R&D, explaining that the industry had been moving towards an open innovation model.

Geographical closeness was key to lowering the risks associated with innovation, he explained.

Concentrating Innovation

Labour MP Graham Stringer asked how the Francis Crick Institute fitted into the changing pharmaceutical landscape.

Responding, Dr Tapolczay said that this was demonstrable of the commitment to invest in the research base for biomedicine, which was one of the key selling points for investment by pharma firms in the UK. Firms such as GSK would only continue to invest if the quality of sites were world class, he explained.

Dr Goodier explained that most of the major academic centres for medical research aggregated resources centrally, which included major firms and charities such as Cancer Research UK, all on the same campus. The integration of patient care and research expertise added weight to the agenda, he added.

Following on, Mr Stringer said that the Drug Discovery Centre at Imperial College had expressed a concern at possible funding gaps through the increased commercialisation of research. He sought views on this concern, and if the Technology Strategy Board would fill a possible funding gap.

Explaining that the answer was not straightforward, Dr Tomlinson said that more investment was required to deal with the gap between academic research and producing a drug, and cited the Francis Crick Institute as being instrumental as a core cluster of capabilities for translational research.

Mr Stringer asked why there had been an apparent shift in the business model, and offered the view that private sector pharma companies were now requiring public money because new research was too expensive to conduct.

In reply, Dr Tapolczay explained that big pharma companies had to show a return on investments, and that it had become increasingly difficult for them to do so. He cited rising costs of R&D and of registering new products.

Both Dr Tomlinson and Dr Richards acknowledged that the industrialisation model of the drugs discovery process was previously problem, but Dr Tomlinson argued that GSK was one of the earliest companies to realise this, and adopt a small, focused research model.

Additionally, Dr Bianco said that Wellcome had run “seeding drug discovery”, which addressed small molecule discovery at the lead optimization stage. Transaction size was critical, he added, explaining that a model had to be developed to provide appropriate funding sizes for projects.

The Role and Opportunities of the NHS

Conservative MP Stephen Mosley asked how much influence the NHS had on the bioscience market in the UK.

Responding, Dr Richards said that the NHS faced deficiencies in adopting new innovations and drugs, commenting that it was notoriously hard to sell anything new to the service.

Adding to this, Dr Goodier said that was apparent that the NHS was run as a “top down command and control” organisation. The Foundation Trusts model was a good one for potential for innovation, he explained.

The system was “way behind” others in terms of information sharing for research purposes because there was no “spare cash” at the hospital level. Academic hospitals tended to be relatively underfunded, representing a threat to the future of the bio-pharma industry in the country, he warned.

Additionally, Dr Goodier stressed the need for access to comprehensive electronic records to target personalised medicine and tackle special interests of care.

Academic centres, such as Imperial College London, Oxford University and Cambridge University were striving in this direction, he explained.

Following on, Dr Tomlinson expressed support for the NHS reforms, and said that there was a “really important” need for partnerships to be built between the NHS and pharma companies to drive innovation.

The International Context and Wider Learning

Labour MP Pamela Nash pressed on which countries were the main bioscience competitors.

In reply, Dr Tomlinson cited the US, and said that a critical mass of scientists existed, clustering particularly in the Boston area.

Dr. Tapolczay cited Germany, Scandinavia, and the US. There was also a significant level of investment in academia and research in China, he explained.

However, there were significant opportunities to see China as a partner rather than a competitor, because the country had cash but not knowledge of the pharma industry in the translational space between lead optimization and pre-clinical to clinical development, he added.

Conservative MP Caroline Dinenage asked which other sectors could learn from the success of the pharmaceutical industry.

Responding, Dr Richards underlined the need to ensure a financing continuum was developed, as diffuse funding did not work.

Food, agriculture and bioenergy needed to see the bringing together of a financial continuum together with academia to make gains, he explained, underlining his support for clustering of resources.

Explaining that there was a need for greater integration between public and private finance, Dr Tapolczay commented that many areas of scientific discovery needed added support to bridge the gap between ideas and venture or private capital taking the idea on.

Location

Liberal Democrat MP Roger Williams asked it was important to be located near London to be near financial institutions to invest in pharma opportunities.

In reply, from Cambridge's point of view, Dr Goodier explained that communities of finance and expertise existed, and that finance followed the science.

Dr Tomlinson said that there were certain places where there were critical masses of support, and universities needed to make use of this.

Dr Tapolczay said that teams were important to make progress, not simply location, citing Dundee's initial importing of a high quality team to develop drug discovery. The pharma industry was not selective over which universities it collaborated with, just with the quality of the team and science, he explained.

Following on, Mr Williams asked if EU regulations hampered science and investments by the pharma industry.

Dr Bianco cited issues to do with employment law, and small companies looking to hire.

Parliamentary Questions on research and development grants (1)

Mr Umunna: To ask the Secretary of State for Business, Innovation and Skills what the total (a) number and (b) monetary value was of grants for research and development provided under (i) micro projects, (ii) research projects, (iii) development projects and (iv) exceptional development project categories, or their replacement schemes in (A) 2007, (B) 2008, (C) 2009, (D) 2010 and (E) 2011; what the total monetary value was of the contributions to project costs made by companies which qualified for grants under each category in each year; and what assessment he has made of any future demand under these schemes.[102174]

Mr Willetts: The number and value of grant offers made to companies under the Government's Grants for Research and Development (R&D) programme between 2007 and 2011 is as follows:

	Micro		Research		Development		Exceptional	
	Number	Value (£)	Number	Value (£)	Number	Value (£)	Number	Value (£)
2010/11	6	118,963	25	1,999,828	35	4,820,579	2	681,586
2009/10	45	753,539	163	12,683,618	126	16,925,797	8	1,939,374

2008/09	77	1,409,506	127	10,272,000	93	12,505,118	1	400,663
2007/08	82	1,460,567	116	8,097,649	127	14,626,129	9	4,056,396
2006/07	92	1,656,952	127	8,227,522	136	17,717,530	3	1,178,458

Figures for the value of contributions to projects costs made by companies are not available. However, under the terms of the Grant for R&D programme, the percentage of projects costs covered by the above grants (subject to the maximum grant) is as follows: Micro-projects—50% Research projects—60%—more in Assisted Areas Development projects—35%—more in Assisted Areas. Exceptional Development projects—up to 35% In April 2011, the Technology Strategy Board introduced a new national programme of Grant for R&D awards (now renamed Smart Awards).

The new programme provides support to small and medium-sized enterprises (SMEs) for Development of Prototype, Proof of Concept, and Proof of Market projects.

The value of awards offered in 2011/12 under the new programme is as follows:

Project type	Grants offered (£)	Company contribution (£)	Total project cost (£)	Number of projects
Development of Prototype	20,904,154	33,203,323	54,107,477	125
Proof of concept	13,814,478	12,893,274	26,707,752	184
Proof of market	2,600,582	2,089,967	4,690,549	123

In December 2011, the Government announced £75 million of additional investment for the Technology Strategy Board to support innovative companies in developing new products and processes.

As a result, the Technology Strategy will now make over £100 million available to SMEs between 2012-15 under the Smart Award programme.

[Parliamentary Question on UK science research funding \(2\)](#)

Mr Umunna: To ask the Secretary of State for Business, Innovation and Skills if he will publish data on the (a) number and (b) monetary value of collaborative research and development project grants awarded by the Technology Strategy Board in each year since 2007 showing (i) the average number of organisations participating per project (ii) the average number of universities and other higher educational establishments participating per project, (iii) the average number of micro businesses participating per project, (iv) the average number of other small businesses participating per project, (v) the average number of other small and medium-sized enterprises participating per project, (vi) the average number of large businesses participating per project and (vii) the average number of other organisations participating per project.[102209]

Mr Willetts [holding answer 27 March 2012]: The number and value of collaborative research and development projects supported by the Technology Strategy Board, and the average number of participants by organisation type, is shown in the following table.

	2007	2008	2009	2010	2011
Number of collaborative research and development projects	235	309	271	323	574

Value of collaborative research and development grants awarded by TSB (£ million)	209	104	243	151	57
Average number of organisations per collaborative research and development project	4.5	3	4	3.5	3
Average number of Universities/HEIs per collaborative research and development project	0.6	0.3	0.7	0.7	0.5
Average number of micro-businesses per collaborative research and development project	0.2	0.2	0.15	0.5	0.9
Average number of small businesses per collaborative research and development project	1.1	0.9	0.8	0.7	0.7
Average number of medium sized businesses per collaborative research and development project	0.4	0.3	0.4	0.3	0.2
Average number of large businesses per collaborative research and development project	2	0.9	1.1	0.7	0.4
Average number of other organisations per collaborative research and development project	0.1	0.3	0.9	0.5	0.2
Note: The above participant figures are rounded.					

[Parliamentary Question on UK science research funding \(3\)](#)

Mr Umunna: To ask the Secretary of State for Business, Innovation and Skills what the total monetary value was of collaborative research and development grants provided by the Technology Strategy Board to universities and other higher educational establishments in each year since 2007, together with the value of contributions to project costs made by them in each of those years.[102222]

Mr Willetts[holding answer 27 March 2012]: The value of Collaborative R&D grants provided by the Technology Strategy Board to universities and other higher educational establishments, and the value of contributions to Collaborative R&D project costs by those universities/HEIs, is as follows:

£ million		
	Total CR&D grant commitment to universities and other higher educational establishments	Total commitment to CR&D projects by universities and other higher educational establishments
2007	37.7	1.0
2008	20.1	0.3
2009	20.9	5.6
2010	38.3	1.9
2011	16.4	0.1

[Parliamentary Question on UK science research funding](#)

Chi Onwurah: To ask the Secretary of State for Business, Innovation and Skills what proportion of UK science research funding comes from the Sixth European Framework Programme for Research and Technological Development.[102593]

Mr Willetts: The overall funding levels and distribution for the Seventh Framework Programme were agreed in negotiations which were concluded before it was launched in 2007.

The Secretary of State for Business, Innovation and Skills, the right hon.

Member for Twickenham (Vince Cable), has therefore not had any discussions on this subject.

Parliamentary terms

Early Day Motion (EDM)

Early Day Motions are formal motions for debate submitted by MPs in the House of Commons. There is usually no time available to actually debate an EDM, but they are useful for drawing attention to specific events or campaigns and demonstrating the extent of parliamentary support for a particular cause or point of view. MPs register their support by signing individual motions.

Parliamentary Question (PQ)

Parliamentary questions are oral or written questions to Ministers in the House of Commons and the House of Lords. They are used to seek information, and Ministers are obliged to explain and defend the work, policy, decisions and actions of their departments. Parliamentary questions are a vital tool in holding the Government to account. The Prime Minister answers to the House of Commons every Wednesday at midday.

Debates

Both the House of Commons and the House of Lords hold debates in which Members discuss government policy, proposed new laws and current issues. All debates are recorded in a publication called 'Hansard' which is available online or in print.

All-Party Parliamentary Group (APPG)

All-Party Parliamentary Groups (APPGs) are informal groups composed of politicians from all political parties. They provide an opportunity for cross-party discussion and co-operation on particular issues. All-party groups sometimes act as useful pressure groups for specific causes helping to keep the Government, the opposition and MPs informed of parliamentary and outside opinion.

Select Committees

House of Commons Select Committees exist to scrutinise the work of government departments. Most committees have about 11 members and reflect the relative size of each party in the Commons. They conduct enquiries on a specific issue, and gather evidence from expert witnesses. Findings are reported to the Commons, printed, and published on the Parliament website. The Government then usually has 60 days to reply to the committee's recommendations.

Select Committees in the House of Lords concentrate on four main areas: Europe, science, economics, and the UK constitution.

Written ministerial statements

Government ministers can make written statements to announce:

- The publication of reports by government agencies
- Findings of reviews and inquiries and the government's response
- Financial and statistical information
- Procedure and policy initiatives of government departments

Private Members' Bills

Private Members' Bills allow backbench MPs or Peers to introduce their own legislation. There are three types of Private Members' Bills:

- **Ballot Bills:** A ballot is held at the beginning of each parliamentary year the 20 MPs whose names come out top are allowed to introduce legislation on a subject of their choice.
- **Ten Minute Rule Bills:** The sponsoring MP is given a slot in which they may make a speech lasting up to 10 minutes in support of his or her bill
- **Presentation Bill:** a Member is not able to speak in support of it and it stands almost no chance of becoming law