House of Commons
Innovation, Universities, Science and Skills Committee

Pre-appointment hearing with the Chair-elect of the Economic and Social Research Council, Dr Alan Gillespie CBE

Fifth Report of Session 2008–09
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Innovation, Universities, Science and Skills Committee

Pre-appointment hearing with the Chair-elect of the Economic and Social Research Council, Dr Alan Gillespie CBE

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Report with appendices, together with formal minutes and oral evidence

Ordered by the House of Commons to be printed 5 May 2009
The Innovation, Universities, Science & Skills Committee

The Innovation, Universities, Science & Skills Committee is appointed by the House of Commons to examine the expenditure, administration and policy of the Department for Innovation, Universities and Skills.

Current membership

Mr Phil Willis (Liberal Democrat, Harrogate and Knaresborough)(Chairman)
Dr Roberta Blackman-Woods (Labour, City of Durham)
Mr Tim Boswell (Conservative, Daventry)
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Graham Stringer (Labour, Manchester, Blackley)
Dr Desmond Turner (Labour, Brighton Kemptown)
Mr Rob Wilson (Conservative, Reading East)

Powers

The Committee is one of the departmental Select Committees, the powers of which are set out in House of Commons Standing Orders, principally in SO No.152. These are available on the Internet via www.parliament.uk

Publications

The Reports and evidence of the Committee are published by The Stationery Office by Order of the House. All publications of the Committee (including press notices) are on the Internet at www.parliament.uk/ius

A list of reports from the Committee in this Parliament is included at the back of this volume.

Committee staff

The current staff of the Committee are: Sarah Davies (Clerk); Glenn McKee (Second Clerk); Dr Christopher Tyler (Committee Specialist); Ellen Colebrook (Committee Specialist); Ana Ferreira (Senior Committee Assistant); Camilla Brace (Committee Assistant); Anna Browning (Committee Assistant); Jim Hudson (Committee Support Assistant); and Becky Jones (Media Officer).

Contacts

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Summary

On 5 May 2009 we held a pre-appointment hearing with the Chair-elect of the Economic and Social Research Council, Dr Alan Gillespie CBE. On the basis of the evidence provided at this hearing we have concluded that he is a suitable candidate for the post.
1 Introduction

Pre-appointment hearings

1. Government proposals for pre-appointment hearings were set out in the 2007 Green Paper *The Governance of Britain*. The Government sought to “involve Parliament in the appointment of key public officials” to “positions in which Parliament has a particularly strong interest because the officeholder exercises statutory or other powers in relation to protecting the public’s rights and interests”. The paper continued:

   The hearing would be non-binding, but in light of the report from the committee Ministers would decide whether to proceed. The hearings would cover issues such as the candidate’s suitability for the role, his or her key priorities, and the process used in selection.²

2. The Liaison Committee subsequently produced a set of guidelines to ensure pre-appointment hearings are conducted appropriately, and in order to “maintain an appointments process which is proportionate and continues to attract high-quality candidates”. The Liaison Committee also consulted with select committee chairmen on which posts should be subject to such hearings.⁴

Scrutiny of Research Council appointments

3. Between 2003 and 2007, prior to the introduction of pre-appointment hearings, the former Science and Technology Committee held introductory hearings with newly appointed Chairmen and Chief Executives of Research Councils soon after they had taken up their posts. These hearings aimed to “satisfy parliament that the post has been filled with someone of sufficient calibre”, and to facilitate understanding of the role and interests of both parties.⁵ Following the *Governance of Britain* proposals, the Committee stated:

   We are pleased that the Government is taking steps to involve select committees more fully in the scrutiny of public appointments. We believe that pre-appointment hearings with the relevant Select Committee will improve accountability and help ensure that the right people are appointed to key positions. We recommend that

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¹ Ministry of Justice, *The Governance of Britain* (Cm 7170), July 2007, p 28
² As above, p 29
⁴ As above.
⁵ Sir John Chisholm, Chairman of MRC, July 07 (HC 746); Mr Ed Wallis, Chief Executive of NERC, April 07 (HC 747–i); Professor Philip Esler, Chief Executive of AHRC, February 07 (HC 310–i); Professor Keith Mason, Chief Executive of PPARC, January 06 (HC 808–i); Professor Alan Thorpe, Chief Executive of NERC, October 05 (HC 491–i); Professor Colin Blakemore, Chief Executive of MRC, December 03 (HC 55); Professor Ian Diamond, Chief Executive of ESRC, January 03 (HC 277–i).
Chairpersons and Chief Executives of the Research Councils be included in the proposed list of appointments that should be subject to these hearings.\(^7\)

4. Such appointments were not originally included in the Government’s list of posts to be subject to pre-appointment hearings. They were proposed by our Chairman during the Liaison Committee consultation,\(^8\) and the Government’s response included Research Council Chairs in a revised list of suitable posts.\(^9\)

5. The Secretary of State for Innovation, Universities and Skills, the Rt Hon John Denham MP, wrote to the Chairman on 6 April 2009 indicating that Dr Alan Gillespie CBE had been identified as the preferred candidate for the post of Chair of the Economic and Social Research Council (ESRC).\(^10\) We were pleased to have the opportunity to question Dr Gillespie prior to his appointment.
2 Background to the post

The Economic and Social Research Council

6. The ESRC was formed from the Social Science Research Council (SSRC), which was established by Royal Charter in 1965. The SSRC became ESRC in 1983, following a 1982 review by Lord Rothschild which recommended a “stronger focus on empirical research and on research considered of ‘public concern’”. The Mission of ESRC (set out in full in its Royal Charter [Appendix 2]) is to promote and support research in the social sciences, including providing trained social scientists, and providing advice, disseminating knowledge, and promoting the public understanding of the social sciences. ESRC is, like the six other Research Councils, a non-departmental public body sponsored by the Department for Innovation, Universities and Skills (DIUS).

7. Of the seven Research Councils sponsored by DIUS, ESRC has one of the smallest budget allocations (£165 million in 2008-2009), second only to the Arts and Humanities Research Council. ESRC funds social science across a wide range of disciplines “from economics through psychology to anthropology, and from issues such as environmental sustainability and international security to youth crime and family welfare”. Its Strategic Priorities for 2005–2010 were informed by consultation with stakeholders across sectors in 2004, a process described as “a credit to the Council” by the former Science and Technology Committee. Priorities identified included increasing responsive mode funding, improving connections with end users of research and increasing internationalisation. ESRC has recently completed a consultation on its 2009–2014 Strategic Plan, due to be published in May 2009. The Council works with stakeholders across sectors and holds concordats with several Government departments, devolved administrations, public agencies and with the third sector. These aim to facilitate “liaison and collaboration” with end users of ESRC research.

The role of the Chair

8. The Chair of ESRC “is responsible for the overall direction and management” of the ESRC Council, which is made up of 10 to 18 members appointed by the Government from the academic, business and public sectors. The Chair and Chief Executive are also

11 ESRC, SSRC/ ESRC: The first forty years, p 17
   www.esrcsocietytoday.ac.uk/ESRCInfoCentre/Images/ESRC_40YR_ANNI_tcm6-15390.pdf
12 www.esrc.ac.uk/ESRCInfoCentre/Images/Royal%20Charter%201994_tcm6-1798.pdf
14 ESRC Strategic Plan 2005–2010, p 5
16 ESRC Strategic Plan 2005–2010
17 www.esrc.ac.uk/ESRCInfoCentre/about/strategicplan/
18 www.esrc.ac.uk/ESRCInfoCentre/KnowledgeExch/Working_with_government.aspx
19 Annex B to Appendix 1, The Role of Chair
20 www.esrc.ac.uk/ESRCInfoCentre/Images/Royal%20Charter%201994_tcm6-1798.pdf
Council members. Council decides “all issues of major importance” to ESRC, “including issues of corporate strategy, key strategic objectives and targets, major decisions involving the use of financial or other resources, and personal issues, including key appointments”. A series of Research Boards (each chaired by a Council member) and Committees report to, and advise on behalf of, ESRC Council. The Chief Executive of ESRC works to implement ESRC Council’s policies and decisions. The current Chief Executive and interim Chair is Professor Ian Diamond, who was appointed in 2003 and re-appointed in 2006 until December 2010. The previous Chair, Lord Turner, retired from the post in September 2008 to become Chair of the Financial Services Authority.

9. The job specification states that the appointment to the role of Chair “is for four years in the first instance, with the possibility of re-appointment”. Around 24 days a year are expected to be dedicated to the role. An “honorarium” (currently £16,180 a year) is paid.

10. Key responsibilities of the Chair as set out in the job description are appended to this report as Annex B to Appendix 1.

21 www.esrcsocietytoday.ac.uk/ESRCInfoCentre/about/what_to_do/OurOrganisationandstructure/TheESRCCouncil/current_council_membership/index.aspx#0
22 ESRC Code of Practice for Members of Board, Committees and Groups, February 2000, p 2
23 www.esrcsocietytoday.ac.uk/ESRCInfoCentre/about/what%5Fto%5Fdo/OurOrganisationandstructure/TheESRCCouncil/
24 www.esrcsocietytoday.ac.uk/ESRCInfoCentre/PO/releases/2006/june/ce.aspx
25 www.esrcsocietytoday.ac.uk/ESRCInfoCentre/PO/ESRC_Executives/Chair/
26 Annex B to Appendix 1, Job description
3 The recruitment process

11. The Chair of ESRC is appointed by the Secretary of State for Innovation, Universities and Skills, in a process that must be in accordance with the recommendations of the Code of Practice of the Commissioner for Public Appointments.²⁷ DIUS informed us that the job information pack (appended to this report as Annex B to Appendix 1) was approved by the Office of the Commissioner for Public Appointments’ (OCPA) independent public appointments assessor before the post was advertised in the Sunday Times on 2 November 2008. The recruitment exercise was carried out by head-hunting firm Saxon Bampfylde which also conducted a search. All applications were put before a panel consisting of:

— Professor Adrian Smith, Director General Science and Research at DIUS (Chair);

— John Neilson, Director Research Base Group;

— Baroness Onora O’Neill, President of the British Academy; and

— Professor Robert Burgess, Vice Chancellor, Leicester University (who acted as the OCPA’s independent public appointments assessor).²⁸

12. The panel shortlisted suitable candidates and held interviews on 9 February 2009. In accordance with the terms of the ESRC Royal Charter the interim Chair (Professor Ian Diamond) was consulted, and recommendations were then made to the Secretary of State who “considered their advice and decided whom he wished to appoint”.²⁹ DIUS also informs us that the Prime Minister was consulted (in accordance with Cabinet Office guidelines⁴⁰) and has given his approval.³¹

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²⁸ Annex A to Appendix 1, The recruitment process.
²⁹ As above.
³¹ Annex A to Appendix 1, The recruitment process.
4 The candidate


14. He has held a number of public sector roles, primarily in international development. He was Chairman of the European Development Finance Institutions from 2001 to 2002 and Chief Executive of the Commonwealth Development Corporation from 1999 to 2002. He has also held the post of Chair of the Northern Ireland Industrial Development Board (1997 to 2002) and Co-Chair of Northern Ireland Rediscovered (2005 to 2007). He was awarded a CBE in 2003.

15. His current roles are:

— Chairman of the International Finance Facility for Immunisation;
— Board Member of the British-Irish Association;
— Advisory Board Member of the UNESCO Centre for International Development (University of Ulster) and Career Academies UK;
— Honorary Patron of the Queen’s University Foundation; and
— Senior Independent Director of United Business Media plc (non-executive role).

16. He has a BA, MA and PhD from the University of Cambridge and is an Honorary Fellow of Clare College, Cambridge.

17. Dr Gillespie’s full CV is appended as Annex C to Appendix 1.
5 Our questioning

18. Our questioning of Dr Gillespie covered his professional competence and personal independence, his priorities for ESRC and policy issues relevant to the post, in line with Liaison Committee guidelines.32

19. A key responsibility of the Chair of ESRC is to foster links between ESRC and Government.33 In a 2004 review of the work of ESRC the former Science and Technology Committee argued that ESRC should take steps to “remind Government of its commitment to evidence based policy making” in areas of ESRC’s remit.34 Given the current recession, the role of the Chair of ESRC and the work of the Council in providing the evidence on which the Government’s response is based is crucial. We therefore questioned Dr Gillespie on how ESRC should address issues raised by the economic crisis.

20. We also questioned Dr Gillespie about:

- the recruitment process;
- his experience of social research;
- issues relating to ESRC funding, including the potential impact of strategic focusing, the development of the Research Excellence Framework, and availability of responsive mode funding to ESRC researchers.

21. A transcript of the hearing is printed with this report.

32 HC (2007–08) 384, p 9
33 Annex B, Appendix 1
34 HC (2004–05) 13, p 39
6 Conclusion

22. We are satisfied that Dr Alan Gillespie has the professional competence and personal independence required to Chair the ESRC. We were impressed by his preparation, openness and awareness of the issues, and by his commitment to broadening the public influence of the ESRC and to research excellence across the range of academia. We recommend that the Secretary of State proceed with the appointment and wish Dr Gillespie every success in his new post.
Appendix 1

Letter from the Rt Hon John Denham MP, Secretary of State for Innovation, Universities and Skills to Mr Phil Willis MP, Chairman of the Innovation, Universities, Science and Skills Committee.

I am writing to inform you that I have identified Professor Sir Tom Blundell as the Government’s candidate to be the new Chair of the Biotechnology and Biological Sciences Research Council (BBSRC) and Dr Alan Gillespie CBE as the Government’s candidate to be the new Chair of the Economic and Social Research Council and to invite the Innovation, Universities, Science and Skills (IUS) Select Committee, if it wishes, to hold pre-appointment hearings in line with the new procedure agreed in the Government’s Response to the Liaison Committee’s First Report of Session 2007-08, HC 594.

Professor Blundell has had a distinguished career in the biosciences including having been Professor of Biochemistry and Chair of the School of Biological Sciences at Cambridge. The present Chair, Dr Peter Ringrose, retires at the end of April.

Dr Gillespie has had a distinguished career in financial services. He was a partner and Managing Director with Goldman Sachs and Chairman of Ulster Bank Group. He was Chair of the Commonwealth Development Corporation and Northern Ireland Development Board. The former Chair Lord Turner of Ecchinswell retired last September.

To inform the Committee’s decision on whether or not to hold a hearing and in anticipation of the Committee wishing to do so I annex details of the legal basis of the appointments and the recruitment process (Annex A), and attach the two information packs for candidates which includes a job description and person specification and terms and conditions (Annex B) and a CV for each candidate (Annex C).

April 2009
Annex A

Legal basis

Both BBSRC and ESRC were formed under the provisions of section 1(1)(c) of the Science and Technology Act 1965. Appointments to both of the Research Councils are made by the Secretary of State for Innovation Universities and Skills under the terms of section 4 of their Royal Charters.

ESRC

4. (1) The Council shall consist of a Chair, a Chief Executive and Deputy Chair, and not less than ten nor more than eighteen other members, at least half of whom shall be appointed by reason of their qualifications in the social sciences.

(2) Subject to the provisions of paragraph (3) of this Article, the Chair, the Chief Executive and Deputy Chair, and the other members shall be appointed and the terms of their appointment or the revocation of any appointment determined by Our Secretary of State.

(3) (a) Before appointing any member, including the Chair and the Chief Executive and Deputy Chair, on account of his qualifications in the social sciences, Our Secretary of State shall consult the President for the time being of the British Academy.
(b) Before appointing any member, including the Chair and the Chief Executive and Deputy Chair, Our Secretary of State shall consult the Chair for the time being of the Council, who may consult other members of the Council as he shall see fit.

(4) Every member, including the Chair and the Chief Executive and Deputy Chair, shall hold and vacate his office solely in accordance with the terms of his appointment, and shall, on the expiry of his term of appointment, be eligible for re-appointment but

(a) a member shall not be appointed for a term of more than four years;
(b) a member who is re-appointed on ceasing to be a member shall not again be eligible for re-appointment before the expiration of one year from the end of the period for which he is re-appointed: provided that this sub-paragraph shall not apply to a person appointed to serve as Chair or Chief Executive and Deputy Chair or to a person who is a civil servant or who is employed by a Research Council;
(c) a member may at any time by notice in writing to Our Secretary of State resign his office; and
(d) any member who is also employed as a civil servant or who is also employed by a Research Council shall hold his office only so long as he is so employed.

(5) Except as provided in paragraph (7) of this Article, the Council shall in the case of any such member as Our Secretary of State may determine

(a) pay to him such remuneration and allowances as may be so determined in his case; and

(b) pay to or in respect of him such pension, allowance or gratuity on his retirement or death, or make such payments towards provision for such a pension, allowance or gratuity, as may be so determined in his case.

(6) If a person ceases to be a member of the Council otherwise than on the expiration of his term of office, and it appears to Our Secretary of State that there are special circumstances which make it right that that person should receive compensation, the Council shall make to that person a payment of such amount as Our Secretary of State may determine.

(7) The Council shall not in any circumstances or at any time make to or in respect of any person in his capacity as a member of the Council any payment of any kind whatsoever for or in respect of any period when he is also a member of the House of Commons, the Scottish Parliament, the National Assembly for Wales or the Northern Ireland Assembly (when so constituted), other than a payment by way of reimbursement to him of actual out of pocket expenses previously and necessarily incurred by him in the performance of his duties as such member of the Council.

(8) The provisions of paragraphs (5) and (6) of this article shall not apply to a member who is an officer of a Department of Our Government.

**The recruitment process**

The process for both Councils followed the recommendations of the Code of practice of the Commissioner for Public Appointments as it applies to upper tier bodies. Both appointment processes were overseen by panels:

**ESRC**

Professor Adrian Smith, Director General Science and Research at DIUS (Chair)
John Neilson, Director Research Base Group
Professor Robert Burgess, Vice Chancellor, Leicester University, acted as the OCPA independent public appointments assessor; and
Baroness Onora O’Neill, President of the British Academy

After preparation of information packs for each appointment, which include details of the role and person specifications and terms and conditions and which were approved by the
OCPA independent public appointments assessor, both appointments were advertised in the Sunday Times on 2 November 2008 and recruitment consultants Saxton Bampfyld conducted a search. The closing date for both competitions was 19 November. Following consideration of all the applications, each panel compiled its short list and Interviews were held for the BBSRC Chair position on 26 January and for the ESRC Chair position on 9 February. In accordance with each Council’s Royal Charter, the Chairs for the time being, Dr Peter Ringrose, BBSRC, and Professor Ian Diamond, ESRC, were consulted. Recommendations were then made by each panel to the Secretary of State who considered their advice and decided whom he wished to appoint. The Secretary of State has consulted the Prime Minister who has indicated that he is content.
1. ESRC

The Government’s “Science & innovation investment framework 2004-2014” sets out its policy for the long term sustainability of the research base in the UK. The Research Councils are the main route through which public funds for the research base are allocated. The Councils are not only responsible for ensuring excellence in research and the efficient management of public funds, but also for taking a strategic view of research needs and its impact on society and the economy.

The Economic and Social Research Council is one of the seven research councils. Incorporated by Royal Charter in 1965, ESRC is a Non-Departmental Public Body and is funded mainly by grants from the Department for Innovation, Universities and Skills.

The Council’s objects are set out in its Royal Charter; in summary they are to:

- promote and support, by any means, high-quality basic, strategic and applied research and related postgraduate training in the social sciences;
- advance knowledge and provide trained social scientists who meet the needs of users and beneficiaries, thereby contributing to the economic competitiveness of the UK, the effectiveness of the public services and policy, and the quality of life; and
- provide advice on, and disseminate knowledge and promote public understanding of the social sciences.

The ESRC’s budget for 2008–09 is £165 million. The Council employs around 120 staff at its Swindon head office.

ESRC works closely with other Research Councils through Research Councils UK (RCUK) to:

- create a common framework for research, training, knowledge transfer; and
- harmonise services to the academic and stakeholder communities and other science funders (both UK and international).

2. The Role of Chair

The appointment will commence as soon as possible. Lord Adair Turner, the previous Chair, retired in September 2008 to become the new Chair of the Financial Services Authority. The Council’s Chief Executive, Professor Ian Diamond, is acting Chair in the interim.

The Chair will work with the full time Chief Executive, who is the Council’s Accounting Officer, and a Council of 14 members, leading the ESRC in pursuit of its objects.
The Chair will act as the custodian of the Council’s objects and Charter objectives and is responsible for the overall direction and management of the Council.

Job Description

The key responsibilities of the role are:

- working with the Director General for Science and Research, the ESRC Chief Executive and the Council in the development of the Council’s strategic direction and policies to deliver ESRC’s objects, within the overall framework of government policy;
- working with the Director General for Science and Research and the other Research Council Chairs and Chief Executives on cross-Council research and other wider science policy issues;
- working to improve the links between ESRC, the research community it supports, national and international research funding and policy agencies, including learned and professional institutions, and with Government;
- chairing Council meetings, typically four times a year, some of which are all day meetings preceded by an evening session, in a way that facilitates the corporate pursuit of Council objectives; and
- chairing the Appointments Committee, which recommends to the Secretary of State shortlists for Members of Council, and assessing the performance of the Chief Executive and Council Members.

Person Specification

Experience and qualifications

The appointee will have the following experience:

- senior leadership in a substantial and complex organisation;
- non-executive or Chairing experience in a private or public sector body;
- financial planning and management;
- operating in contexts where the ability to exercise judgement across a broad spectrum of policy and high-level management issues has been proved;
- dealing with complex, difficult discussions with energy and diplomacy; and
- dealing effectively with governance and other governing body management issues.

It would be desirable, but not essential, for candidates to have experience either in a research led organisation or in one that has a strong interface with such organisations.
Skills and personal qualities

Candidates will also demonstrate:

• excellent intellectual skills and good judgement; and
• first class communication, relationship building and persuasion skills

Candidates should have sufficient stature to lead the Council effectively as Chair, and have an interest in ESRC’s research areas. Detailed knowledge of these areas is not necessary.

Conflicts of interest

Potential candidates should be aware that the Council must avoid conflicts of interest in its work, and therefore individuals with significant responsibilities in other bodies funding economic and social research are not eligible to apply. Applicants are asked to declare any potential conflicts on the application form and to note that all members of Council are required to declare any private, professional or commercial interests that might conflict with the interests of the Council, or which might be perceived by others as creating a conflict of interest.

3. Terms and Conditions

Remuneration/benefits
This is a part time non-executive appointment for which an honorarium is paid. The rate is currently £16,180 a year. Travel and other reasonable expenses will be paid.

Length of the appointment
The appointment is for four years in the first instance with the possibility of re-appointment.

There is a degree of flexibility in the role, but typically in the order of 24 days a year are expected.
Annex C

Alan R. Gillespie CBE

Banking Career:

[July 2008]  [Chairman, elect Alliance & Leicester plc]  This role did not materialize due to the acquisition of A&L by Banco Santander

2001–2008 Chairman
Ulster Bank Group
(wholly owned subsidiary of The Royal Bank of Scotland Group)

1986–1999 Goldman Sachs & Co
Partner and Managing Director, New York/London

1976–1986 Citigroup/Citibank
Executive Director, London/Geneva

Public Sector:

2005–Present Chairman
The International Finance Facility for Immunization (IFFIm)
(A US$5 billion development finance initiative linked to GAVI, Geneva promoted by the UK government and co-funded by France, Spain, Italy, Norway, Sweden and South Africa).


2001–2002 Chairman: EDFI (European Development Finance Institutions)
Brussels

1999–2002 Chief Executive
Commonwealth Development Corporation
CDC Group plc, London

1999–2006 Chairman, University Challenge Venture Capital Fund

1997–2002 Chairman
The Northern Ireland Industrial Development Board

Non-Executive Director:

2008–present United Business Media plc;
Pre–appointment hearing with the Chair–elect of the Economic and Social Research Council

1969–1976 University of Cambridge, Clare College
1972: BA Hons
1973: MA
1977: PhD “Growth Centres and Regional Economic Development”

Honours:

2008: Honorary Fellow: Clare College Cambridge
2008: High Sheriff of County Down
2005: Honorary Degree: The Queen’s University of Belfast
2003: CBE
2001: Honorary Degree: The University of Ulster

Personal:

Nationality: British
DOB: 31 July 1950
Married: Son (29); Daughter (26)
Appendix 2

The Objects of ESRC, as set out in its Royal Charter, are:

(a) to promote and support, by any means, high-quality basic, strategic and applied research and related postgraduate training in the social sciences;

(b) to advance knowledge and provide trained social scientists which meet the needs of users and beneficiaries, thereby contributing to the economic competitiveness of the United Kingdom, the effectiveness of public services and policy, and the quality of life;

(c) to provide advice on, and disseminate knowledge and promote public understanding of, the social sciences.\textsuperscript{35}

\textsuperscript{35} http://www.esrc.ac.uk/ESRCInfoCentre/Images/Royal%20Charter%201994_tcm6-1798.pdf
Formal Minutes

Tuesday 5 May 2009

Members present:

Mr Phil Willis, in the Chair

Mr Tim Boswell
Mr Ian Cawsey
Dr Evan Harris

Dr Brian Iddon
Mr Gordon Marsden
Ian Stewart

Draft Report (Pre-appointment hearing with the Chair-elect of the Economic and Social Research Council, Dr Alan Gillespie CBE), proposed by the Chairman, brought up and read.

Ordered, That the Chairman’s draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 22 read and agreed to.

Papers were appended to the Report as Appendices 1 and 2.

Resolved, That the Report be the Fifth Report of the Committee to the House.

Ordered, That the Chairman make the Report to the House.

Oral and written evidence were ordered to be reported to the House for publication with the Report.

[Adjourned till Wednesday 6 May at 9.00am.]
List of Reports from the Committee during the current Parliament

The reference number of the Government’s response to each Report is printed in brackets after the HC printing number.

**Session 2008–09**

| First Report | Re-skilling for recovery: After Leitch, implementing skills and training policies | HC 48–I (HC 365) |
| Second Report | The Work of the Committee 2007-08 | HC 49 |
| Fourth Report | Engineering: turning ideas into reality | HC 50–I |

**Session 2007-08**

| First Report | UK Centre for Medical Research and Innovation | HC 185 (HC 459) |
| Second Report | The work and operation of the Copyright Tribunal | HC 245 (HC 637) |
| Third Report | Withdrawal of funding for equivalent or lower level qualifications (ELQs) | HC 187–I (HC 638) |
| Fourth Report | Science Budget Allocations | HC 215 (HC 639) |
| Fifth Report | Renewable electricity-generation technologies | HC 216–I (HC 1063) |
| Sixth Report | Biosecurity in UK research laboratories | HC 360–I (HC 1111) |
| First Special Report | The Funding of Science and Discovery Centres: Government Response to the Eleventh Report from the Science and Technology Committee, Session 2006–07 | HC 214 |
| Second Special Report | The Last Report: Government Response to the Thirteenth Report from the Science and Technology Committee, Session 2006–07 | HC 244 |
| Fourth Special Report | Investigating the Oceans: Government Response to the Science and Technology Committee’s Tenth Report of Session 2006–07 | HC 506 [incorporating HC 469–I] |
Oral evidence

Taken before the Innovation, Universities, Science & Skills Committee

on Tuesday 5 May 2009

Members present:
Mr Phil Willis, Chairman
Mr Tim Boswell
Mr Ian Cawsey
Dr Brian Iddon
Mr Gordon Marsden
Ian Stewart

Witness: Dr Alan Gillespie CBE, Chair-elect, Economic and Social Research Council, gave evidence.

Q1 Chairman: Could I welcome sincerely Dr Alan Gillespie, the Chair-elect of the Economic and Social Research Council, to this, the first pre-appointment hearing that this Committee has had, and could I immediately apologise to you, Dr Gillespie, for having to rearrange this session at fairly short notice because of the business of the House. Thank you very much indeed for making yourself available today. What attracted you, first, to the post of chair of ESRC? How did that come about?

Dr Gillespie: I have entered a stage of life where I am not any longer doing one full-time job, it happened a few years ago, doing a variety of things. One particular responsibility I have been carrying for the last seven years finished last autumn, so when this was advertised my eye turned to it and something intuitively told me this was interesting and attractive to me and I should make myself a candidate. Why did I do that? First, I am a social scientist, born and bred, in some sense; I had the privilege of having seven years at Cambridge where after a first degree I did a PhD in Economic Geography, and indeed at that time had funding from the Social Sciences Research Council. That is going back 35/40 years. So somewhere in my own formation data, research, analysis and social sciences were a very critical part of my education and formation, and reflectively I would say that much of what I have had the opportunity to be involved in over my career has been based on data and analysis and thoughtful research. So I am attracted to this because I believe deeply in the role of research; I am broadly interested in the workings of our society; and I think the work of this Council is critical in the allocation of capital and its steering of the research agenda. So a mix of those. Plus the fact that I have been involved in the public sector and have chaired a couple of public bodies gave me a sense that I could make myself available.

Q2 Chairman: Could I ask you bluntly, if your Alliance & Leicester job had not fallen through, would you still have wanted this post?

Dr Gillespie: I will never know the right answer to that because had I continued at the Alliance & Leicester I would have commenced last July, and we all know what a busy autumn and winter it was for everyone in the financial services sector. I suspect I would have been very deeply absorbed in that and probably would not be putting my hand up for another public appointment, but we will never know.

Q3 Chairman: I want to see whether this was second prize, really?

Dr Gillespie: I do want to say that I undertake another public role for a group of governments, of which the United Kingdom is the lead government, and so I suspect if I had been doing Alliance & Leicester and carrying the weight of that I would have not put my hand up for this, given I am already doing one other thing in the public sector.

Q4 Chairman: And do you feel that, given the wide range of the responsibilities you have, you can fit this in with relative ease?

Dr Gillespie: I have no doubt at all that I have the capacity to do this and can do it with the fullest commitment.

Chairman: Thank you very much indeed.

Q5 Mr Cawsey: As the Chairman said, obviously we know about your background and it has been much more focused on banking which has been much in the news recently—welcome to our world—but your background is much more banking than research, so what do you think you can bring to this post, given that that is the nature of your previous work history?

Dr Gillespie: You are right in saying my mainstream career has been in banking, and I am still proud to say I have been a banker for thirty years, even though the profession has been somewhat discredited. But let me address that. So much of what I have done in the financial community is based on data, analysis and research, so I have worked in a world of rational thought and detailed analysis in my professional life. Whether helping companies or governments in the markets one has to go in well-briefed and well-researched on whatever the topic is, so, as I said in the preliminary question, I took out of my PhD and academic life a set of skills and research that I have carried into my life in banking, but also I would say, sir, that over the last 14 years I have had a parallel life in a number of public sector positions, all of which again have been built around the allocation of capital for different things and each decision is taken around the facts and data and
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analysis, so I have much to learn in all of this, but I think both my business life in the private sector and my various exposures to the public sector have taught me the value of research.

Q6 Mr Cawsey: Is it a bit about leadership as well, and setting a strategic vision for the future?
Dr Gillespie: Yes. I have in a number of roles had to work alongside the chief executive, or work with a committee or a board, and try and help steer the strategic vision, whatever that might be. I have had a chance to do that in the context of Northern Ireland and I am currently doing that in the context of the agenda for the poor countries.

Q7 Mr Cawsey: You have said a bit about the other roles you have played, particularly in the public sector. To what extent have you been involved with social research-led organisations in the past and, moving on from that, obviously this is a role which is going to put you in touch with lots of academics and your own experience is relatively limited in that regard. Do you think that would be a cause for concern, either to you or to the people you have to work with?
Dr Gillespie: Let me take the second part of your question, how do I fare in the company of academics and around universities? My connection with Cambridge has continued for forty years and really what I am going to say, and I think it is important to say this, is that unusually for someone who has been in the financial markets in the City I have had quite a connection with universities, and that in turn is part of what has attracted me to this role. So my connection with Cambridge has continued; I was very involved in the formation of the business school and sat on the advisory board of the Judge Institute for six years and saw the challenges of setting up a business school in that university; I have been appointed an Honorary Fellow of Clare College business school in that university; I have been on boards at the University of Ulster in Northern Ireland, and at Queen’s University Belfast, so right now I am engaged with three universities and therefore I feel very at ease in the company of academics, and I am someone who is rigorous and I do my homework, and I think I can get myself into most discussions.

Q8 Mr Boswell: Before I begin my questions, can I thank you very much for coming in, Dr Gillespie, and I think for the utmost good faith I ought to declare that I am a member here of a parliamentary group on pneumococcal diseases and we have had some dealings with GAVI and therefore, indirectly, with the International Finance Facility for Immunisation, though I think we have never personally met but I thought I should put that on the record. If I could turn to your ideas for the future of ESRC, to what extent do you think the Council’s priorities should reflect those of the government?
Dr Gillespie: Well, there is an interesting balance here between the issues that are of critical importance to the nation and society that indeed government will be scrutinising and trying to guide thoughtful research towards at an over-arching level, and yet at the same time what I believe in, the need for absolute independence in terms of who drives the research agenda up through the Councils, and this Haldane principle which has served the United Kingdom well for many years I want to take up and maintain and reinforce.

Q9 Mr Boswell: So you would not be frightened of falling out with ministers if you felt you were right?
Dr Gillespie: I would try not to but I am someone who will certainly stand up and challenge if I do not think it is going in the direction it should, and I come back to this importance of the over-arching independence of the Council, both in terms of giving guidance to the academic community and also calling for research themes. Let it be bottom up.

Q10 Mr Boswell: I have a bit of a fast ball now because obviously this is the beginning of the process. Do you have a view yet about the strengths and weaknesses in the Council? Is the balance about right? Is there anything you would like to change?
Dr Gillespie: As part of my due diligence I had an interesting conversation with the new Director General of Research Councils, Adrian Smith, and I asked him whether the ESRC appeared on his radar, and his answer was, “Only for the good reasons; I don’t wake up worrying about it”, and I found that very reassuring, that this is a research council that is extremely tidy in its governance, compliance and process, and although I have not yet joined the Council I have looked through a year’s minutes of its meetings and I found a very tight operational structure, so I think from that perspective it is well run. I am also impressed by the scope of research that it is funding across our universities. £170 million a year is going across many projects which cover the whole range from very core basic research in quite intellectual methodological themes through all sorts of things that are absolutely applied, and my burden for the future would be that the ESRC has got to be funding research that is addressing the questions facing our nation today and that are relevant to where we are. We have come through now almost 24 months of just unthinkable change in the way this country operates with huge cost both in financial terms and human, and the ESRC has got to say what comes out of that in terms of the right themes for research and inquiry over the coming period.

Q11 Mr Boswell: One technical question: it is an ESRC priority to improve the success of responsive mode grants. This does not seem to have happened yet. Have you a view as to why that should be?
Dr Gillespie: Success, as defined, means that many people who apply for grants do not get them, and there can be two reasons. One is there can be many more people just interested in getting to ESRC’s budget to have a piece of it, and that is good. I do not think there is anything wrong with there being lots of demand for money, but equally ESRC has to be extremely discerning in the way it allocates. I have had a preliminary conversation with the Chief
Executive about this, and I know he is committed to getting the success rate to responsive funding requests up in the coming years, and I would certainly want to promote that.

**Q12 Mr Boswell:** Can I turn quickly, because we are short of time, to the question of stakeholders? You have on the one hand consultation with the sector and stakeholders in that sense, as well as alongside the Government, and you did touch on that in answer to my first question. There is also the fact that you are, as it were, in partnership with other councils. There is a lot of cross-council work because of the nature of the social sciences and their contribution. How do you see those sorts of networks evolving, or areas where you could develop them?

**Dr Gillespie:** Well, I have observed that the networks are far more complex and wide-reaching than they used to be, and the way in which the research councils are cross-collaborating around certain cutting edge themes is absolutely necessary. In the world of stakeholders it is invidious to suggest who is more important than anyone else but, at its core, the ESRC is here to serve the social scientists in our universities and academic institutions and help fund their good work, and I think we need to be constantly cognizant of the themes they are bringing up and the sort of things they feel they should be working on, both in the training budget around PhD research studentships and in funding departments, but at the same time, beyond the academic community, what I believe this should be all about is producing findings from research that are useful out there, useful to you folks in government as you define policy, useful to business leaders in the broader business but also useful to the third sector, to the evolving community, the NGOs.

**Q13 Mr Boswell:** Do you think there is a role perhaps for ESRC to get other academics who are scientists to take social sciences seriously?

**Dr Gillespie:** I do not really have a feel for that yet but my sense is that social science is taken seriously. Everyone understands how important wages are and crime, health and lifestyle, this is what makes society, and I come across few pure scientists who in any way lack respect for the social sciences. Every science, every branch of education, has to keep waving its flag, and one of the things I would like to see is that ESRC becomes maybe better known and talked about, with the findings of ESRC funded research getting disseminated through better communication.

**Q14 Ian Stewart:** Can I press you a little bit on this business orientated research approach? Even today there have been reports in the newspapers criticising the government for being too business orientated in education. What do you think about the statement that people make that we should be pursuing knowledge for its own sake rather than just for business? Where do you stand on that?

**Dr Gillespie:** I would want to say that there is a critical role for basic or, let’s say, unapplied research alongside applied research. If you do not do basic research, whether it is in social sciences or medical sciences, you do not move on to applied research, and basic research or core research is, in my mind, research which has not yet become applied, so in the social sciences that might be in obscure forms of statistical methods or whatever; you have to do that work before the output of that can ever have any application. So, as we all understand how important that is in medicine, it is equally important in social sciences.

**Q15 Ian Stewart:** Philosophy?

**Dr Gillespie:** Yes, indeed, in its link to the humanities. We are training people here to use their minds but, at the end of the day, I would also say that we need to be sure that there is the right balance in terms of output that is capable of informing our society, and society is not just government or business or the social sector, but all of those. I would not want ESRC to be thought of as just serving a business community; that would be unnecessarily narrow.

**Q16 Mr Boswell:** May I come in with this question? In a sense ESRC is taxpayer-funded, though not exclusively, and its main stakeholders are within the United Kingdom. You have a background I have already referred to with an interest in international development, and as it happens I have too, but do you regard that as being an area that you would like to see developed within the Council, and, more generally than the specific development side, do you see the international arm or perspective of the Council as being something you want to grow?

**Dr Gillespie:** Yes, indeed, because I do not think we live in a world where an observation on this or that of the social sciences is unique to any one nation, and therefore cross-border research ought to be –

**Q17 Mr Boswell:** Comparative research?

**Dr Gillespie:** Indeed, yes. One of the things I have learned from the work of the Council is that it is now possible for British academics to get into research clusters with academics throughout Europe and the world, and in no way are they cutting themselves off from an ability to get funded from the ESRC. The mechanisms are there in place for that. As far as international development is concerned I am very heartened by the fact that the Department for International Development has put a line of its research funding through the ESRC, so far maybe £15-£20 million, to promote research around the questions of international development. That to me is at the heart of application and the agenda for poverty alleviation. We have had some centres of excellence in the United Kingdom in terms of international development—Sussex, Liverpool, SOAS—but I would like to see many more universities encouraging their researchers to research the Africa agenda and so on, so I am very much behind that.
Q18 Mr Marsden: Dr Gillespie, I wonder if I could just talk to you a little further about research funding and research funding formulae, and I am encouraged to do so not least on the back of what you just said but also what you said earlier. I think you said in conversation with Adrian Smith that you have been impressed by the scope of research across universities. Now, of course, we are in the process of transition because the research assessment exercise for 2008 which has just been concluded is going to be the last of its type and HEFCE in November 2007 published proposals for a new assessment framework and a research excellence framework, and RCUK, specifically on that occasion in respect of social research, said they were worried that the proposals did not take into account the impact of non science research, social research valued by users such as government but not published in academic journals, so that is now under review. Does it concern you that we might be entering a period where we are trying to judge research on too narrow a metric basis?

Dr Gillespie: I would say at this stage I am not an expert in being able to compare the RAE and the new research excellence formula.

Q19 Mr Marsden: Let me reassure you, Dr Gillespie, that after several years of looking at this subject I am convinced that very few of the people involved are experts!

Dr Gillespie: Let me try and have a response to this along the following lines. I think the RAE in the United Kingdom took us down a path we had not been down before causing universities to focus on research and raise their standards, but clearly it has been too narrowly calibrated around publication in the learned journals, and I think the whole move towards research excellence feels like a good outcome in taking that forward, where the quality of research in our universities will be gauged on a broader basis. As far as funding is concerned I was pleased that in the Budget last week it seems that the funding to the Research Councils has been ring-fenced and protected through to the end of the CSR period in 2011, so I am pleased to join the Council at a time when there is not a challenge to its funding, it is there for another two years, but what we will have to do a lot of work on, to come to your question, is in understanding how the framework for research excellence is going to identify outstandingly good departments versus those that are less good, yet balance that with equitable access to our pot of money.

Q20 Mr Marsden: The 2008 RAE, of course, did show that there was a broad spread of research excellence in a larger number of universities than some people had understood. Do you accept that you can have good research environments in universities that are not themselves necessarily research intensive?

Dr Gillespie: In the space of the last two weeks I have spent time at the University of Ulster at Coleraine in Northern Ireland, which is a wonderful institution but would not be viewed as one of our elite universities by any measure, yet I have immense respect for the quality of research being undertaken there, and across many of our universities around the regions, so I really think you have to use these assessment exercises to find pools of excellent research, which are in a very wide range of institutions, not just in the triangle of Oxford, Cambridge and London.

Q21 Mr Marsden: Pressing you a little further on that, will the ESRC have some form of equality impact assessment when it considers the consequences of its funding regimes for postgraduate research? I say this because the Select Committee has just returned from a visit to the United States and one of the bodies involved in science research that we talked to there said, which I think surprised some of us, that a proportion, I think 20–25%, of their funding was potentially available for those universities that were not research-intensive. I am not suggesting necessarily, and I am certainly not asking you to comment on this, that we should have a system like that here, but are there mechanisms within the ESRC to make sure that that golden triangle effect that you have alluded to is not intensifying?

Dr Gillespie: I will be better equipped to answer that question a year from now when I have viewed the process from the inside, and I have not yet begun, but from the inquiries I have made, and even just looking at the ESRC’s Annual Report, funding is allocated to an extremely wide range of institutions, from older universities to universities which were former polytechnics, right across the United Kingdom, and the ESRC also posts data on applications submitted and applications which are successful, and you can see who gets and who does not, and I am just struck by how broadly spread that is.

Q22 Mr Marsden: Finally, Lord Drayson since his appointment as Science Minister has been extremely active in promoting a debate about the future focus of the science budget. What is your understanding of his intentions in that debate, because he has talked about strategic focusing of the science budget and how that might have implications for the ESRC?

Dr Gillespie: Quite a number of the themes the Minister was addressing were to do with the medical sciences, the engineering sciences and so on, looking for how you spot winners and bring them through very quickly, and that is far from the work of the ESRC. What I would seek to do in my guidance for the Chief Executive and the Council is make sure that when we go into the next Spending Review ESRC is seen to be in every sense an utterly professional organisation, fit for purpose and justifying its budget increase, and I know that will be a challenge between the ESRC and the other research councils for a limited budget.

Q23 Dr Iddon: How do you think the current recession will influence the priorities of the ESRC?
**Dr Gillespie:** As we meet the ESRC is in the final stages of defining its strategic plan which will go for the next five years. To some extent the plan for the next five years has some follow-through from the plan for the last five, because you cannot chop and change all the time, but I am observing that there are aspects of that plan being adjusted almost as we speak in order to address questions that have arisen out of the crisis of this recession and the credit crunch and so on, and, although the plan is characterised around some very broad headings, when you drill down into it there are many sub-research themes which are, we might say, scratching where we itch as a nation, and one of the things I will try to do as I guide the Council is make sure it is dealing with issues that are relevant and contemporary. As I said earlier, we indeed must do basic core research but equally, if we are spending £200 million of taxpayers’ money, the nation has to get some good out of that in terms of the right questions being researched and the relevant answers being delivered, so I would hope that, as I get into this process with the Council and all its sub committees, we will find that there are topics to do with indebtedness, with pensions, housing, fear, crime, unemployment—all these things that are so acutely hurting in our society today, which form the feedstock for much of the research we are doing. I would hope so.

Q24 Dr Iddon: It sounds as if you have some faith in the fact that the ESRC has a role to play in the economic recovery.

**Dr Gillespie:** I have every faith that it has a role to play. I look back with some reflection in my own four years writing a PhD, just one researcher working in a corner yet some of the things I focused on helped inform economic development policy in Northern Ireland, and I think every PhD, every research department, every theme has to have output that is relevant. It would be to my mind a great shame if we were meeting five years from now and we could not confirm that the ESRC has produced research findings which address our needs as a nation today.

**Q25 Dr Iddon:** There has been recently an international benchmarking review of economics research in the United Kingdom which was a bit critical of some areas in particular, for example, not strong enough to support the needs of users, such as in developing applied monetary policy. Are you aware of those criticisms? Has anyone made you aware of them to date?

**Dr Gillespie:** I was aware of something else and that was that we came out quite well in that international benchmarking, I think overall we came out second behind the United States, which is not surprising, so in some ways that survey was saying United Kingdom economics is in a strong position relative to other nations, but I would say in response to those sub points you made the following: I have a feeling and it is nothing more than a feeling and I will be intrigued to develop this line of thinking, that in a sense the power of economics in the City has meant that this has rather overshadowed economics in our universities. Every big firm in the City of London has senior economists who are the best out of universities, they pay them well, and they produce very good research, but it is research with an angle, it always has a financial connection to the workings of the City, and for all the intellectual strength of that community they did not see the present economic crisis coming, and I would like to see the economist in Strathclyde, or the University of East Anglia, or Aberystwyth, having clout again in the world of economics and econometric forecasting and whatever else. I have no data for this, it is just an impression, but I somehow feel that the game has shifted in economics a bit from our universities to the City and that has not worked out, so I will do all I can with my influence to make sure we re-emphasise the role of good economics across our universities.

Q26 Mr Boswell: I have been fascinated by these exchanges, and again this question is not meant to be angled to things you may or may not have been involved with in your banking career, but do you think it will be part of the role of the ESRC at least to encourage academics to get a handle on what went wrong in what has happened as a bit of a prescription, or at least to provide some pre-conditions, for looking at what might go right in the future?

**Dr Gillespie:** I think the question that is in all our minds is, very simply, what happened? We all remember the weekend September 2007 with queues outside Northern Rock, and all that has happened since then that took every one of us by surprise, and we need to understand how that happened and unpack that analytically and intellectually as a basis for how we go forward in research.

Q27 Ian Stewart: Does that not go hand in hand with political development and the international bodies as well? Surely, if there is no transparency at an international level, the researchers are going to be somewhat limited?

**Dr Gillespie:** I am not sure, sir, what you mean by “transparency”. There is a wealth of data out there and the data existed about the financial bubble, about the growth of mortgages and the growth of leverage. The data was there; it just was not being analysed. Data is the feedstock of the ESRC’s work. We live in a data-rich world; we just were not asking the right questions.

Q28 Dr Iddon: In your wide experience, thirty years I think you said, of the financial sector, Dr Gillespie, do you think the ESRC-funded research is listened to by the bankers? You have just said that the economic advisors in the system itself rather than in the universities were above everything else. Do you think they have been ignoring the research being done in the universities? Or has the research being done in the universities not been focused enough on the possibility of a crisis, perhaps?

**Dr Gillespie:** I do not know the detail of what has been done over the last thirty years. I suspect there has been some very good work that has not seen the light of day.
Q29 Dr Iddon: Whose fault is that?

Dr Gillespie: Maybe because the Today programme calls the economist from Credit Suisse in the City to speak rather than the economist from University College London. One thing I know Ian Diamond and his team are focusing on is trying to encourage good scholarship to see the light of day. It is not usual for an academic department to run a press conference but maybe there are some findings that are worthy of a press conference to get the message and results out and so on, and it is interesting now that, when you apply for a grant to the ESRC, as part of the impact assessment the applicant has to address how he or she messages the findings once they have finished. So I think partly good research has been done but it probably has not been effectively disseminated.

Q30 Dr Iddon: But could you not, as the new Chairman of ESRC, do something about that? Is it your intention to raise the profile of the ESRC and make sure that the basic research that is being done is noticed by the end-user?

Dr Gillespie: A Chairman only has certain influence. The Council is run day-to-day by the Chief Executive and the Chair is there to guide the Council but maybe, as my answer suggested to you, I have a burden around this. I think there is excellence in research in our universities around all sorts of themes to do with society but also to do with business, economics, government, and we need to encourage a better redistribution of those findings, and I will encourage that. I also would like to hear more in the public space about the work of the ESRC. I am struck any time I am in the United States by the Brookings Institute which as a think tank is referenced a lot. Maybe we can go down that path a bit.

Q31 Dr Iddon: I think the conversation we have just had suggests that perhaps the financial sector has not been as intelligent a customer of the research that has been available as we would be. I think we could agree on that perhaps. But what about the Government?

Dr Gillespie: We are getting into this question of what happened and what went wrong, and undoubtedly there must have been signals that the Government missed, particularly the Regulator, and I think one of the great things that Lord Turner, who was in this role until recently, is already doing through the Turner Report is strengthening the role of the FSA and regulation around our financial system, which was light touch and weak. So I would fully say there were major mistakes made in banking and business leadership but there have been major mistakes made in the supervision by government as well, which in many ways has encouraged a credit culture that now has come crashing down.

Q32 Dr Iddon: A key phrase certainly that comes up regularly in this Committee is “knowledge transfer”. Do you think the ESRC can improve the way in which knowledge is transferred across the sectors?

Dr Gillespie: One way, as we have described, is through the proper dissemination of research findings, but another way is through the movement of people. In my own experience I was a social scientist and then moved out of that into the broader world, and I would like to see a situation where people need not be academics for life but can move between the academic world and the third sector, and the private sector and the academic world, so that knowledge transfer occurs through people.

Q33 Dr Iddon: I just make this final comment: I find it astonishing that the academics and the banking sector did not see the credit crunch coming. That guy over there was with me at No 10 Downing Street on July last year when I faced the Prime Minister with the suggestion that the way we were lending money like water was bound to lead to trouble, and a few months later it did.

Dr Gillespie: Correct.

Dr Iddon: So I can tell you that the ordinary people in this country saw the crash coming because they were being offered credit when they could not afford to pay it back and that was true of businesses as well, and I just find it astonishing that the bankers did not and the academics in the field did not. That is my comment.

Q34 Chairman: Brian, I am sure you feel better for having said that. That, Dr Gillespie, brings us to the end of our session with you this afternoon. Can I say on behalf of all of us how much we have enjoyed this session with you, and indeed we wish you, subject to our agreeing our Report later this afternoon, every success with the new role. On a personal basis may I say, as a Gillespie myself from Donegal, how nice it is to see a Gillespie in front of us today!

Dr Gillespie: Thank you, Chairman.