

# A question of trust

It is the world's biggest medical research charity and it exerts a huge influence over UK science policy. But is the Wellcome Trust becoming a victim of its own success, asks Natasha Loder.

The Wellcome Trust can rightly claim to be the saviour of British biomedicine. Without its largesse, Britain would almost certainly have ended the 1990s as a second-rate biomedical power. Instead, labs benefiting from Wellcome funding have prospered scientifically, and the trust's emphasis on improving salaries and career structure for researchers has shamed the UK government into action. What is more, by pumping millions of pounds into the Sanger Centre, near Cambridge, the Wellcome Trust has become a significant force in the international Human Genome Project. The trust's spending now approaches double that of the government-funded Medical Research Council.

But over the past year, the shine has started to come off the trust's image. When its plans to extend the genome campus that it has built around the Sanger Centre fell foul of restrictions on development in rural areas, the trust was accused of arrogance in its dealings with local people (see *Nature* 400, 803; 1999). Then its partnership with the government in a £200 million (US\$302.5 million) project to build a powerful new synchrotron radiation source ended in an unseemly row. The decision to build the facility at the trust's preferred site of the Rutherford Appleton Laboratory, near Oxford, rather than at the site of Britain's existing synchrotron at Daresbury, near Manchester, ignited a political controversy. Ministers sought to pin responsibility for the decision onto the trust, which rejected that version of events.

But perhaps most damaging was the downfall of Roy Anderson, a leading epidemiologist, and one of the governors who run the trust. Anderson, who also directed the Wellcome Trust Centre for the Epidemiology of Infectious Diseases at Oxford University, was forced to resign from the university, the centre and as a trust gover-



Management problems at Wellcome's Oxford epidemiology centre damaged the trust's public image.

nor, following the publication of two damning reports into his management of the Oxford centre. Initially triggered by allegations that Anderson had made sexual slurs against a female colleague chosen for a senior position at Oxford, the investigations went on to examine his failure fully to disclose business interests that had become entangled with the Wellcome centre's research activities (see *Nature* 404, 696 & 802; 2000).

In the wake of these bruising events, some of the trust's friends are urging it to consider internal reforms to safeguard its reputation. In some ways, the Wellcome Trust is falling victim to its own success. Through shrewd

management of its investments, the trust's spending power and influence have grown phenomenally over the past eight years (see 'The rise and rise of Wellcome', opposite). But governing structures and procedures that were adequate for a modest-sized charity may not be appropriate for a behemoth that — by working with government as an equal partner — helps direct national science policy.

David Lane, a leading cancer geneticist at the University of Dundee, offers a single comment: "The Wellcome Trust has had a huge beneficial impact. Going forward, the key concern will be governance because they are an independent body but have the responsibility for a large fraction of UK research."

Some senior scientists familiar with the trust's workings think it needs to adopt a more professional approach to public and government relations. But most important, now the Anderson affair has thrown a spotlight onto the role of the trust's governors, is addressing concerns about transparency and accountability at the top of the organization.

In unguarded moments, some British biomedical scientists complain that the trust's governors have too much power, and voice



Success: the Sanger Centre is a major player in the Human Genome Project, thanks to the trust's millions.

WELLCOME TRUST

WELLCOME TRUST



Ogilvie: the trust needs to be more transparent.

suspicions that the governors favour their colleagues in the 'golden triangle' of London, Oxford and Cambridge. "I think the trust has nothing to hide. It really isn't an old boys' network," responds Bridget Ogilvie, who served as Wellcome Trust

director from 1991 until 1998. "But as the trust has grown, it has to deal with the perception that governors may have conflicts of interest. It's about transparency."

Scientists are unwilling to put criticisms on the record. Wellcome Trust funding is so important in Britain that nobody is prepared to bite the hand that feeds them. "This is anonymous. I don't want to get my funding cut off," one biomedical scientist told *Nature*. Says another: "Why am I going off the record? That is part of the problem." Although scientists are unanimous in praising the trust's contribution to British biomedical research, some are troubled that such a powerful body does not seem to be accountable in the same way as government research agencies. These have to report to politicians, who in turn must be elected. With the Wellcome Trust, control resides firmly in the hands of its governors.

### A position of power

These governors are the charity's trustees, and they manage the trust set up by the will of pharmaceuticals mogul Henry Wellcome. This endowed the organization to support scientific research conducive "to the improvement of the physical conditions of mankind". Although this leaves the trust free to support a variety of disciplines, it has focused on biomedicine. Unusually for the trustees of a British charity, the governors receive a salary, currently between £50,000 and £80,000 a year. Wellcome's will specified that trustees should be paid, and over the years the governors have gone to court to update the value of this remuneration. Of the seven current governors, all but one — the chair, who is an industrialist — are leading biomedical scientists. Two work in Oxford, two in London and two in Cambridge (see 'Who's who', overleaf).

Although the day-to-day running of the Wellcome Trust is left to its director, Mike Dexter, he says that each governor devotes about two-and-a-half days a week to the organization. They make investment decisions, determine overall policy, sit on committees that consider grant applications, take yearly decisions about how much money will be

available for each subject area, and appoint new governors. Their laboratories are also eligible for Wellcome Trust funding — and in some cases, governors head institutes that are financed, in large part, by the trust.

It is this combination that raises concerns about conflicts of interest. The governors could, for instance, decide to spend a large proportion of trust money on a subject area in which one or more of them has a research interest, or even directs an institute. Procedures exist to deal with such conflicts, says Dexter. Governors withdraw from committees when their own grants are being discussed. Likewise, when Oxford University matters come up during a meeting, the Oxford-based governors have to retire.



Dexter: preparing a new constitution.

Diana Garnham, general secretary of the Association of Medical Research Charities — an umbrella organization to which the trust belongs — says that her group monitors the amount of money given to the governors and has never found "anything in particular to worry about". Although a regional

breakdown of the trust's funding reveals an apparent bias towards London (see Figure, overleaf), this can be explained by the capital's strength in biomedical research.

But given the enormous sums of money being distributed by the trust, some researchers feel that further action is needed to address perceptions of conflicts of interest. The scientific calibre of the Wellcome governors is such that it is not surprising that they and their associates should attract trust funding, says one senior biomedical scientist. "But this is a potential problem and is very difficult to deal with." And the Anderson affair did raise a warning: if a governor's behaviour does depart from the highest standards, it may be difficult to address the issue before matters have got out of hand.

### Time for a make over

The Wellcome Trust seems to be concerned about the dents its image has taken, and has hired a public relations company to find out what people think about it. Trish Evans, currently communications director at the National Society for the Prevention of Cruelty to Children, will take over as head of communications for the trust in July. Part of her brief will be to improve its responsiveness to the media. She is also an expert on relations with government.

## The rise and rise of Wellcome

For more than four decades, the Wellcome Trust was a solid, unspectacular performer. When Henry Wellcome died in 1936, his will ordered that the shares of the pharmaceutical company he founded — the Wellcome Foundation — be put into trust to support non-commercial research. The company continued to make a profit, which the trust ploughed into research at academic labs, particularly in disciplines that attracted scant government funds.

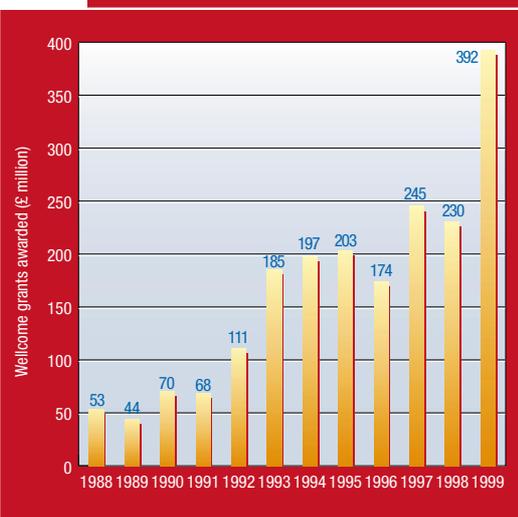
In 1986, with the Wellcome Trust's annual spending standing at around £20 million, its

trustees made a move that sent the trust down the road to greatness. Realizing that the trust could earn more by spreading its investments, they floated the drugs company on the stock exchange and sold a fifth of its shares. That year the trust awarded the first of its five-year programme grants — marking a move into support for long-term research projects.

But the most profound change came in 1992, when the charity sold a further tranche of shares as the Wellcome company merged with Glaxo. This raised £2.3 billion, and the trust's research budget more than doubled overnight. Since then, thanks to a buoyant stock market and sound financial management, the trust's asset base and spending have continued to grow (see Figure).

Improving career structure and pay for scientists was always a priority for the trust. It has led the way in boosting stipends for PhD students, and in the past year it has bumped up the pay of 270 of its young scientists by 30 per cent, challenging the UK government to do the same.

As its wealth has grown, the Wellcome Trust has moved into larger projects, in some cases providing core support for research institutes. Most recently, the trust has entered into an unprecedented partnership with the government. In July 1998, it agreed to contribute £300 million to a £750 million Joint Infrastructure Fund, which will pay for large items of research equipment for British academics.



But some observers feel that more fundamental changes are needed, and Ogilvie has some specific ideas. To increase transparency, she suggests, the trust's annual report and website should contain clear information on how governors are selected, the terms of their employment, and how they deal with conflicts of interest. In appointing new governors, she adds, there is a case for recruiting scientists from a wider variety of backgrounds, to dispel the 'old boy' perception. "They should make an effort to be more representative of the scientific community," says Ogilvie.

Shortly before *Nature* went to press, the trust announced the appointment of three new governors, who will serve from October. This will widen the geographic distribution of the governors, as one is based in Edinburgh. The new appointments also add a solitary woman to the board of governors.

But viewed from the United States, this does not go far enough. The trust should rethink the policy allowing its governors to receive substantial funding from the organization, says Maxwell Cowan. Until March this year, Cowan was vice-president of the Howard Hughes Medical Institute (HHMI) — the nearest US equivalent to the Wellcome Trust. "We don't have a situation where an individual in receipt of a grant is also determining how funding should be distributed," he adds.

Charities and foundations in the United States go to great lengths to ensure that trustees cannot benefit from money that the



Cadbury: content with the status quo.

bodies distribute. "It is called self-dealing and everyone here is very hyper about it," says Bob Potter, the HHMI's director of communications. The HHMI's board is largely made up of business executives, and its two scientist members do not get involved in individual funding decisions — as board members they merely vote on whether to accept or reject the final list of awards recommended by the HHMI's scientific committees.

Differences between the Wellcome Trust and the HHMI, and between Britain and the United States, make it difficult to draw direct parallels. The bulk of the HHMI's awards support elite 'Hughes investigators', freeing them from the treadmill of grant applications. The Wellcome Trust, meanwhile, funds a wider range of activities. And although it spends similar amounts to the Wellcome Trust, the HHMI's budget is dwarfed by that of the US National Institutes of Health. This, and the huge size of the US biomedical research community, makes it easier to avoid placing individuals in positions of conflicts of interest. The concentration of British scientific talent into a small number of leading universities, says Potter, "seems to call for creative thinking about how to avoid self-dealing — and even the appearance of self-dealing".

**Transparent thoughts**

Ultimately, that is the responsibility of Dominic Cadbury, chief executive and chairman of the food and drinks manufacturer Cadbury Schweppes, who has chaired the Wellcome Trust's board of governors for the past six months. Unfortunately for those who favour reform, he appears to be content with the status quo. "I haven't come with any brief to change things," says Cadbury. "The force for change should come from the director."

Dexter has been working on a new constitution and various other policy documents, drafts of which sit prominently on Cadbury's desk. But the trust's director is hired by, and reports to, the governors. And Cadbury appears less open than Dexter to the idea of change. One suggestion to improve transparency, made by Frank Karel, vice-president for communications at the Robert Wood Johnson Foundation, a leading US philanthropic organization in health and healthcare, is that minutes of governors'

meetings should routinely be made public. Dexter describes the idea as "interesting". But Cadbury says: "I don't think so", adding that this would never happen in a company.

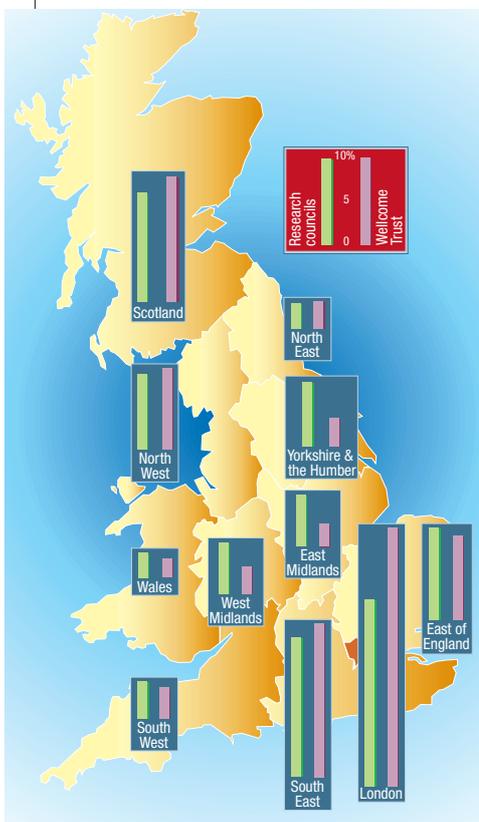
Cadbury is happy with the trust's existing provisions for managing potential conflicts of interest among the governors. "The two principles are: transparency when there is a conflict and that the person should be no part of the decision," he says. But this relies on the governors declaring their interests to the trust, which is rather less transparent to those outside the organization.

Cadbury also rejects the idea of barring governors from receiving research funding from the trust. "That sounds to me like you are denying that their work is important," he says. "It seems to me absurd." The Wellcome Trust is such an important source of funds in British biomedicine, he argues, that adopting the US approach would be too restrictive.

But that is the crux of the problem. Having grown so quickly to become such a big fish in a relatively small pond, avoiding the appearance of conflict of interest is a difficult task. "It is challenging to think what the right way forward is," says one scientist. The trust's friends hope that Cadbury and his colleagues are up to that challenge, so that future headlines are not about the trust's embarrassments, but its scientific achievements. ■

Natasha Loder reports from London for *Nature*.

JOHNNY EGGITT/FT



Regional accents: percentage breakdown of total spend by UK research councils and the trust.

**Who's who**

In addition to the chair, industrialist **Dominic Cadbury**, the Wellcome Trust's governors are:

**Michael Rutter**, professor of psychopathology at the Institute of Psychiatry in London

**Julian Jack**, professor of physiology at the University of Oxford

**David Weatherall**, honorary director of the MRC Molecular Haematology Unit and honorary director of the Institute of Molecular Medicine, both at Oxford University

**Christopher Edwards**, an endocrinologist and principal of Imperial College School of Medicine, London

**John Gurdon**, chairman of the Wellcome/CRC Institute for Cancer and Developmental Biology in Cambridge and master of Cambridge University's Magdalene College

**Martin Bobrow**, professor of medical genetics at Addenbrooke's Hospital in Cambridge

From 1 October they will be joined by:

**Adrian Bird**, director of the Wellcome Trust Centre for Cell Biology in Edinburgh

**Jean Thomas**, professor of macromolecular biochemistry at Cambridge University

**Mark Walport**, head of the Division of Medicine at Imperial College, London