



**APPROVED Minutes of the UKRI Board & Executive Committee Meetings of 15 and 16  
January 2020**

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**Board & Executive Committee Away Day – 15 January 2020**

| <b>Board Attendees</b>                          |                              |
|---|------------------------------|
| Sir John Kingman (Chair)                        | Professor Dame Sally Davies  |
| Professor Sir Mark Walport                      | Professor Sir Ian Diamond    |
| Mike Blackburn                                  | Fiona Driscoll               |
| Lord Browne                                     | Sir Harpal Kumar             |
| Sir Peter Bazalgette                            | Professor Max Lu             |
| Professor Julia Black                           | Vivienne Parry               |
| Professor Sir Leszek Borysiewicz                |                              |
| <b>Executive Committee &amp; UKRI Attendees</b> |                              |
| Emma Lindsell                                   | David Sweeney                |
| Isobel Stephen                                  | Professor Mark Thomson       |
| Geoff Robins                                    | Professor Andrew Thompson    |
| Alex Marsh                                      | Professor Fiona Watt         |
| Professor Dame Lynn Gladden                     | Professor Melanie Welham     |
| Professor Jennifer Rubin                        | Professor Sir Duncan Wingham |
| <b>Secretariat</b>                              |                              |
| Chris Chudziak                                  | Amy Smith                    |
| Magda North                                     |                              |
| <b>Apologies</b>                                |                              |
| Mustafa Suleyman                                | Lord Willetts                |

**Time: 14:30 – 18:00**

**Date: 15 January 2020**

**Location: 58VE, London**

## 1. Welcome & introductions

1.1 The Chair welcomed members of the Board and Executive Committee to the meeting. He warmly congratulated members who had been awarded honours at New Year:

- **Professor Dame Lynn Gladden** has been appointed Dame Commander of the Order of the British Empire for services to academic and industrial research in chemical engineering.
- **Professor Sir Duncan Wingham** has been appointed a Knighthood for services to climate science.
- **Professor Dame Sally Davies DBE** has been appointed Dame Grand Cross of the Order of the Bath for services to public health and research.
- **Professor Julia Black FBA** has been appointed a Commander of the Order of the British Empire (CBE) for services to the study of law and regulation.

## 2. UKRI Energy Deep Dive

2.1 Lynn Gladden introduced the item and noted that the Board had asked to understand the current energy landscape and UKRI's position within it. She thanked her team, Lord Browne, BEIS and the Councils for their input and suggestions.

2.2 In discussion the following points were noted:

- The overall goal was a meaningful contribution to net zero (rather than solely a matter of which energy sources were adopted) and the challenge was so profound that net zero would drive R&D ambitions as well as reconfigure the energy industry. A whole systems approach was needed and future decisions by Government on net zero would shape choices.
- Work to date on energy through RCUK, prior to the formation of UKRI, was acknowledged, including collaborative working across Councils.
- UKRI needed to be a leader in engaging with industry and to encourage collaboration between businesses, in order to meet the energy challenge. With Lord Browne, the CEO was engaging with industry stakeholders.
- Feedback from industry had identified the need for a vision of the energy mix required by 2050, including the technologies in which investment was needed. Businesses were more likely to invest and engage with that vision in place.
- The UK had an opportunity to assert itself as the place to invest in energy, and to define its unique offer in comparison to other global players; UKRI had an important role to play in this. Agreeing on areas where other countries better occupied the space was also important.
- On carbon capture and storage, more would need to be done to progress and to commercialise the UK's potential. The Industrial Challenge Strategy Fund had a role to play as did the Energy Systems Catapult.
- Demand was important to consider in addition to supply, as well as skills and techniques (such as AI and sensing), the role of incentives, standard setting and regulation.
- In terms of fundamental research, research topics that provided a pathway to future emerging technologies needed to be prioritised. The role of regulation in driving research was also recognised.
- The importance of public engagement was noted, eg. a whole town demonstrator could be one means of identifying issues and finding solutions. The role of social science was also noted in understanding friction costs which inhibited progress.

- Other Government Departments had roles to play, such as the Office for National Statistics in terms of data around net zero; the devolved administrations; and DFID in terms of energy and climate change in the developing world. The GCSA also had an important role.
- The COP26 conference in Glasgow would also accelerate interest in policy options; a working group had been set up in order to coordinate UKRI's contribution to COP26.

**Action: Lynn Gladden** to revert to the Board by email with early feedback on forward thinking options on UKRI's role in the energy arena.

**Action: Lynn Gladden** to revert to the Board in due course on the choices UKRI needs to make in order to tackle the priority areas for energy, including new technologies, consumer behaviours and policy/regulation.

### **3. Scene setting on Government priorities, including ARPA**

3.1 Mark Walport updated members on recent discussions with the new Government around future financial settlement, EDI, visas, fundamental discovery research, bureaucracy reduction and UK ARPA.

3.2 The moment in time for research and development was noted, as was the relevance of UKRI's work underway on UKRI 2025. Uncertainties remained on timings for the budget and Spending Review.

3.3 'Place' was noted as a significant agenda item for the Government and UKRI's work to define a place strategy would need be accelerated. The role of Catapults was discussed, as well as the potential for an agility fund in relation to place. Significant investments in other areas, such as ICSF, were also noted in relation to the place agenda as was the importance of further education. It was agreed that a map should be produced which set out existing spend by place, with the potential to vary the input to show, for example, total spend or ICSF spend by place.

**Action: Dan Hodges** to produce a heat map of geographic distribution of UKRI expenditure in the UK in support of the place strategy.

### **4. UKRI 2025 Strategy (including 2.4% roadmap and net zero)**

4.1 The Chair noted that early thinking on UKRI's ambitions and future strategy was intended to equip UKRI for upcoming Spending Review discussions. He encouraged Board members to provide detailed input by email. He also noted the leadership change which would arise with the appointment of a new CEO in 2020. The incumbent would need to own a UKRI 2025 strategy and would also need to shape its future iteration.

4.2 Isobel Stephen noted the extensive discussions which had taken place internally and pointed to engagement needed outside the organisation in the Spring.

4.3 The draft strategy was well-received by members and in discussion the following points were made:

- This was a moment in time in the UK for multi-disciplinary research and development. UKRI needed capitalise on the opportunity, take national pride in its expertise and achievements, and needed to deliver on UKRI's original ambition. Setting out our UKRI 2025 strategy provided an important tool to position the organisation to new Ministers and to the outside world.

- What success looked like in 2025 needed to be articulated for the existing portfolio and future funding, and should speak to taxpayers, as the customer of the strategy. Whilst 2025 covered the next five years and near-term development goals, it should also look at a horizon of 20 to 30 years.
- UKRI needed to define its role on the net zero agenda, and this had the potential to challenge UKRI to reengineer its funding portfolio across the Councils. The executive should consider whether there were one or two other galvanising ideas of that scale to articulate in the strategy.
- Partnerships needed to be integral to the strategy. Partners included industry, third sector, higher education and other Government Departments.
- Engaging with and leveraging industry at all levels – domestic, international, big and small – was critically important. Good data were needed from ONS to do so. UKRI's role in relation to less productive businesses should also be considered.
- UKRI had an opportunity to take a leadership position on ethics and involve the public in the debate, and also to reflect its role in relation to wellbeing, healthy aging and social cohesion.
- UKRI's strategy should be clear where UKRI led, where it convened, where it supported (for example in the provision of data) and those areas where others led.
- Horizon scanning, advocacy for R&D culture, and influencing Government policy and regulation were recognised as important roles for UKRI in order to shape the R&D landscape.
- It was recognised that place was about more than SiPF for UKRI, and was embedded in much of UKRI's existing work, such as work on infrastructure and ICSF.
- Operationalising the strategy would be key, governance structures would be important, and target operating model would need to be explored.
- The 2.4% roadmap provided a good foundation for thinking about UKRI future strategy, and there was a great opportunity to engage across Councils – work which was underway.

## Board Meeting – 16 January 2020

| <b>Board Attendees</b>           |                                       |
|----------------------------------|---------------------------------------|
| Sir John Kingman (Chair)         | Professor Dame Sally Davies (dial-in) |
| Professor Sir Mark Walport       | Fiona Driscoll                        |
| Mike Blackburn                   | Sir Harpal Kumar                      |
| Sir Peter Bazalgette             | Professor Max Lu                      |
| Professor Julia Black            | Vivienne Parry                        |
| <b>UKRI Attendees</b>            |                                       |
| Isobel Stephen                   | David Sweeney (Item 11)               |
| Geoff Robins (Item 10)           | Professor Andrew Thompson (Item 13)   |
| Alison Robinson (Item 12)        |                                       |
| <b>BEIS Attendees</b>            |                                       |
| Jo Shanmugalingam                |                                       |
| <b>Secretariat</b>               |                                       |
| Chris Chudziak                   | Amy Smith                             |
| Magda North                      |                                       |
| <b>Apologies</b>                 |                                       |
| Professor Sir Leszek Borysiewicz | Mustafa Suleyman                      |
| Lord Browne                      | Lord Willetts                         |
| Professor Sir Ian Diamond        |                                       |

**Time: 10:00 – 14:00**

**Date: 16 January 2020**

**Location: CS5, Polaris House**

### **5. Welcome & introductions**

5.1 The Chair welcomed members of the Board to the meeting, and thanked members for good discussions on the previous day. He also thanked Peter Bazalgette, Julia Black and Vivienne Parry for agreeing to join the Q&A session with staff that afternoon.

### **6. Minutes of 13 November 2019 Board Meeting and Action Log**

6.1 The minutes were **approved**, and regarding outstanding actions, the secretariat noted that an ethics discussion would be scheduled for an upcoming Board meeting.

### **7. Reports from Board sub-committees**

#### Audit Risk Assurance Performance Committee

7.1 Fiona Driscoll updated the Board on the meeting held on 18 November and upcoming meeting on 20 January. She noted that the relationship with NAO was working well and that the accounting judgements paper to be presented in January was as expected. A Value for Money audit was anticipated on ICSF in 2020.

7.2 Work with GIAA on internal audit was improving, with fewer, deeper reviews which were better scoped. Work internally on the Integrated Governance Risk and Assurance Framework

would strengthen UKRI's internal control framework and would embed in early 2020 with a view to providing assurance and improved data on risk and risk appetite.

7.3 Mike Blackburn confirmed that the assumption for 2020/21 budget was flat real based on a 2019/20 budget, with flexibility on ringfencing. If confirmed, this would provide a challenge that UKRI could live within.

#### Nominations & Remuneration Committee

7.4 John Kingman noted the meeting in Cardiff on 13 November.

### **8. CEO report**

8.1 Mark Walport reported on activities since the last Board, highlighting:

- Progress on appointments, including the appointment of a Chief People Officer and that recommendations for the appointment of a Chief Financial Officer were currently with Ministers for decision.
- Proposed actions for managing the European Spallation Source and its budget.
- Discussions with Ministers on 'Reforming our Business'. In removing the pathways to impact requirement, the importance of continuing to communicate impact as an integral part of research was underlined.
- The Strategic Priorities Fund, where all programmes were operational on wave 1 and 2.
- The Wellcome Trust's report on research culture, on which UKRI had collaborated. The importance of bringing universities into discussions was noted, as was the pressure on delivery that was created by short-term competitive funding. It was acknowledged that UKRI was undertaking important work in this area, though its profile to date was low.

**Action: Isobel Stephen** to discuss with Karen Salt raising the profile of UKRI's communications on its work on research culture.

- Updates from Councils, including congratulations to three staff members of STFC awarded the Institute of Physics Technician of the Year Award. In wider discussion it was suggested that the weekly external digest of UKRI news could communicate more actively on place and introduce in-depth coverage of particular topics with commentary from subject experts.

### **9. CFO report**

9.1 Mike Blackburn presented his CFO report, noting the numbers underpinning the reporting were taken from period 8. Period 9 numbers which he had since received showed no material change.

9.2 He reported that he had met with the NAO Audit Director and had met with GIAA where no new issues had been raised. There was a small risk of some regularity issues which he and Geoff Robins would address with BEIS.

9.3 On State Aid, the team was now located in Legal directorate and Mike would continue to chair the working group which BEIS also attended.

9.4 He noted a meeting of the Joint National Consultative Committee where UKRI had agreed to appoint a Trade Union Health & Safety coordinator.

### **10. Transformation update**

10.1 Geoff Robins updated on Transformation and noted that the programme was broadly on track, with some slippage on technology projects.

10.2 He highlighted the publication of the 'Working as One HR' document which provided a roadmap for HR, and also the Digital, Data and Technology Strategy 2020-23 which provided a roadmap for the UKRI Business IT environment. He reflected that UKRI was maturing on information management and the way in which data were stored and analysed.

10.3 A wider discussion on the shared services provider SBS ensued, which covered work underway by UKRI and BEIS (which owned 49% and 51% of SBS respectively) to support SBS with its commercial offer.

10.4 On the funding service it was noted that an iterative approach was being taken to implementation which involved regular 'show and tells' which had been well-received. A pilot funding type was expected to go live in the summer.

10.5 Geoff reported that detailed results by Council of the People Survey were now available, which showed a fairly consistent view across all Councils and little change on bullying and harassment scores or stress and anxiety, which remained low. Next steps would involve the development of action plans by Councils and at a UKRI level.

**Action: Geoff Robins** to circulate to the Board results of the People Survey by Council.

10.6 The Board expressed its ambition that in three years' time overall scores from UKRI staff should be significantly above the civil service average, once UKRI was further established.

## **11. Strength in Places Fund – Wave 1 Full Funding Advice**

11.1 David Sweeney joined the meeting and updated on Wave 1 of the Strength in Places Fund. There had been good uptake with a range in the quality of bids submitted; there had been more good bids than funding available. David's view was that the fund was scalable and there was also scope to run a complementary scheme for smaller bids. Engagement within UKRI and with BEIS had been very constructive.

11.2 Peter Bazalgette, who had supported in this area, commended the panel for its rigorous work in awarding funding on merit and for the geographic and sector diversity of the winning bids.

11.3 In discussion it was noted that the bigger prize was for UKRI to articulate its place strategy which would reflect existing work and future strategic direction. Active communications on the theme of place were also important and needed to be integrated into the strategy.

**Action: David Sweeney** to bring the Place strategy and **Katrina Nevin-Ridley** to bring associated communications to the March Board meeting with a view to holding a deep dive discussion on place.

11.4 The strong start made in Wave 1 needed to be reflected to Ministers together with advice on how later waves would achieve fuller geographic coverage. The geographic spread of ICSF funding could also be drawn on to illustrate how UKRI's wider work captured the importance of place. Support was needed for organisations in those areas where bids had not built stronger bids. Above the line bids which had not been successful were discussed and it was clarified that they would be able to apply in later waves too.

**Decision: The Board endorsed** UKRI advice to BEIS ministers on funding recommendations for wave 1 full stage bids to the Strength in Places Fund.

11.5 David Sweeney and Peter Bazalgette were thanked for their work in this area.

## 12. UKRI Environmental Sustainability Strategy

12.1 Alison Robinson presented, reflecting that the strategy would put UKRI in a leadership position and would achieve net zero by 2050. Policy choices included stretching targets on carbon reduction, though some carbon off-setting had not been ruled out. The external advisory group had provided good challenge on UKRI's ambition and had helped to shape a strategy oriented around how UKRI worked, more than what was funded. Alison noted that the strategy needed further polish to define outcomes and to strengthen its pitch.

12.2 In discussion it was agreed that the strategy represented a good level of ambition. A suggestion was made to run a competition within UKRI on a sustainable single use item to help galvanise practical support for the sustainability agenda. The issue of carbon produced by UKRI super computers was raised, and the potential to draw on sustainably sourced energy was noted. The recent commitment by the Russell Group of universities which set out its commitment to tackling climate change through research, teaching and more sustainable practices was noted.

12.3 The Board challenged on 2050 timing and whether leadership from UKRI ought to mean achieving net zero to an earlier timeframe. There was also challenge on 2030 deadline for environmental sustainability on investments.

**Action: Duncan Wingham** to revert to the Board on whether net zero could be achieved earlier than 2050 and whether environmental sustainability on investments could be achieved earlier than 2030.

**Decision: The Board approved** a UKRI strategy for environmental sustainability and **delegated** the approval of the final version of the strategy to the UKRI Chief Executive to allow comments from the external advisory group to be taken into account.

12.4 Recognising the need to take a leadership position on environmental sustainability, the Board also asked for the strategy to be published within 6 months.

## 13. EU Exit Preparedness: planning for a possible transition period after H2020

13.1 Andrew Thompson joined the meeting and noted the stand-down in no deal planning for 31 January 2020 authorised by the Department for Exiting the European Union on 23 December. Stand-down was happening in an orderly way.

13.2 He reflected that the uncertainty and complexity around Brexit planning now related to planning for the transition from H2020 to Horizon Europe and/or long-term domestic alternatives; the UK Government either needed to associate to Horizon Europe (the replacement to Horizon 2020 which was proposed to launch Winter 2020) or provide credible long-term domestic alternatives. Short term alternatives are likely to be needed if the start of Horizon Europe was delayed, or if UK association to Horizon Europe was delayed, or if long-term domestic alternatives were not ready to start by the end of this year. The estimated funding at issue in fully associating to Horizon Europe was significant and formed part of the 2.4% GDP target for R&D. He also discussed the uncertainty around whether UKRI would need to deliver a small number of security-related Horizon 2020 grants (likely to be 30 to 50) that would become ineligible for EU funding, even under the Withdrawal agreement.

13.3 Mike Blackburn noted his operational responsibility for EU exit planning within UKRI and noted that UKRI was continuing to manage the important but non-material operational aspects of the Withdrawal Agreement and that close working continued between Andrew Thompson, Executive Director Strategy and himself as to the implications for UKRI of possible developments on Horizon 2020, Horizon Europe and short-term domestic alternatives through 2020 ready to



meet BEIS's requirements for 1<sup>st</sup> January 2021. Existing temporary staff were being put through assessment panels to see if they could fill existing permanent vacancies across UKRI. This would allow for the possibility of bringing their EU Exit planning experience back together depending on those BEIS requirements through 2020.

13.4 The Board discussed the risks of standing down staff and the practicalities around re-building the team at pace, if necessary. They reflected that the credibility of the UK Government and UKRI was at issue. Whilst operational costs needed to be recognised, they were outweighed by the risks of not managing the transition.

**Action: Andrew Thompson** to revert to the March Board on recommended contingency arrangements to mitigate the current risks for UKRI in associating with and transitioning to Horizon Europe. This should include setting out the basis for the estimated funding at issue for UKRI in fully associating to Horizon Europe.

13.5 The Board also requested that UKRI actively communicated the UK's bright and bold future for research and development, founded on international collaboration, as of 1 February 2020. UKRI needed to take a leadership role in re-assuring the academic community.

**Action: Andrew Thompson** to revert to the Board on raising the profile of UKRI communications on Brexit planning.

**Action: Jo Shanmugalingam** to test the appetite of Ministers on communications and to invite Harriet Wallace to the meeting when the item was discussed.

13.6 Andrew Thompson was thanked for his leadership in this area and his team were thanked for their excellent work on contingency planning. Andrew Thompson acknowledged the support of the Board in providing direction and leadership in amongst the uncertainties surrounding Brexit planning.

#### **14. Board forward look**

14.1 The Chair noted the forward look. The secretariat clarified that the March meeting would now be held in London and that locations of the remaining meetings in 2020 would be finalised ahead of the March Board meeting.

**Action: Secretariat team** to circulate the list of venues for each meeting in 2020, including the proposed meeting with Council members in June.

#### **15. AOB**

15.1 The ARAPC annual report was commended for its brevity and clarity.

#### **16. Non-Executive Session**

**Date of Next Meeting: 18 March 2020 in London**