



Minutes of the UKRI Board Meeting

Date: Wednesday 15th May 2024
Location: Room 7.04, Caxton House London
Time: 09.45 – 17.00

Board Members and Observers	
Sir Andrew Mackenzie (UKRI Chair)	Professor Nola Hewitt-Dundas
Professor Dame Ottoline Leyser (UKRI, CEO)	Nigel Toon
Siobhan Peters (UKRI, CFO)	Ruwan Weerasekera
Professor Sir Ian Boyd	Alexandra Jones (DSIT)
Dr John Fingleton	Professor Patrick Chinnery (MRC Executive Chair)
Professor Sir Anthony Finkelstein	Professor Dame Jessica Corner (RE Executive Chair)
Priya Guha	Professor Charlotte Deane (EPSRC Executive Chair)

Attendees	
Isobel Lindsell (Executive Director, UKRI)	Interim Head of Public and Senior Appointments – for items 1-3
UKRI Group Financial Controller – for item 6	UKRI Head of Planning and Performance – for item 6
UKRI Corporate Performance Lead – for item 6	UKRI Interim Senior Security Advisor – for item 8
EPSRC Deputy Executive Chair – for item 8	UKRI Trusted Research and Innovation Portfolio Director – for item 8
UKRI International Director – for item 8	Head of Risk and Management Assurance – for item 9
Senior Risk and Assurance Business Partner – for item 9	Head of UKRI Research Sustainability Policies – for item 10
UKRI Deputy Director of Research Financial Sustainability and Infrastructure – for item 10	UKRI Place Strategy Lead – for item 11
UKRI Deputy Director for Investment Strategy – for item 11	

Apologies	
Sir Ian Chapman	The Baroness Bull

Secretariat	
Board Secretariat Lead	UKRI Head of Governance & Secretariat
Senior Private Secretary to Sir Andrew Mackenzie)	

1. Welcome and Introductions

- 1.1. Andrew Mackenzie welcomed members to the Board meeting and noted apologies. Andrew noted that Sir Ian Chapman and The Baroness Bull had been formally appointed to the Board. Unfortunately neither were able to attend the May meeting. Andrew noted that recruitment of additional non-executive members is ongoing.
- 1.2. Andrew highlighted that he had received a letter from the Secretary of State outlining her objectives for UKRI. This has been shared with the Board. The Board requested that we consider whether the Progress and Performance Pack should reflect these new objectives, reducing reference to the Grant Review given the progress in delivering on its recommendations.

ACTION: Dan Shah will have considered with his team whether the progress and performance pack should be updated to track progress against the new objectives set for UKRI in the Secretary of State's letter to Andrew Mackenzie, and reduce reference to the Grant Review

- 1.3. The Board suggested that Christine Ashton, UKRI Chief Information Officer, should meet with Sir David Grant to discuss his recommendations and how they are being incorporated into business as usual.

ACTION: Christine Ashton will have met with David Grant to discuss how we are progressing with the implementation of recommendations from the Grant Review

- 1.4. Alexandra Jones provided an update on the Department of Science Innovation and Technology (DSIT) Departmental Board, noting that it is an advisory Board. Alexandra highlighted that the Departmental Board is an opportunity for the Secretary of State (Chair), ministers, executives and non-executives to come together. Alexandra noted that the terms of reference should be shared with the Board.

ACTION: The Secretariat will have shared the DSIT Board Terms of Reference with the Board

- 1.5. Alexandra noted that there may be opportunities for Board members to interact with the DSIT Board, for example attending a future meeting or presenting on a relevant topic. Ruwan Weerasekera, Chair of the UKRI Audit and Risk Assurance Committee noted that he had already observed two DSIT Audit, Risk and Assurance Committee meetings.

ACTION: Alexandra Jones will have identified opportunities for the Board to interact with the DSIT Board. These will have been communicated through the secretariat.

2. a) Minutes of March 2024 UKRI Board meeting; b) Action Log; and c) Forward Schedule

- 2.1. The Board approved the minutes of 20th March 2024 Board meeting.

DECISION: The Board approved the minutes of 20th March 2024 Board meeting.

- 2.2. The Board noted the action log and forward schedule.
- 2.3. Andrew noted that the forward schedule continues to be refined and requested all unscheduled items were scheduled by July 2024.

ACTION: The secretariat will have scheduled all items on the forward schedule by the July Board.

- 2.4. The Board noted the importance of continuing to discuss the upcoming general election at future Board meetings.

3. Board Committee Updates

a) Nominations and Remuneration Committee (NomCo)

- 3.1. Victoria Tewes, Interim Head of Public and Senior Appointments provided the Board with an update on Public and Senior Succession Plans. This update is usually provided to NomCo but Andrew was keen to receive input from all Board members.
- 3.2. Victoria updated the Board on the non-executive director recruitment, noting that we have several strong candidates from the last two rounds of recruitment, with outcomes of the campaign expected late summer/early autumn. The Board noted that it requires three new members to remain quorate, <withheld from publication>
- 3.3. The Board noted that the UKRI/DSIT Framework document is being refreshed <withheld from publication>
- 3.4. The Board noted the need to have non-executive directors with diverse backgrounds on the Board, from both the private sector and the university sector. Andrew Mackenzie confirmed there were strong candidates from the higher education and business sectors. The Board also encouraged the senior appointments team to consider which members of the Board have relevant security vetting as they consider succession planning.

ACTION: HR senior appointments will have ensured they are mindful of enough Board members having security vetting.

- 3.5. Victoria provided the Board with an update on Exec Chair appointments;
- The new Biotechnology and Biological Science Research Council (BBSRC) Executive Chair, Anne Ferguson-Smith, will join UKRI on 1st July 2024 and is currently going through the induction process.
 - Indro Mukerjee steps down as Innovate UK CEO at the end of September 2024. <withheld from publication>
 - The campaign to find Mark Thomson's successor as the Science and Technology Facilities Council (STFC) Executive Chair is currently on track <withheld from publication>
- 3.6. Victoria updated the Board on the UKRI CEO recruitment campaign <withheld from publication>
- 3.7. Andrew Mackenzie, chair of NomCo, provided an update on other discussions held at the NomCo meeting, including highlighting the voluntary exit scheme which had recently been launched. The Board noted that the scheme is not being used to reduce headcount, but as an opportunity to allow UKRI to reshape and realign.
- 3.8. Andrew noted that NomCo received a brief pensions update from Chris Ball, with a more in depth update coming to the July 2024 meeting.
- 3.9. Victoria noted that councils' Council Succession plans are currently being prepared and will be shared with NomCo out of committee, alongside council diversity data. Board were asked for their advice on whether it is considered acceptable for those who have previously

served on a Council to come back at a later stage to serve another term. The Board highlighted the need for variety and regular turnover in Councils.

b) Audit and Risk Assurance Committee

- 3.10. Ruwan Weerasekera, Chair of ARAC, provided an update noting there have been no business as usual meetings since the last Board meeting, with ARAC's main focus being the Annual Report and Accounts.
- 3.11. Ruwan noted that the Government Internal Audit Agency (GIAA) Annual Report and National Audit Office (NAO) audits are progressing well, explaining that while the GIAA Report had identified some areas as needing to improve, they were not significant. Ruwan noted that GIAA are keen to meet with the UKRI Chair as a matter of good practice.

ACTION: The UKRI Chair will have met with GIAA by July 2024

c) Board Investment Committee (BIC)

- 3.12. Priya Guha, Chair of BIC, provided an update on the Committee noting that a BIC meeting took place on 13th May 2024. The meeting had a substantive agenda including discussing in detail the Lord Willetts' review on business cases. The review includes six key recommendations on streamlining the business case process, which DSIT have reviewed and agreed.
- 3.13. Priya noted the Committee also discussed
- the Exascale business case, including considering OpEx requirements for large scale significant programmes
 - the impact of inflation, in particular around energy costs
 - how you deal with an ageing infrastructure, balancing new investments with keeping existing buildings functional
 - World Class Labs, with Jessica Corner joining the discussion
- 3.14. Priya noted the Committee are in the process of undertaking an internal light touch effectiveness review.

d) Organisation Change Committee (OCC)

- 3.15. Siobhan Peters confirmed that with Tim Bianek's (COO) departure from the organisation, Christine Ashton (UKRI Chief Information Officer) will take a leading role on the technology change programmes. Siobhan noted that Christine has met with Nigel Toon (Chair of OCC) to identify next steps. Christine is undertaking a series of deep dives to understand any underlying issues.
- 3.16. Nigel noted that an OCC meeting was needed to ensure that at this time of transition, all aspects of the programme have the right support. Nigel noted that while Tim contributed enormously to the programme, new people joining is an opportunity to identify what we need to do now, and really drive implementation.

ACTION: The next Organisational Change Committee (OCC) will have taken place in June 2024 in order to continue discussions on the SHARP and SBF programmes

- 3.17. The Board noted the plans to potentially wind down OCC in line with operating model and organisational design requirements, merging with the Audit and Risk Assurance

Committee. The Board noted that a joint meeting of OCC and ARAC was being held in August to look in detail at the Funding Service.

ACTION: The secretariat will oversee winding down of OCC in line with operating model and organisational design requirements, merging the function with ARAC by end of 2024.

4. CEO Priorities

- 4.1. Ottoline Leyser provided an update to the Board, highlighting that this was clearly a time of significant instability, both across UKRI and the wider R&I communities. Ottoline noted the transition of our organisational change work from the design phase into implementation, necessitating this being owned and managed at a local level.
- 4.2. Ottoline highlighted some key challenges, including ongoing budgetary challenges and our current position in the political cycle, noting that we know change of some kind is coming but there is still a huge ambition across government to deliver things at pace.
- 4.3. Ottoline told the Board about Minister Griffiths' visit to the Swindon office, noting it was a positive day that gave him the opportunity to meet with staff and get a better idea of how UKRI works. This was an opportunity to build relationships and all levels, to help deliver government ambitions.
- 4.4. Ottoline noted that it was important to demonstrate the benefits of our collective working, as one organisation. For example, our analysis of the UKRI Food portfolio demonstrates how all councils are investing on food-related research, and that since the establishment of UKRI our investment in this important area has doubled, largely through cross-UKRI interdisciplinary investments.
- 4.5. We are in a position to lead across the UK and internationally through this kind of joined up approach. Ottoline noted our respected international leadership on important areas such as research culture.
- 4.6. The Board noted that the challenges raised are the very challenges UKRI was built to solve and we are therefore in a strong position to offer solutions.

5. CFO Update

- 5.1. Siobhan Peters provided an update to the Board, highlighting the P12 finance update which is included in the papers.
- 5.2. Siobhan noted that finance teams are working closely with colleagues across the organisation as we develop our spending review bid.
- 5.3. Siobhan noted that the UKRI Operating Expenditure budget is being managed closely, and that she had written to Holly Yates (Director of Science, Research and Innovation at the DSIT) to express concerns regarding challenges we continue to face in managing it.
- 5.4. The Board noted that the voluntary exit scheme (VES) is being launched and Siobhan noted that staff expectations will need to be managed as there will be limited VE opportunities.
- 5.5. Siobhan highlighted that she is meeting regularly with the Science Minister, and that those meetings are very positive and allow her to talk openly about the CFO agenda. Siobhan

continues to work closely with the Minister to keep him updated on the challenges and opportunities within the organisation.

6. UKRI Annual Report and Accounts 2023-24: First Draft

- 6.1. Siobhan Peters introduced the first draft of the Annual Report and Accounts (ARA) 2023-24, inviting the Board to provide comments. The Board were also asked to consider the remuneration report specifically, noting this had not been shared separately with NomCo. Sarah Finigan (UKRI Group Financial Controller) noted that several areas of the report were in early draft, and that additional information needed to be added to various sections, but the Board's input would be invaluable at this stage.
- 6.2. Ruwan Weerasekera, Chair of ARAC, noted that members of ARAC had provided detailed feedback, which will be incorporated. The Board acknowledged the huge amount of work that had been done to pull together the ARA and thanked the teams for their hard work. They provided comments on the content and the tone of the ARA, including noting that they felt the current draft did not reflect the breadth of the work undertaken by UKRI and that more emphasis should be put on how we work with others in partnership. The Board encouraged the team to include more information on how UKRI delivers R&D for DSIT and the wider government.
- 6.3. The Board noted that the ARA will not be shared again with the Board, but that ARAC will be reviewing subsequent drafts, including the financial statements. The ARA will be laid before parliament ahead of recess.

7. UKRI Covid Inquiry update

- 7.1. Charlotte Deane and Patrick Chinnery provided a status update on the witness statements prepared by UKRI in response to a Rule 9 Request for Evidence issued by the UK Covid-19 Public Enquiry. Charlotte noted that the UKRI corporate response draft statement has been submitted and we are awaiting feedback. Patrick noted his individual statement, as chair of the UK Covid-19 Therapeutics Advisory Panel (UK-CTAP) is due to be submitted at the end of the month.
- 7.2. Charlotte noted that the witness statements were very factual and did not offer opinions. In particular, Charlotte noted that the statement directs the inquiry to already published reports where appropriate.

ACTION: The Secretariat will have shared the existing published reports on UKRI's Covid-19 response with the Board by the end of May 2024.

7.3. <withheld from publication>

7.4. Alexandra Jones noted that DSIT offer bespoke comms training to all staff giving evidence or presenting in front of committees etc. This is also standard practice for UKRI.

8. Security Briefing

- 8.1. The Board received a confidential briefing on research security issues.

9. UKRI Risk Update

- 9.1. Siobhan Peters introduced the UKRI risk update, which provides an update on the Board and Principal risks, including providing an update on the Executive Committee Risk Deep Dives that have been undertaken since the last Board meeting.
- 9.2. The Board discussed the risk deep dives, noting that the process continues to be helpful. The Board noted that some of the risks focus very heavily on the delivery of the technology programmes being a mitigating factor and encouraged the team to consider interim mitigation while those technology programmes are delayed.
- 9.3. Carole Walker, Head of Risk and Assurance noted that a lot of work is ongoing regarding looking at the same issue through different lenses.
- 9.4. The Board requested that risk R-0024-Failure to deliver against UKRI Environmental Sustainability and Greening Government Commitment is discussed at the July meeting.
- 9.5. The Board thanked Carole Walker, who is retiring, for her hard work over the years in continuing to develop UKRI's approach to risk management.

10. UKRI plan to respond in the event of Higher Education Provider closure

- 10.1. Siobhan Peters introduced the item, summarising UKRI's playbook to managing the closure of a higher education provider (HEP), including outlining an incident response plan that has been prepared.
- 10.2. The Board welcomed the summary of UKRI's response to a HEP closure and recommended any language around market exit be amended to reflect the unique, broader role universities have. The Board noted the excellent collaborative work that is ongoing with DSIT and discussed the much broader context of the financial sustainability challenge. The Board acknowledged the significant financial challenges the sector is facing and discussed;
 - The complexities of the challenge, including the role of government, Office for Students, funders and universities as independent organisations,
 - The key role UKRI can and should play in convening the sector and evidencing and delivering appropriate actions.
 - How UKRI can use its funding models to support financial pressures, including its terms and conditions of grants,
 - <withheld from publication>
 - The different approaches needed, from immediate to longer term systematic solutions.
- 10.3. The Board <withheld from publication> and would welcome an update on the scenario work focused on cost recovery of FEC in research and PhDs, as well as work mapping UKRI capabilities which are critical to meeting our strategic ambitions.

ACTION: Secretariat will have scheduled an update on the <withheld from publication> and a discussion on the scenario work focused on cost recovery of FEC in research and PhDs on the UKRI Board forward schedule.

11. Balancing place and building capacity with strategic national assets

11.1. Jessica Corner introduced the item, noting it builds on the discussion from the November 2023 Board meeting. Jessica provided an update on progress on place and introduced the Investment Strategy for Places. This included updating Board on the different scenarios for increasing investment outside of the Greater South East. The Board noted UKRI could do more on this, and it will be important to offer that for the long-term Spending Review.

11.2. Jessica noted that UKRI's Executive Committee has agreed to form an Executive Task and Finish Group for the Investment Strategy for places, and requested that Board members suggest disruptive thinkers on place that could inform their work.

ACTION: Board members will have provided names of disruptive thinkers on place that could inform the work led by the Executive Task and Finish Group.

11.3. There was discussion around outcomes being the ultimate goal, while recognising that inputs will also matter. There is a need for evidence to close the loop between inputs and outcomes. The Board encouraged the team to build in: learning from past programmes; learning from other countries in similar situations; and preparing to learn from future programmes. Ottoline noted that lessons learnt from the Strength in Places fund will continue to be useful.

11.4. The Board noted that UKRI has the ability to be a powerful leader for regional growth.

11.5. David Rogers, Deputy Director for Investment Strategy, noted that some emerging points for Board members to use when discussing the future Spending Review with key stakeholders have been included in the Corporate Reading Room. David noted the speaking points are very much in draft form, and will continue to be developed.

12. AOB

12.1. The Board noted the draft UKRI Delegations Framework and the draft UKRI Corporate Governance Framework. Ruwan Weerasekera noted that additional discussions on the frameworks would be held at ARAC prior to coming back to the Board.

12.2. The Board noted the following:

- Board Investment Committee Annual Report to the Board 2023-2024
- Audit and Risk Assurance Committee Annual Report to the Board 2023-24
- UKRI Finance Update
- Executive Committee minutes - February 2024 and March 2024
- Organisational Change Committee minutes - October 2023, January 2024 and March 2024

13. Non-Executive Session