



Approved by UKRI Board: 16th September 2020

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APPROVED Minutes of the UKRI Board Meeting of 15th July 2020

Board Attendees	
Sir John Kingman (Chair)	Lord Willetts (left after item 5)
Professor Dame Ottoline Leyser	Professor Ian Diamond (left after item 5)
Siobhan Peters	Fiona Driscoll
Lord Browne	Sir Harpal Kumar
Sir Peter Bazalgette	Professor Max Lu
Professor Julia Black	Vivienne Parry (left after item 5)
Professor Sir Leszek Borysiewicz (left after item 3)	Mustafa Suleyman (left after item 2)
Attendees	
Isobel Stephen	Lynn Gladden (EPSRC) – for item 5
Mike Blackburn	Lucy Martin (EPSRC) – for item 5
Jo Shanmugalingam, BEIS (left after item 5)	Kedar Pandya (EPSRC) – for item 5
Richard Deakin (ISCF Challenge Manager) – for item 6	
Secretariat	
Chris Chudziak	Amy Smith
Hannah Berriman	
Apologies	
Professor Dame Sally Davies	

Time: 10.00am – 12:30pm

Date: 15 July 2020

Location: By Zoom

1. Welcome and Introductions

1.1. John Kingman welcomed Dame Ottoline Leyser to her first Board meeting as UKRI CEO.

2. CEO Report

2.1. Ottoline updated the Board on a number of live issues not covered later, including;

2.1.1. Recruitment of Innovate UK Executive Chair –Jo Shanmugalingham welcomed any suggestions for possible candidates.

2.1.2. Discovery Fund and EU exit transitional arrangements – the Board noted that Andrew Thompson has agreed to extend his contract by six months to establish new arrangements as international lead. Ottoline noted progress towards agreeing governance arrangements for Discovery Fund, including involvement of BEIS, Academies, Devolved Administrations and with a high profile science advisory committee with international representation. Board noted they are keen to keep these discussions under review, in particular regarding their accountability and Ottoline's role as Accounting Officer.

2.1.3. **(withheld from publication)**

2.1.4. ODA funding – Ottoline noted that as a result of a drop in GDP, there will potentially be a clawback of ODA funding. UKRI are investigating how they may deal with any potential reductions in ODA budgets and how this will impact the overall science budget.

2.2. Ottoline updated the board on her first impressions of UKRI, noting there were some exciting challenges ahead and that she was looking forward to working with the Board and executive team to develop her vision for the organisation.

2.3. Siobhan Peters updated the Board on the allocations advice provided to BEIS, noting that we are currently working with a one year allocation. Siobhan reiterated that this is advice and will ultimately require BEIS and, in some cases, Treasury approval. Siobhan noted that the letter addresses the following;

- Council level allocations
- Level of over-profiling on UKRI budgets, which stands at up to 3% or £240 million
- Management of future year commitments due to slippage in this year and pressures in the ISCF budget from reprofiling of projects and requested uplifts to budget envelopes
- Increases to UKRI Operating Cost limit to take account of additional Operating Cost requirements to deliver the Innovate UK Business Support Package.

2.4. Siobhan noted that UKRI will be seeking ringfence flexibility, which will enable us to be more responsive going forward. Siobhan also highlighted that World Class Lab funding has been brought forward but noted that all funds must be spent this financial year, this risk is being managed closely.

2.5. Board members requested an additional meeting of the Board to discuss in detail the allocations advice, and to ask questions more generally around finance and budgets.

ACTION: Secretariat to arrange an optional Board session for members in September for Siobhan to discuss UKRI allocation advice and other budget/finance questions in detail

2.6. The Board noted the National Audit Office sign off of accounts received 15th July 2020 and thanked Siobhan and Mike for their work on this.

3. UK R&D Roadmap: Next Steps

3.1. Isobel Stephen introduced the item noting the R&D roadmap, which was published on 1 July 2020 sets out the Government's ambitious vision for R&D.

3.2. The Board were keen to understand who owns implementation of the R&D roadmap and the parts which UKRI would be held accountable for delivering. It was noted that UKRI are currently mapping existing work onto the R&D Roadmap to identify what is currently being carried out that aligns with the Government priorities.

3.3. The Board noted the opportunity for UKRI to help provide clarity on approach to cross Government working and on the identification of moon-shots.

3.4. The Board noted the need to consider interaction with the ISCF challenges, and the importance of wider public engagement, and Ottoline noted that the Council for Science and Technology had identified a set of principles to guide what a moon-shot should be

ACTION: Secretariat to circulate CST moon-shot letter, and Prime Minister response to Board.

4. UKRI Corporate Plan

4.1. Due to time constraints, the Board were asked to provide any comments on the Corporate Plan to Executive Director by correspondence.

ACTION: UKRI Board members to send any comments regarding the Corporate Plan to Isobel Stephen following the meeting.

5. UKRI's Energy Priorities

5.1. Following on from a deep dive on energy research at the Board in January, Lynn Gladden outlined the work and engagement that has happened since, resulting in UKRI identifying a set of research priorities;

- reduction in UK energy demand
- growth of a new hydrogen economy
- wide scale deployment of carbon capture utilisation and storage

DECISION: The Board endorsed the research priorities outlined.

- 5.2. The Board noted the need for an enduring incentive/disincentive regulatory structure to catalyse industrial investment, noting the opportunity for social science input; the importance of low energy housing and interaction with the Transforming Construction ISCF challenge; and links with other ISCF challenges, (including the Faraday Battery Challenge and the Low Cost Nuclear programme), and the need for longer term sustained investment than would normally be provided by the 5-year ISCF approach.
- 5.3. The Board noted there is a strategic choice to be made between investing in technologies and processes where the UK and UKRI have a competitive advantage, vs investing from the point of view of national resilience. This will need to be considered going forward.
- 5.4. The Board noted the importance of moving quickly in this space and is keen that UKRI moves ahead with conversations with companies to put forward a strong and credible pitch.
- 5.5. The Board requested a document that could be shared publicly. Lynn Gladden to review Board paper to see if there is anything sensitive.

ACTION: Lynn Gladden to provide UKRI Board with a document highlighting UKRI's energy priorities that can be shared publicly.

6. **Small Modular Reactors**

- 6.1. Richard Deakin (ISCF Challenge Director) introduced himself to the Board, setting out the background for small modular reactors, the UKRI low cost nuclear programme and the geographic distribution of the supply chain within the UK.
- 6.2. The Board noted the position of the UK internationally in this space, noting collaboration agreements both with US and Canada. The Board discussed the interaction between SMR technology and the fusion programme, noting the SMR programme would support the supplier ecosystem that needs to be in place for the fusion programme.
- 6.3. While noting the difficult politics around nuclear, Jo Shanmugalingam noted BEIS and Government's commitment to the importance of the SMR agenda in terms of achieving Net Zero. John Kingman thanked Richard for his presentation and noted the importance of this programme.

7. **AOB**

- 7.1. Board members agreed to cancel the Board Briefing call due to be held on 23rd July 2020. The next Board Briefing call will be held on 7th August 2020.

Papers for discussion by exception

8. a) Minutes of 13th May 2020 and b) Action Log

8.1. The Board approved the minutes, as corrected, and noted the action log without comment.

9. CFO Report

9.1. The Board noted the CFO Report without comment.

10. Board Forward Look

10.1. The Board noted that spending review milestones have not been included on the Forward Look as they have not yet been announced. The Board were reassured they would be engaged throughout the spending review process.