



Natural  
Environment  
Research Council

## Minutes of the 17th meeting of NERC Council in UK Research and Innovation (redacted)

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### NATURAL ENVIRONMENT RESEARCH COUNCIL

**Seventeenth meeting of NERC Council in UK Research and Innovation held at the British Geological Survey, Keyworth, Nottingham on Thursday, 9 June 2022.**

#### **Members present:**

Professor Sir Duncan Wingham (Executive Chair), Nick Folland (Senior Independent Member), Judith Batchelar, Professor Hannah Cloke, Dr Matthew Harwood, Professor Sir Stephen Holgate, Michael Lewis, Professor Peter Liss, Clare Matterson, Gordon McGregor, Rashik Parmar, Professor John Pyle, Professor Gideon Henderson, CSA, Defra, Professor Graham Underwood, Chair, Science Committee (via Zoom)

**NERC/UKRI Directors (Head Office):** Tim Bianek (Chief Operating Officer, UKRI) (via Zoom), Nigel Bird (Director, Major Projects), Victoria McMyn (Chief Operating Officer) (via Zoom), Alison Robinson (Deputy Executive Chair), Professor Susan Waldron (Director, Research and Skills), Dr Iain Williams (Director, Strategic Partnerships)

**Apologies:** Dr Rebecca Heaton

**Other attendees:** Liam Haydon for items 5 and 10, Sarah Turner for item 7, Clive Hayter for item 8, Daniel Lebel and Tom Haynes for item 9

**Secretariat:** Helen Page

#### **Introductory items**

##### **1. Executive Chair's welcome and introductions (Oral)**

- 1.1 Duncan Wingham welcomed members to the seventeenth meeting of NERC Council and asked the two new members of Council, Peter Liss and Rashik Parmar, to provide a brief introduction.
- 1.2 Duncan Wingham congratulated those in the environmental science community who had been made Fellows of the Royal Society. Duncan Wingham added that Professor Karen Heywood had recently been awarded an OBE and Professor Dame Jane Francis had been awarded the Patrons Medal by the Royal Geographical Society for her contribution to earth and environmental sciences.
- 1.3 Duncan Wingham advised Council that this was the last meeting for Victoria McMyn and thanked her, on behalf of Council, for her contribution to NERC over the past three years.
- 1.4 Duncan Wingham asked members for any updates to their declared interests or any vested interests in the items being discussed today. None were declared.
- 1.5 Duncan Wingham asked members for any amendments and matters arising from the

minutes of the previous meeting. No amendments were made, and the minutes of the sixteenth meeting were confirmed as a good record.

- 1.6 Duncan Wingham asked Alison Robinson to provide an update on the action related to forward agenda items which had been suggested at the previous meeting. Alison Robinson advised that the rolling programme had been updated to include items on: business engagement; levelling up/place and international collaboration. She added that it was being proposed that some of the other topics, such as biodiversity/climate, might be best addressed through broadening the remit of the pre-dinner speaker sessions to include presentations from Chief Scientific Advisors and organising some specific macro level talks.
- 1.7 Duncan Wingham invited Council members to provide further clarification, via correspondence, on a suitable framework to use to improve the broader context for Council agendas and papers.

## **2. UKRI update (Oral)**

- 2.1 Tim Bianek advised Council that the UKRI five-year Strategy had now been published and the three year Spending Review (SR) allocations agreed. He informed Council that it would be important to deliver the strategy as effectively and efficiently as possible and advised that a component of the SR settlement was to make reductions in both operating expenditure (OpEx) and headcount throughout the SR period which would be largely achieved through the current work on the operating model.
- 2.2 Tim Bianek explained that he was the UKRI lead for the operating model and that a broad framework had been reviewed by Executive Committee and the UKRI Board and was now close to being agreed. It was anticipated that senior leaders in UKRI and Executive Chairs would be allocated responsibility for delivering the specific changes as a result of the revised operating model, for example, the planned changes in technology such as the Simpler and Better Funding programme and the Services for HR, Accounting, Reporting and Procurement programme.
- 2.3 Tim Bianek informed Council that there was an increased focus for UKRI, BEIS and Government on the risks associated with cyber security. He added that work across the whole of UKRI (including centres and institutes) would be required to provide reassurance that the cyber risks were being adequately managed and to identify and prioritise where investment in systems might be required.
- 2.4 Tim Bianek informed Council that the independent review of UKRI by Sir David Grant was now in its final stages and that a draft report was currently with Ministers. He added that UKRI had reviewed a draft set of recommendations from the report which were broadly in line with improvements already planned by UKRI and that the report was due for publication by the end of June.
- 2.5 Council asked what measures were in place to measure the effectiveness of the UKRI operating model and asked for some clarity on whether the operating model might lead to changes in governance. Tim Bianek responded that a suite of measures was due to be discussed with the UKRI Board including a draft set of objectives, Key Performance Indicators and other measures to demonstrate progress both on efficiency and effectiveness. Duncan Wingham added that some improvements had been made on performance measurement at UKRI level and it was acknowledged that it would be important to have harmonised operational performance measures across the organisation.
- 2.6 Council asked whether the UKRI operating model might lead to increased consolidation of functions at UKRI level or increased devolution to the research councils and whether there were opportunities to make reductions in the cost of facilities as a result of hybrid working. Tim Bianek responded that there were three models for delivering centralised functions: an embedded function (finance teams sit within research councils but are part of the UKRI

corporate hub); a centralised function (UKRI legal team); a distributed function (research councils have their own teams). He added that it would be important to remove duplication of effort across the organisation which might lead to a decrease in the size of the central UKRI hub once these changes were made. He acknowledged that there was not yet an agreed hybrid working structure across UKRI and that there may be savings to be made on facilities but that these were not expected to be significant.

- 2.7 Council highlighted some of the key performance measures they would expect to see, including the importance of internal and external stakeholder feedback on how UKRI was achieving its objectives. Tim Bianek agreed that internal and external satisfaction was important and that there were plans to conduct pulse surveys internally.
- 2.8 Council asked whether NERC was experiencing a high turnover of staff particularly towards the private sector given the current importance of environmental issues. Duncan Wingham commented that, whilst there was an increase in staff turnover, the main driver was the relaxing of geographical restrictions as a result of hybrid working.

### **3. Update from CSA, Defra (Oral)**

3.1 Gideon Henderson explained that his update would focus on six areas:

i. Civil Service Reform

Gideon Henderson highlighted the Government ambition to decrease the number of civil servants to 2016 levels by the end of the current SR period. He added that the Civil Service Fast Stream programme would not take place next year as a consequence and reminded Council that some arms-length bodies employed civil servants and would, therefore, also be subject to headcount reductions.

ii. Ukraine/Russia

Gideon Henderson commented that risk from the continuing conflict in Ukraine was still being monitored thoroughly within Government, particularly with regard to the chemical, biological, radiological and nuclear threat and the tension on supply chains.

iii. International

Gideon Henderson informed Council that the Convention for Biodiversity Conference of the Parties which was planned to take place in China later this year was now unlikely to take place due to COVID restrictions although it was still hoped to be able to work together in alternative ways on biodiversity.

Gideon Henderson commented that work was continuing under the oceans theme under Germany's G7 presidency.

iv. Official Development Assistance (ODA)

Gideon Henderson advised Council that the £500 million Blue Planet Fund financed from the ODA budget was continuing, although he acknowledged that there was limited science focus. He added that the Darwin Initiative was now in its 30<sup>th</sup> year and focused on biodiversity and helping the world's poor and that there was a new programme, recently launched by Defra, Global Centre on Biodiversity for Climate, focused on climate adaptation and helping the world's poor.

v. Legislation/regulation

Gideon Henderson informed Council that adaptation continued to be a focus within Government and that it would be important to ensure that there were actions taken ahead of any research activity. He added that the consultation on the Nature Recovery Green Paper had closed in May with a Government response expected and reminded Council

that the consultation on the targets set out in the Environment Act remained open for feedback up to 27 June.

Gideon Henderson informed Council that the secondary legislation on gene editing had been agreed and the primary legislation to change the definition of genetically modified organisms would have its second reading next week.

#### **4. Executive Chair's update (Oral)**

4.1 Duncan Wingham gave an oral update on some of the key activities since the previous Council meeting.

i. Open Access Policy

Duncan Wingham informed Council that the open access policy had been in place since April 2022. He advised that an agreement between Elsevier and Jisc on open access had now been reached and that Nature had agreed to provide green open access in 2022 whilst they negotiated an agreement with Jisc. He added that most journals were now compliant with the policy although some US journals remained hybrid.

ii. Efficiency

Duncan Wingham informed Council that there were recruitment restrictions currently in place across UKRI and that, whilst the current situation was manageable, this might lead to a reduction in activity in the long term. NERC would continue to monitor the situation in order to ensure critical activity was maintained although it would also be important to ensure historic practices were reviewed and simplified to enable activity to continue with less resource.

iii. Reviews

Duncan Wingham commented that the draft recommendations from the independent review of UKRI by Sir David Grant were practical and achievable. He added that interaction between the UKRI Board and the Councils was a focus of the review and that this would be discussed further under Item 11.

Duncan Wingham commented that the review of bureaucracy led by Professor Adam Tickell had made some beneficial and appropriate recommendations, for example, related to assurance and grant processes and bureaucracy in universities.

iv. ResearchFish

Duncan Wingham informed Council that there had been some recent comments on Twitter related to ResearchFish, the IT system used by UKRI to gather reporting on UKRI funded grants. He explained that an agreement between ResearchFish and UKRI related to inappropriate tweets had now ceased due to concerns raised regarding potential data breaches.

Council asked whether the potential data breaches were being investigated and asked for the outcomes of any assessment to be shared once available. Council commented that it would be helpful to know more about the benefits of ResearchFish and Duncan Wingham suggested that a discussion take place at a future Council meeting to provide more detail on ResearchFish which was agreed.

**ACTION: The Executive to share the outcome of the assessment on potential data breaches by ResearchFish**

**ACTION: A presentation on the benefits of ResearchFish to be scheduled for a future Council meeting**

Council queried whether there was comparable information on the outcomes of Innovate UK funded research particularly in light of their significant increase in funding. Duncan

Wingham informed Council that he was currently in discussion with Innovate UK on opportunities for co-funding and that there was potential for further opportunities under the UKRI cross-council Strategic Themes. Duncan Wingham added that he would have responsibility for the theme 'Building a Green Future' and plans were in place to work in partnership on this, for example with other Government departments or research councils.

v. NERC Diversity and Inclusion Living Action Plan

Duncan Wingham informed Council that the Diversity and Inclusion Living Action Plan had now been published and NERC would now focus on implementing it.

vi. Infrastructure

Duncan Wingham informed Council that £38 million had been approved for the floods and droughts research infrastructure as part of the UKRI Infrastructure Fund and that funding had been received for scoping a Carbon Capture and Storage research infrastructure.

4.2 Council asked for the impact case studies from the Research Excellence Framework 2021 to be shared once available.

### **Items for discussion**

#### **5. NERC Strategic Delivery Plan 2022 (NERC 22/13) Slides, item 5**

5.1 Alison Robinson introduced this item and presented slides. Liam Haydon observed this item via Zoom.

5.2 Alison Robinson explained that the format of the NERC Strategic Delivery Plan (SDP) had been updated since Council last reviewed it and now reflected the six objectives: People; Places; Ideas; Innovation; Impacts and World Class organisation from the UKRI Strategy. In addition, this revised version also sought to take on board stakeholder feedback from the engagement which had taken place in February and March 2022.

5.3 Alison Robinson added that the foreword and the vision had changed significantly to try to set the wider strategic context of UKRI and the need for collaborative work to find environmental solutions alongside the core NERC remit of understanding our changing environment. She added that the aim was still to evolve from the previous NERC Delivery Plan with no marked new shift in ambition for the coming three years. She also commented that the plan was likely to be a performative document and that, whilst some elements of the plan were aspirational, some activities had already started.

5.4 Alison Robinson advised Council that the final version of the SDP would be subject to formatting, following any final amendments, to ensure consistency across the research councils and that publication was expected by the end of the summer 2022.

5.5 Council commented that it would be important to ensure the contribution of all of the research centres and the environmental scientific community was highlighted.

5.6 Council asked for the plan to better illustrate how discovery science, diagnosis and cure worked together and highlighted the importance of strengthening the role of discovery science to ensure engagement with the academic community. Council noted the importance of signalling how NERC would perform its core role and work in partnership across UKRI to deliver wider environmental solutions.

5.7 Council asked whether it might be useful to highlight what the top priorities for NERC over the next three years would be and for more information on how NERC and UKRI would monitor how the plan would be delivered. Council also noted the need to ensure NERC signalled its intention to fund a broad cross-section of research and ensure the breadth of

the community was evident in the document. Council supported the suggestion from Duncan Wingham to make the bullet points more aspirational and clearly indicate which issues they were seeking to address, using them to signal a sense of urgency of action as well as thematic priorities.

- 5.8 Council highlighted the importance of ensuring the community was able to see themselves in the document and suggested that photographs, especially of people, would be useful both for this purpose and to highlight the key themes. Council added that it would also be important to highlight linkage with business within the plan.
- 5.9 Council were asked to provide any further comments on the SDP by the end of week commencing 13 June 2022.

## **6. UKRI and NERC budget for the Spending Review (NERC 22/14)**

- 6.1 Duncan Wingham introduced this item and advised Council that the SR allocation had been confirmed and that the high level UKRI and NERC allocations were outlined in the paper with further detail also included in the finance paper (NERC 22/19).
- 6.2 Duncan Wingham explained that there were a number of strategic drivers arising from the settlement including the run-down of existing cross-council programmes, such as the Industrial Strategy Challenge Fund and the Strategic Priorities Fund and the creation of new, cross-council programmes, such as the UKRI Strategic Themes. Duncan Wingham added that it would be important for NERC to engage with the new programmes and that partnership working across the research councils would be required (the mechanism for this being the NERC Strategic Research and Innovation budget).
- 6.3 Duncan Wingham advised Council that any consequent available headroom would be invested in the strategic science budget and reminded Council that the discovery science budget had received an uplift in 2021 for the SR period.
- 6.4 Duncan Wingham informed Council that there would be a central fund for 'talent' at UKRI level but that there would not be an immediate impact whilst a strategy was developed resulting in the 2022/23 NERC fellowship round proceeding in the usual way. He added that the long term ambition of the central fund would be to provide a more diverse range of opportunities and to align the timing of competitions and to simplify processes.
- 6.5 Duncan Wingham highlighted that infrastructure funding was an area for concern, particularly for digital infrastructure, with a more limited budget in this SR. This raised the need to promote this at the next SR, noting the need for investment for specific infrastructures such as the move to exascale computing.
- 6.6 Council asked whether there was a replacement for the Global Challenges Research Fund (GCRF) and Duncan Wingham advised that there were no plans to replace GCRF. He added that the allocation did include a low level of ODA and that there was ODA related spend in other Government departments. Gideon Henderson commented that there remained a possibility that ODA funding might increase in the future and that there might be opportunities to work with other funders, for example Wellcome.
- 6.7 Council asked whether there would be opportunities for the community arising from the new cross-council programmes. Duncan Wingham informed Council that the UKRI Strategic Themes were predominantly focused on cross-council working and outlined the themes: building a green future; building a secure and resilient world; tackling infections; securing better health, ageing and wellbeing and creating opportunities, improving outcomes. He added that a further discussion on the themes would take place at the September Council meeting.

**ACTION: UKRI Strategic Themes to be added to the agenda for September Council**

- 6.8 Council asked whether NERC might be able to work more broadly with the wider community to address the issues surrounding infrastructure and asked whether 'quantum' technology was included in the settlement. Iain Williams confirmed that plans were already in place to ensure a coherent approach and confirmed that quantum was part of 'new technologies' which was being led by EPSRC.
- 7. Commissioning strategic research to address NERC Strategic Delivery Plan ambitions (NERC 22/15) Slides, item 7**
- 7.1 Susan Waldron introduced this item and presented slides. Sarah Turner observed this item via Zoom.
- 7.2 Susan Waldron commented that it was timely to review the way in which strategic research was commissioned now that the SR settlement was known and to ensure NERC was able to increase collaboration with the other research councils to work on the UKRI Strategic Themes.
- 7.3 Susan Waldron explained that the paper provided some background information on the strategic research investment structure used within NERC and that Council were being asked to confirm that the three existing mechanisms - Strategic Programmes, Highlight Topics and Partnerships and Opportunities - remained appropriate.
- 7.4 Council asked how these various mechanisms were communicated to the community and whether the research ideas received were of a high quality. Susan Waldron responded that there were a range of methods to support the community in applying for opportunities including: webinars, visits to Higher Education Institutions (HEIs) and bringing expertise from the community into the NERC HO (rotators scheme). She added that the ideas received were high quality, particularly for Highlight Topics, and Graham Underwood added that the Highlight Topic process was mature and ideas received were well thought out and strategic.
- 7.5 Council asked for greater clarity on how strategic research fitted into the overall funding picture and Duncan Wingham agreed to consider how to provide Council with additional information on the research which NERC funds.
- 7.6 Council commented that it was not clear whether the current mechanisms were appropriate, particularly in working collaboratively with Innovate UK. Alison Robinson explained that Innovate UK did have a different approach to research questions and it was, therefore, important to adapt approach when working with them rather than the mechanisms. Duncan Wingham added that he had recently met with the CEO, Innovate UK with the aim of agreeing a shortlist of ideas which they might work collaboratively on over the period of the SR.
- 7.7 Council asked whether the HEI visits were limited to those who received the most funding from NERC and what routes were in place to consider ideas from those in the community NERC did not currently engage with. Susan Waldron explained that visits were now taking place virtually which had increased the reach of the visits and were not limited to those who received the greatest funding from NERC. Alison Robinson added that there were plans to do another public dialogue and consideration of how to engage with new HEIs was ongoing.
- 7.8 Council queried whether ideas were only received from the academic community and Graham Underwood commented that Highlight Topics were sometimes received from the wider community, although this was not common and, when ideas were considered of interest by Science Committee, support had been provided by HO staff to develop these ideas.

- 7.9 Council asked how NERC signalled the main priorities to the community and commented that there was some benefit, for example, in surveying business and/or the public to identify their top priorities. Duncan Wingham advised that, whilst there was a bottom-up approach with Highlight Topics, the other two mechanisms were top-down. Susan Waldron added that the Big Ideas Pipeline provided an alternative route for generating ideas.
- 7.10 In summary, Duncan Wingham commented that Council was content that NERC had the appropriate mechanisms. He acknowledged that Council would like to be better informed on the outcome of funding decisions which would also help to identify any significant gaps. The Executive would consider how best to present this information and come back to Council in due course.

**DECISION: Council confirmed that NERC had the appropriate mechanisms in place to deliver the Strategic Delivery Plan**

**ACTION: The Executive to consider how best to present the outcomes of funding decisions to Council**

## **8. National Capability budget planning 2022/23 – 2024/25 (NERC 22/16) Slides, item 8**

- 8.1 Iain Williams introduced this item and presented slides. Clive Hayter observed this item via Zoom [at the meeting this item was transposed with Item 10].
- 8.2 Iain Williams reminded Council that National Capability (NC) funding supported the six NERC research centres and explained that 42% of NERC funding balance was allocated to NC in 2020/21. He outlined that there had been an increase in the proportion of the NERC budget allocated to NC over recent years due to uplifts from UKRI specifically to maintain capabilities at centres and institutes whilst other budgets were held at flat cash.
- 8.3 Council was asked to review the options for funding NC over the SR period and agree the preferred option from the three options outlined in the paper, noting that Option 2, to return NC to the same proportion of the NERC core budget as it was in 2018/19, was the recommended option. Iain Williams advised Council that the intention was to have a further discussion about the balance of funding across the research centres in December.
- 8.4 In response to a query on the separation of the decisions to be made on the NC budget and the subsequent distribution of funding, Duncan Wingham commented that it was important to decide initially on the baseline budget at this stage to enable planning of both the NC and the Strategic Research and Innovation programmes, as the latter would be impacted on the volume of NC funding.
- 8.5 Council was broadly content with the recommended option outlined in the paper which would bring the proportion allocated to NC funding to 40% by 2024/25.
- 8.6 Council asked whether there had been any consideration of the implications of the current high inflation rates on budgets and Duncan Wingham commented that there would be an impact if the high inflation rates continued. He added that ship fuel was an immediate concern and might lead to a reduction in activity, for example in ship operations, as a consequence of significant increases in costs.
- 8.7 In summary, Duncan Wingham confirmed that there was a consensus view that Council were in agreement that Option 2 was the preferred approach.

**DECISION: Council agreed to set the NC budget at the level proposed at Option 2 in the paper for the period 2022/23-2024/25**



## **9. Evaluation of the British Geological Survey 2016-2021 (NERC 22/17) Slides, item 9**

- 9.1 Duncan Wingham welcomed Daniel Lebel, Director General, Geological Survey of Canada, the Chair of the BGS Evaluation Panel to the meeting. Tom Haynes observed this item via Zoom.
- 9.2 Iain Williams introduced this item and presented slides, reminding Council that it had been decided to evaluate the British Geological Survey (BGS) separately from NERC's other research centres in acknowledgment that they performed a different function. He explained that BGS had its own board, chaired by Sir Keith O'Nions, and that the evaluation was aligned with the Memorandum of Understanding (MoU) between NERC and BGS. Iain Williams invited Daniel Lebel to talk through the findings of the evaluation.
- 9.3 Daniel Lebel commented that there had been a good range of expertise on the panel and that the panel had been well supported throughout the evaluation by NERC. He added that the panel were in agreement on both the evaluation conclusions and recommendations.
- 9.4 Daniel Lebel confirmed that the panel had considered BGS provided an overall good provision of requirements with separate ratings provided against five objectives outlined within the paper. He added that the panel agreed that BGS was a world-leading geographical survey with strong expertise and provided independent advice to a wide range of stakeholders. Daniel Lebel highlighted the high level recommendations made following the evaluation including the requirement to include the findings in the BGS strategy plan review.
- 9.5 Council asked for some thoughts on the interface between BGS and the UK Government in relation to the first objective and whether the relationship might be strengthened. Daniel Lebel commented that there were multiple models for operating Geographical Surveys internationally and, that a potential consequence of the BGS/NERC model, was there might be insufficient influence at a Government level.
- 9.6 Duncan Wingham thanked Daniel Lebel for his contribution to the evaluation and for his presentation to Council on the findings.
- 9.7 Council asked whether they would receive an update on progress with implementing the recommendations from the evaluation and this was confirmed.

**ACTION: An update on progress with implementing the recommendations of the BGS evaluation to be reported to Council at a future meeting**

- 9.8 Council noted that the BGS Business Plan (2016-2019) had outlined an intention to reduce reliance on NERC funding and asked whether any progress had been made. Duncan Wingham commented that he had worked with Sir Keith O'Nions to ensure the wording of the MoU clearly stated that BGS was not a research organisation. He added that the purpose of the evaluation had been to focus on the quality of the outcomes, rather than the operation of BGS. He suggested that Sir Keith O'Nions be invited to a future Council meeting to update Council on future plans for BGS.

**ACTION: Sir Keith O'Nions to be invited to a future Council meeting to update on plans for BGS**

- 9.9 In summary, Duncan Wingham noted that Council was satisfied with the evaluation of BGS and confirmed that progress on the recommendations would be reported at a future date. He congratulated BGS on a good outcome from the evaluation.

## **10. NERC Delivery Plan report for 2021/22 (NERC 22/18) Slides, item 11**

- 10.1 Alison Robinson introduced this item and presented slides. Liam Haydon observed this item

via Zoom.

- 10.2 Alison Robinson reminded Council that the report provided an update on progress over the past year on the ambitions outlined in NERC's current Delivery Plan and added that progress was reported via two frameworks, a summary dashboard and a UKRI adapted balanced scorecard approach aligned to the UKRI Corporate Plan. She reminded Council that the report was based on both quantitative and qualitative analysis and that this was the third report, as the current Delivery Plan had been in place for three years.
- 10.3 Alison Robinson explained that this would be the final report against this Delivery Plan and reporting would need to be adapted to the new structure of the SDP.
- 10.4 In reviewing the summary tracker, Alison Robinson highlighted the RAG ratings for 2022. She advised Council that the progress this year was likely to be the result of cumulative work over the past three years, which, in the view of the Executive, explained why there was nothing marked 'red' this year. Alison Robinson outlined where specific ambitions were marked amber and offered Council a summary view. She added that this varied across areas, some, such as digital and healthy environments, were due to investments coming to an end, so a need to look to new programmes, others were marked amber due to external events including around global environments and the transition to new ways of working across UKRI. Council noted that the forecast included in the summary used the existing reporting framework and did not seek to map to the new emerging NERC SDP as this was still a work in progress.
- 10.5 Council queried whether the report was too 'green' and Alison Robinson explained she was content with the scores given the maturity of the Delivery Plan. She noted that each year the process asked leads to report on barriers and identify actions to mitigate these and this had produced a year on year improvement in delivery.
- 10.6 Council congratulated NERC on the report and asked whether the forecast would align with the new SDP. Alison Robinson commented that, once the SDP was finalised, a new structure would be developed, noting it would need to be different given the new structure of the SDP to ensure it provided a clear sense of progress against delivery of NERC priorities. She confirmed that Council would continue to receive an annual report against progress in this new format.
- 10.7 In summary, Duncan Wingham commented that Council was content with the report and agreed with the assessment of performance.

## **11. UKRI-NERC Council Terms of Reference (Oral)**

- 11.1 Duncan Wingham introduced this item and advised Council that a meeting had taken place recently between Executive Chairs, Senior Independent Members (SIMs) and the Chair, UKRI Board as a result of drivers to both improve the efficiency of the organisation and the interaction between the UKRI Board and Councils. He asked Nick Folland to provide a brief summary of the discussion.
- 11.2 Nick Folland advised that the primary purpose of the meeting was to discuss the role of the Councils across UKRI and to discuss a revised Terms of Reference (ToR) for them. The central issue under consideration was whether the Councils were decision-making bodies or advisory. He commented that the UKRI Board Chair considered the Councils to be advisory bodies, given that there was only one accounting officer for UKRI, the CEO, who delegated responsibility to the Executive Chairs, rather than to Councils.
- 11.3 Nick Folland commented that UKRI were currently reviewing the ToR for Councils to better reflect an advisory role and, if they were concluded as indicated in the meeting, this might lead to some change in the operation of Council. He added that Councils would be more empowered than at present and might have less of a governance role to fulfil in future,

allowing for an increased focus on strategic issues.

- 11.4 Nick Folland added that there was some discussion at the meeting on whether SIMs should be expected to chair Council meetings and it was agreed that this was not the role of the SIM but the role of the Executive Chair.
- 11.5 Duncan Wingham added that the role of Council had, historically, always been advisory and so this did not constitute a major change but the revised ToR would provide an opportunity to review the items under discussion at Council which had remained unchanged since the formation of UKRI.
- 11.6 Council indicated that they had previously considered Council as advisory and were aware that ultimate responsibility sat with the Executive Chair. Council added that they would be concerned if all of the governance information was removed from the Council meetings as this provided useful background information and context. Duncan Wingham agreed some consideration would be given to how best to meet Council's information needs once the new ToR were confirmed and the governance changes clarified.

## **12. NERC financial outturn 2021/22 and draft budget 2022/23-2024/25 (NERC 22/19)**

- 12.1 Victoria McMyn introduced this item and advised Council that her update would focus on both the outturn for 2021/22 and the future budget. She informed Council that the final outturn for 2021/22 was £5 million, close to the £4 million underspend requested by UKRI. Main variances included an increase in the BGS underspend and further underspends in the discovery science portfolio. Victoria McMyn thanked the finance team for their work in a year of great uncertainty.
- 12.2 Victoria McMyn explained that the finance paper outlined some expected cost pressures over the coming year including the rising fuel and energy prices, pay awards and changes expected as a result of the work on the operating model and UKRI collective funds.

## **13. Review of the Top Risks at June 2022 (NERC 22/20)**

- 13.1 Victoria McMyn introduced this item and commented that the risk register contained some significant changes since the previous meeting partly due to the improvements NERC had implemented recently in managing its risks.
- 13.2 Victoria McMyn highlighted some of the key points within the paper including the risks associated with financial and supply chain volatility and advised that it had been agreed to separate out these risks. She added that the OpEx budget pressures, particularly related to the reduction in headcount, was an increasing risk.
- 13.3 Victoria McMyn commented that NERC had taken a decision to reduce the risk related to cyber security following a review and a programme of improvement activity although there were still plans for further improvements.
- 13.4 Finally, Victoria McMyn advised Council that NERC had now moved to a new risk management system which had resulted in a new format for the risk annex. She added that the UKRI Board would be reviewing all risk registers across UKRI and any feedback following this discussion would be shared with Council.
- 13.5 Council complimented NERC on a thorough risk report and asked whether there was an increased likelihood of cyber risks despite the precautions in place. Council also asked whether sufficient consideration was being given to the effect on mental wellbeing of hybrid working. Victoria McMyn commented that cyber security would continue to be a focus and that additional funding was being sought to improve security at British Antarctic Survey and BGS. She added that the risk associated with hybrid working had been reduced as there

had been no adverse impact within NERC although the scoring may need to be adjusted following the outcome of a UKRI-wide evaluation due to take place over the summer.

#### **14. Agenda and unconfirmed minutes of Science Committee (NERC 22/21)**

14.1 Graham Underwood introduced this item to update Council on the last meeting of Science Committee which had been held in April 2022.

14.2 Graham Underwood commented that Science Committee had reviewed, and provided advice to the NERC Executive on: the NERC Diversity and Inclusion Action Plan; Doctoral Training Partnership commissioning; Big Ideas series and Approaches to Sustainable Research.

14.3 Graham Underwood explained that Science Committee was invited to provide advice on a pilot scheme on research sustainability being developed by NERC HO including how best to define sustainability. Science Committee reviewed three options for the pilot and discussed how to embed sustainability more broadly into future research activities.

14.4 Graham Underwood informed Council that Science Committee would meet virtually in July with the final meeting for 2022 taking place at CEH, Lancaster in October.

14.5 Duncan Wingham commented that he was responsible for sustainable research for UKRI and that a meeting with a cross-section of Vice Chancellors was planned which would discuss putting a concordat in place to agree a basis for the sector to achieve net zero. He agreed to provide an update on progress at a future meeting of Science Committee.

**ACTION: Duncan Wingham to update Science Committee following his meeting with Vice Chancellors**

#### **15. Rolling programme of business (NERC 22/22)**

15.1 Helen Page reminded Council members that this item provided an opportunity to raise items for discussion at future Council meetings.

15.2 Helen Page highlighted two issues for Council's attention:

- the next Council meeting (21-22 September) would take place at the Natural History Museum and would be an in-person meeting only (no Zoom facilities available)
- plans were in place to arrange a joint session with MRC Council which would necessitate a change of date for the December 2022 meeting (from 7-8 December to 6-7 December) and that a diary entry to hold the 6 December had been issued whilst confirmation was awaited.

#### **16. Any Other Business (Oral)**

16.1 There was no further business.

16.2 The meeting was closed.