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UKRI ENGINEERING AND PHYSICAL SCIENCES RESEARCH COUNCIL

EDITED MINUTES OF THE COUNCIL MEETING HELD ON 15 & 16 MAY 2018 AT ST JAMES COURT, LONDON.

Council Members: Professor Mark Smith (Chair)
Professor P Nelson
Professor M Calder
Ms B Dean
Professor N Jennings
Baroness Neville-Jones
Professor M Rosseinsky
Professor S Sharples
Professor T Whitley
Mr P Williams
Professor A Wright (15 May only)

Executive: Dr A Bourne
Dr A Chmura (16 May only)
Ms J Nicholson
Dr K Pandya
Mr A Paul
Professor T Rodden (items 1-6)
Dr N Viner

Secretary: Dr N Goldberg

1. INTRODUCTORY REMARKS

- 1.1 Professor Nelson welcomed everyone to the meeting. He explained that, as outlined at the "shadow" meeting on 7 March, it was proposed that Professor Smith in his capacity as Senior Independent Member (SIM), would chair meetings on his behalf. He said that this was in keeping with the terms of reference.
- 1.2 Council **confirmed** that they were content with this arrangement.
- 1.3 Professor Smith formally opened the meeting.

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- 1.4 Apologies were received from Professor Walmsley for the whole meeting and Professor Wright who was only able to attend for the first day.
- 1.5 There were no new declarations of interest from members at this meeting. Members have already provided their ongoing conflicts of interest which are published on our [website](#).
- 1.6 Professor Smith informed members that, on the second day of this meeting, Council members would be joined by Professor Clare Grey, Cambridge University. She would be providing a presentation to Council on batteries technologies research specifically covering her own area of research (lithium ion battery technology) and the wider challenges faced by the field. This was in keeping with Council's wish to have more regular exposure to the science in which they invest. Indeed this was particularly timely given the focus on the industrial strategy challenge fund and the Faraday Institute in particular.

2. EXECUTIVE CHAIR OPENING REMARKS

Oral

- 2.1 Professor Nelson provided a number of contextual remarks, as set out below.
- 2.2 Professor Nelson began by welcoming the appointment of Professor Lynn Gladden as the next Executive Chair of EPSRC. She would officially take up this post on 1 October 2018. He commented that Professor Gladden had had a longstanding past association with EPSRC both in a strategic advisory capacity and most latterly as a Council member. He said that he would be meeting Professor Gladden in the near future as part of an ongoing induction programme. He added that it was hoped that Professor Gladden would be able to attend the Council meeting in July.
- 2.3 Professor Nelson reported that the formal transition to UKRI on 1 April had been relatively low key, however, he added that the transformation process continued and further changes would follow as the new organisation establishes itself. Ms Dean commented that the successful transition had, to a large extent, been due to the leadership and the facilitative role that Professor Nelson had played in his capacity as head of RCUK.
- 2.4 Professor Nelson said that since the March meeting there had been a considerable amount of activity associated with the UKRI-led

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funds particularly the Industrial Strategy Challenge Fund (ISCF) and the Strategic Priorities Fund (SPF) with £250M of funding secured so far. He said that the overall business case for ISCF wave 2 areas has been signed off and the submission date for wave 3 expressions of interest had passed. Not surprisingly this had generated a lot of interest. A prioritisation process was now underway and that this would be followed by a deep dive process prior to a call for proposals. He said that EPSRC was using its strategic portfolio knowledge to work with selected key partners to identify multi- and inter-disciplinary topic areas in relation to the SPF and using the expertise of the Big Ideas Advisory Group to assist with the process. **Minute not included as contains exempt material, at the time of publication, under the terms of the Freedom of Information Act 2000.**

- 2.5 In response Council emphasised the significance of the SPF to EPSRC and agreed that the “big ideas” work stream was crucially important in that regard. Whilst it was working well it noted that it was very resource intensive and that it may need further resources as the SPF activities ramp up.
- 2.6 Council **noted** the update.

3. COUNCIL GOVERNANCE AND OPERATION

EPSRC 01-18

- 3.1 Professor Nelson introduced this paper which set out the background to the establishment of the new EPSRC Council, including its terms of reference and proposed a number of guiding principles and approaches to Council’s future operation. The paper also set out the role and operation of the strategic advisory structure that exists to support the effectiveness of the Executive and Council.
- 3.2 In particular Professor Nelson welcomed the fact that the Haldane principle is now enshrined in law through the HER Act and that the terms of reference provided greater clarity about the responsibility of the new Council.
- 3.3 Council noted the emerging governance framework and **agreed** to adopt the terms of reference as presented to the meeting. It also confirmed that it was content with the proposals contained in the paper regarding Council’s future operation. This included the continuation of the Appointments Assurance Committee and the proposal to continue with the practice of periodic Council effectiveness reviews and individual council members appraisals. Mr Paul asked Council to send him any comments they may have on the Council protocol. He will then provide a revised draft at the next

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meeting based on the new governance arrangements contained in the emerging Framework Document.

- 3.4 Council **noted** the ongoing role of the EPSRC strategic advisory routes and recognised that they would play a crucial role in the development of the Strategic Delivery Plan (SDP). It noted the forthcoming recruitment process for new SAT members and felt that it would be important to make it clear when promoting this exercise that the current thematic areas may change as a consequence of the development of the SDP.

4. UKRI-EPSRC BASELINE POSITION

(EPSRC 02-18)

- 4.1 Mr Paul introduced this paper which asked Council to review a statement of legacy from the former EPSRC and sought agreement that it should be published as a summary of the new body's starting point in fulfilling its mission. He explained that collectively, the components of the statement represented how the previous EPSRC had chosen to operate. Mr Paul emphasised that the capturing and publishing of the statement was not intended to tie the hands of the current body. Rather, it was intended to stand as a starting point, or benchmark, for the work of the new body.
- 4.2 Council **noted** the paper and **agreed** that the business model and values set out in the document represented a good place for it to begin its own work. Council was content in principle for the legacy statement to be published on the EPSRC website. **Minute not included as contains exempt material, at the time of publication, under the terms of the Freedom of Information Act 2000.**

5. THE EPSRC FINANCIAL LANDSCAPE

(EPSRC 03-18)

- 5.1 Mr Mapstone presented this paper which set out the financial landscape within which EPSRC operates, and the financial risks and opportunities which are either prevalent now, or may present themselves in the future. He said that he hoped that the paper would provide Council members with an understanding of the organisation's finances to help underpin the advice and support offered to the Executive.

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5.2 **Minute not included as contains exempt material, at the time of publication, under the terms of the Freedom of Information Act 2000.**

5.3 Professor Nelson thanked Council and said that the Executive would reflect on this discussion in developing the paper for the next meeting. He added that it may be useful to convene a small Council sub-group to test and nuance the questions that Council would like answered.

6. MAJOR CAPITAL PROJECTS PORTFOLIO (EPSRC 04-18)

6.1 Dr Viner introduced this paper which provided Council with an overview of the current major capital projects portfolio comprising eleven individual projects totalling almost £900M. He added that these projects share a number of characteristics: delivery outside normal EPSRC processes, aggressive project timescales, high political interest, major capital investment, additional BEIS reporting requirements, and ongoing expectations of benefits realisation monitoring. **Minute not included as contains exempt material, at the time of publication, under the terms of the Freedom of Information Act 2000.**

6.2 Council posed a number of questions on the capital portfolio:

- How are these investments effecting our strategies around leadership and succession planning?
- What are the governance arrangements for these projects?
- What makes an effective investment in Capital? What is the relevance of impact to new capital projects?
- What is the coverage of the institutes across different parts of the science base? How many people are involved?

6.3 Ms Dean commented that the Audit committee had become less anxious about these projects over time but thought it was important to keep a link to Ian Kenyon (UKRI CFO), who has already attended a Programmes and Projects board meeting.

6.4 Council acknowledged the additional EPSRC staff effort required to support and manage these activities and commented that sustaining this given the burgeoning and competing demands on staff effort would prove difficult. It urged the Executive to seek additional

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operating expenditure to continue to properly support these activities in the future.

- 6.5 Finally Council commended both the Executive and staff on their professionalism and their ability to continue to deliver in a challenging and fast moving environment.
- 6.6 Council **noted** the update.

7. PRESENTATION BY PROFESSOR CLARE GREY

- 7.1 Professor Smith extended a special welcome to Professor Clare Grey. He said that this was particularly timely given the focus on the Industrial Strategy Challenge Fund and the Faraday Institute.
- 7.2 Professor Grey provided Council with an overview on batteries technologies research and specifically the wider challenges faced by the field.
- 7.3 Professor Smith thanked Professor Grey for an interesting and stimulating presentation. In discussion Council agreed that the Faraday Institute should be encouraged in the long term to broaden its scope and avoid overly focussing on the interests of the automotive sector.

8. PREPARATION OF EPSRC STRATEGIC DELIVERY PLAN (SDP) (EPSRC 05-18)

- 8.1 This paper informed Council of the arrangements across UKRI for the preparation of individual Research Council Strategic Delivery Plans (SDP), and invited Council to comment on the plans developed for this work so far. Dr Bourne said that at this stage, the Executive was seeking advice on the scoping of the work to be done.
- 8.2 **Minute not included as contains exempt material, at the time of publication, under the terms of the Freedom of Information Act 2000.**
- 8.4 Dr Bourne concluded by saying that the Executive had initiated a formal project to develop the Strategic Delivery Plan, which would then link to the UKRI Strategic Prospectus. The project would include activities designed to facilitate engagement with key stakeholders, as well as help to evolve the existing delivery plan and strategy into the SDP. He concluded by saying that the project

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was scheduled to run until April 2019 and a project board has been assembled to provide oversight, advice and direction to the project as well as initiating key work-streams.

- 8.5 Council **welcomed** the update and were content with the direction of travel set out in the paper.

9. BALANCING CAPABILITY (EPSRC 06-18)

- 9.1 Dr Chmura introduced this paper which described EPSRC plans to deliver the Balancing Capability strategy through an ongoing process of monitoring and strategy refresh. She reminded members that to date, the approach to Balancing Capability had been to set aspirations every five years at a trajectory level ('grow', 'maintain' or 'reduce' as a proportion of the EPSRC portfolio) along with detailed strategies for each research area. Since the introduction of the research area strategies, they had only been significantly changed during the 2016 refresh exercise, which had a total duration of more than 12 months and incurred significant staff and strategic advisor effort. She said that going forward it is intended that the Balancing Capability strategy will be delivered via ongoing monitoring of all of our research areas.

- 9.2 **Minute not included as contains exempt material, at the time of publication, under the terms of the Freedom of Information Act 2000.**

10. THE IMPACT OF INVESTING IN MID-RANGE EQUIPMENT (EPSRC 07-18)

- 10.1 Ms Nicholson explained that EPSRC had commissioned a study to explore the value and impact of mid-range research equipment (i.e. with a value between £138K and £14M) funded by EPSRC over the last 10 years. She said that although similar studies had been undertaken on large-scale facilities, it is the first study focused on mid-range instrumentation. She added that the paper presented the main findings of the study and asked Council to comment on how these findings could be used to inform future strategy and whether there are any other areas where they would recommend similar studies should be undertaken in the future.
- 10.2 **Minute not included as contains exempt material, at the time of publication, under the terms of the Freedom of Information Act 2000.**
- 10.3 Council **noted** the study.

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11. NOTES OF THE PREVIOUS MEETING

11.1 Council **agreed** the record of the last meeting.

12. ACTIONS AND MATTERS ARISING

12.1 There were 5 actions from the last meeting. The actions under para 2.5, 4.3 and 6.3 were dealt with elsewhere on the meeting agenda.

12.2 **Minute not included as contains exempt material, at the time of publication, under the terms of the Freedom of Information Act 2000.**

12.3 **Minute not included as contains exempt material, at the time of publication, under the terms of the Freedom of Information Act 2000.**

13. EXECUTIVE REPORT (EPSRC 08-18)

13.1 Professor Nelson said there was nothing further to report over and above the written report.

13.2 Council **noted** the update.

14. ITEMS TO NOTE ONLY

14.1 There was one information paper:

i) Communications Update EPSRC 09-18

14.2 Council were asked to **provide feedback** to Adrian Paul on whether there is additional/alternative information about EPSRC outcomes and successes that would help members in their role.

15. ANY OTHER BUSINESS

15.1 Professor Smith alerted Council to the requirement for the Executive to produce a short summary of Council business for UKRI colleagues. He asked Council if there were any specific issues or risks arising from today's meeting which specifically merited escalation to the UKRI board. No specific issues were raised.

15.2 Professor Smith thanked everyone for a lively and engaged discussion and asked everyone to communicate with him directly about anything they wished to raise on the running of the meeting.

16. NEXT & FUTURE MEETINGS

16. The next meeting would be on 10 & 11 July 2018 at Imperial College.