



APPROVED Minutes of the UKRI Board Meeting of 16th March 2022

Date: Wednesday 12th November 2022

Location: Polaris House, Swindon

Time: 10:15 - 16:15

Board Members and Observers	
Sir Andrew Mackenzie (Chair)	Priya Guha
Professor Dame Ottoline Leyser (UKRI, CEO)	Nigel Toon
Professor Julia Black	Ruwan Weerasekera
Professor Sir Leszek Borysiewicz	Lord David Willetts
Professor Sir Ian Boyd	Jo Shanmugalingam (BEIS)
Dr John Fingleton	Ruth Elliot (UKRI, Deputy CFO) – deputising for Siobhan Peters
Professor Sir Anthony Finkelstein	
Attendees	
Emma Lindsell (UKRI, Exec Director of Strategy, Comms, Analysis and Governance)	Tim Bianek (UKRI, COO)
Chris Ball (UKRI, CPO)	Daniel Shah (UKRI, Director of Investment Strategy and System Insight)
Louise Chambers (Senior Governance Manager, UKRI Secretariat) – for item 3	Rosie Cornelius (UKRI Deputy Director Analysis and Performance) – for item 6 – 8
Caroline Batchelor (UKRI Head of Corporate Planning and Performance) – for item 6	Julia Dickinson (UKRI Corporate Performance Lead) – for item 6
Sarah Parks (UKRI Appraisal and Evaluation Lead) – for item 6	Henry Cormack (UKRI Head of Appraisal and Evaluation) – for item 6
David Rogers (UKRI Deputy Director, Investment Strategy) – for item 8	Grazka Kazmierska (UKRI Deputy Director, Financial Planning and Analysis) – for item 8
Joel Herzig (UKRI Head of Council Business Partnering) – for item 8	Sir David Grant (Independent Reviewer) – for item 9 & 10
Alexander Ademonkun (BEIS) – for item 9 & 10	Sue Gilchrist (UKRI, Senior Strategy Advisor) – for item 9 & 10
Alison Robinson (UKRI Operating Model Design Director) – for item 9 & 10	Paul Gemmill (UKRI Programme Director) – for item 9 & 10
Secretariat	
Hannah Berriman	Tim Russell
Samantha Richardson	
Apologies	
Lord John Browne	Siobhan Peters (UKRI, CFO)
Observers	
Harriet Kelsall (Founder & Chair of Harriet Kelsall Jewellery Design and Non-Executive Board member of the Intellectual Property Office)	

1. Welcome and Introductions

- 1.1. Andrew Mackenzie welcomed the Board members to the meeting. Andrew welcomed Chis Ball, the interim Chief People Officer, to his first meeting.
- 1.2. Andrew noted that Harriet Kelsall would be observing the meeting and reiterated the importance of confidentiality to all attendees.

2. a) Minutes of 11th and 12th January 2022 b) Action Log and c) Forward Schedule

- 2.1. The Board approved the minutes of the 11th and 12th January 2022 meeting.

DECISION: The Board approved the minutes for 11th and 12th January 2022.

- 2.2. The Board noted the Action Log and the Forward Schedule. Andrew noted that more items will be proposed for the forward schedule under item 11 today (Cross Cutting Themes for Future Deep Dives) and encouraged Board members to continue to propose items for discussion at future board meetings.

d) Delegated Authority to sign financial documents on behalf of CFO

- 2.3. The Board noted that under existing UKRI delegations, the CFO has authority as a member of the Board to authenticate the UKRI Seal to sign documents on behalf of UKRI. <withheld from publication>

DECISION: The UKRI Board approved the delegation of CFO authority to sign legal documents, including use of the seal, to the Deputy CFO.

3. Nominations and Remuneration Committee (NomCo) Feedback

- 3.1. Andrew provided a verbal update on Nominations and Remuneration Committee, which was held ahead of the Board meeting.
- 3.2. Andrew provided a summary of the NomCo agenda, including:
 - an update on Executive Chair recruitment, noting that recruitment campaigns will begin earlier than previously to try to ensure smooth transition between Chairs;
 - discussions on the governance, role and size of Councils' councils within the context of the expected Grant Review findings and the government's efficiency agenda;
 - discussions about the relationship between Councils' councils and the Board are ongoing, noting the importance of thinking about the governance structure;
 - Andrew confirmed that the process for Chief Scientific Advisors to join Councils' councils has been formalised.
- 3.3. Andrew noted that NomCo continued to have discussions around appointing a Board observer and that an initial candidate had been identified. Andrew will speak to them in the first instance and update the Board as appropriate.
- 3.4. Andrew noted that a recruitment campaign to fill vacancies on the Board will commence shortly. This will be supported by Michael Ring (UKRI Deputy Director, Senior Recruitment and Public Appointments).

4. CEO Report to Board

- 4.1. Ottoline updated the Board on a number of live issues not covered on the main agenda. Board members were encouraged to suggest items they would like included in the report going forward.
- 4.2. Ottoline updated the Board on work to develop Horizon Europe alternatives, noting that the guarantee to underwrite Horizon Europe grants had been extended to the end of 2022. Ottoline noted that if we do not associate there would be a need to rapidly protect and stabilise the sector across the transition to longer term alternatives. Jo Shanmugalingam noted that BEIS continues to work closely with UKRI and Christopher Smith (UKRI's International Champion) regarding association.
- 4.3. The Board requested that the CEO report include additional metrics on our communications and engagement plans, in particular how our activities land with the R&I community. The Board welcomed the opportunity to discuss communications and engagement in more detail at a future board meeting.

ACTION: Communications and engagement metrics, to demonstrate how our activities are landing with the R&I community, will have been included in the CEO report by May 2022.

5. CFO Report to Board

- 5.1. Ruth Elliot presented the Chief Finance Officer's Report, which covers the period from 17th December 2021 – 2nd March 2022.
- 5.2. Aligning with the development of the new UKRI Operating Model, Ruth noted that the finance team continue to work across UKRI and with BEIS to address the proposed targets on Operating Expenditure. To ensure Operating Expenditure and headcount can be carefully controlled throughout the development and implementation of the model, tightened procedures for recruitment have been implemented including committee to sign off any external recruitment.
- 5.3. Ruwan Weerasekera, Chair of ARAPC, noted that UKRI's risk appetite statement will be discussed in ARAPC in July and will come to Board for discussion in September 2022.
- 5.4. The Board encouraged UKRI to ensure its information security strategy was sufficient, noting that legacy IT issues may take some time to address fully. Tim Bianek noted there continues to be a big focus on monitoring attacks, noting the importance of understanding when we are vulnerable.

6. Performance Management Framework – Q3 21-22 report

- 6.1. Ottoline introduced the item, noting the planned continued evolution of the performance management framework beyond the initial pilot and outlined the next steps to ensure the framework develops into an effective tool aligned to organisational priorities.
- 6.2. The Board noted the Q3 performance report, including ExCo's feedback and provided the following recommendations:
 - highlight the specific challenges and issues that are identified in the report and clearly articulate our approach to dealing with these.
 - emphasise the complex nature of the organisation being both a funder and an employer of those doing direct research. This should be reflected in the report.

- Where possible, we should highlight quantitative data on the measures to underpin the RAG rating included in the dashboard. The Board noted the RAG rating was useful and a good visual representation of performance.
 - Clearly articulate where there are gaps or uncertainty in our knowledge or data.
- 6.3. The Board noted the importance of promoting economic impact, noting that this will be of particular interest to HM Treasury. The Board recommended highlighting this in the report.
- 6.4. The team thanked the Board for their feedback and comments, noting that workshops to identify lessons learnt were already ongoing. The Board were supportive of moving from the pilot stage into production and encouraged the performance team to come back to Board in September with an updated design of the framework for further discussion.

ACTION: The performance team will have come back to the UKRI Board with an updated Performance Management Framework at the September 2022 meeting.

7. UKRI Strategy

- 7.1. Emma Lindsell noted that the UKRI Strategy is due to be published on 17th March 2022. The Board thanked colleagues across UKRI for the huge amount of work that had gone in to developing the UKRI Strategy. The Board noted the importance of building on the momentum to deliver the Strategy.

8. UKRI Allocations 2022/23 to 2024/25

- 8.1. Ottoline introduced the update on UKRI Allocations, noting that this builds on the good discussion held at Board in January 2022 and the additional allocations briefing held the previous week. The Board thanked the team for the enormous amount of work that has gone in to developing the allocations advice for BEIS and commended the way in which colleagues from across the organisation have worked together. The Board acknowledged that this is an excellent opportunity to see further than one year ahead. The Board noted that the process involved in developing the advice was crucial, noting the need to navigate a way forward through a shift in culture.
- 8.2. The Board acknowledged the radical steps included in the advice and they encouraged the team to consider whether they have been radical enough within our collective thinking, particularly in areas such as commercialisation and how we address national and global priorities across both of our ringfences. The Board provided the team with helpful steers on areas of the advice which they felt could be strengthened:
- A clearer articulation of what we plan to spend across the 7 technology families;
 - A crisper and quantified articulation of the activities we are stopping and descopeing; and
 - Clearly setting out how our allocations support the Life Sciences.
- 8.3. With the above considerations, the Board approved the proposed allocation of UKRI's £25.1bn total budget for the period of 2022/23 to 2024/25, noting that any minor adjustments required would be delegated to Ottoline Leyser as UKRI's CEO. The Board noted that any major changes would revert back to the Board for approval. Ottoline noted that the allocations advice is due to be sent to the Secretary of State by the end of March 2022, with the expectation that BEIS will publish UKRI's allocation in May 2022.

DECISION: The Board approved UKRI's proposed allocation of its £25.1bn total budget for the period 2022/23 to 2024/25, delegating any minor adjustments required to the UKRI's CEO.

8.4. The Board requested future deep dive discussions on specific topics such as sustainability of the research and innovation system; commercialisation and economic impact; and talent, skills and culture.

9. Independent Review of UKRI – Private Interim Findings

9.1. Sir David Grant joined the meeting to discuss his interim findings with the Board. Sir David noted that collecting data for the review, which is due to conclude in the summer 2022, has been a fascinating process. David noted that he had recently discussed his interim findings with ministers. Andrew welcomed the review and thanked David for his work.

9.2. David explained that given his experience in previous roles he has been familiar with the Research Councils and Innovate UK, particularly what they do and the huge impact they have. The review is being conducted in the context of this knowledge and the work that has happened since UKRI was established, noting this has happened during a challenging period for the UK and globally.

9.3. David noted that the review team has spoken to a large number of people within UKRI, Government and also a large number of stakeholders. The review is based on strong evidence. David noted that further conversations are ongoing (e.g. with UK Shared Business Service) and therefore they will continue to learn a lot more which will be reflected in the final report.

9.4. The Board noted that David will return to the Board to discuss the final report once it is published.

10. Cross-cutting themes for future deep dives

10.1. The Board suggested the following topics for potential deep dives at future Board meetings:

- Office for Science and Technology Strategy and the National Science and Technology Council, potentially inviting Andrew McCosh (Director General of OSTTS);
- research commercialisation;
- international;
- talent (both within UKRI, and the new talent investment);
- impact measurement outcomes evaluation;
- arts and humanities;
- communications and engagement;
- other government departments;
- ARIA;
- technologies – AI/quantum/omics (personalised medicine);
- neuroscience
- behavioural science;
- environmental technology; and
- futures technology (methodology)

10.2. The Board were supportive of inviting the relevant Executive Chairs to present a deep dive topic as appropriate. The Board also noted that the deep dives should align with the six strategic objectives in the UKRI Strategy.

ACTION: Deep dive suggestions will have been added to the UKRI Board Forward Schedule and included in future discussions regarding the Board agendas.

11. AOB

11.1. Andrew updated the Board on plans for the May 2022 Board meeting in Edinburgh, noting that the secretariat will confirm details shortly.

11.2. The Board noted the following:

- **Audit, Risk, Assurance and Performance Committee Annual Report**
- **Update on Executive Chair succession planning and appointment campaigns**
- **Summaries of Council Meetings (December 2021 – January 2022)**
- **Board Sub-Committee Minutes**
 - **UKRI Executive Committee**
 - 23rd November 2021
 - 14th December 2021
 - 25th January 2022
 - **Audit, Risk, Assurance and Performance Committee**
 - 25th October 2021

12. Non-Executive Session