



Approved by UKRI Board: 13<sup>th</sup> July 2022  
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### APPROVED Minutes of the UKRI Board Meeting of 11<sup>th</sup> May 2022

**Date:** Wednesday 11<sup>th</sup> May 2022  
**Location:** St Leonard's Hall, Edinburgh  
**Time:** 10:10 – 15:30

<b>Board Members and Observers</b>	
Sir Andrew Mackenzie (Chair)	Nigel Toon
Professor Dame Ottoline Leyser (UKRI, CEO)	Ruwan Weerasekera
Professor Julia Black	Lord David Willetts
Professor Sir Ian Boyd	Siobhan Peters (CFO)
Dr John Fingleton	Jo Shanmugalingam (BEIS)
Professor Sir Anthony Finkelstein	Ruth Elliot (UKRI, Deputy CFO) – deputising for Siobhan Peters
Priya Guha	
<b>Attendees</b>	
Isobel Stephen (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)
Katrina Nevin-Ridley (UKRI, Director of External Relations, Comms and Public Engagement)	Jo Enderby (UKRI, Head of Council Communications) – for item 6
Sue Gilchrist (UKRI, Senior Strategy Advisor) – for item 6	Christopher Smith (AHRC Executive Chair & UKRI International Champion) – for item 7
Tom Crawley (UKRI, Head of Strategy, Balance and Narrative) – for item 7	Louise Chambers (Senior Governance Manager, UKRI Secretariat) – for item 8
Carole Walker (UKRI Head of Risk) – for item 9	Jessica Dixon (UKRI, Risk and Assurance Business Partner) – for item 9
Lynn Gladden (EPSRC Executive Chair) – for item 10	Robert Shaw (Innovate UK, Chief of Staff for CEO) – for item 10
Tony Soteriou (UKRI Director of Commercialisation) – for item 10	David Rogers (UKRI Deputy Director, Investment Strategy) – for item 10
Frederick Jones (UKRI, Senior Strategy Advisor) – for item 10	
<b>Secretariat</b>	
Hannah Berriman	Tim Russell
Samantha Richardson	
<b>Apologies</b>	
Lord John Browne	Professor Sir Leszek Borysiewicz
<b>Observers</b>	
Calum Kennedy (UKRI, Senior Private Secretary for Sir Andrew Mackenzie)	

## 1. Welcome and Introductions

1.1. Andrew Mackenzie welcomed the Board members to the meeting, noting apologies.

## 2. a) Minutes of 16<sup>th</sup> March 2022 b) Action Log and c) Forward Schedule

2.1. The Board approved the minutes of the 16<sup>th</sup> March 2022 meeting.

**DECISION:** The Board approved the minutes for 16<sup>th</sup> March 2022.

2.2. The Board noted the Action Log and the Forward Schedule. Andrew noted that suggestions for deep dives raised at March's meeting had been added to the Forward Schedule. The Board requested that the Forward Schedule be aligned to the UKRI Strategy in order to track the areas discussed more accurately.

**ACTION:** The Board Forward Schedule will be aligned to the UKRI Strategy by end of summer 2022

## 3. Board Committee Updates

### a. 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, which included:

- an update on Executive Chair and Board member succession planning. Andrew noted a recruitment campaign to replace the 4 retiring Board members will commence shortly. NomCo were keen to get ahead of the schedule.
- updating Board on the upcoming meeting with Exec Chairs and Senior Independent Members from the individual Councils. Andrew noted that the meeting will give him an opportunity to discuss potential changes to councils' Councils Terms of Reference.
- an update on the URKI reward strategy

### b. Audit, Risk, Assurance and Performance Committee (ARAPC) Feedback

3.3. Ruwan Weerasekera, Chair of ARAPC, provided a verbal update on the committee. Ruwan noted that Ruth Elliot, Tim Bianek and Anthony Finkelstein are members of the committee, alongside four independent members.

3.4. Ruwan provided a brief summary of the last meeting in March 2022, which included;

- an update on the National Audit Office audit. Ruwan noted the audit is currently being reviewed with an aim to sign off in June 2022. It is due to go to Parliament in July.
- noted that the internal audit plan had been agreed by Executive Committee.
- an update on the Corporate Risk Register

3.5. The Board noted that an updated performance framework will be coming to Board for discussion in September 2022. Andrew highlighted that while ARAPC oversees the performance management process, it is ultimately the responsibility of the Board.

3.6. Ruwan noted that he hopes to improve ARAPC's links to the individual Councils, ensuring consistency on how Councils track and manage risks.

### c. Board Investment Committee (BIC)

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- 3.7. Priya Guha, Chair of the Board Investment Committee, provide a verbal update of the committee. Priya noted that BIC restarted on Friday 6<sup>th</sup> May with a discussion on the Terms of Reference. Priya highlighted that role of BIC was still being refined, highlighting the need to ensure the committee adds value.

### **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. The Board requested that a deep dive on semi-conductors come to a future Board meeting for information.
- 4.2. Ottoline noted that the Strategy, which was launched in March, has been received very positively. The feedback suggests the Strategy helps people understand who UKRI are and what we do. Ottoline highlighted that through the Strategic Delivery Plans, councils map their activities across a clear strategic framework, helping to improve coherence and linkages across UKRI. Ottoline explained that the allocations advice we provided has been very positively received across Government and had effectively made the case that we are able to deliver on the Government's research and innovation ambitions because we are UKRI.
- 4.3. The Board noted the recommendations from the Independent Review of UKRI, agreeing with the high level messages included. The Board encouraged using the review as a positive launchpad adding momentum to the ongoing change programme. The board noted that the close working relationship UKRI has with Sir David Grant has benefited the review and would encourage similar levels of engagement across the other ongoing reviews (eg. Tickell and Nurse). The board requested a discussion of all three reviews and how they compliment each other at a future Board meeting.

### **5. CFO Report to Board**

- 5.1. Ruth Elliot presented the Chief Finance Officer's Report, which covers the period from 2<sup>nd</sup> March 2022 to 22 April 2022.
- 5.2. Ruth noted that the majority of projects identified with a Russian dimension have been confirmed as being able to proceed following an assessment by the UKRI Conflict Task Force and Critical Response Team, with appropriate mitigation where necessary. Ruth noted that Minister Freeman is being provided with advice following the review by the UKRI Conflict Task Force.
- 5.3. Ruth updated Board that the NAO audit is due to commence in mid-May 2022 and confirmed that the Annual Report and Accounts are being prepared with a final draft due to go to the CEO in June 2022.
- 5.4. Ruth noted that the Deloitte Cyber Security Vulnerability Review final report has now been received and the team is in the process of drafting a response.
- 5.5. Katrina Nevin-Ridley noted that the UKRI web project has been completed, on time and within budget. Katrina noted that the feedback on the website is that it is easier to access and navigate.

### **6. Approach to Strategic Communications**

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- 6.1. Katrina Nevin Ridley, Director of Communications and Engagement, introduced this item which presents proposals to implement the Board's steer to exploit opportunities for external communication and engagement around the Strategy and related publications forthcoming in 2022.
- 6.2. Katrina highlighted that this is the start of a rich and longer conversation, noting the expertise and contacts that Board members will be able to provide to help UKRI enhance its communications and engagement strategy to support us further in delivering on our ambitions. Katrina noted that the team continues to work closely with BEIS.
- 6.3. Andrew thanked Katrina for the ongoing work, highlighting the importance of communications within UKRI and noting his desire that an effective communications strategy would help people in the UK to understand the ability of UKRI to change things for the better. Andrew noted that providing context for the work of UKRI is an important element of communications and should be considered in the strategy.
- 6.4. The Board were supportive of ensuring all Councils and UKRI funded activities use UKRI branding. The Board noted that it was vital for UKRI to have a strong definitive brand that is clear and concise about our mission, whilst appreciating that messaging must be carefully tuned for different audiences.
- 6.5. The Board felt that an increased focus on communications was important, noting the team was fairly small for such a large organisation. The Board recommended focusing effort on areas where we can make the most impact (eg. web). Jo Shanmugalingam noted that the communications and engagement strategy would need to align with the wider Government communications strategy. Andrew added that the strategy would need to be closely aligned to the ongoing Operating Model work.
- 6.6. Andrew requested that Katrina take on board the comments made and come back for further discussion at a future meeting, including providing a more detailed plan of the proposals and how it is linked to the Operating Model.

**ACTION:** The Board will have been updated on the Communication and Engagement Strategy, including proposed new steps, by September 2022.

## 7. Update on Association to Horizon Europe and Alternatives Planning

- 7.1. Christopher Smith introduced the item, updating the Board on the extensive work taking place across UKRI to develop contingency plans in case the UK is unable to secure its preferred outcome of association to Horizon Europe. Christopher thanked the teams at UKRI and BEIS that are working on this issue and noted that UKRI and BEIS continue to work together closely. Jo Shanmugalingam echoed this thanks, recognising the enormous challenge of the situation but noting that UKRI are in a good place regarding potential contingency plans.
- 7.2. The Board noted that non-association would have significant but variable impacts across the business and research communities, highlighting the substantial impact on the SME community, for example. They recommended that communications take account of the different audiences and their likely reactions in the event of non-association.
- 7.3. The Board were confident that the team were heading in the right direction and had good alternative plans, noting the need to plan for several different potential scenarios. The Board

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recognised the complexity of this work taking place alongside the development of an operating model and efficiency plan for UKRI.

### 8. UKRI Operating Model

- 8.1. Nigel Toon provided the Board with an update on the new Board committee, the Organisation Change Committee (OCC), which he will Chair. The OCC's scope will include all change programmes within UKRI and will ensure delivery of outcomes. In particular, the committee will have oversight of the Operating Model. Nigel noted the OCC will meet between Board meetings and an update will be provided at each Board.
- 8.2. Tim Bianek introduced the item providing an outline of the proposed core design of the Operating Model, which had been previously agreed at Executive Committee. Tim noted that ExCo agreed the need for collective, active sponsorship of the Operating Model work and that plans are ongoing to identify a range of executive owners for the changes, supporting a devolution of delivery responsibility.
- 8.3. Tim noted that other models had been considered, including moving enabling services into individual councils, but they have been dismissed due to efficiency concerns. The Board agreed the importance of ensuring the Operating Model is high priority and all staff are aware of their responsibilities in its delivery.
- 8.4. The Board thanked Tim for the ongoing work and requested a more detailed update, including efficiency numbers and a clear timetable, to come back to them for further discussion before the end of the summer, with further updates at a later Board. The Board noted that the Operating Model will need to respond to the recommendations in the Independent Review of UKRI. Andrew noted he will update Sir David Grant on progress.

**ACTION:** The Board will have been updated on the Operating Model by the end of the summer. Andrew Mackenzie will have written to Sir David Grant to update him on the next steps.

### 9. Corporate Risk Report

- 9.1. Ruth Elliot introduced the item, providing an update on the UKRI Corporate Risk Register following a substantial refresh exercise that included workshops with Executive Committee, Strategy Committee and People, Finance and Operations Committee. Ruth noted that the register will continue to be kept under regular review and the risks will evolve further over time.
- 9.2. The Board noted that the number of risks on the register had reduced. The Board were happy with the Corporate Risk Register and felt it accurately reflected the key risks to UKRI.

**DECISION:** The Board agreed the Corporate Risk Register accurately reflected the key risks to UKRI.

- 9.3. The Board noted there is a collection of risks that could be pulled together under one risk regarding the financial sustainability of the UK research system and requested that a new risk should be developed to reflect this.

### 10. UKRI Research Commercialisation

- 10.1. Ottoline Leyser introduced the item providing an overview of the current UKRI research commercialisation activities, funding and support. Ottoline highlighted the ongoing

work across UKRI to strengthen commercialisation, including the work of the Shared Capability.

10.2. Ottoline highlighted three areas of focus for UKRI Research Commercialisation;

- System Siloes – noting the need to ensure organisations and individuals within the system are able to interact more smoothly across boundaries
- Skills – equipping people with the right skills and experience to allow them to succeed, and incentivising organisations in the system to value these skills, and to encourage career path diversity with mobility across sectors.
- Scale up – exploring options to support the scaling up of business

10.3. Lynn Gladden, EPSRC Executive Chair and SRO for Commercialisation, highlighted the need to move at pace to further develop our support for commercialisation, including the development of a new UKRI Research Commercialisation Funding Framework which will improve practice across the organisation. The Board noted the value of utilising the existing Catalyst Model to support areas of priority, including strategic themes and technology areas. Robert Shaw, Chief of Staff for Innovate UK, highlighted the importance of aligning with Research England (RE), noting that large amounts of activity are supported through RE and the devolved funding bodies.

10.4. The Board agreed the vision outlined was moving in the right direction and encouraged the team to investigate how UKRI can support greater diversity in the system to help move things forward at pace. In particular, the Board were supportive of UKRI making connections with bigger businesses in a much faster and more agile way. The Board noted the importance of ensuring the commercialisation vision and ambition statement includes learning from international approaches. The Board acknowledged the different interventions that are required at different stages of the commercialisation process, but encouraged including more detail on UKRI's role across the funding cycle.

10.5. Andrew Mackenzie thanked Ottoline and team for the progress being made to improve commercialisation outcomes and increase the scale of private sector investment. The Board requested an update be brought to the Board, providing more detail on how UKRI would plan to use the levers we have available to stimulate further commercialisation and how our planned interventions would impact on leveraging private sector investment.

**ACTION:** The Commercialisation team will have provided an update, taking into consideration the feedback given by Board members, by September 2022.

## **11. Research Excellence Framework (REF) 2021 Results**

11.1. The Board noted the briefing on arrangements for the publication of the REF results and the results summary and analysis. The Board requested a discussion on the REF reform process, recognising that this is a collaborative process involving the Devolved Administration HE Funding bodies, and how it feeds into the performance framework at a future Board meeting.

## **12. Infrastructure Advisory Committee Prioritisation Update (Wave 2)**

12.1. The Board approved the Infrastructure Advisory Committee (IAC) and Executive Committee's recommendation to invest in the prioritised portfolio of Wave 2 investments for the Infrastructure Fund.

### 13. AOB

13.1. Jo Shanmugalingham noted that Government asked BEIS to provide their approach to returning to the office. Jo explained that BEIS will expect a minimum of 40-60% attendance in an office. This will maximise the effective use of office space.

13.2. The Board noted the following:

- **Performance Management Framework – Q4 2021-22 report and next steps**
- **Update on Senior Leadership Appointments**
- **Summaries of Council Meetings (February 2022 – April 2022)**
- **Board Committee Minutes**
  - **UKRI Executive Committee**
    - 18<sup>th</sup> February 2022
    - 22<sup>nd</sup> March 2022
  - **Audit, Risk, Assurance and Performance Committee**
    - January 2022

### 14. Non-Executive Session