



Minutes of the UKRI Board Meeting

Date: Wednesday 18 September 2024
Location: Polaris House, Swindon
Time: 10:15 – 17:00

Board Members and Observers

Sir Andrew Mackenzie (UKRI Chair)	Priya Guha MBE
Professor Dame Ottoline Leyser (UKRI, CEO)	Professor Nola Hewitt-Dundas
Siobhan Peters CMG (UKRI, CFO) – for item 1-4	Nigel Toon
Professor Sir Ian Boyd	Ruwan Weerasekera
The Baroness Bull CBE	Alexandra Jones CBE (DSIT)
Professor Sir Ian Chapman	Professor Dame Jessica Corner (Research England Executive Chair) - item 7 – 12
Dr John Fingleton CBE	

Attendees

Dan Shah (Interim UKRI Chief of Investment Planning and Strategy)	Poli Stuart-Lacey (UKRI, Chief of External Affairs and Communications)
Chris Ball (UKRI Chief People Officer) – for items 7 - 12	UKRI Head of Risk and Management Assurance – for item 7
UKRI Head of Planning and Performance – for item 8	UKRI Corporate Performance Lead – for item 8
Evaluation and Performance Lead – for item 8	Planning and Performance Specialist – for item 8
Deputy Director of Analysis and Performance – for item 8 & 10	Strategic Analysis Senior Manager – for item 8
Director of Culture, Inclusion and Learning – for Item 9	Culture and Engagement Lead – for item 9
UKRI Head of Investment Planning – for item 10	Investment Planning Lead – for item 10
Head of Strategy Business Partners – for item 10	Finance Director – for item 10
Head of Impact and Research Sustainability – for item 11	

Secretariat

UKRI Board Secretariat Lead	UKRI Head of Governance & Secretariat
Senior Private Secretary to Sir Andrew Mackenzie	

Apologies

Professor Sir Anthony Finkelstein	
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1. Welcome and Introductions

- 1.1. Andrew Mackenzie welcomed members to the Board meeting and noted apologies. Andrew noted it was the last Board meeting for Ian Boyd and John Fingleton, and that Anthony



Finkelstein's term as Board member was also coming to an end. Andrew thanked them for their significant contribution to the Board over the last few years.

- 1.2. Andrew updated the Board on his activities since the last Board meeting, highlighting there has been a big focus on relaunching the UKRI CEO and Innovate UK Executive Chair recruitment campaigns. Andrew noted these have now both been relaunched, with the CEO recruitment campaign closing on 30 September 2024. Andrew also noted that the appointments of new Board members had been finalised, with four new members joining the Board from 28 October 2024.

ACTION: Secretariat will have shared details of new Board members prior to them starting in November.

- 1.3. Andrew highlighted that he and Ottoline have met several times separately with Lord Vallance with very positive discussions.
- 1.4. Andrew noted he has had several discussions regarding scale up and finance, including with the chairs of the British Business Bank and the UK Infrastructure Fund.
- 1.5. The Secretariat noted that there was a previous action for them to update the Board on any potential opportunities for the Board to interact with the Department of Science, Innovation and Technology (DSIT) Board. The Board Secretariat Lead noted that she is in contact with the lead for the DSIT Departmental Board but due to the change of government the DSIT Board is still very much in launch mode with the Secretary of State revising its Terms and Reference and membership in line with ministerial priorities. The Secretariat will update the Board at future meetings.

2. a) Minutes of 17th July 2024 UKRI Board meeting; b) Action Log; and c) Forward Schedule

- 2.1. The Board approved the minutes of the 17th July 2024 meeting. The Board noted a spelling mistake, which will be corrected by the secretariat prior to publication. Siobhan Peters, UKRI Chief Finance Office, requested that the secretariat consider the process for publishing the Board minutes to ensure they align with information management best practice.

ACTION: Secretariat will have updated the process for reviewing minutes prior to publication

DECISION: The Board approved the minutes of 17 July 2024 Board meeting.

- 2.2. The Board requested a readout from the Board and Executive Committee Away Day, held on 16 July 2024 in Caxton House, London.

ACTION: Secretariat will have circulated a readout from the Board and Executive Committee Away Day on 16 July 2024

- 2.3. The Board noted the action log and forward schedule.
- 2.4. The following members declared the following new interests;
 - Ruwan Weerasekera noted he had been appointed as non-executive director to BlackRock Group Limited in August 2024. Ruwan also noted he has been appointed as



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Director, Senior Manager under the Senior Manager Regime and Material Risk Taker on the FCA Register for Blackrock Investment Management (UK) Limited, BlackRock Advisors (UK) Limited, and BlackRock International Limited.

- Ian Boyd noted he had taken on Chairmanship of an independent science advisory board to the Drax Group.

2.5. Board members were reminded of the requirement to update declarations of interest on the UKRI Declarations of Interest Portal. The Board requested more regular reminders from the secretariat.

ACTION: The Secretariat will have reminded Board Members to update their Declarations of Interest on a six-monthly basis

3. Board Committee Updates

a) Nominations and Remuneration Committee (NomCo)

- 3.1. Andrew Mackenzie, Chair of the UKRI Nominations and Remuneration Committee (NomCo) provided an update to the Board on discussions held at the NomCo meeting prior to the Board meeting.
- 3.2. Andrew noted that the new Executive Chair of the Science and Technology Facilities Council, Professor Michele Dougherty, had been announced. Andrew also highlighted that an interim Executive Chair, Stella Peace, had been appointed for Innovate UK.
- 3.3. Andrew noted that the new Board members will join a Board committee, ensuring that committees are quorate and have a wide breadth of expertise following existing members departing at the end of September 2024.
- 3.4. Andrew highlighted that there is work ongoing to review advisory bodies across the organisation, noting that there is a large range of types of groups and remuneration in place. NomCo approved a set of principles regarding remuneration, but a taxonomy of advisory groups will come back to the committee in March for further discussion.
- 3.5. Andrew noted that the NomCo Terms of Reference had been updated, including current membership and reference to complying to UKRI's Declarations of Interest Policy and Guidance.
- 3.6. Andrew noted in the closed session the committee considered end of year pay arrangements and approved 2023/24 payments to the nominated Executive Chairs, CEO direct reports and those nominated at Band Y and Band X. The committee also considered the performance related pay nominations for the Innovate UK senior team, and arrangements for Innovate UK's CEO performance related pay. Andrew noted the committee considered the UKRI CEO's performance related pay and provided recommendations.
- 3.7. The Board thanked John Fingleton for his contribution to the committee.



b) Audit and Risk Assurance Committee (ARAC)

- 3.8. Ruwan Weerasekera, Chair of ARAC, provided an update noting that ARAC had met earlier in the week. Ruwan noted that Ian Chapman had attended his first meeting as an ARAC member.
- 3.9. Ruwan noted the agenda included updates on the Simpler and Better Funding (SBF) and SHARP programmes, a helpful review of Phase 1 and Phase 2 of the Voluntary Exit Schemes and an update on the Annual Report and Accounts. Ruwan noted that the committee is reviewing the audit cycle for next year, noting that the launch of the SHARP programme cannot be delayed.
- 3.10. Ruwan noted that Andrew Mackenzie joined the most recent ARAC meeting and provided feedback on how to sharpen how we deal with risk.
- 3.11. The Board noted that there had been an uptick in use of the whistleblowing process and that ARAC would welcome a summary of how this trend is developing.
- 3.12. The Board thanked Anthony Finkelstein and John Fingleton for their invaluable contribution to ARAC.

c) Board Investment Committee (BIC)

- 3.13. Priya Guha, Chair of BIC, provided an update on the Committee. Priya noted a deep dive on the Future of Marine Research was held in August, hosted by Louise Heathwaite, Executive Chair of the Natural Environment Research Council. Priya thanked Ian Boyd for the opportunity to harness his expertise in this area.
- 3.14. Priya noted that BIC will meet next in mid October 2024, with discussions including strategic investment, progress towards the spending review, digital research infrastructure and large investments. The Committee will also focus on environmental sustainability.
- 3.15. The Board thanked Ian Boyd for his contribution to BIC and his significant efforts in shaping the committee.

d) Organisation Change Committee (OCC)

- 3.16. Nigel Toon, Chair of OCC provided an update on the committee, noting that it met on 30 July to discuss the replanning and reprofiling of the SHARP programme. Nigel noted that engagement with IBM had significantly improved and the team were doing an excellent job at bringing different activities together. The Board noted the early December decision date for a go/no go decision on launching SHARP. Nigel noted that work was ongoing to bring Innovate UK on board with the SHARP work.

ACTION: Christine, supported by the SHARP Team, will have updated OCC at its October 2024 meeting regarding progress towards the 2 December go/no go decision point and associated risks.

- 3.17. Nigel noted that OCC also received an update from Stian Westlake regarding the Simpler and Better Funding (SBF) programme, in particular noting the programme is trying to understand what resourcing will be needed to maintain the system when it goes fully live.



Nigel noted that after a difficult time, things were being brought together well and the project is progressing. Nigel thanked Christine for bringing teams within SBF together and creating a safe environment for issues to be raised and addressed.

- 3.18. The Board noted that the launch of SHARP could potentially delay the laying of the Annual Report and Accounts before parliament. Ruwan Weerasekera noted that this had been raised in ARAC.

ACTION: Following its meeting in October 2024, and taking advice from CIO and CFO, OCC will make recommendations to the Board regarding the need to seek a delay in the laying of UKRI annual report and accounts before Parliament in order to ensure the launch of SHARP is as successful as possible.

- 3.19. The Board thanked Anthony Finkelstein for his tenure on OCC.

4. CEO Priorities

- 4.1. Ottoline Leyser provided an update to the Board, framing her update under three key areas;

- Budgets - optimising the UKRI portfolio
- Partnership – building a shared endeavour
- Operations – embedding the ethos behind our operating model to build confidence.

- 4.2. Ottoline highlighted that we know that the next financial year will be difficult, and that conversations with Lord Vallance and relevant Special Advisors are ongoing. Ottoline highlighted the desire both from herself and from Lord Vallance for maximum flexibility across our budget lines to support optimal management of our investment portfolio. Ottoline noted that inflation continues to cause issues.

- 4.3. Ottoline explained that increasing the agility in our budget further would require reducing the proportion of the budget locked into long-term commitments and the Executive Committee were working to determine how this could best be achieved.

- 4.4. Ottoline noted the importance of considering financial sustainability and place across the research and innovation system, highlighting a recent blog by Jessica Corner, Research England's Executive Chair.

ACTION: Secretariat will have shared Professor Dame Jessica Corner's blog 'Towards regional diversity and national coherence' with the Board

- 4.5. Ottoline noted the need to build a clear sense of a shared endeavour, highlighting the importance of bringing the whole community together rather than focussing on individual interests. Ottoline emphasised the importance of refocussing our comms activity to be more strategic. Ottoline highlighted the 'Discovery Decade Project' which has identified the importance of emphasising purpose and place in building partnerships with publics on research and innovation. Ottoline noted that Public Engagement in UKRI was being led by Stian Westlake, Executive Chair for Economic and Social Research Council, with good progress toward the delivery of our public engagement strategy.

ACTION: Secretariat will have shared details of CaSE's Discovery Decade project with the Board



- 4.6. Ottoline noted the need to consider alignment with government priorities and missions, noting that Lord Vallance is keen to build on the wide range of existing mission-relevant work.
- 4.7. Ottoline highlighted the growing effectiveness of working relationships with DSIT, and more widely across government, with an ambition to develop deep partnership working. There is an opportunity to making the most of the complementary expertise in UKRI and across the government to support the development and delivery high quality research and innovation policy.
- 4.8. Ottoline noted the ethos behind our ongoing change programmes. Core to success is to build a sense of shared endeavour across the organisation, where staff feel empowered locally to use their expertise to deliver, within a clear governance framework. To achieve this, Ottoline noted the importance of sharing best practice at all levels, with case studies of local actions to bring this to life for colleagues, and Executive Chairs leading the way.

5. CFO Update

- 5.1. Siobhan Peters provided an update to the Board, highlighting the finance update which is included in the papers. Siobhan noted a lot of work is ongoing through Executive Committee to ensure we manage our spend profiles to land within budget for the 24/25 financial year.
- 5.2. Siobhan noted ongoing work on global staff mobility, in particular working to ensure that all staff working overseas have robust information about any issues this might raise. <withheld from publication>
- 5.3. Siobhan noted that the Voluntary Exit Scheme is running well and enabling the organising to reshape. Siobhan highlighted that there is a managed appeals process and noted the importance of procedural fairness.
- 5.4. Siobhan highlighted that there continues to be a lot of organisational change, with the team being incredibly busy. Siobhan noted The Funding Service has been discussed with Executive Committee and is working through issues and challenges. Siobhan thanked Christine Ashton, UKRI Chief Information Officer for her creative thinking in this space.
- 5.5. Siobhan noted that the Chief Operating Officers across the councils are working closely together to implement change locally, working with the UKRI Deputy Chief Operating Officer.

6. Chief of External Affairs and Communications Update

- 6.1. Poli Stuart Lacey, Chief of External Affairs and Communications, provided an update to the Board on her reflections on her role after two months at UKRI, highlighting her priorities for the upcoming year.
- 6.2. Poli noted that there are several projects that have already started in the External Affairs and Comms team, including;
 - a StratComms project focusing on longer term planning, insight and evaluation. Poli noted the expectation that this will help UKRI highlight the impact and outcomes from UKRI funded activities



- a campaign to improve engagement with MPs, building momentum from work that has already been taking place
- improving and developing reporting products across UKRI to highlight what is happening across the organisation, giving a sense of the scale of activity

6.3. Poli noted that each of the projects will have project lead to ensure progress.

6.4. Poli highlighted that the newly established UKRI/DSIT Comms Board had met on 11 September 2024 with an aim to strengthen the existing relationships between the respective comms teams.

6.5. Poli highlighted her key priorities for the coming year, including;

- Ensuring that there is enough resource dedicated to internal comms on our organisational change programmes so that staff feel better engaged with ongoing work
- Developing the brand strategy further, acknowledging the complexities from UKRI being made up of nine councils each with their own identity
- Conducting an in depth audience analysis, to ensure we are reaching our diverse stakeholder communities in the best ways. Poli is keen to consider what different channels UKRI uses and what delivers most impact
- Scaling back comms work where we are not making a significant impact, highlighting that in order to have truly impactful engagement we need to be more focussed

6.6. The Board noted the priorities and ambition highlighted by Poli, requesting she return in January 2025 to share a summary of the UKRI marketing plan which is currently in development

6.7. The Board expressed a desire to support this area of work wherever possible, requesting that Poli considers how members may be an asset to the ongoing work

ACTION: Poli Stuart-Lacey will have shared her list of priorities for UKRI External Affairs and Communications with the Board so they can identify areas they may be particularly interested in.

6.8. Poli noted the intention of adopting the UKRI community of practice model for external affairs and communications, ensuring that expertise and networks across the organisation are best leveraged. Poli also highlighted the network of colleagues she is building from other non-departmental government bodies, with an aim to learn from similar organisations.

6.9. The Board thanked Poli, acknowledging the huge amount of progress that had been made and noting they were very supportive of the direction of travel she had outlined.

7. UKRI Board Risk Update – September 2024

7.1. Siobhan Peters introduced the UKRI Board risk update. Siobhan highlighted the increase in score for the risk associated with delivering benefits of UKRI's Organisational Change Portfolio, but explained this is expected due to the delays in the Simpler and Better Funding programme and the SHARP programme replanning. The Board noted the expectation that with replanning and a revised timeline in place for the SBF programme the risk score would improve.

7.2. Siobhan highlighted that the Trusted Research and Innovation programme across the organisation had matured. The board noted that the quality of dialogue that UKRI has been



having externally has been very powerful and that the quality of joint working with DSIT has been excellent. Head of Risk and Assurance noted that there are opportunities to further develop the way that our risk management system, CGR, is used to capture and record the management of risks that will better inform the assessment of aggregated risk going forward.

- 7.3. The Board noted that following the general election, risks should be reviewed to ensure alignment with new Government priorities and ways of working. Head of Risk and Assurance noted that in October, Executive Committee will be discussing the risks that have been affected by the change of government, highlighting that this will be shared with the Board in November 2024.
- 7.4. Jessica Corner, Executive Chair for Research England and UKRI's Place Champion, noted that for the risk regarding political expectations on place, there is a lot of ongoing activity to mitigate the risk, working closely with the new government and with local government to reflect their priorities.
- 7.5. Alex Jones noted that the DSIT Audit and Risk Assurance Committee will be reviewing the UKRI-related risks shortly and will share with the Board when they are available.

8. UKRI's Framework for Performance: 2023-24 Quarter 1 Progress and Performance Report

- 8.1. Dan Shah, interim Chief of Investment Planning and Strategy, introduced the 2023 Quarter 1 Progress and Performance Report, highlighting that the Progress and Performance report is one part of UKRI's performance management framework. Dan noted that the UKRI Balanced Scorecard, which will come to Board for discussion in January each year includes a set of longer-term measures. The Board noted that the quarterly report is also used to support discussions with DSIT at our progress and performance meetings.
- 8.2. The Board thanked the team for the report, noting the large amount of data included. The Board requested further explanation of the data on co-investment, in particular regarding the correlation between partnerships and co-investments on new grants. Dan noted that a deep dive is ongoing and will be presented to the Board in January 2025.

ACTION: Dan Shah will have provided a short update to the Board on the correlation between partnerships and co-investments on new grants in January 2025.

- 8.3. The Board noted that the report was incredibly useful and would welcome a further consideration on how the report is presented and whether there was a possibility to make it simpler and more accessible.

ACTION: The Progress and Performance Team will have considered the presentation of the Progress and Performance Report, ensuring it is as accessible as possible.

- 8.4. The Board highlighted the importance of ensuring the report clearly demonstrated 'what good looks like' in order for members to understand the implications of the data. In particular, the Board discussed the time from application to award for grants, noting UKRI's good performance against international benchmarks. Dan noted that this is an area of strong interest currently impacted negatively by the transition to The Funding Service.



Processing times on Innovate UK grants have been an area of intense focus with an impactful drive toward increased efficiency.

- 8.5. The Board noted a key area of focus from the Autumn 2023 Balanced Scorecard concerned increasing engagement with Members of Parliament, highlighting Poli's focus on this area, with so many new MPs now in parliament.

9. People Survey Results

Chris Ball, Chief People Officer, introduced the item highlighting that the people survey is the central piece of the UKRI employee engagement programme. Chris noted that completion rate is approximately 60%.

- 9.1. The Board noted the general increase in scores across the survey, particularly for pay and benefits. Despite this, the lowest scoring themes in the 2024 survey remain Pay and benefits, Managing Change and Senior Leadership. Chris noted that Executive Committee discussed the results at their meeting in July, as part of the ongoing development of both local and cross-UKRI action plans. Once the cross-UKRI action plan is approved, it will be placed in The Reading Room for Board members and will come to Board for discussion in January 2025. Chris also noted that Engagement Team have been producing bite sized articles featuring different sections on the People Survey Results, in order to raise awareness and encourage further discussion. The series has included articles on the psychological safety results, line manager's experiences, pay, wellbeing, what one thing we would change about working for UKRI and why we stay at UKRI.
- 9.2. Chris highlighted progress made against the three key themes identified in the 2023/24 UKRI-wide Action Plan. The Board acknowledged that each of the nine councils have specific priorities and concerns. Each of the Council/Areas have therefore also produced their own local Action Plans, which have been published on The Source and implemented.
- 9.3. The Board were reassured that the direction of travel was positive but noted that more work was needed. Ruwan Weerasekera, Chair of Audit and Risk Assurance Committee, noted that evidence from many organisations shows that employees feel safe raising issues locally within their teams and with direct management, but this decreases when going outside of their immediate community. Chris highlighted that a range of actions are in train to ensure staff feel safe coming forward.
- 9.4. The Board raised concerns that some scores were surprisingly low compared to the civil service, noting that quite a low number of staff understood how their role related to the UKRI Strategy. The Board noted the very high score for staff enjoyment of their role but noted ongoing concerns about workload. Chris explained that some of this is associated with ongoing major change programmes being run across the organisation.
- 9.5. Chris noted that each individual council has an engagement lead that works to develop their local Council Action plan, which then inputs into the UKRI wide Action plan. Chris noted the importance of being transparent and honest, highlighting when we are unable to make changes.
- 9.6. The Board discussed the importance of strong leaders and managers to support employees and the wider organisation. Chris highlighted the ongoing leadership training programmes and the work to empower employees to make local improvements.



10. 2025 Spending Review

- 10.1. Alex Jones updated the board on the context of the spending review, highlighting that the new Government aims to use the Spending Review to embed a mission-led approach and will be keen to demonstrate progress early on.
- 10.2. Alex noted that both DSIT and ministers will want to understand the current portfolio of mission-related research and innovation investments. She highlighted that, in addition, Mission Boards will set out key challenges that they want to address, with UKRI playing a central role in ensuring that, where appropriate, research and innovation are deployed in a timely way to address them.
- 10.3. Dan Shah highlighted to the Board the expected constraints of Phase 1 of the spending review, covering 2025/26. Dan noted the bid from DSIT had been submitted to HMT, and that discussions with Lord Vallance, DSIT and HMT are ongoing.
- 10.4. Andrew Mackenzie noted that in the last spending review we promised to increase efficiency, while ensuring our governance processes are of a high quality to allow us to administer funds well. The Board noted that while we achieved this, there is potentially more that can be done.
- 10.5. The Board noted the growing role of UKRI in delivering research and innovation programmes for Departments across Government. Alex noted that work is ongoing to understand the priorities for full R&D budget across Government Departments, with opportunities to eliminate overlaps and capture synergies.
- 10.6. The Board noted the opportunity to continue to work closely with other funders such as ARIA to ensure maximum complementarity.
- 10.7. Dan Shah noted that the team may need to speak to Board closer to the date of the Budget, to share information and knowledge ahead of providing advice on allocations.

ACTION: Secretariat will have held time in Board members' diaries for ad hoc meetings on the spending review and allocations.

11. Financial Sustainability of the UK R&I system

- 11.1. Jessica Corner introduced the item, providing the Board with an update on the programme of work being undertaken to understand how we can best respond to issues with the financial sustainability of the research system. Jessica noted that UKRI continues to develop an evidence base to improve understanding of the financial challenges facing the publicly funded research sector, including higher education providers, Institutes, Public Sector Research Establishments and Independent Research Organisations.
- 11.2. The Board noted that the team are working collaboratively across UKRI and across government. In particular, the Board noted the need to work closely with DSIT, the Department for Education (DfE) and the Office for Students (OfS) in order to address the financial challenges across the sector. Alex Jones thanked the team for their collaborative



working that has allowed DSIT to work through issues and have the frank discussions needed to move forward.

11.3. Jessica highlighted that the work in UKRI is focussed on three main areas;

- Short term responses and actions (over the next six months)
- Medium term actions (over the next two years)
- Longer term system changes (across the sector)

11.4. Ottoline noted she is hosting a round table on 30 September with sector leaders, highlighting UKRI's unique role in convening key stakeholders from across the R&I sector. The roundtable aims to help the sector work collectively to address the issues and find solutions that consider carefully both capability and capacity across the system.

11.5. Jessica noted she will be writing to institutions shortly to remind them of their obligation to notify UKRI of any significant events that might impact their ability to deliver the funding, as per their agreed funding terms and conditions. The Board agreed there was a need to better understand how the choices being made by organisations to ensure their financial sustainability could be impacting nationally important research and innovation capability.

11.6. Jessica highlighted that there is still a lot of work to do, in particular on understanding what interventions are being used across the research and innovation system and what impact they are having.

11.7. The Board noted that they would welcome further discussion on how best to deploy the levers available to UKRI.

12. AOB

12.1. The Board noted that Terms of Reference (ToR) for Board, Executive Committee and their sub committees will be updated to include the following line referencing the UKRI Declarations of Interest Policy and Guidance.

Members and attendees have a responsibility to declare potential conflicts of interest, and to comply with the UKRI Declarations of Interest Policy and Guidance. The Secretary shall ascertain the existence of any conflicts of interest and minute them accordingly.

DECISION: The Board approved the addition of text to reflect the requirement to comply with UKRI Declarations of Interest Policy and Guidance in the Terms of Reference for UKRI Board, Executive Committee and their subcommittees.

12.2. The Board approved UKRI's annual Modern Slavery and Human Trafficking (MSHT) statement for 2023-24. The Board noted that the statement will be published on the UKRI website and the UK Government Modern Slavery Registry.

DECISION: The Board approved UKRI's annual Modern Slavery and Human Trafficking statement for 2023-24.



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12.3. The Board noted the following:

- UKRI Finance Update
- Board Investment Committee minutes – 9th July 2024

13. Non-Executive Session