

AGREED MINUTES OF THE THIRTY-NINTH MEETING OF STFC COUNCIL
HELD BY VIDEOCONFERENCE
ON 26th NOVEMBER 2024

<u>Attendees</u>	
Council Members:	<p>Mark Thomson (MAT) (chair)</p> <p>Andy Schofield (AJS)</p> <p>Jon Butterworth (JB)</p> <p>Michele Dougherty (MKD)</p> <p>Lucy Edge (LE)</p> <p>JT Janssen (JTJ)</p> <p>Jana Kolar (JK)</p> <p>Patricia Hodgson (PH)</p> <p>Angeli Moeller (AM)</p> <p>Hiranya Peiris (HP)</p> <p>Hitesh Thakrar (HT)</p> <p>Pam Thomas (PT)</p> <p>Carsten Welsch (CW)</p>
	<p>Observers:</p> <p>Paul Monks (PM), DESNZ CSA</p> <p>Keith Grainge (KG), Chair of Science Board (PPAN)</p> <p>Jacqui Cole (JC), Chair of Science Board (F&L)</p> <p>Secretariat:</p> <p>Maya Riddle (MR)</p> <p>Janice Masone (JM),</p>
Invited Guests:	<p>Item 3: Chris Wrench, Finance Director & Georgia Giatras, STFC COO</p> <p>Items 4,5,8,9: Dave Newbold, Exec Director National Labs Science & Tech</p> <p>Item 5: Valerie Farr, AI theme lead</p> <p>Item 6: Ottoline Leyser, UKRI CEO</p> <p>Item 7: Barbara Ghinelli, Director, Business & Innovation, Sarah Beardsley, Director RAL Space</p> <p>Items 8,9: Liz Fellman, Exec Director Strategy & Graham Blair, Exec Director Programmes</p> <p>Item 11: Paul Vernon, Exec Director Business & Innovation</p>
Apologies:	

Chair: Mark Thomson		
1. Welcome and opening comments		
	1.1	Mark Thomson (MAT) welcomed everyone to the thirty-ninth meeting of STFC Council, which was held by videoconference.
	1.2	The following points regarding attendance were noted: i. Apologies were noted from Carsten Welsch
	1.3	MAT reminded Council members that they are required to keep the Secretary informed of any changes to their personal register of interests as they arise.
2.	Minutes, Actions and Matters Arising and Actions from the meeting held on 10th September 2024	
	2.1	<u>Minutes</u> Subject to some minor amendments which have now been actioned, Council approved the minutes as an accurate record of the meetings held on 10 th September 2024.
	2.2	<u>Actions</u> The actions from previous meetings were reviewed and were either complete or in progress. More detail on progress can be found in the Action Register which is an annex to these minutes
Chair: Mark Thomson		
3.	Finance and Governance Committee Update	
	3.1	Council welcomed Georgia Giatras (GG) and Chris Wrench (CW) to the meeting for this discussion.
	3.2	Council noted the content of the Finance and Governance Committee (FGC). Discussion focused on the following points: i. Cyber security: The FGC was very supportive of the comprehensive action plan put in place to address cyber security issues but highlighted some concerning gaps, most notably a lack of 24/7 coverage for systems which is largely attributed to a lack of resource. As the action plan is implemented, STFC is confident that improvements will be seen at the end of the next quarter. ii. Council noted that despite the challenges, STFC is taking positive steps to make improvements, including working with government/public sector partners and compartmentalising less secure systems. Council advised that a member of STFC's Executive Board should continue to have oversight of implementing the action plan and requested an agenda item on Cyber Security at a future Council meeting. iii. Environmental Sustainability: Council members felt that this is a serious risk and important to address, but understood it was difficult to assess the impact until UKRI solidified their own position and penalties. STFC continues to engage with UKRI as these develop. iv. Finance Update: Chris Wrench (CW) gave an update on the current position for FY2024/25 and, following the Autumn Budget Statement, indicative funding for FY2025/26 and the budget envelope for Spending Review Phase 2. There was discussion of the timescale for recalibration of STFC's unfunded pressures, Council recognised that it will remain challenging to balance the budget.

4.	Update from AI & quantum task & finish	
	4.1	<p>Council welcomed Dave Newbold (DN) to the meeting. He joined Angeli Moeller (AM) to provide an update from the first two meetings of the AI & Quantum task and finish group which is a joint meeting between senior colleagues from STFC and EPSRC.</p> <ul style="list-style-type: none"> i. The key message to emerge from these meetings is that there is good alignment in areas such as supporting Critical Technologies for the Spending Review (SR), and the interface between EPSRC hubs and STFC facilities. However, there are some areas of non-alignment such as decision making/support for national scale infrastructure, the relative priority of data and digital enablers, the value/priority given to quantum initiatives and the ownership model for cross cutting themes, areas and infrastructures. ii. Council members strongly encouraged continued engagement with EPSRC at a senior level to find better alignment and solutions to some of the issues raised at the meeting.
5.	STFC Artificial Intelligence (AI) strategy	
	5.1	Council welcomed Valerie Farr (VF) who joined Dave Newbold (DN) for this discussion of STFC's draft Artificial Intelligence (AI) strategy. The strategy will define STFC's ambitions and capabilities establish STFC's approach to developing
	5.2	The Artificial Intelligence (AI) Strategy will define STFC's strategic position on its AI ambitions and capabilities. The strategy will establish STFC's approach to developing and deploying AI for the benefit of its own science goals; ensure its interests are represented at UKRI level; and ensure its role in the R&I landscape is reflected appropriately across the AI ecosystem.
	5.3	<p>Council members were asked to discuss the content, messaging and position of the strategy. The following points were noted in discussion:</p> <ul style="list-style-type: none"> i. Council highlighted that people and skills are key components of the AI strategy and recommended further emphasising training, particularly highlighting the value of CDTs to industry and university stakeholders. ii. AI is not currently part of STFC's core science programme and is within the remit of EPSRC. Council advised embedding cross-Council and industry partnership within the strategy and supported funding AI/AI enabled research where it is relevant to the programme. iii. Council made several other observations which were noted by team, feedback will be included in the next iteration, which will return to Council in due course.
6.	Update from UKRI CEO inc Q&A (oral update)	
	6.1	<p>Council was pleased to welcome the UKRI CEO, Ottoline Leyster (OL), to the meeting. The following points were noted from this in-depth discussion:</p> <ul style="list-style-type: none"> i. Spending Review (SR): UKRI is currently in discussion with DSIT about its settlement following the completion of phase 1 of the SR, and UKRI is confident of a reasonable outcome to phase two. However, there will be a need for flexibility and longer-term reform. ii. Universities: Council members highlighted that STFC has an important role in developing skills and hosting and operating research infrastructures on which universities depend. Universities are facing similar challenges and will be

		<p>impacted by stopping or reducing activities. STFC is also more impacted by pay and energy costs. OL assured Council that UKRI has a good understanding of these challenges and that they are being taken into consideration.</p> <p>iii. Cross-Council working: OL described UKRI's organic approach to creating space and building trust to encourage collaboration across UKRI's Councils. Council was supportive and felt that more top-down guidance would help.</p> <p>iv. Council thanked OL for a frank and interesting discussion and for her leadership of UKRI during a challenging time.</p>
7.	DSIT Space Delivery Review	
	7.1	Council welcomed Sarah Beardsley (SB) and Barbara Ghinelli (BG) to the meeting. SB and BG provided an overview of the Department for Science, Innovation and Technology (DSIT) Ministerial Space Delivery Review (SDR) and a brief of the UKRI's response to these recommendations.
	7.2	<p>Council supported the development of a collaborative cross-UKRI approach to promote alignment on space priorities through the UKRI Space Coordination Group (SCG) and the cross-STFC space leadership approach which feeds into it.</p> <p>i. Council recognised that STFC needed to clarify its internal position, but felt overall it is well placed to take the lead. Council advised ensuring strong metrics were in place to monitor how resources were deployed.</p> <p>ii. Developing clear and aligned priorities will be vitally important in seeking closer collaboration with international partners in addition to the USA. Council felt that with the right resource, STFC/UKRI was well positioned to leverage these opportunities.</p>
8.	Science Board (PPAN) update	
	8.1	Keith Grainge (KG) was invited to give the update from the most recent Science Board (PPAN) meeting which took place in September 2024.
	8.2	<p>The content of the report was noted, and the following points were discussed at the meeting:</p> <p>i. Computing Advisory Board: Both Science Boards expressed concern over a recent Executive Board decision to re-cast the Computing Advisory Panel (CAP) as a Board reporting into the Executive Board. The key concerns were around maintaining agility, ensuring the provision of science-led computing and governance arrangements.</p> <p>ii. MAT assured Council that the CAB would have a strong relationship with the Science Boards, and this would be reflected in the Terms of Reference. Council asked the Finance and Governance Committee (FGC) to review the TOR and report back in early 2025.</p> <p>iii. STFC Accelerator Strategy: Science Board strongly recommend that STFC develop an accelerator strategy to expand on the strategic framework. This should result in an implementation plan which defines the governance model and underpinned by a set of SMART actions and milestones.</p> <p>iv. Dave Newbold is leading the development of this strategy for STFC and is working with accelerator experts on delivery. This strategy will inform the development of the PPAN roadmap.</p>

9.	Science Board (Facilities and Labs)	
	9.1	Jacqui Cole (JC) was invited to give the update from the most recent Science Board (F&L) meeting which took place in October 2024.
	9.2	<p>The content of the report was noted, and the following points were discussed at the meeting:</p> <ul style="list-style-type: none"> i. Environmental Sustainability: To prepare for UKRI's Net Zero targets, Science Board (F&L) recommended that STFC urgently introduce carbon assessments to new and existing projects. ii. MAT thanked Science Board (F&L) for raising this issue and confirmed that STFC takes this issue very seriously and plans to engage external consultants to gain a concise understanding of what is needed. Council will be kept informed of developments. iii. Change Management Plans to deliver FAL Operations: Science Board F&L understood the operational and financial need for this plan to mobilise some STFC staff (mostly engineers and computing) to work across departments and conduct tasks by priority but felt this could lead to a loss of quality and key skills. The Board will keep a watching brief as this develops and has requested an update from the Executive in spring 2025. iv. Financial Prioritisation: Both Science Boards continue to be concerned about the need to prioritise in the short term due to STFC's current financial position, and expressed the strong view, which was shared by Council, that there should be a transparent and clear process for decision making.
Closed Session of Council Chair: Andy Schofield		
10	Executive Chair's Update- presentation	
	10.1	Andy Schofield (AJS) invited Mark Thomson (MAT) to give an update on issues and events since the last meeting. This presentation focused on STFC finances and the Spending Review.
	10.2	<p>Spending Review Phase 1: Following on from the earlier discussion with the UKRI CEO, MAT presented an outline of STFC pressures for 2025/26 in relation to indicative outcomes of Spending Review Phase 1. These were largely attributed to pay increases, inflation, NQCC transition to operations and Core programme profile and project slippage. If the indicative allocation is realised, whilst it is more positive than expected, it is likely to have significant impact to the operation of the facilities, the core programme and external recruitment.</p> <ul style="list-style-type: none"> i. Council understood that STFC faced difficult decisions and understood that reduced operation of facilities and grants could have serious impacts on the community, Council gave a strong steer that STFC should seek to mitigate this impact as far as possible. ii. In considering STFC's need to reduce overall headcount, which it is currently hoped can be achieved through natural attrition, Council advised giving early thought to the future shape of the organisation to ensure it is best placed to effectively and efficiently meet its goals.
	10.3	Spending Review- Phase 2: MAT outlined STFC's approach to phase 2 of the Spending Review. This has been an iterative process which has taken on feedback from Council. The overarching message is that STFC's key priorities cannot be

		<p>achieved without investing in STFC's National Laboratories and Scientific Estate.</p> <ul style="list-style-type: none"> i. Council agreed that this was a sensible approach, sustaining these important assets were critical to a wide range of stakeholders and users from across academia and industry and were a vital component to training the next generation of engineers and technologists. ii. Council was keen to ensure that Boulby Laboratory, which is not specifically mentioned, was not overlooked. The Boulby facility has the potential to attract international partners and investment to the northeast. MAT assured Council that talks continue with DSIT, UKRI and international partners.
	10.4	<p>FY 2025/26 Budget: Despite a relatively positive outcome for the Spending Review, MAT cautioned that there will be challenges. UKRI's overall settlement is slightly reduced and UKRI has indicated there is no intention to over-profile the Councils allocations which amounts to a 3.5% cut. MAT then detailed some of the impacts on the PPAN programme and the facilities.</p> <ul style="list-style-type: none"> i. Council recommended undertaking an internal review of the facilities to see if any further savings or efficiencies can be gained ii. For the PPAN cost and schedule overruns Council recommended exploring whether project partners could work toward a shared resolution.
		Chair: Mark Thomson
	11.	Industry and Business Board update
	11.1	<p>Due to time constraints this report was very brief, Council agreed that there were many interesting points to explore and hoped to return to it in more detail at a future meeting.</p>
	12.	Any other business
	9.1	<p>The following additional business was raised at the meeting:</p> <ul style="list-style-type: none"> i. Council members extended sincere thanks and best wishes for the future to Georgia Giatras (not present) who will be stepping down from her role as STFC's Chief Operating Officer in January 2025. It has been a great pleasure to work with Georgia and she will be missed by all at STFC. ii. This was Mark Thomson's last meeting as Executive Chair of STFC, Council expressed enormous thanks for his commitment, leadership and good humour throughout his time at STFC. Despite the challenges, STFC has continued to deliver fantastic science under his leadership, and Council members wished him continued success when he took up his new role as Director-General of CERN.
	10.	<p>Closing Remarks MAT thanked members and guests for their contribution. The next meeting will be held at Rutherford Appleton Laboratory and The Cosener's House on 20-21 Jan 2025. This will be the first meeting as Executive Chair for Michele Dougherty.</p>