STFC(2008)74

MINUTES OF THE FIFTEENTH MEETING HELD ON 1 JULY 2008 AT THE DARESBURY LABORATORY

Council Members present:	Peter Warry (Chairman) Keith Mason (CEO) Keith Burnett Marshall Davies Mike Edmunds Philip Greenish Philip Kaziewicz Anneila Sargent *(by phone for items 1 – 5.1)* Richard Wade Colin Whitehouse
DIUS	Paul Williams
In Attendance:	Graham Brooks Jeff Down Peter Knight Jim Sadlier *(for items 1 to 5.1)* Gordon Stewart John Womersley Catherine Ewart *(Executive Secretary)* Ruth Jeans *(Minute Secretary)*

WELCOME

The Chairman welcomed members and attendees to the meeting.

The Chairman reminded the executive that papers for Council should be circulated to members at least 5 working days before meetings.

1. MINUTES OF THE MEETING HELD ON 29 April 2008

1.1 **(Minute 4.6 – the Moonlite study):** Council agreed to amend the minute to read " the case for funding of £1.5M should now be presented to the Science Board *to determine the appropriate peer review process"*

1.2 Subject to the above amendment, the minutes were accepted to be a correct record of the meeting and were signed by the Chairman.

.

2. ACTIONS AND MATTERS ARISING

2.1 **(Minute 2.2 - FAQs):** Council requested that these be circulated as soon as possible. **Action: J Sadlier/G Stewart**

2.2 **(Minute 4.10 – Campus Science Innovation sub-Committee):** Gordon Stewart reported that discussions would be held in the near future with Phil Kaziewicz on plans for the sub-Committee.

2.3 **(Minute 4.10 – Economic Impact Advisory Board):** Phil Kaziewicz reported that the first meeting of the Board would be held on Thursday, 3 July.

2.4 **(Minute 4.12 – discussions with Tim Bestwick and Gert Materlik):** Richard Wade reported that this action was now closed.

2.5 **(February meeting, Minute 2.2 – review of accelerator centres):** John Womersley reported that the panels were in the process of being formed, and the Review was being planned for the autumn.

2.6 **(February meeting, Minute 2.6 - Future of CLIK):** presentation to be made to the September meeting.
Action transferred to Liz Towns-Andrews.

2.7 **(February meeting, Minute 4.22 – ground based astronomy advisory body):** action subsumed into proposed new advisory panels. There was some concern at the structure of the new set of advisory panels. It was agreed that a final decision on the structure should be made before the Town meeting on 8 July 2008.
Action: Keith Mason/ John Womersley

2.8 **(November meeting, Minute 6.7 – HSIC JV business plan):** Gordon Stewart will now present the JV business plan to the meeting on 16 December 2008.
Action: Gordon Stewart

2.9 Council **noted** the status of the remaining actions.

3 CHIEF EXECUTIVES REPORT

3.1 Keith Mason announced that Mr Terry O'Connor had recently been appointed Communications Director and would take up his post on 4 August 2008. Action was also in hand to appoint a Finance Director,

and Jeff Down, who had been due to retire in September, had agreed to remain in post to assist with the handover.

3.2 The process used for interviewing the candidates for the Commercial and Finance Directors posts *(by Panel, and then a second interview by selected senior Directors),* had been thorough and effective, and it was agreed that this should be considered best practice for future senior appointments. .

3.3 Keith Mason also reported on a number of meetings he had attended with DIUS ministers and officials, to discuss issues relating to strategic objectives; delivery plans; horizon scanning and the next spending review. Regarding the latter, Keith confirmed that Economic Impact and cross-cutting projects would still be priority areas for the next funding round. Council re-iterated the importance of having a comprehensive communications plan in place before the exercise commenced.

3.4 Council agreed that it would be beneficial for the planning of the next spending review to have in place a stakeholder strategy group *(including key academics and representatives from learned societies),* to consider and advise the Science Board and STFC at an early stage on the possible funding scenarios and priorities. This should be established as soon as possible, ideally before the autumn. **Action: P Knight/J Womersley**

3.5 Following discussion, Council agreed that a short briefing paper should be produced, outlining the funding scenarios and explaining how the strategy group should operate in its advisory capacity.

Action: K Mason

3.6 In summary:

- The stakeholder engagement process to be set up as a matter of urgency;
- There needs to be clarity on how stakeholders groups should operate, and what would be expected from them and from STFC.
- Communicate 'rules of engagement'.

3.7 Keith Mason asked Council to note that the IUS Select Committee had requested further information and clarification from STFC on specific issues, to be submitted to the Committee by 11 July 2008.

4. OPERATIONS REPORT

4.1 Richard Wade informed Council that Keith Burnett was standing down as a member of the Diamond Board, and proposed that Professor Tony Ryan (University of Sheffield), should replace him.

4.2 Council unanimously agreed that Professor Ryan should be appointed.

4.3 R Wade updated Council on the Fit for the Future 2 programme being led by consultant Keith Williams, who had been commissioned to develop a view on how to move forward in understanding and controlling internal costs. The objective of the programme would be to develop and implement a long term organisational and cost blueprint for STFC covering its organisation; process and culture, in order to position STFC to deliver its strategic goals effectively.

4.4 Council endorsed the proposed initiative.

4.5 R Wade reported that the VISTA telescope had now produced its first images, and apart from a minor problem with one of the mirrors, the instrument was in good shape.

4.6 Council welcomed the progress of the VISTA project.

4.7 Council noted the contents of the Operations Report, and welcomed the format and level of detail.

4.8 Council noted the Health & Safety quarterly report. Referring to the Environment Agency's enforcement notice, Council requested additional information and a completion date to be set for the production of the suite of radiation management codes.

Action: J Down/ P Hartley

4.9 Gordon Stewart presented the progress report on the HSIC Joint Venture. Two issues remained outstanding – receipt of the Office of National Statistics (ONS) classification, and confirmation from government on an environmental indemnity.

4.10 Council noted the progress so far, but expressed its concern that the delay in resolving these matters could jeopardise the Joint Venture. Paul Williams agreed to consult with the DIUS Office to see whether any action could be taken to expedite the necessary processes, and would report back to Gordon Stewart.

Action: P Williams

4.11 Colin Whitehouse gave an oral report on the status of the Daresbury Innovation Campus developments.

4.12 The Daresbury Innovation Centre now held 75 companies and was almost full. Already 10-15 further companies wished to move to the site, and a decision was needed urgently whether to proceed with the use of additional space within Daresbury Laboratory.

4.13 Council **approved** the use of the land identified.

4.14 A key issue to be addressed would be whether to include the Daresbury land and buildings as part of the JV. All the options were currently being considered, and Colin Whitehouse agreed to report on progress in September.

Action: C Whitehouse

4.15 Council noted the progress being made in developing the Daresbury Joint Venture initiative, and stressed the need to be ambitious in achieving the maximum momentum and impact.

4.16 Council also welcomed the setting up of a programme of Staff Forums to help improve internal communications. Gordon Stewart stated that the programme would be evaluated over the next 3 months and the outcome of the evaluation would be circulated to Council for information in September. **Action: G Stewart**

5 IMPLEMENTATION OF THE PROGRAMMATIC REVIEW

Programmatic Review

5.1 John Womersley presented the plans for taking forward the science programme recommendations of PPAN and PALS which had been endorsed by the Science Board on 22/23 May 2008. He pointed out that the recommendations incorporated many of the suggestions received from the ten independent consultation panels, but re-stated that the Programmatic Review did not cover the whole of the STFC's programme, (e.g. it had not included grants or facilities).

5.2 The strong views that had been received on the initial programmatic review exercise (carried out during 2007-08), had also been accepted. The need for an early consultation process had been acknowledged, and advisory panels for PPAN and PALS would be established to assist with future exercises.

5.3 It was noted that STFC would be delivering a strong programme worth £1.9billion, with all the major projects supported at a level to accomplish good science. However it had been well documented that savings would have to be made, in particular to enable the funding of new initiatives.

5.4 Council accepted that there would be disappointment in some areas within the community as a result of the phasing out of some long standing projects. Council stressed the need for these difficult decisions to be handled fairly, ensuring that those affected were consulted on the ramping down of funding at the most expeditious and appropriate rate. In their place, new projects would be introduced into the programme and should be highlighted.

5.5 Following considerable discussion, Council noted and approved the implementation plan as presented.

5.6 Council expressed its strong appreciation to the management team led by John Womersley, and to the members of the independent advisory groups; PPAN; PALS; and the Science Board, for delivering a comprehensive and well balanced plan to a very challenging timescale. The executive was asked to convey Council's formal thanks to all those who had been involved. **Action: K Mason**

Restructuring Plan and Budget

5.7 Council noted the updated Restructuring Plan and Budget, and endorsed the proposed plan.

5.8 Council also expressed its appreciation for the significant levels of support that had been received from DIUS in permitting STFC to carry forward all its EYF, and providing assistance with meeting international subscription compensation, beyond the £6M risk STFC was expected to carry.

5.9 In summary, Council:

- **Noted** the changes to the baseline assumptions in the restructuring plan;
- **Re-endorsed** proceeding at £31M risk, noting that this may be permitted to increase by up to £10M to fund new programmes if success with savings measures is demonstrated;
- **Endorsed** the risk management strategy for 2008/09;
- **Noted** that a risk strategy for 2009/10 and 2010/11 will be developed in time for the October meeting of Council;
- **Noted** that the review of STFC infrastructure will follow the model of the CCLRC Fit for the Future exercise.

Report from Science Board

5.10 The Science Board had met on 22 and 23 May to discuss the recommendations made by PPAN, PALS, and the consultative panels. The Board had completed the programmatic review by merging the PPAN and PALS recommendations, and it was confident that the future plan was coherent, with areas identified where new projects and new funding could be allocated.

5.11 Peter Knight also highlighted the need to now implement plans for setting up Facility Oversight Boards which would provide high level strategic advice, but not to deal with day-to-day management.

5.12 The Board was eager to follow up on the Horizon Scanning exercise being initiated by HM Treasury, and the Board would be meeting for a full day's discussion on horizon scanning on 3 July.

5.13 Council noted the Science Board report.

External Income

5.14 Council considered the progress report submitted by Richard Holdaway, chairman of the External Income Working Group. It was accepted that the plan was still a work in progress, but it was agreed that the Economic Impact Advisory Board should consider its contents at its meeting on 3 July, and provide guidance on the way forward.

Action: P Kaziewicz

5.15 Council acknowledged the work carried out by the Working Group so far, and agreed that the implementation strategy should be developed further.

6. CORPORATE STRATEGY

Corporate Strategy

6.1 Council noted the progress being made in developing the STFC Corporate Strategy.

STFC Annual Report

6.2 Jim Sadlier presented the draft Annual Report. Council **noted** the Report, and agreed to submit proposed amendments to Jim as a matter of urgency. **Action: All**

.

7. BUSINESS RISK AND CONTINUITY

Annual Accounts

7.1 Council agreed the Accounts in principle, subject to any changes notified by the NAO or the Audit Committee.

7.2 Council recorded its thanks to Jeff Down and his team for their excellent work in producing the final Accounts on time and quality – a considerable achievement by all involved.

Finance Report.

7.3 Council **noted** the report.

Audit Committee Report

7.4 Council **noted** that the minutes of the Audit Committee meeting held on 12 June and the minutes of the meeting to be held on 2 July would be circulated at a later date.

Q1 Scorecard Report

7.5 The Scorecard Report was noted. Council asked for the HSIC JV to be shown as RED status. **Action: G Stewart**

8. DATES OF FUTURE MEETINGS

8.1 Council **noted** the dates of the remaining meetings in 2008 and those for 2009. Due to the unavailability of a number of members, it was agreed to cancel the meeting scheduled for 25 July 2008.

8.2 As a major event was being held at CERN on 21 October which a number of Council members would be attending, the Secretariat was asked to look for another suitable date for the October informal Council meeting.

Action: Secretariat

8.3 The Secretariat was also asked to consider holding the informal meeting on 25 November at Imperial College. **Action: Secretariat**

9. ANY OTHER BUSINESS

9.1 To mark the last meeting of Council attended by Jim Sadlier, the Chairman on behalf of Council, thanked Jim warmly for his great contribution to, first, the PPARC Council and then STFC's Council. Jim had provided the Chairman and members with outstanding support and wisdom over the years, and had proved to be a loyal servant to Council and an outstanding lateral strategist. Council wished him a long healthy and happy retirement. .

INTRODUCTION TO THE NEW LIGHT SOURCE PROJECT

Jon Marangos (Imperial College), Project Leader of the NLS Project, attended with Mike Dunne, (Director, CLF), to report on the first phase of the Project. This broad-based science consultation phase had involved a number of workshops and working group meetings which had enabled input to be made directly from the whole community.

The outcome of the first phase would determine the key long term scientific objectives for the UK light source strategy, and establish the light source

capability that would be needed. The debate would also examine the balance between objectives which could be achieved by exploiting the existing array of international next generation light sources, and those which would require a new UK capability.

Phase 1 commenced on 1 April 2008 and would report to the Science Board and Council in October 2008. Progress to Phase 2 would be contingent on approval of the Phase 1 Report and recommendations. If the decision was taken to proceed, Phase 2 - the Facility Conceptual Design Phase - would be carried out between 2008 and 2010, with a fully worked up proposal submitted to the Large Facility Capital Fund in 2010.

Jon Marangos presented a summary of the key science drivers and outline specifications considered by the Workshops *(attended by a large number of national and international participants)*, which had covered all the key science areas. He also presented the preliminary analysis which had established the science drivers, and the strong coupling with critical areas of advanced technologies.

Council thanked Jon Marangos and Mike Dunne for a very timely and informative presentation.