

IN CONFIDENCE

STFC(2007)10

24 April 2007

SCIENCE AND TECHNOLOGY FACILITIES COUNCIL

MINUTES OF THE FIRST MEETING OF THE SCIENCE AND TECHNOLOGY FACILITIES COUNCIL HELD ON 02 APRIL 2007 AT THE UNIVERSITY OF SURREY

Members Present: Peter Warry (Chair), Keith Mason (CEO), Marshall Davies, Mike Edmunds, Philip Greenish, Philip Kaziewicz, Anneila Sargent, Richard Wade, Colin Whitehouse.

Apologies: Keith Burnett

Secretary: Chris Thompson

Representative from Office of Science and Innovation: Paul Williams

By invitation: Jim Sadlier

Welcome and Introductions

1. Council noted that the press release announcing the creation of the new Council included summaries of member's experience and expertise and asked for this to be circulated.

Action: Secretariat

Establishment of STFC

STFC(2007)01-04

2. Council noted that the Management Statement and Financial Memorandum (FM) had been signed by John Neilson for the Office of Science and Innovation (OSI) and Keith Mason for STFC, giving the Council delegated authority from OSI and therefore a formal operating license. Whilst both documents followed a standard format for all Research Councils, set by Treasury, Council agreed that the FM should be re-visited in due course in the context of including a commercial fund. In the meantime, CLIK, the commercial body for the former CCLRC, would be able to operate under pre-existing arrangements with each transaction considered on a case-by-case basis.
3. Council considered the proposal to limit delegated authority to £5M and concluded that this was not appropriate for the following reasons:

- This level of authority would involve Council in debating issues which should more properly be considered by the Advisory Boards – a higher level of delegated authority would enable Council to focus on more strategic issues;
 - A financial boundary would artificially cut-off issues which were of high risk to the organisation.
4. Council therefore agreed that the CEO should be given full delegated powers providing it was kept informed of key risks either immediately they arose and/or through a regular review of the corporate risk register; and that it was provided with a retrospective report of commitments made over £5M. This position would be reviewed in six months.
 5. Council noted the budgetary framework paper which provided background to a substantive review of the financial position planned for the next meeting. Council specifically requested an opening balance sheet and cash flow data for 2007/08, and clarification on the amount of funding transferred from EPSRC for nuclear physics. This information would be generated by the newly-established STFC Finance Committee. Council also noted the retirement of the Vista risk, carried over from PPARC, due to a letter of comfort issued by the European Southern Observatory (ESO).
 6. Council noted and accepted the proposed Code of Practice and formally adopted the Corporate Seal for use as proposed. Finally, Council noted that the STFC had been created as a full legal entity with only a few outstanding issues regarding CCLRC patents to be resolved. As a Council now responsible for around 2000 employees, the Chairman urged members to ensure health and safety had high visibility.
 7. As part of their induction process, Council members asked for a “facts and figures” sheet for the STFC and a list of acronyms.

Action Secretariat

Mission

Handout slides

8. Professor Mason gave an overview of the emerging STFC priorities for the Comprehensive Spending Review 2007 (CSR07), as presented to Sir Keith O’Nions and his team in March 2007. These priorities had been developed by a joint CCLRC/PPARC team and fell into three broad categories: delivery of previous commitments; maximising value from large capital investment; and planned new projects. It was clear from this process of prioritisation that STFC would not be able to deliver on all of its aspirations. Diamond, in particular, had given rise to funding pressures that needed to be met. At the same time, programmes of lower priority would need to be run down, recognising that there would be a spend-to-save cost.
9. Whilst the Science Budget settlement had been favourable, once existing commitments from the Cooksey Review, Full Economic Cost and the Sainsbury Review – due to report in June/July 2007 – had been addressed, little would remain for new programmes. Council therefore noted that, in its

negotiations with OSI, it would be important to balance aspiration against what might realistically be achievable.

10. Council noted that the next step in the CSR07 process would be for the STFC to generate a draft Delivery Plan for iteration with the OSI. Council wished to be closely involved in developing the draft Delivery Plan and asked for a substantive discussion on CSR07 priorities at its May 2007 meeting.

Action: Secretariat

11. Chilbolton: **RESTRICTED ITEM**

12. Council agreed that it would be important to identify key objectives against which it would be measured for success. Opening suggestions were:

- delivery of the Science and Innovation Campus dipole;
- European Space Agency Space Centre at Harwell (but definition to be refined);
- demonstrable leadership in international projects;
- co-ordination for all UK space research focused at Harwell;
- role in technology and relationship with Technology Strategy Board (to be defined);
- deliverable strategy in light of CSR07 settlement - Strategy is key - must aim for international recognition;
- integrated business;
- added value from synergy across facilities; marketing strategy internally and externally;
- public awareness that university community is integrated; and
- a robust training policy.

13. However, further debate was required and Council asked the STFC Executive to generate a long list of possible targets to be debated at the first away-day involving Council members and STFC Directors, to be arranged as soon as possible.

Actions: Jim Sadlier and Secretariat

14. Council noted that engagement with projects on the European Strategy Forum on Research Infrastructures (ESFRI) Roadmap would be debated during preparation of the STFC science strategy. Whilst it would not be possible to provide Council with a definitive list for its next meeting, a summary of projects STFC definitely had no interest in could be provided.

Action: Richard Wade

Council and its Advisory Structure

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15. Council agreed that each non-executive member should be given responsibility for taking an overview of specific areas of STFC business. This would not compete with, but would rather complement, activities undertaken by STFC Directors. Roles agreed were:

- Keith Burnett: Science Overview
- Mike Edmonds: Outreach
- Marshall Davies: Finance; Chair Audit Committee and Whistle-blowing
- Philip Greenish: People/Remuneration; Chair Remuneration Committee
- Philip Kaziewicz: Entrepreneurial; Economic Impact
- Anneila Sargent: International Perspective

16. In considering how it would wish to operate in future, Council agreed:

- Council members plus Finance Director to attend all meetings; other Directors to attend as required;
- monthly meetings to be scheduled (to be reviewed in September 2007);
- afternoon meetings starting at 14.00, with dinner on occasion;
- most meetings to be in Rutherford Appleton Laboratory or Swindon with at least 1 meeting a year in Daresbury Laboratory (and possibly the Astronomy Technology Centre). Separate visits to other sites (HEIs, Grenoble, Geneva etc.);
- Annual strategy away day – the first to be scheduled for May 2007;
- Video Conferencing (VC) and tele-conferencing both acceptable but members should make every effort to attend in person;
- minutes secretary to attend; minutes to be kept minimal (3 page target);
- standard reports as proposed in the paper – but consider streamlining these standing items – possibly as routinely updated “living” documents held on the Council extranet;
- papers to be made available on the Council extranet – plus paper copies where specifically requested; and
- papers to be circulated with at least a weekend between circulation and meeting date;
- list of action points to be circulated immediately.

17. Council requested an induction programme to brief members on the key STFC programmes as a matter of urgency, with information packs and data sheets to be circulated as a priority. Council also asked for a copy of the latest organisation chart.

Action: Secretariat

18. Council agreed the format of its Advisory Committees as presented. With the exception of the Remuneration and Audit Committees, which would be chaired by Council members – Philip Greenish and Marshall Davies respectively – cross-representation between Council and its committees would not be allowed.

19. The terms of reference for the Audit Committee were accepted subject to two changes: the Committee should aim to meet at least twice a year; and the requirement for two Council members should be removed. Council agreed that a Remuneration Committee needed to be established as soon as possible and asked to see draft terms of reference at a subsequent meeting.

Action: Philip Greenish and Paul Hartley

20. Council also approved the terms of reference for the Science Board advising that membership should be *ad hominem* and drawn from the widest constituency, including life sciences. Council noted that other Research Councils had been invited to nominate members. The proposed terms of reference for the Economic Impact Advisory Board were accepted as an interim measure but Council advised that they should be further developed, with input from Philip Kaziewicz.

Action: Colin Whitehouse

21. Council agreed that a committee to provide a strategic overview of outreach should be established, recognising that PhD and Fellowships training should be run through an Education and Training Committee reporting into the Science Board (SB). This would enable the SAB to take greater ownership of training than had been possible in the PPARC system. Terms of reference for the Strategic Outreach Committee should also exclude the general political influencing role which Council itself would take on, with input from the Corporate Planning and Communications Directorate. Council asked to see terms of reference for this committee at a subsequent meeting.

Action: Jim Sadlier

22. Council agreed that it would be important to draw on advice from international committee and asked to see terms of reference and proposed membership for this committee at its next meeting.

Action: Richard Wade

Interaction with Other Research Councils

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23. Council endorsed the principles for engaging with other Research Councils, accepting that there would be some changes to be made as the Council evolved. Such changes, for example the switch from the Facility Development Advisory Board to the Physical and Life Sciences Panel should be communicated to the other Research Councils.

Action: Jim Sadlier

Any Other Business

24. Council agreed that key subjects to be covered at its next meeting were: Finance and Risks, Campus Strategy, Diamond report and approval of Directors to sit on the Diamond Board.

25. Council agreed that its next meeting would be held on 24 April 2007 in London, prior to the STFC launch event, and would require VC and teleconferencing facilities. Further monthly meetings for the whole year, excepting August, would be scheduled by the secretariat as a matter of urgency.

26. Declarations of interest to be completed and organised into a consistent format by the secretariat

Action: Secretariat