

## MINUTES OF THE SECOND MEETING HELD ON 24 APRIL 2007 AT THE MARRIOTT COUNTY HALL, LONDON

**Council Members present:** Peter Warry (Chairman)  
Keith Mason (CEO)  
Keith Burnett  
Marshall Davies  
Philip Greenish  
Philip Kaziewicz (*by telephone*)  
Anneila Sargent (*by telephone*)  
Richard Wade  
Colin Whitehouse

**Office of Science and Innovation:** Paul Williams

**In Attendance:** Jeff Down  
Andrew Taylor  
Chris Thompson (*Secretary*)

**Apologies:** Mike Edmunds

### ITEM 1: MINUTES OF THE FIRST MEETING HELD ON 2 APRIL 2007 STFC(2007)10

1.1 (*paragraph 20*) *Education, training & outreach*: the wording of the minute had been questioned. Council recognised that the guidelines for the Education and Outreach Committees still needed to be resolved, and agreed to return to this item at a future meeting when the terms of reference for both the Education Committee (reporting to the Science Board) and the "Outreach" Committee had been finalised.

**Action: R Wade (EC) & J Sadlier/M Edmunds (OC)**

1.2 (*paragraph 20*): remove "Advisory" from the title of the Science Board.

1.3 Subject to the above changes, the minutes were agreed to be a correct record of the meeting, and signed by the Chairman.

### ITEM 2: ACTIONS AND MATTERS ARISING STFC(2007)11

2.1 (*paragraph 21*) *International Advisory Committee*: The outline terms of reference for the International Advisory Committee were considered. However Council advised that further thought should be given to the purpose of the Committee before agreeing its terms of reference. For example, it may be more appropriate

to set up “ad hoc” advisory committees to focus on and review specific programmes or topics, rather than establishing a standing committee. It was agreed that following discussion with Council members, a background paper should be prepared for discussion during the Council Awayday.

**Action: R Wade/A Sargent**

2.2 The remaining outstanding actions were noted and would be addressed at future meetings.

### **ITEM 3: CHIEF EXECUTIVE'S REPORT**

**STFC(2007)13**

3.1 Council noted that a Memorandum of Understanding between OSI and NASA had been signed in Washington on 20 April 2007, with the possibility of establishing a bilateral programme focusing on robotic lunar exploration. A small team had been formed to draft the framework for this programme.

3.2 Council noted that an agreement had also been signed to establish a UK Office in Washington. The Office would be run by EPSRC on behalf of the Research Councils in the first instance, and was strongly supported by the UK Embassy staff in Washington. Council agreed that, as she was in Washington on a regular basis, Anneila Sargent could act as the key contact between the Office and the Council.

3.3 Council also noted that progress was being made in developing the scope for a European Space Agency Centre to be sited on the Harwell Science & Innovation Campus. A further meeting with the Director General of ESA was planned for the following day to review the Programme, and possible key elements of the programme for the Centre were:

- Climate change & modelling;
- Applications development (e.g. navigation);
- Exploration programme (e.g. sample curation; planetary protection; research into technology for new energy sources);
- Technology development activity (scope to be developed)

3.4 Council noted that Keith Mason was due to give evidence to both the Science and Technology Committee's inquiry into “*the Research Council's international policies and activities*”, and to the Public Accounts Committee hearing on “*Large Scientific Facilities*”, including a review of the Diamond Facility which would include assessing the level of its industrial access.

3.5 Council noted the media coverage on the Royal Society's recent statement suggesting the need for a UK Space Agency.

### **ITEM 4: FINANCE PROGRESS REPORT**

**STFC(2007)14**

4.1 Council noted that recent discussions had taken place between STFC and OSI regarding the proposal to transfer the international subscriptions compensation risk to STFC to manage, and Jeff Down confirmed that it was now likely that this transfer would go ahead. Council emphasised that it was essential that this significant risk to STFC was carefully managed, as any rapid change could

severely disrupt the science programme. P Williams pointed out that until now OSI had carried these risks but with no way to manage or offset them. His view was that as the STFC had more flexibility (e.g. in managing exchange rates, currency, hedging etc), it would be in a better position to absorb the risk. He also pointed out that other research councils carried risks that they could not easily offset.

4.2 It was noted that financial modelling was underway in order to provide a basis for the negotiation of a compensatory baseline funding increase for the CSR period for STFC. Options for managing the risk were also being developed.

4.3 Council asked that the proposed agreement between STFC and OSI be presented to Council for its approval before finally being submitted to OSI.

*Action: J Down*

4.5 Council noted that the output tax repayable in respect to Diamond Phase 1, (c£35M over 20 years), would now have to be repaid over 10 years. However, Paul Williams confirmed that this would be funded from the Large Facilities Capital Fund.

4.6 Council therefore agreed that this item would not be included in the STFC Corporate Risk Register.

4.7 There had been considerable discussion on the delivery of the VISTA mirrors and the risk of possible penalties for late delivery of the telescope as a result. Council was assured that there would be no risk to the 2006-07 accounts as ESO had agreed not to invoke penalty payments for the late delivery of VISTA before the end of March 2008. K Mason was confident that the delivery dates would be met, but more accurate information on delivery would be available in late June or July.

4.8. The draft consolidated opening balance sheet was noted, but Council requested a greater level of detail to be included in future, in order to understand the total investment in STFC. Council noted that the £8.073M transferred from EPSRC for the Nuclear Physics programme had been included in the figures.

*Action: J Down*

## **ITEM 5: BUSINESS RISK AND CONTINUITY**

### **Risk Based Reporting**

**STFC(2007)15**

5.1 Council welcomed the proposed mechanism for regular risk-based reporting and agreed that the content should focus on strategic-level issues of importance to each Directorate, in particular the red and amber projects.

*Action: J Down*

### **Corporate Risk Register**

**STFC(2007)16**

5.2 Council noted the first draft of the Corporate Risk Register which was still under development.

### **Commercial Fund**

- 5.3 P Williams agreed to seek clarification on the timescale for considering the creation of a Commercial Fund. *Action: P Williams*

#### **Scorecard**

**STFC(2007)17**

- 5.4 In considering the proposed Scorecard, Council emphasised the need for Departments to take ownership of the process. It advised that the Scorecard should include specific and realistic targets that could be of interest for example, to external stakeholders and indicate the "health" of the organisation. Council noted and approved the system to be adopted and requested to see a "top-level" summary only.

#### **Safety, Health and Environment**

**STFC(2007)18**

- 5.5 Council noted the format and scope of the proposed SHE report, and advised that the routine report should in future be simplified to include basic statistics, the moving average and commentary on any significant events. A more detailed report should be submitted annually and a presentation made to Council by the Head of SHE.

*Action: P Hartley*

#### **ITEM 6: CAMPUS STRATEGY**

**oral**

- 6.1 Colin Whitehouse gave a short presentation on the vision and progress so far on the development of the Daresbury and Harwell Science and Innovation Campuses, (DSIC and HSIC), and in particular the status of the Joint Venture proposal for the HSIC.

- 6.2 Because of the importance of the future of the Campuses to STFC, it was agreed that the Campus strategy should be debated more fully at the Awayday. Colin Whitehouse agreed to provide Council with detailed background paperwork in advance of the Awayday, including maps of the two sites.

*Action: C Whitehouse*

- 6.3 Philip Kaziewicz informed Council that he had been approached by CB Richard Ellis to discuss campus issues and Council agreed that he should pursue this contact.

*Action: P Kaziewicz*

#### **7: DIAMOND BOARD MEMBERSHIP**

**STFC(2007)19**

- 7.1 Council agreed that Richard Wade should replace John Wood on the DLS Board, and Marshall Davies and Keith Burnett would replace the other retiring CCLRC Board members. Richard Wade was asked to formally notify Wellcome Trust of the STFC nominations.

*Action: R Wade*

- 7.2 Council also noted that the DLS Joint Venture was currently being revised and recommended that STFC should consider whether there was scope to make further changes.

*Action: R Wade*

#### **8: DIRECTORATE REPORTS**

8.1 Council noted the issues raised in the Directorate reports but requested that future reports reflected achievements, set-backs etc and an indication of how these had been dealt with. Key points raised were as follows:

**Science Programmes**

**STFC(2007)20**

8.1 Richard Wade updated Council on the failed pressure test in the LHC tunnel at CERN, and the engineering fix being proposed. Council noted that the position had improved. Council also suggested that there should be a mechanism in place to notify Council members promptly of any significant issues arising in the future.

*Action: secretariat*

8.3 It was pointed out that the Director General of CERN was due to stand down in mid-2008. R Wade was asked to canvas names of possible nominees from Council members and to report to the Chairman and Keith Mason as soon as possible.

*Action: R Wade*

8.2 CERN was considering an increase in subscription of 6% to support the new infrastructure budget, and to cover pension fund liabilities. It was agreed that STFC should consider its responsibilities as a partner, and position itself to influence CERN strategy where appropriate. In particular, the possibility of increasing the level of the UK's "juste retour" should be considered, and could be a rider to any agreement to increase the budget.

8.3 It was agreed that a brief be provided to OSI when STFC's position had been agreed.

*Action: K Mason*

8.4 A number of Council members asked to visit CERN, and it was agreed that a visit be arranged at the earliest opportunity.

*Action: secretariat*

**Facilities Operations & Development**

**STFC(2007)21**

8.7 Council noted that issues relating to next generation neutron sources would be discussed at the Awayday. Andrew Taylor drew Council's attention to the fact that both Spain and Sweden were seeking to precipitate an early decision on the siting of a European Spallation Source, and this would also be a subject for discussion at the Awayday.

8.8 A review of UK Light Source opportunities was underway and would be reporting to STFC in September.

8.9 Council noted with concern that there was still a significant skills mis-match between the staff that would be released as a result of the planned SRS closure; those needed for the commissioning and operation of the ERLP; and those needed for the R&D studies for a 4<sup>th</sup> Generation Light Source.

**ITEM 9: DATES OF FUTURE MEETINGS**

**STFC(2007)25**

**Meeting dates**

- 9.1 All the dates were noted and agreed except for the June/July dates. The secretariat was asked to revisit availability for the last week in July before a decision would be made on the final dates. **Action: secretariat**

### **Strategy Awayday**

- 9.2 Council agreed the programme for the Awayday.

### **Induction for members**

- 9.4 It was agreed that the Induction process for Council members should concentrate more on science issues rather than governance issues.

*[Secretary's Note: governance is one of the Cabinet Office's recommended topics to be included in Induction sessions. However, the Secretariat is content that the key issues have been covered in the introductory paperwork provided to members, and in the induction pack].*

## **ITEM 10: ANY OTHER BUSINESS**

- 10.1 *NAO Report on the Merger Implementation Project:* Council congratulated the Merger Team on the successful delivery of the Project, and thanked the Team for their hard work and dedication in completing the task in such a tight timetable.

- 10.2 *Council paperwork:* Members expressed satisfaction with the quality and the format of the paperwork provided, and had found the Key Events paper particularly useful.

- 10.3 *Papers for Information:* Papers 26, 27, 28 were noted.