



**Minutes of the UKRI Board Meeting of 10<sup>th</sup> November 2021**

Date: Tuesday 10<sup>th</sup> November 2021  
 Time: 10:15 - 17:00  
 Location: 58 Victoria Embankment and via Zoom

<b>Board Members and Observers</b>	
Sir Andrew Mackenzie (Chair)	Professor Anthony Finkelstein
Professor Dame Ottoline Leyser (UKRI, CEO)	Priya Guha
Professor Sir Leszek Borysiewicz	Nigel Toon
Sir Ian Boyd	Ruwan Weerasekera
Professor Julia Black	Lord David Willetts
Dr John Fingleton	Jo Shanmugalingam (BEIS)
	Neil Phimister (UKRI, Director of Risk and Assurance) – deputising for Siobhan Peters
<b>Attendees</b>	
Isobel Stephen (UKRI, Exec Director of Strategy, Comms, Analysis and Governance)	Tim Bianek (UKRI, COO)
Sue Donaldson (UKRI, CPO)	Katrina Nevin-Ridley (UKRI, Comms)
Daniel Shah (UKRI, Director of Investment Strategy and System Insight)	Joanne Allison (UKRI Deputy Director, Corporate Strategy, Governance and Performance) – for item 6 & 7
Sue Gilchrist (UKRI, Senior Strategy Advisor) – for item 6	Laura Notton (UKRI Head of Corporate Strategy and Governance) – for item 6
Caroline Batchelor (UKRI Head of Corporate Planning and Performance) – for item 7	Henry Cormack (UKRI Head of Appraisal and Evaluation) – for item 7
David Rogers (UKRI, Deputy Director for Investment Strategy) - for item 8	Tom Crawley (UKRI, Head of Strategy, Balance and Narrative) - for item 8
Joel Herzig (UKRI, Head of Strategy Business Partners) – for item 8	Indro Mukerjee (Innovate UK CEO) – for item 9
Mike Biddle (ISCF Programme Director, Innovate UK) – for item 9	Tanya Robinson (UKRI, Associate Director – Reward) – for item 10
<b>Secretariat</b>	
Hannah Berriman	Tim Russell
Samantha Richardson	
<b>Apologies</b>	
Lord John Browne	Siobhan Peters (UKRI, CFO)

## 1. Welcome and Introductions

1.1. Andrew Mackenzie welcomed the Board members to the meeting and noted apologies. Andrew welcomed the new Non-Executive Members to the Board.

- Sir Ian Boyd
- Professor Anthony Finkelstein
- Priya Guha
- Nigel Toon
- Ruwan Weerasekera
- Dr John Fingleton (moving from Board observer to full Board member).

## 2. a) Minutes of 14<sup>th</sup> September 2021 b) Action Log and c) Forward Schedule

2.1. The Board approved the minutes for 14<sup>th</sup> September 2021.

**DECISION:** The Board approved the minutes for 14<sup>th</sup> September 2021.

2.2. The Board noted the Action Log and the Forward Schedule. The Board highlighted the importance of items coming to the Board in the correct timeframe and in the right order. Andrew encouraged Board members to contribute to the Forward Schedule, acknowledging that new Board members may want to digest the Forward Schedule before contributing.

## 3. Nominations and Remuneration Committee Feedback

3.1. Andrew provided a verbal update on Nominations and Remuneration Committee, which was held ahead of the Board meeting. Andrew noted that moving forward, the minutes from NomRemCom will be shared with the Board for information.

3.2. Andrew provided a summary of the NomRemCom agenda, including;

- the importance of considering diversity within the Board for the next round of recruitment
- the need to appoint observers to the Board, <withheld from publication>.

3.3. The Board requested that the performance objectives of the Executive Chairs are brought to the Board when they are initially set. Andrew agreed that the objectives should be shared with the Board at the point they are set, and then when they are reviewed at the end of the year.

## 4. CEO Report to Board

4.1. Ottoline updated the Board on a number of live issues not covered on the agenda. Ottoline highlighted that it is an exciting time for UKRI noting in particular;

- 3 year spending review settlement
- Development of a 5 year strategy
- Development of the Operating Model and efficiency plan
- Independent review of UKRI
- Review of the research, development and innovation organisational landscape
- Review of Bureaucracy in the research system

Ottoline noted that this gave us an opportunity to move forward with the work we have planned to help transform the UK's research and innovation system.

- 4.2. The Board thanked Ottoline for her report, and provided comments including requesting sight of the review of the Global Challenges Research Fund (GCRF) Hubs and the Foreign, Commonwealth and Development Office (FCDO) consultation on the UK International Development Strategy referenced in the report. Jo Shanmugalingam confirmed she was happy the documents were shared.

**ACTION:** Secretariat to circulate the GCRF Interdisciplinary Research Hubs Review Final Report and Recommendations, and the FCDO consultation on the UK International Development Strategy.

- 4.3. The Board noted that the National Science and Technology Council (NSTC) and Office for Science and Technology Strategy (OSTS) will work across Government to enable different departments to work more effectively together and in concert by creating shared priorities and defined missions. The Board noted that Ottoline is an ex-officio observer of the NSTC and highlighted the need to be explicit about UKRI delivering priorities across Government.
- 4.4. Ottoline provided the Board with an update on COP 26 noting that she had attended both the public facing green zone and the UN managed blue zone. Ottoline noted that all the UKRI events in the blue zone were over subscribed and that engagement across the research and innovation system had been significant. The Board thanked Alison Robinson, NERC's Deputy Executive Chair, who was the UKRI lead for COP 26 for the fantastic work done to coordinate such a positive event.

## 5. CFO Report to Board

- 5.1. Neil Phimister presented the Chief Finance Officer's Report, which covers the period from 23<sup>rd</sup> August 2021 – 19<sup>th</sup> October 2021.
- 5.2. Neil reassured the Board that cyber security issues are being handled effectively and noted that an issue is recorded once it manifest, not when it first presents itself. Tim Bianek highlighted that UKRI is currently in the process of increasing visibility of cyber security across the organisation and have been developing mandatory training. The Board requested the report from the Deloitte cyber security vulnerability review be shared with them after it had been considered at ARAPC. The Board noted that in the Chief Finance Officer's absence, Tim Bianek as Chief Operating Officer will act as UKRI's security officer.
- 5.3. Neil noted that environmental sustainability is being embedded in the normal decision making process (eg. business cases) and where appropriate business cases are being pushed back and asked to consider environmental sustainability further.

## 6. UKRI Strategy Update

- 6.1. Joanne Allison updated the board on the development of the UKRI Strategy. Joanne noted this will be UKRI's first long-term strategy and forms the cornerstone of our collective endeavour to deliver our vision and mission. The strategy will set the direction of travel for the next five years and support choices that maximise what we can achieve, informed by the deep expertise in our councils and communities. The Board noted that the strategy will be supported by Council Strategic Delivery Plans and the annual Corporate Plan.

- 6.2. Ottoline noted that discussions had been ongoing at UKRI Executive Committee and highlighted that we are at a point in the process where we have gathered all the information together and now need to ensure the strategy is delivery focused. Ottoline highlighted that while developing and delivering the strategy we will need to create culture change to allow the strategy to flourish.
- 6.3. The Board encouraged the team to clearly identify the audiences for the strategy, and to ensure the purpose and objectives of UKRI are clearly articulated. The Board noted that the scale of UKRI and the unique position we are in does not necessarily come across in the current draft.
- 6.4. Ottoline confirmed that the performance framework, which collects a large amount of measurable and qualitative data, will align with the strategy.
- 6.5. The Board thanked the team for developing the draft and encouraged them to emphasise UKRI's successes and its unique position within the research and innovation system.

## **7. Strategic Delivery Plans (2022-onwards) and UKRI Corporate Plan 2022-23 Development Approach**

- 7.1. Jo Allison provided an update to the Board on the development of a suite of Council Strategic Delivery Plans and the next annual Corporate Plan (2022-23). The Board noted the proposed approach to agreeing the plans, noting how the Board will be engaged as part of the governance process.
- 7.2. The Board were happy with the proposed timeline.

## **8. Spending Review and Allocations**

- 8.1. Ottoline provided an update to the Board on the spending review and allocations. Ottoline thanked the Board for their advice in September and noted the team had continued to engage across the research and innovation system and government to ensure the most positive outcome.
- 8.2. The Board noted that they will discuss the allocations further in January at the UKRI Board and Executive Committee Away Day, approving the final allocations advice in March 2022.

## **9. Innovate UK: Plan for Action for UK Business Innovation, 2021-25**

- 9.1. Indro Mukerjee presented the Innovate UK: Plan for Action for UK Business Innovation, 2021-25 to the Board, noting that the Plan for Action outlines the role Innovate UK will play, with partners, in delivering the UK Government's Innovation Strategy and to support UK business innovation. Indro noted that while Innovate UK does a lot in this space, this was an opportunity and a need for them to do more and be strategically bolder.
- 9.2. Ottoline highlighted the crucial role of UKRI in building a joined-up system with innovation embedded across it. While the Plan for Action is specifically about Innovate UK, it will need to be nested within the wider UKRI Strategy so each element is supported by the other. Ottoline noted that for the Plan for Action and the Government's Innovation Strategy to succeed, all objectives of the UKRI strategy will need to be successful.

- 9.3. Indro articulated concerns with the UK skills pipeline, noting this was one of the biggest challenges and risks in delivering the Innovation Strategy and noted that this would be an important point of attention. Indro highlighted the importance of diversity, inclusion and considering alternative routes to innovation.
- 9.4. The Board thanked Indro and team for the excellent work that had gone into developing the Plan for Action, highlighting some elements which could be included in the UKRI Strategy (eg. real life examples and case studies). The Board noted the importance of building a framework to support responsible innovation, acknowledging that innovation should benefit society.
- 9.5. The Board noted the need for good, productive links between Innovate UK and the Research Councils, and would welcome further discussion on this at a future board meeting.
- 9.6. The Board ratified the Innovate UK: Plan for Action for UK Business Innovation, 2021-25 and supported Innovate UK's delivery of the action plan over the next 4 years.

**DECISION:** The Board ratified the Innovate UK: Plan for Action for UK Business Innovation, 2021-25.

## **10. UKRI Reward Strategy**

- 10.1. Sue Donaldson provided the Board with an overview of the UKRI reward landscape, in particular focussing on the challenges within public sector pay constraints and controls, and the opportunities available to strengthen current arrangements.
- 10.2. The Board noted the current risk in respect of recruitment and retention of STEM staff acknowledging the difficulties of operating in a space where we cannot compete on salary. The Board highlighted the need to explore all possible options to improve the position. Sue indicated the team were working closely with BEIS and other partners to explore more flexibility on reward arrangements. The Board requested a follow up discussion in 6-9 months and encouraged Sue to seek their support if needed.

## **11. Research Financial Sustainability programme – Progress Update**

- 11.1. The Board thanked the team for the paper and noted the progress update.

## **12. Forward Timetable for UKRI Board meetings and dinners**

- 12.1. Andrew noted that the Board meeting begins at the Board dinner, noting the expectation that all members attend both the dinner and meeting. Andrew highlighted the intention to hold Board meetings in other parts of the UK. Secretariat to add location of outreach boards ahead of the Board meeting in January 2022.

### 13. AOB

13.1. No AOB was raised.

13.2. The Board noted the following;

- **Summaries of Council Meetings (September 2021-November 2021)**
- **Executive Committee Minutes**
  - 6<sup>th</sup> July 2021
  - 27<sup>th</sup> July 2021
  - 7<sup>th</sup> September 2021
  - 21<sup>st</sup> September 2021
- **Audit, Risk, Assurance and Performance Minutes**
  - 20<sup>th</sup> July 2021

### 14. Non-Executive Session