DRAFT MINUTES OF THE FIFTY EIGHTH MEETING HELD AT 11.00 HRS ON 26 NOVEMBER 2013
AT THE RESEARCH COMPLEX AT HARWELL

Council Members present: Sir Michael Sterling (Chair)
John Womersley (CEO)
Marshall Davies
James Stirling
Ian Taylor
David Price
Brian Bowsher
Gillian Ball
Martin Barstow
Richard Worswick

Dept Business, Innovation & Skills (BIS):
Graeme Reid, Head of Research Funding

In Attendance, full meeting: Gordon Stewart Executive Secretary & Executive Director Corporate Services
Tim Bestwick, Executive Director Business & Innovation
Sharon Cosgrove, Executive Director Strategy, Performance and Communications
Philippa Foster, Acting Executive Director Finance
Andrew Taylor, Executive Director National Laboratories
Matt Griffin, Chair, Science Board
Alison Davenport, Deputy Chair, Science Board
Sharon Bonfield, Secretary

Morning Session Only: Sir Mark Walport, Government Chief Scientific Adviser
James Reeve, Personal Secretary to Sir Mark Walport

1. INTRODUCTION

1.1 The Chair welcomed everyone to the meeting which was held at the Research Complex at Harwell, and introduced Sir Mark Walport who joined the morning session of the meeting.

1.2 The Chair introduced Richard Worswick, a newly appointed Council member, to his first meeting.

1.3 Apologies were received from Grahame Blair and Julia Goodfellow.

1.4 Attendees at the meeting introduced themselves to Sir Mark Walport and Richard Worswick.
2 CONFLICTS OF INTEREST

2.1 No conflicts of interest were declared.

3 GOVT CHIEF SCIENTIFIC ADVISER COMMENTS

3.1 Sir Mark Walport was invited to make some remarks on his role and the challenges involved, which Council noted with interest.

3.2 Sir Mark informed Council of the nature of his role as Government's principal adviser on science and technology-related activities and policies and as head of the Government Office for Science.

3.3 His role is to advise Government in the areas of health, wellbeing, resilience and security. There are a number of strands to his role:

   Infrastructure:

   • built infrastructure (energy, transport, waste, cyber and digital security) and
   • natural infrastructure (animal, plant, human health agriculture, water and weather)

   Science in Emergencies:

3.4 Sir Mark chairs SAGE which is a Government advisory panel for science in emergencies and feeds into COBRA. SAGE deals with issues like the Icelandic volcanic ash incident and the Fukushima incident, both of which were handled by Sir Mark's predecessor Sir John Beddington. Sir Mark commented that the scientific advice received by Government around Fukushima was a good example of how in adversity, good scientific advice can help with diplomacy - it enabled UK citizens to stay in Tokyo when other countries were withdrawing, and helped the UK to maintain good diplomatic relations with Japan.

   Economy:

3.5 Sir Mark’s role brings together topics between industry, academia and Government, ensuring the best impact on the economy.

   Impact:

3.6 Sir Mark emphasised the importance of providing evidence of the impact of science.

   Leadership:

3.7 Sir Mark has a leadership role as the head of the Chief Scientific Advisers Network across Government departments. Most Government departments have a Chief Scientific Adviser and Sir Mark commented that he can only do his job because of this network of advisers and the good range of scientists in the research base, plus the learned academies. In relation to the RCs he sees himself as part of the interface between the Research base and Government departments. More broadly he works very closely with John O'Reilly as the representative for the Research Base
and has access to Treasury, Cabinet Office and the Prime Minister through the Council for Science and Technology.

3.8 There is an increasing view of the importance of including science facilities in national infrastructure (Lord Deighton’s review). Sir Mark reminded Council that it is critical for the science base to collectively make the case for Science in preparation for a new Government in 2015.

3.9 Sir Mark recognised the chronic issue of the difficulties around available capital and lack of resource to run expensive facilities and discussed the critical issue of the national data infrastructure and the fact that much of the UK research is not carried out in universities. It is imperative to get across the linkage between science and the economy for the benefit of society.

3.10 Sir Mark advised STFC that there is a need for a strategic vision and urged that STFC thinks big and articulates clearly what is their next big thing - the next DLS or maybe data equivalent. Sir Mark sees Research Councils as catalysts as well as funders and commented that STFC, almost by its makeup, does this already.

3.11 In discussion Council queried whether the impact information provided by Universities for the REF exercise was being shared widely. Sir Mark clarified that it was important that it should not be locked away but shared broadly and used to make the case. Graeme Reid commented that some universities are publishing widely and he was not aware of anything in the REF rules that says that you cannot share this information. He commented, however, that the real challenge was disseminating the information carefully so that it doesn’t all come in one big deluge. Graeme Reid stated that he encouraged universities to share the information with BIS as soon as possible because it was very useful when making the case for science in spending reviews.

4 CEO REPORT

TEXT HAS BEEN REDACTED FROM THIS SECTION – OFFICIAL:SENSITIVE

4.1 John Womersley presented his report to Council which covered STFC recent highlights, open issues and future opportunities.

4.2 John commenced his presentation by reminding Council and Sir Mark Walport of STFC’s vision. In response to much of Sir Mark Walport’s comments John Womersley informed Council on STFC positioning itself as a thought leader in making the case for science using STFC’s experience in measuring impact, developing the Science and Innovation campuses, STFC’s Collaborative R&D scheme for industrial access to facilities, and public engagement which was quoted as being the “best in Europe” by Rolf Heuer, Director General CERN.

4.3 John Womersley discussed the recent Nobel Prize for Physics that was awarded to Peter Higgs, and of the favourable comments publicly made by the Prime Minister and Science Minister. Peter Higgs appeared on the cover of STFC’s annual report 2012/13 and the Chancellor of the Exchequer had recently visited the LHC exhibition at the Science Museum. The LHC experiment at CERN had been used in the visuals of the UKTI “Britain is Great” campaign.

4.4 The Science Minister had visited CERN recently and John told Council that the LHC upgrade programme was now well underway. A UK company called Arcade had recently won £1 million of contracts at CERN to upgrade ventilation systems. UK
companies have won a total of £47 million in contracts from CERN over the last three years. From 2011 to 2012 the value to UK companies of CERN contracts rose by 52%.

4.5 An international review of ISIS has taken place. The review committee, chaired by Prof. Joel Mesot (Director, Paul Scherrer Institute, Switzerland) were “extremely impressed by the development and performance of ISIS. In particular by the fact that ISIS has, since its creation, been able to create a culture of innovation that has had profound impact on and will continue to change the way neutron scattering is performed worldwide. Very few research institutions have demonstrated similar drives toward innovation and spread of the resulting technological development.”

4.6 The work carried out at Diamond Light Source on the Foot and Mouth Disease vaccine had also been featured recently in the “Britain is Great” Campaign.

4.7 The Square Kilometre Array Project engineering phase was now underway. The Board has approved a €650M cost cap for phase I and the project schedule has been approved. Prototypes are due to be installed in 2016 and it is anticipated that early science will be delivered in 2020.

4.8 Following the success of the LHC Roadshow in the previous year a roadshow that highlights the science of telescopes and instruments at different wavelengths is now underway and has to date received favourable comments from MPs. The Roadshow was in Parliament at Westminster on 7-11 Oct and the Welsh Assembly late November; other locations are planned.

4.9 The STFC Stakeholder Management Pilot scheme was progressing well. An audit was underway of all of STFC’s interactions with stakeholders and ways that STFC can work better with some of our top universities and commercial partners were being identified.

4.10 Government continues to invest in Science and Innovation. A TSB funded materials and manufacturing Launchpad has been opened with a showcase event held at Daresbury on 6th November. The CERN Business Incubation Centre also at Daresbury was launched on 11th November supporting businesses and entrepreneurs in turning innovative technologies, related to high energy physics, into marketable products. The Sci-Tech Daresbury Science and Innovation Strategy has been approved by the Joint Venture partners.

4.11 The House of Lords Select Committee on Science and Technology inquiry report on large and medium-sized scientific infrastructure in UK, had just been released. John Womersley had been widely quoted in the report which had looked into the future needs, strategic planning and funding and governance arrangements. Whilst the overall picture had been broadly positive the inquiry identified some shortcomings in the provision of scientific infrastructure that needed to be addressed in order to remain competitive in the longer term. To address these shortcomings some actions have been recommended: BIS should undertake a review of the role of the Large Facilities Steering Group; John O’Reilly, Director General Knowledge and Innovation should set up an ad hoc advisory group to look at the long term strategy; A review of the disconnect between capital investment and operating costs and of the European and International projects and costs and benefits of hosting in the UK should be undertaken.
4.12 In this summer’s public spending review, the Chancellor set out a long term capital commitment for science, raising capital investment in science and research to £1.1bn in 2015-16, rising in line with inflation to 2020-21. John O’Reilly is holding an initial meeting on 2 December 2013 and John Womersley reported that he would be attending. Broader consultation is planned by Government for the New Year. Some of the key questions will be striking the balance between HE and Research Council capital vs. large-scale capital projects and international collaboration. What should be the UK’s priority projects for large-scale strategic capital investment in the national interest? Starting point is the RCUK Framework for Capital Investment and looking at what should be the UK’s priorities for collaborating in big international infrastructure projects in the future taking into account the ESFRI Roadmap. With all of this in mind, John Womersley told Council that STFC will be thinking about what our next flagship global science project will be and how we can we get it in the UK.

4.13 STFC, IoP and EPSRC had commissioned a joint bibliometric analysis study by Science-Metrix into the performance of the UK in physics research from a national and International perspective. The final report and executive summary were due shortly, but key issues were that whilst the UK position was still strong, overall the western share of world papers was diminishing and China and Asia were growing in quantity and quality.

4.14 The Corporate Services Change Programme was still underway and would be discussed later in this meeting under minute no. 12 Recent developments from the Cabinet Office regarding the use of framework contracts for estates has had an impact on this programme.

4.15 John shared with Council some ideas for the long term vision for Harwell to demonstrate his thinking and ambitions for STFC and its campuses.

5 CAMPUSSES
TEXT HAS BEEN REDACTED FROM THIS SECTION – OFFICIAL:SENSITIVE

5.1 Tim Bestwick commenced his presentation by reminding Council of the nature of the Joint Venture partnership at Harwell Oxford and the status of the land owned by UKAEA, including when land would be decommissioned and available for development.

5.2 Planning permission had been received for the new ESA building (ECSAT) and UKSA have provided the capital to purchase the land, upon which it will be built. The ESA building will be built on a prominent site and will be a huge attractor to the campus for other organisations and is also key to the momentum of the Space Cluster.

5.3 In partnership with the Technology Strategy Board the Launchpad initiative has been successfully launched at both the Daresbury and Harwell Campuses. This is an excellent example of STFC carrying out operational delivery of innovation and doing “stuff on the ground” and spanning the divide between big science and industry. Tim Bestwick commented that this has paved the way for more opportunities for STFC and TSB to work together and build a more intimate relationship.

5.4 The first company has been accepted into the CERN BIC at SciTech Daresbury. Tim stated that this has been something of a cultural journey for CERN with their first
ever BIC. The company makes filters and demonstrates that innovation doesn’t always mean aligning directly with science goals but instead with the technology required to achieve these goals.

5.5 TechSpace the new building at Daresbury using Regional Growth Fund and providing commercial office and laboratory space is due for completion March 2015. The buildings at Daresbury are filling up with tenants that want to be located alongside the big science, business, academia and the research base to take advantage of opportunities such as the Square Kilometre Array project. STFC is contributing £1.7M for the ‘fit out’ of the building in 2013/2014.

5.6 SciTech Daresbury now houses a heterogeneous mix of high tech companies of which nearly 20% are international companies and nearly 10% have originated from universities in clusters built around Biomedical/Healthcare, Digital/ICT/Mobile, Advanced Engineering & Materials and Energy and environmental technologies. These companies are attracted to Daresbury because of the world-class technology and support from concept to finished product.

6 IMPACT REPORT

6.1 Sharon Cosgrove presented the Annual Impact Report to Council. STFC is required by BIS to produce this on an annual basis. STFC uses this as a vehicle to report its progress on the impact agenda not only to BIS but to our wider set of stakeholders. BIS also use this report as a tool to communicate key impact messages to HMT and others. STFC’s report has been positively reviewed by BIS and EB and is due to be published in December or January.

6.2 This is the third report that STFC has produced and Council commented that it had improved each time. Council stated that the report was both “fantastic” and “inspiring” and a “very easy read”, however it was felt that the section on big data could still benefit from some more work.

6.3 It was noted that in the appendix the number of PIs were heading downwards and concerns were raised about the vitality of the community under a flat cash scenario. It was clarified in the meeting that since 2010 part of the reason the numbers of PIs go down is because of the introduction of consolidated grants.

6.4 This year a new bibliometrics methodology and report has been produced which examines the citation impact of our publications in astronomy, nuclear physics and particle physics. It is naturally a retrospective look, so in this year 2011 data were being reported. For the two years previous to this the UK had been first in the world in astronomy in citation impact. However the 2011 data shows a drop to third position. After some further analysis it is appears that there has been a small shift in citations that has caused this change; the shift was so small that it could have been the result of a single paper; the UK is extremely close to the countries who are joint first. This will need to be monitored in future years to determine whether it is a perturbation or a trend.

6.5 Council were happy to approve the Impact Report subject to the amendments suggested in the meeting. Sharon Cosgrove agreed to amend the report in light of Council’s comments and strengthen the section on high performance computing.

6.6 Council retired for lunch and the Chairman thanked Sir Mark Walport for attending Council and for providing useful comments which Council had duly noted. It was
agreed to send the final Impact Report to Sir Mark Walport’s office once it had been finalised.

**Action: Secretariat**

7 **WELCOME BACK AND OPENING COMMENTS**

7.1 The Chair welcomed everyone back to the meeting. Council recorded their thanks for the interactive poster session that was hosted by The Research Complex at Harwell staff during lunch, commenting that it was most informative.

8 **MINUTES OF THE LAST MEETING**

8.1 The minutes of the meeting held on 26 September were circulated with the papers on 22 November 2013. Council agreed the minutes of the last meeting. The Chair signed the minutes as a true record of that meeting.

8.2 Council approved the redacted minutes for publication on the STFC website.

9 **ACTIONS & MATTERS ARISING**

**TEXT HAS BEEN REDACTED FROM THIS SECTION - OFFICIAL-SENSITIVE**

9.1 Council noted and approved the status of the closed items on the register and reviewed the items that were still open:

**16 July 2013 Meeting**

9.2 Minute 3.29 (iii) – Programmatic Review: invite Science Board and EB to work together to improve the report from a presentation perspective, taking into account the points raised in the Council’s discussion of the report and to report back to Council’s September 2013 meeting. Once budgets are known, the report will be published alongside the Delivery Plan. The Programmatic Review Report will be accompanied by the Executive Summary and a contextual piece from John Womersley to highlight the issues. This action remains open because budget allocations for 15/16 have yet to be forthcoming.

9.3 Minute 7.17 (iii) – Update on 14/15 financial plan at September 2013 meeting. Updates on the 14/15 plan were provided at the September meeting and this meeting. The action will remain open until allocations are known.

9.4 Minute 13.2 – Invite new DLS CEO to a future meeting. Andrew Harrison will attend the Council meeting to be held on 28 January 2014. Action closed.

9.5 Minute 15.5 – Discuss dissemination of the E-ELT review report, including letting those Council members who were not present know the outcome of the Council’s consideration of the report. Work is underway to review Terms of Reference of individual Directorate’s management boards. Action remains open.

**26 March 2013**

9.6 Minute 9.3 & 10.4 – Carry out review of all Council advisory committees and their terms of reference, taking into consideration their continued suitability and membership. Work underway and will be discussed at the March 2014 meeting. Action remains open.
27 November 2012

9.7 Add ESA Telecommunications Building to a future agenda. As mentioned earlier in the meeting, planning permission has been agreed for the building and as the Space Cluster develops representatives from ESA, the Satellite Catapult and the UKSA will be invited to a future meeting at an appropriate time. Action remains open.

10 TR/ SR/ BIS STRATEGIC REVIEWS

Triennial Review

10.1 Sharon Cosgrove reported that Phase 1 of the Triennial Review had been approved by Francis Maude and that there were 10 recommendations.

10.2 Phase 2 Report which looks at all the Research Council’s governance, was still in draft. No recommendations had been received yet although the outcome was likely to be amber-green. The final TR report was expected at the end January 2014 at the earliest. Sharon Cosgrove is a member of the Triennial Review Implementation Group (TRIG) and the first meeting was held two weeks ago. BIS is aiming to sunset the group (though not complete all the resulting actions) by February 2014.

Spending Review and budget allocations

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10.3 The Science Minister was not keen to see big changes to Research Councils’ programmes for 15/16. It was understood that BIS were speaking to Her Majesty's Treasury to explore funding options.

10.4 Officials were still hoping to make Research Council allocations before Christmas but there were strong indications that these may now slip into the New Year.

10.5 Sharon Cosgrove informed Council that the next steps were to prepare examples for the Science Minister explaining the magnifying effect of relatively small cuts. Once the science budget settlement is known the final version of the Delivery Plan will be drafted, although she reassured Council that the Executive were getting on with this task.

11 QTR1. AND QTR 2. OPERATING PLAN REPORT

11.1 STFC’s annual Operating Plan is the means by which the Corporate Strategy and our Delivery Plan are translated into tangible actions and targets for the year. This approach has improved transparency and helps to clarify the relationship between the Corporate Strategy, the commitments made in the Delivery Plan and the specific actions STFC are taking to deliver its objectives.

11.2 This mid-year update reports progress against Operating Plan targets for the period to October 2013 and also takes a forward look for the remainder of the year. There are 202 Green, 38 Amber/green, 14 Amber, and 2 red actions.

11.3 Council noted the status of the Operating Plan but commented that in its current form it was hard to tell whether all deliverables would be met by the year end and the consequences of not meeting agreed targets. Sharon Cosgrove agreed and offered that the report in future would address this issue but she assured Council
that STFC are broadly on track.

12 QTR1. AND QTR 2. DELIVERY PLAN REPORT

12.1 STFC submitted its half-year report on the Delivery Plan Scorecard to the Department of Business, Innovation and Skills in September 2013, in line with the required reporting timetable.

12.2 The report showed targets which were incomplete at the end of 2012/13, plus targets due in the first two quarters of 2013/14 and a forward look covering quarter 3 of 2013/14. The status of each scorecard deliverable, is as follows: Green 3, Amber/green 2, Amber 1, Red 0. Those targets which are amber/green, amber or red will be carefully monitored and action will be taken to bring them back on track during 2013/14.

12.3 The regular six monthly performance review meeting held with BIS on 23 October did not highlight any particular issues or concerns which need to be brought to the attention of Council. BIS confirmed that they are content with progress. Sharon Cosgrove explained that we had perhaps been over ambitious when writing the Delivery Plan in 2010 and had not anticipated that some of the staffing shortages that had since occurred. Resourcing constraints had impacted progress in some areas, particularly in the skills areas but Council were assured, that STFC are broadly on track for where we are in this stage of the Delivery Plan.

13 FINANCE UPDATE - 13/14 FORECAST; 14/15 BUDGET UPDATE

13.1 Council noted the Finance Report provided for this meeting and the 13/14 Forecast position and steps being taken to address the 14/15 budgetary position. 2013-14 outturn forecast versus the full Year Budget. Budgets have been set in Hyperion corresponding in total to the 2013-14 allocation from BIS – this is £392.7M near-cash resource including £13.4M administration and £133.3M Capital (including £34.9M from the Autumn Statement funding). This also includes the additional £5m capital from BIS for modular buildings at the Harwell campus and the £3m capital for the resource swap agreed with NERC.

13.2 Internal facility budgets have been amended to transfer previous forecast savings to ISIS (£4.6M) to enable the facility to operate for 120 days and to CLF (£1.5M) for laser operations. The savings have come from near cash resource: from DLS (£1.1M), from Headroom (£2.0M) and the balance made up from NERC transfer (£3.0M).

13.3 The International subscriptions capital budget has been reduced to cover the £3.0M transfer to NERC. This has been accommodated by the £5.0M underspend arising from the reversal of the 2012-13 switch in Internationals Subscriptions between resource and capital.

13.4 The internal budgets provide for £2.4M headroom on Resource, comprising £2.2M Programme and £0.2M Administration, but there is an over-allocation (i.e. negative headroom) of £2.2M on Capital.

13.5 The full ‘bottom-up’ forecast was completed in October 2013. The forecast indicates an underspend of £1.6M (0%) on Resource and an underspend of £0.2M (0%) on capital. The results of this exercise are contained in the tables annexed to
the paper and are described below:

**Resource**

- £2.2M overspend in International subscriptions due to the reversal of the £5.0M switch in 2012-13 offset by expected savings on exchange rates for of £2.8M. This is based on the current currency buy forward and latest CHF and Euro spot rates, which may change between now and the end of the year. £3.6M underspend in Core Programme being the £2.2m headroom created at the start of the year and various programme level underspends that have emerged.

**Capital**

- £2M underspend on Internationals being the balance of the reversal of the £5M switch offset by the £3m capital for resource swap with NERC.£1.8M overspend in Core, as anticipated and funded by the underspend in Internationals.

13.6 In the last 18 months a review has been undertaken of all “Asset under Construction” Projects to review the classification of expenditure. This has been previously discussed at Council and it resulted in a significant reclassification from capital to resource in 2013-14. This work has continued into the current financial year with MICE being the final large project to review. Between £2M to £3M of expenditure has been identified that needs to be reclassified from capital to resource. This will therefore significantly reduce the resource underspend but will release an equal amount of capital funding. EB will be considering the options for utilising this capital funding at its next meeting.

13.7 The variances and details between forecast and full year budget are shown in the tables in the paper.

**2014-15 budgetary position**

13.8 EB has been working on a plan to address the £6.8m shortfall in the Resource Core Programme allocation. The potential identified savings have now been prioritised and £5m of savings have been identified as firm and requirements reduced accordingly. There is a potential further saving of £0.8m that is being investigated; the balance will be managed during the year.

13.9 As reported at the September meeting, the Facilities shortfall has been reduced from £8.8m to £2.3m by utilising £2m headroom that was created by the Diamond administration reclassification and by paring back requirements from a sustainable level on ISIS and the CLF to one that can be barely sustained. EB are continuing to explore options for managing this without recourse to the loan that remains on offer from the other RCs. The Admin requirements are currently being reviewed to address the £1.0m shortfall but current indications are that this will be manageable.

**14 CSD CHANGE PROGRAMME UPDATE**

TEXT HAS BEEN REDACTED FROM THIS SECTION – OFFICIAL:SENSITIVE

14.1 Marshall Davies reminded Council that a root and branch review to look at the efficiency and effectiveness of the services CSD provides had not been undertaken for a number of years.
14.2 The Programme Board had met the previous day and reviewed the current position of each area of the CSD Change programme.

14.3 A new head of HR had been recruited in July 2013 and since joining the organisation has developed a plan to accelerate implementation of the recommendations from the outline business case. Consequently a revised HR structure based on the ‘Ulrich’ model will be in place by January 2014 which is months earlier than previously documented. Job matching and recruitment is currently being undertaken to populate that structure and the assumption is that these can be filled internally. In some cases training will needed for individuals to become fully effective in their new roles but there is not expected to be any significant loss in service levels when the new structure is introduced.

14.4 The Full Business Case for a Total Facilities Management (TFM) service delivery model will now be issued for review in January 2014 with subsequent approvals being sought in February 2014. A set of evaluation criteria has been agreed and an independent peer review panel, chaired by Brian Bowsher, NPL will review the Full Business Case (FBC) against the agreed criteria. Other members of the Peer Review Group include Prof Robert McGreevy (Director, ISIS), Dr Phil Kaziewicz and Dr Graeme Balmer (DSTL, Director Estates). The outcome will determine the plan and timescales in this area. Brian Bowsher will be invited to present his findings to Executive Board.

14.5 The soft market testing has been completed and preliminary analysis indicates that whilst the estimate of potential savings has reduced compared to the estimates received under the first round of soft market testing completed for the Outline Business Case at this stage they meet the economic hurdles set under the criteria.

14.6 However, BIS informed STFC last week that it had withdrawn STFC’s request to the Cabinet Office to proceed with its own OJEU procurement to select a TFM. STFC had submitted its request upfront in order to avoid time delays should the Full Business Case be approved. Instead, BIS have directed that to only proceed under new Government wide procurement framework contracts. These are still under development, and it is understood will not be completed until April 2015, incurring a potential delay of up to one year. In addition, whilst details of the frameworks have yet to be finalised, the Executive Board have reservations about a number of additional risks associated with the use of such Frameworks.

14.7 STFC’s experience of using previous frameworks has not been positive, with reduced competition. Overall, it is anticipated that savings will be reduced under the frameworks.

14.8 The Executive would proceed to complete the Full Business Case, but will delay its completion until January 2014 in order to reflect the new requirement to use Government frameworks and assess the impacts of this. Consequently the Executive Board will make it’s final decision in February following the independent peer review, and decisions will be reported back to Council by the financial year end.

14.9 CICT is now being considered on an organisation-wide basis. Consequently and as reported at the last Council meeting, the September CSD Change Programme Board agreed that this would be taken forward as a joint National Laboratory/CSD project with the objective that “STFC becomes more efficient and effective in the delivery of ICT across STFC in order to generate financial savings” (with a savings
target to be agreed upfront). This is required in order to ensure the correct level of engagement needed to complete the business case and subsequent change enabling initiatives required to realise identified benefits. This is a challenging project given the nature of ICT within STFC and work is ongoing to define this next phase of the project, timescales etc.

14.10 The outline business case also included a number of recommendations in the areas of Business and Commercial Management (BCM) and Safety, Health and Environment (SHE) which are in the process of being taken forward by those teams. These are reported to the Programme Board but are essentially managed through business as usual and going ahead as planned.

14.11 Gordon Stewart presented the Estates element of the Programme and planning in light of the issues highlighted about the Cabinet Office Framework Contracts.

14.12 It was noted that whatever the outcome, a substantial amount of work had been carried out in preparation of the Full Business Case for estates, including the completion of a national asset register, external benchmarking of estate costs and a supplier review, and this would be utilised in any Plan B that will be prepared as the alternative to TFM should the Full Business Case not be accepted.

14.13 Gordon updated Council on the result of the soft market testing in further detail, noting that at present these were PRELIMINARY FINDINGS ONLY, SUBJECT TO CONFIRMATION. Gordon noted that savings estimates were within a reasonably narrow range, circa 15% (compared to 20% in OBC). The BSRIA benchmarking broadly validated the soft market testing.

14.14 Gordon updated Council on the regular Cabinet Office discussions in which a green light had originally been given to submit a Business Case for a restricted OJEU Process.

15 **SCIENCE BOARD REPORT**

TEXT HAS BEEN REDACTED FROM THIS SECTION – OFFICIAL:SENSITIVE

15.1 Matt Griffin updated Council from the last Science Board meeting which was held on 24/25 October 2013. Science board membership has been refreshed, with six members stepping down and five new members joining (a further member is due to join in December 2013).

15.2 At its meeting Science Board considered a number of statements of interest: a proposal for Lux-Zeplin Dark Matter Search and the Long Baseline Neutrino Experiments were invited to make a proposal to the Project Peer Review Panel but the PINGU neutrino experiment was not invited to make a submission.

15.3 Science Board received a sub-group report on spectroscopic instruments: the proposals for MOONS (VLT) DESI (US Mayall telescope) were invited but the proposal for 4MOST (VISTA) was not invited.

15.4 A Project Peer Review Panel report on four projects was considered: WEAVE (WHT) was approved subject to various provisos; Gaia CU9 and g-2 were approved at a reduced level but COMET was not approved as it was deemed to be unaffordable.

15.5 Science Board approved a report from the Astronomy Grants Panel noting that much high-quality research could not be funded and that the Consolidated Grant...
scheme implementation review would need to be held early in 2014.

15.6 Science Board started a discussion about lessons learned from the Programmatic Review. This exercise was still in progress and various practical and strategic points were being collected. Science Board were generally pleased with how it went and in particular with the positive role of the Advisory Panels.

15.7 Science Board also considered their future work programme. Matt Griffin commented that Science Board are often overwhelmed by work dominated by the PPAN area. Science Board were in agreement that they needed to make more time for strategic assessment. Matt also stated that Science Board were keen to foster closer links with the STFC Economic Impact Advisory Board (EIAB) and the Large Facilities Steering Group.

15.8 Tim Bestwick informed Council and Matt Griffin that he was considering a way forward for EIAB moving into the future. The last significant piece of work that the EIAB had undertaken was to review the campus centre proposals and he agreed that the EIAB needs a proper programme of work. The EIAB does not currently have a Council member as chair, since Will Whitehorn left Council. The EIAB were meeting immediately after the SIL Board which is currently chaired by Phil Kaziewicz and consists of many of the same membership as EIAB. Tim therefore proposed that the membership of the boards be the same, so that effectively the SIL Board covers the area of work that EIAB were undertaking. The EIAB work will be structured appropriately to capture the work that its current terms of reference suggests. Council agreed that Science Board is a great asset for Council and were concerned that they do not have time to look at merging impact with Science Board.

15.9 Matt raised Science Board’s concerns regarding Brazilian participation in E-ELT which the UK’s participation was contingent upon. It was clarified that Council’s concerns had been conveyed to the ESO Finance Committee and Council. Matt Griffin should communicate to Science Board that this is being given a high priority.

15.10 Council noted the written Science Board report to this meeting.

**16 AUDIT COMMITTEE REPORT**

16.1 Marshall Davies updated Council that Audit Committee continues to express their concerns on the lack of evidence to support the assurances given by the UKSBS CEO to Council CEOs as Accounting Officers, in relation to recent incidents and the lack of any demonstrable progress on implementing UKSBS’audit recommendations over the last couple of years.

16.2 Audit Committee has requested that the CEO raises these concerns with CEO colleagues in other Councils and thereafter with Jonathan Preece (UKSBS CEO). The Chair of Audit Committee will write to Nick Winterton (UKSBS Audit Committee Chair) asking what actions have been taken on audit recommendations. It was also agreed that these issues with the UKSBS assurance framework should be brought to the attention of BIS.

16.3 Audit Committee had also noted the admin burden on Finance staff because of STFC reporting within the HM Treasury and the cash flow process required by BIS. Committee noted the challenges this has put on Finance having to provide a
forecast a month in advance.

16.4 Committee requested that a new risk on the increasing risk to Cyber Security be added to the Corporate Risk Register.

16.5 Council noted the Audit Committee Report and the highlight report and Corporate Risks contained therein.

17 QTR 2 SHE REPORT

17.1 Council noted the Quarter 2 Safety, Health and Environment report and in particular the Environment Agency warning letter that had been mentioned earlier in the meeting.

18 INTERNATIONAL SUBSCRIPTIONS (6 month review)

18.1 Council noted the report and asked for more information on the scale of ESO/CERN pension liability. John Womersley explained the situation briefly to Council but it was agreed to circulate more information on this including any associated risks.

Action: Secretariat

19 MEETING CLOSE

19.1 The meeting closed at 16.10 hrs. The next meeting will be held at the Science Museum in London on 28 January 2014.