

**UNITED KINGDOM ATOMIC ENERGY AUTHORITY**  
**Minutes of the 3<sup>rd</sup> Board Meeting in 2015**

**Date:** 27 April 2015

**Location:** Bickerton Room, E6,  
The Library, Culham Science Centre

**Members present:**

Roger Cashmore, Chairman  
Keith Burnett  
Steve Cowley  
Peter Jones  
Steve McQuillan

**In attendance:**

Martin Cox  
Sharon Ellis (BIS)  
David Martin  
Catherine Pridham  
Maya Riddle (secretary)  
Jerome Pamela (Item 3)  
Andrew Bickley (Item 4-7)  
Rob Buckingham (Item 4-7)  
Martin Townsend (Item 4-7)

**Apologies:**

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## **1 Chairman's Opening Remarks**

- 1.1 Roger Cashmore welcomed everyone to the meeting.
- 1.2 He congratulated Steve Cowley on his election as president of Corpus Christi College Oxford. Steve would take up his new post in October 2016, when his current term as CEO for UKAEA came to a close.
- 1.3 A discussion about the process to find a successor for the CEO would be tabled at the next Remuneration Committee and reported back to the Board.
- 1.4 He asked about the Triennial review of UKAEA and noted that the report had been completed but not been signed off by ministers before purdah began. Publication would have wait until new ministers were in place, but approval was expected to be straight forward. It was agreed that the final version would be circulated to the Board.
- 1.5 It was noted the risk appetite statement had been updated and endorsed by the Board in correspondence.

## **2 Minutes of the 3<sup>rd</sup> March 2015 Board meeting**

- 2.1 The Board approved the minutes of the second Board meeting on 3 March 2015, subject to a correction.
- 2.2 Members reviewed the actions.

*Jerome Pamela joined the meeting by videoconference*

## **3 Update from Culham Programme Advisory Committee (CPAC)**

- 3.1 Roger Cashmore welcomed Jerome Pamela, Director at Agence ITER France and chairman of CPAC, to the meeting.
- 3.2 Jerome Pamela gave a presentation. Key points included
  - CPAC had been set up and had met twice, with a separate meeting to review the MAST Upgrade project.
  - it was recognised that there were major technical challenges in preparing JET for deuterium-tritium (DT) experiments and completing the upgrade of MAST;
  - CPAC welcomed the projects and initiatives being taken forward on DEMO design and to develop opportunities for UK academia and industry;
  - there were improvements in project and risk management of the MAST Upgrade project. A second review would be held by CPAC on 2 June;
  - with the budgetary constraints the focus of tokamak science onto 5 topics was sensible and consistent with the organisation's priorities;
  - it was recommended that ways of mitigating budgetary impacts with funding authorities should be sought;
  - CPAC was impressed by the:
    - success of ITER tasks at Culham;
    - world class scientific programmes;

- development of links with universities/broader scientific approach; and
  - technology development, particularly in remote handling and tritium.
  - CPAC would like to see a fully consistent strategy & programme.
- 3.3 Steve Cowley said that given all the uncertainties and external factors the forward programme was evolving, but that an update would be provided to the next CPAC meeting in October.
- 3.4 Roger Cashmore summarised additional questions requested by the Board for CPAC to consider and advise on:
- can UKAEA do everything with the current people?
  - how can UKAEA maintains its high scientific impact whilst also developing on the technology front?
  - broadening of collaborations.
- 3.5 He thanked Jerome for his presentation and looked forward to the Board hearing from him again during its visit to Cadarach and ITER in November.

*Jerome Pamela left and Andrew Bickley, Rob Buckingham and Martin Townsend joined the meeting*

#### **4 Draft Budget 2015/16**

- 4.1 Catherine Pridham presented the draft budget for the year. Key points included:
- the budget for JET had been done on the basis of 0.8 euro exchange rate, whereas, the prevailing rate was 0.72. This presented a significant exchange rate risk and would also have a knock on impact on EPSRC budget, which covered the UK's host contribution to JET;
  - a number of cuts had been made to achieve a compliant budget with the EPSRC grant. This was also impacting on income from EUROfusion;
  - business development targets were based on the sales pipeline/contracts awarded;
  - the RACE figures were based on the RACE business plan. This indicated earlier breakeven than in the original case made as part of the City deal, but would require some underwriting in 2015/16; and
  - capital cover was required from BIS for the RACE and the Materials Research Facility (MRF) buildings.
- 4.2 The Board agreed that the JET budget for 2015/16 should be scaled back to take account of the euro exchange rate.
- 4.3 Sharon Ellis confirmed that the capital cover was anticipated to be resolved shortly.
- 4.4 It was agreed that a revised budget would be provided to the Board once the issues above were resolved.
- 4.5 The Board noted the budget.

## **5 Draft Corporate Plan**

- 5.1 Andrew Bickley sought comments on the draft plan.
- 5.2 Members made a number of suggested changes to the document including:
- reflecting the triennial review and UKAEA's response, including that the approach to property was already as recommended;
  - more on collaborations with NNL & others organisations;
  - inclusion of the Oxford Advance Skills centre under section 4;
  - inclusion of a Nuclear Design Centre (precursor to DEMO design centre) as an aspiration under section 4; and
  - consideration of branding/usage of UKAEA/CCFE.
- 5.3 Roger Cashmore said that later in the year the Board should review its mission statement and Steve McQuillan suggested using the Ashridge model.
- 5.4 The Board noted the report.

## **6 RACE Business Plan**

- 6.1 Rob Buckingham provided an overview of the new business plan for RACE. Key points included:
- the business offering was built on a foundation of expertise on JET;
  - key business streams were major ITER remote handling framework contracts and the European Spallation Source (ESS);
  - a flagship project was a potential collaboration with China for a multi-purpose deployer;
  - RACE staff numbers were anticipated to grow and resource/recruitment profiling had been mapped out;
  - income per person was forecast to grow as more commercial work was undertaken; and
  - initially the RACE model had been based on membership, but now was on commercial work, so the membership model would be developed over time.
- 6.2 He outlined priorities for coming year which were to:
- complete the construction of the RACE building;
  - build the RACE team; and
  - investment for the ITER pipeline project.
- 6.3 Work was also underway with Oxford Mobility/University of Oxford on an intelligent mobility proposal, with a test facility at Culham known as "Culham City". A bid had been submitted to the local growth fund.
- 6.4 Sharon Ellis said that the ESS project was currently under review.
- 6.5 Steve McQuillan suggested speaking to Dick Elsy regarding catapults. He also suggested considering policy & culture regarding intellectual property.

- 6.6 Members were supportive of the Culham City proposal, with UKAEA as one of the collaborators/hosts, but did not feel that UKAEA should be the sole leader on this.
- 6.7 Peter Jones suggested tapping into expertise at NNL/NPL regarding profitability accounting.
- 6.8 The Board endorsed the RACE business plan.

## **7 Business Development Budget and presentation**

- 7.1 Martin Townsend provided an update on business development. Key points included:
- there were now four business streams – RACE, Special Techniques Group, Tritium & Waste Handling and Consultancy;
  - 1 out of 10 opportunities in the sales pipeline were being bid and the win rate was good;
  - UKAEA had been involved in winning bids for a number of major ITER remote handling frameworks, supporting major industrials. However, these opportunities were taking a long time to convert into work; and
  - work was currently predominantly in the fusion area, with some cross over into other nuclear sectors. Access into other markets was proving slow.
- 7.2 Steve McQuillan said that it would be useful to get more regular updates on the sales pipeline – top opportunities, size & probability.
- 7.3 The Board agreed the business development targets and noted the update.

## **8 Any Other Business**

- 8.1 The next Board meeting would be held on Wednesday 17 June 2015.

**Secretary** Maya Riddle

**Chairman** Roger Cashmore

**Date** 17 June 2015