

**UNITED KINGDOM ATOMIC ENERGY AUTHORITY**  
**Minutes of the 1<sup>st</sup> Board Meeting in 2016**

**Date:** 27 January 2016

**Location:** Pease Room, D3,  
Culham Science Centre

**Members present:**

Roger Cashmore, Chairman  
Steve Cowley  
Peter Jones

**In attendance:**

Martin Cox  
Laura Frasca (BIS)  
David Martin  
Catherine Pridham  
Maya Riddle (secretary)

**Apologies:**

Keith Burnett  
Steve McQuillan

Rob Buckingham, RACE Director (4-8)  
Kay Nicholson, Head of Assurance (6)

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

- 1.1 Roger Cashmore welcomed Laura Frasca from BIS to the meeting. Keith Burnett and Steve McQuillan had sent apologies and the Board was only just quorate.
- 1.2 He provided an update on recruitments to the UKAEA Board:
  - the recruitment panel had advised the Minister on the appointable candidates for a new non-executive director. A decision was outstanding; and
  - BIS had still not yet given approval to start recruitment process for a new CEO.
- 1.3 Steve Cowley said that he was due to take up his new post, on 1 October 2016. This was an important time for UKAEA as the new EPSRC grant would be reviewed in October and negotiations on the JET contract would also be required.

## **2 Minutes of the 8<sup>th</sup> December 2015 meeting**

- 2.1 The Board approved the minutes of the sixth Board meeting on 8 December 2015.
- 2.2 Members reviewed the actions.

## **3 Board sub-committee chairs update**

- 3.1 Roger Cashmore said that the Board had held a strategy meeting with business and programme managers that morning. This was in response to the triennial review recommendation for the Board to be more open. There had been a very helpful discussion on the strategy for UKAEA going forward. A Board questions & answers session with staff was also planned in April.

*Rob Buckingham joined the meeting*

## **4 CEO's Report**

- 4.1 Steve Cowley said that there had been a number of key visits over the month. These included:
  - Jeremy Heywood, Cabinet Secretary, Simon Linnet (Rothschild) and Jeremy Pocklington (DECC);
  - Clare Moody, MEP, who sat on the European Parliament's ITRE Committee;
  - Nicola Blackwood, local MP;
  - Lee McDonough, Office for Nuclear Development (DECC); and
  - Adrian Simper, Director of Strategy (NDA).
- 4.2 A bid had been submitted to the government's comprehensive spending review (CSR). UKAEA could act as a catalyst for €0.8Bn of work for UK companies from ITER, but required funding to support the business development activities.
- 4.3 While the triennial review had identified a potential merger with STFC or NNL, there was a third option to have greater alignment of all the national scientific labs.
- 4.4 A bid was being prepared for EUROfusion funding for a further enhancement to MAST. MAST was an important device as it provided a route to smaller and cheaper fusion power. The Fusion Advisory Board supported the bid and agreed that UKAEA

needed to target starting the science campaign in 2017.

- 4.5 However, in order to ensure a 2017 campaign additional funding would be required to ramp up resources on the project.
- 4.6 Sulphur hexafluoride (SF<sub>6</sub>) in the JET neutral beam lines had been replaced with nitrogen to reduce the UKAEA's environmental impact. However, while testing supported the substitution, insufficient power performance was being achieved during experimental operations. Therefore the decision might need to be reversed.
- 4.7 A summary of the status of the corporate performance measures at the end of period 9 was provided.
- 4.8 Peter Jones asked about the increase in unusual occurrences reporting on MAST and noted that there was a new building manager who had identified a number of house-keeping issues, which were being addressed.
- 4.9 The Board noted the report and supported the EUROfusion bid for MAST enhancements.

## **5 RACE Update**

- 5.1 Rob Buckingham provided an update on RACE activities, which included:
  - the building was now complete;
  - work on the ESS project was slower than planned due to efforts to clarify the in-kind contribution from the UK;
  - funding had been received from Innovate UK to undertake a feasibility study on autonomous vehicles. This work was being led by Amey;
  - the Oxfordshire science and innovation audit was going to focus on digital, health and space; and
  - CSR funding was really important to RACE.
- 5.2 The Board noted the update.

*Kay Nicholson joined the meeting*

## **6 Annual Assurance**

- 6.1 Kay Nicholson presented highlights of assurance over 2016, which included:
  - further improvements had been made to risk management;
  - it had been agreed to implement an integrate delivery process (IDP);
  - savings had been made on water discharge permits;
  - the Material Research Facility was being included in existing environmental permits;
  - UKAEA had won the RoSPA gold award for the fourth year running;
  - activities to promote health and wellbeing of staff had been aligned with national campaigns;

- a safety stand-down had been held following a number of incidents. This had been very well attended and used to promote behavioral safety;
- there were health and safety concerns over resourcing on the MAST upgrade project;
- UKAEA's carbon footprint had been decreased by 68%, largely due to the substitution of the SF<sub>6</sub> with nitrogen gas;
- the project management audit had identified two corrective actions and work was in progress to rectify these;
- new ISO standards were coming and one of the key activities for 2016 would be preparing for re-certification;
- physical security improvements were planned and an exercises would be held to prepare in the event of a raise in national threat level;
- improvement had been made to information assurance governance; and
- two areas of concern had been raised in the department security health check about aging IT equipment and IT disaster recovery plans.

6.2 Peter Jones commended the introduction of dashboards.

6.3 Catherine Pridham said that setting up of the Project Office should provide improvements in project management.

6.4 Steve Cowley said that the security improvement were modular so could be extended.

6.5 The Board noted the report.

*Kay Nicholson left the meeting*

## **7 P8 Financial report**

7.1 Catherine Pridham highlighted key points of the financial position at the end of period 8, which included:

- a decision on additional funding for MAST Upgrade was required by April 2016. This would allow resources to be dropped if required to remain within the existing 2016/17 threshold, but would miss first science in 2017;
- the call for 60% of the 2016/17 payment for the JET Operating Contract was due at the end of the month. A revised and compliant forecast to the end of the contract was also due. The adverse euro-sterling exchange rate was putting pressure on the budget;
- the performance target for business development was unlikely to be met;
- the build of the new financial and HR system (Unit 4 Business World) was complete. User acceptance testing had started later than planned due to issues with data migration;
- maintaining a go-live date of 1 April, would only allow for two not three cycles of testing as planned; and
- additional project management support was being obtained for the training and communications of the new system.

- 7.2 Peter Jones commented that there might be some positive movement on the euro exchange rate.
- 7.3 Catherine Pridham said that she continued to explore potential hedging options, but it was difficult as this was not offered by the Bank of England.
- 7.4 Laura Frascaona said that the Foreign Office had foreign exchange cover.
- 7.5 The Board noted the financial position.

## **8 Any Other Business**

- 8.1 The board reporting schedule for 2016 was endorsed. It was agreed that while the accounts were being delayed to September, the draft annual report would come to the June Board.
- 8.2 The next Board meeting would be held on Thursday 17 March 2016.

**Secretary** Maya Riddle

**Chairman** Roger Cashmore

**Date** 17 March 2016