

# OFFICIAL SENSITIVE



UK Atomic  
Energy  
Authority

## MINUTES OF THE 1<sup>ST</sup> UKAEA BOARD MEETING IN 2021

11th January 2021

**Location:** Remote – via zoom

<b>Members</b>	David Gann (Chair)	Stephen Barter
	Ian Chapman (CEO)	Luc Bardin
	Antonia Jenkinson (CFO)	Mark Bayley
	Chris Theobald	Shrin Honap
	Sue Scane	Eithne Birt

**Attendees** Lyanne Maclean (COO)  
Tim Bestwick (CTO)  
Adam Baker (BEIS)  
Kay Church  
Nick Walkden (Sec)  
Alli Brown (Finance Director, item 5)  
William Morris (Chief Scientist, item 7)  
David Gilham (Property project manager, item 9)

**Apologies** Adrian Smith

## MINUTES

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### 1 CHAIR'S OPENING REMARKS

- 1.1 The Chair began the meeting by wishing the Board and attendees a happy new year
- 1.2 Sir Adrian Smith sent apologies, and the Board wished to congratulate him on his position as President of the royal society. The Board expressed appreciation for his continued work with the UKAEA Board.
- 1.3 The Board extended congratulations to Rob Buckingham for recognition in the new years honours list, recognising his valuable contribution to UKAEA and the field of robotics.
- 1.4 The Board noted that this meeting was Chris Theobald's final meeting of the Board, and thanked him for his many years of service, highlighting his roles on the Board and as Chair of the Board Assurance Committee, and applauding his convivial and collegiate approach during his tenure. The Board resolved to hold a celebratory dinner as soon as safe to do so. The Executive members highlighted the many valuable contributions he has made to the organisation, both inside and outside Board meetings.

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- 1.5 The Chair outlined the progress the Board terms of reference. The Board noted that a version will be sent to BEIS for final approval.
- 1.6 Chris Theobald raised an interest as chair of Social Enterprise Cumbria, who are bidding into UKAEA for leadership development.
- 1.7 The new appointment of the Secretary of State in BEIS was discussed, with the Board noting that the Science Minister remains in place, and a positive and supportive relationship is ongoing with the new SoS.

### **2 MINUTES OF THE 5<sup>TH</sup> BOARD MEETING IN 2020, AND ACTIONS REVIEW**

- 2.1 Two minor corrections to the minutes were raised, which will be corrected and re-issued.
- 2.2 The Board reviewed the live actions

### **3 IMPACT AND IMPLICATION OF EU TRANSITION**

- 3.1 The current position of the relationship with the Euratom was outlined to the Board with reference to key clauses from the protocol, including around the financial correction mechanism. The Board were briefed on the process and timeline for ratification of the protocol. Engagement with European partners at the organisational and at the BEIS level were discussed.
- 3.2 The Board discussed the route to re-engagement into ITER and F4E, including committee representation.
- 3.3 High level senior engagement was discussed by the Board. The Board requested that ITER be added to the agenda of the next Board strategy away day
- 3.4 The Board discussed the status of engagement with EUROfusion, including funding rates for UKAEA facilities. The impact on scientific secondees on UKAEA programmes was discussed, with the Board noting that this is considered manageable for upcoming activities.
- 3.5 The Board discussed the implications of the relationship with Euratom on JET, noting the need to make a recommendation to the Minister on the lifetime of JET.
- 3.6 The Board discussed in detail the strategic and financial opportunities and risks associated with each option, noting benefits in relationship with ITER and the potential impact on JET decommissioning liability. The important role of JET in establishing UKAEA's reputation was outlined, and alignment of JET with STEP resource requirements was discussed. The possible fall-back solutions to the options proposed were outlined.
- 3.7 The Board recommended that the option of running JET to 2024 be adopted as the recommendation to the Minister.

### **4 EXECUTIVE BOARD REPORT**

- 4.1 An overview of the Executive Board Report was provided to the Board. The CEO highlighted potential risks to contractual milestones from the current COVID-19 status due to loss of operational time from spread of the virus. The Board noted these risks.

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The Board discussed the minimal coverage needed to maintain safety in operational plant, and noted that this is not considered at risk.

- 4.2 The Board discussed recent communications on STEP from UKAEA and from BEIS, and highlighted the need to align messaging carefully to communicate the STEP goals towards demonstrating the viability of a commercial fusion power plant.
- 4.3 The Board discussed the recent exercise in phishing, noting the increased rate of phishing emails in the current climate and the need to remain alert.
- 4.4 The Board held a detailed and wide ranging discussion on the response and measures taken to address the latest state of COVID-19 pandemic. The Board noted and agreed with the decision to remain operational. The high-level measures in place to ensure COVID security were overviewed to the Board, alongside the current status of operations. The Board were briefed on the response to a recent positive case identified in JET, which has resulted in a lost shift on JET but is being robustly controlled through UKAEA COVID safety measures. The Board were assured that, given measures taken and location of the site, operations are being well maintained.
- 4.5 The Board overviewed non-COVID related safety, noting no RIDDOR or lost-time accidents since the last Board, and noting that strong safety reporting is ongoing.
- 4.6 The Board discussed the current morale in staff across Christmas and the New Year.
- 4.7 The Board were briefed on the '10-new project' within business development.

### 5 FINANCE UPDATE

- 5.1 The Board noted that the timing of Board meetings and month end mean that the report only contains a single extra month of actuals, and that the paper reviews events to occur in the next quarter. The Board were requested to offer feedback on the annual report early in the year to allow early planning of the report.
- 5.2 The headlines and risks arising from the P9 forecast were outlined, with the Board noting a risk in underspend due to the latest lockdown measures impacting operations and projects/programmes.
- 5.3 The Board discussed what the implication of missed milestones due to COVID-19 was in terms of budget cover, noting budget cover applies broadly to any committed spend including working capital. Milestone impact is being tracked in current and future years, in terms of both deliver and funding, and COVID-19 direct costs are tracked explicitly.

### 6 REPORTS FROM SUB-COMMITTEES

- 6.1 The Remuneration Committee and the Campus and property committee met prior to this meeting
- 6.2 Remuneration committee:
  - The remit of the Remuneration Committee was considered and discussed at the sub-committee, and a proposal will be made to the Board on this in the next Board meeting

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### 6.3 Campus and property committee:

- The easing of planning restrictions due to the adoption of the Local Plan was noted as positive news for the organisation.
- Planning for the new commercial building was reported as being submitted at the end of the month
- The Culham masterplan is being reviewed to ensure delivery of a unique place, to be shared with the Board in the spring
- The STEP siting call well received by the press and local communities
- The opportunity to introduce increased hybrid working following COVID-19 was outlined to the Board

6.4 The Chair noted that a review of sub-committee membership is due and will occur in the coming months to provide clarity of committee membership in the coming years.

## 7 BRIEFING ON THE DEMO GATE 1 REVIEW

7.1 The Board were provided with a high level overview of the European DEMO programme, and noted that the recent gate review was a very extensive review held in 2020, following continuous rolling review, covering all areas of the programme. The report concluded that, despite world class leading research, no integrated design solution had been found, and the Board were briefed on the main issues identified.

7.2 The Board discussed the organisation of the DEMO programme and the lessons learned from this organisation. Members discussed whether there are lessons that could be learnt from the private sector in how to enable innovation in a major technical programme like DEMO, and how the experience in organisation on DEMO could be best used to inform the organisational design of STEP.

7.3 Members discussed the use of DEMO to help inform technology readiness for STEP, which will be hugely significant in some areas, noting that EUROfusion information cannot be used for commercial exploitation. The Board requested a high-level table comparing what might be learnt between STEP and DEMO, and what the limits of this learning might be. This will be included in a scheduled STEP paper to the Board in March.

7.4 Members discussed the comparison in resourcing between STEP and DEMO, which are comparable in magnitude, but with more challenges in availability of expertise for STEP

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given the wider consortium available to DEMO. The ability of the Board to help identify partnerships beneficial to STEP was highlighted.

- 7.5 The Board noted that the extrapolation from present day machines to either DEMO or STEP is vast, and needs to be bridged by modelling, which can also focus experiments and learning.

### 8 HARWELL LPA AMENDMENT

- 8.1 The CFO outlined the status and changes with the legal agreement with Brookfield for the Harwell JV.

- 8.2 The Board noted that this is now ready to sign. There is alignment with all partners, which concludes the discussions subject the resolution of final details.

### 9 UPDATE ON CULHAM COMMERCIAL DEVELOPMENT

- 9.1 The Board noted that the paper addresses a Board request for details of the CCDP project at a stage close to readiness for tender. An overview of the CCDP project was provided to the Board, which provides engineering and office space that can be let. The Board were briefed on the architecture of the building, the cost plan, and marketing and occupancy strategy, and the project timeline. The Board welcomed a return of the project to the Board at major milestones or points of interest, with the regular progress, risks and detail handled at the property sub-committee. Members suggested that the occupancy strategy be a topic of interest for return to the Board.

### 10 ANY OTHER BUSINESS

- 10.1 An item was raised on the strategic consequences of a site closure due to COVID infections. A discussion was held on the conditions that might trigger site closure. The mitigations in each case were discussed. There was confidence that the resource needed to put operations in a safe state would be available, and the financial consequences were highlighted. An emergency Board meeting will be called in the event that a major change from current circumstances occurs. Board members were encouraged to continue to feed in experience from other organisations.