

# UKAEA Board Meeting

## Meeting Reference UKAEA(23)A2

**Location:** UKAEA West Burton  
**Date:** 20<sup>th</sup> & 21<sup>st</sup> March 2023  
**Time:** 1330 – 1700, 0915 - 1230

<p><b>Members:</b> David Gann (Chair)          Ian Chapman          Stephen Barter          Mark Bayley          (not present for items 9 &amp; 10)          Richard Hookway          Eithne Birt          Luc Bardin          Stephen Hillier          Sue Gray</p>	<p><b>Attendees:</b> Adam Baker (DESNZ)          Alli Brown          Tim Bestwick          Joe Milnes          Rob Buckingham          (Remote: Item 5 20<sup>th</sup>)          (Remote: Item 12 21<sup>st</sup>)          Kay Nicholson          (Remote: Item 9 21<sup>st</sup>)          Paul Methven          (Remote: Item 11 21<sup>st</sup>)</p>
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### Apologies

## Agenda Items

### Day 1, Monday 20<sup>th</sup> March 2023

SHE moment - Meeting was preceded by a Site Introduction and Safety video.

- Chair's opening remarks** led by D Gann: Confirmed UKAEA is now part of Department for Energy Security and Net Zero (DESNZ) – this unexpected change is delaying decisions on existing NEDs and future appointments, including that of new chair.

**Declarations: Sue Gray declared new NED position with ONR, effective 1<sup>st</sup> Feb.**

#### **Actions:**

Action ID	Section	Action Items	Owner(s)	Target time
UKAEA(23)2/1	1	Adam Baker to provide update at next board on status of Chair and NED appointments and options if key timescales are unlikely to be met.	A Baker	May 2023

- Minutes and Actions Review, (23)M1** led by D Gann:

Minutes review:

- UKAEA(22)M1
  - Pg 2 - UKIFS instead UKFIS second bullet
  - Pg 2 – “Primary action available to UKAEA is in regard to contingent labour” To note in the minutes that this reliance on contingent labour was regarded by the Board as sub-optimal, as a mitigation to pay and recruitment issues.
  - Pg 5 “ Secretary to the Board” – wording correction to “Authority Secretary”
- Action review:
  - i. UKAEA(22)4/2: Stays live, due date moved to May board
  - ii. UKAEA(22)4/3: Ongoing
  - iii. UKAEA(23)1/1: Agreed to hold board at Harwell in July.

### 3. **Executive Board report** led by I Chapman, T Bestwick and J Milnes:

Exec highlighted the following to Board:

- Still awaiting a pivot decision on Euratom. The Board discussed the timing and steps to a conclusion, noting the importance of the relationships with academia – should the decision for Horizon and Euratom be different. The Board reflected on the importance of remaining integrated with international projects to ensure we build knowledge. Issue of uncertainty was discussed as significant, Board agreed to seek assurance from the minister to start some elements of Alternatives programme in the meantime, this would be covered in scheduled engagements with Government officials over the next few weeks.
- ITER programme faces two significant issues: the new baseline is delayed until June 24 and the French regulator’s operating limits. Board discussed how to capture the impact on the programme, comparing historical and current situation, this will be considered further at the May meeting.
- Investment Zones – announced in the budget last week. Both West Burton and Rotherham are potentially within proposed investment zones.
- Ministry of Government (MOG) changes. The potential impact on science funding for UKAEA, was highlighted as no longer within DSIT. Implications were considered.
- Members considered how well linked UKAEA and the UK is to wider sources of knowledge, confirming UKAEA had ability to engage with those identified.
- An update on the recent water leak on JET. The Board noted that this was reflected in the escalation of the risk (see Risk Report).
- Exec advised of a reportable RIDDOR that occurred last week. An investigation is being initiated immediately.
- Sub-committee chair advised that ARAC had discussed that the Board should participate in a Safety Tour during the May Board Meeting.

**Item 5 JET Decom OBC Costings.** Led by Rob Buckingham (remote): The opportunity to use JDR as an integrator of different capabilities across site was outlined. Transition focus was emphasised as paramount, JET plasma science is ceasing on the 31<sup>st</sup> December – but the operations continues to enable safe shutdown and sample retrieval. The Chair raised the point on organisational change and engagement with S Gray as the key Board link for JDR.

A number of key topics were identified in discussion

- Discussion points raised by the Board included the emphasis on knowledge retention
- Alignment of timings for the provision – referring that we now have alignment between the external audit of provision and OBC.
- Importance of buildings availability schedule noted, with emphasis on making clear decisions – as extended time to take them cost money (extended schedule); All scenarios are more expensive than the current position leading to discussion on what some cost savings could be
- Budget considered, key assumptions, dependencies and risk adjustments (what for and value), what is the probabilistic impact.
- The OBC will come to the Board for approval in May, ARAC will review on 9<sup>th</sup> May and take a detailed look on behalf of the Board. Noted that OBC would not usually be reviewed at ARAC, but OBC and Provision will be the same.

**Item 4 Risk Appetite.** Led by Ian Chapman: Board noted the improved, clearer format.

**Key Outcome** Specific items for change were noted as:

- Science Integrity into Information Management
- Reputation – adjust to moderate
- Culture – should not be a range, agreed as “high”.
- Fraud and Financial Compliance – should be Zero Tolerance for Fraud – noted that operating processes will take a low tolerance, balancing operating and financial controls. But there should be a zero tolerance to fraud, taking action wherever identified.
- Ethical – clarified as Low (text describes very low)

**Decisions:**

**UKAEA(23)D2/1** The Board approved the Risk Appetite, subject to the agreed changes.

## **Day 2, Tuesday 21<sup>st</sup> March 2023**

**Chairs Remarks:** The chair initiated a brief discussion on SMRs given recent press, Exec will keep the board updated on UKAEA’s interactions with this community.

### **6. Sub-committee updates**

**ARAC** led by R Hookway

- UKAEA has done well reducing number of overdue audit actions, albeit with significant chasing suggesting still on a maturity journey to get this part of modus operandi of the organisation.
- Some work to do getting key stakeholders aligned on pensions timeline. Deep dive on people risk.
- A little bit more work to do on site safety, in particular traffic management.

**P RemCo** led by E Birt

- Focus was on CEO and some senior directors' objectives for 23/24 and significant time and effort required to managing change over the next FY (including new chair and two new executives).
- Pay and gender pay gap was also covered, including potential implications of expected pay settlement.
- It was agreed that the Terms of Reference would be reviewed outside the meeting.

- UKIFS chair advert closes shortly, interviews planned on 5<sup>th</sup> May.
- UKIFS CEO job description has been drafted and is likely to require a pay flexibility case to be put to sponsoring department.
- It was suggested UKAEA take steps to gather improved data on ethnicity to measure pay gaps in this area.
- The chair confirmed S Gray will join RemCo.

**Property** led by S Barter (not on the agenda)

- Moderna and First Light committing to joining Harwell and Culham Campuses respectively.
- A potential clash was highlighted with the date of the next property committee with the start date of the new CFO.

**Actions:**

Action ID	Section	Action Items	Owner(s)	Target time
UKAEA(23)2/	6	UKAEA to take steps to gather improved data on ethnicity to measure pay gaps in this area.	J Milnes	May 2023
UKAEA(23)2	6	Review date of next property meeting to ensure this fits with start dates for new CFO	A Brown	May 2023

**7. Corporate Performance Measures**, led by I Chapman.

- Exec confirmed there was a clear link between the recommendations in the STEP TAG report, and the budget this requires, with the relevant performance measures.
- Target for female applicants discussed, noting this was an applicant target and could change measure to appointees with target above 25%.
- Chimera measure and magnet context considered; measure will be reworded.
- Committee agreed that one of the measures would be replaced by an ESS measure.
- Board considered how system could be improved, agreeing exec could consider this in future years.

**Actions:**

Action ID	Section	Action Items	Owner(s)	Target time
UKAEA(23)2/4	7	Consider how to show a better link between UKAEA's performance measures and risks.	I Chapman	May 2023
UKAEA(23)2/5	7	Modify some specific performance measures in line with comments from the board and circulate final draft	I Chapman	May 2023

**Decisions:**

**UKAEA(23)D2/2** Corporate Performance Measures were approved by the Board subject to actions taken

**8. ALB Review** led by K Nicholson (remote):

- report was ~90% complete with latest draft available to the board for comments.
- DESNZ noted positive feedback from review team and suggested UKAEA consider how to use this review to help with issues. The chair noted that might include being given more freedom to operate.

- Documentation could be clearer on how to achieve the 5% efficiency target, including clear metrics, which could be a strong contributor to avoiding being asked to go into stage 2.
- It was clarified that the scoring using the table provided by the reviewers reflects positively on UKAEA's current position.
- Board advised to include more numbers on cluster and Harwell.

**Actions:**

Action ID	Section	Action Items	Owner(s)	Target time
UKAEA(23)2/6	8	Attempt to make the ALB review documentation clearer on how to achieve the 5% efficiency target, including clear metrics	K Nicholson	May 2023
UKAEA(23)2/7	8	Include more numbers on cluster and Harwell.	K Nicholson	May 2023

**Decisions:**

**UKAEA(23)D2/3** The board approved the response to the ALB review subject to actions below.

**9. Finance update** led by A Brown

- UKAEA still tracking significantly under latest forecast with significant uptick in spend required in March.
- Fusion Foundations highlighted as a key risk, with request to move some of the funding out to final year of the programme – discussions with BEIS were close to conclusion before machinery of government changes.
- It was highlighted that due date for making decision on Central Support Facility is becoming very urgent.
- Board advised UKAEA considering overprogramming / probability approach to address underspend. This is being considered for next year within delegation boundary conditions.
- The option on whether to request funding cycles that are greater than 1 year in the ALB review was considered.

**10. Budget Approval** led by A Brown

- Board asked to approve budget within +/-5% subject to ExCo approval the following week and noted 5% overprogramming is included.
- Board suggested stating in ALB review response that 5% efficiency has been taken before funding is requested.
- The board enquired about how UKAEA multi-year programmes managed with unforeseen events with significant impact (e.g. high inflation). It was suggested it might be healthy to ask programmes to declare what are their productivity metrics and how are you demonstrating improvement

**Actions:**

Action ID	Section	Action Items	Owner(s)	Target time
UKAEA(23)2/8	10	Draft new performance measure for 23/24 to deliver impact reporting for UKAEA to capture productivity, efficiency etc	I Chapman	May 2023

**Decisions:**

**UKAEA(23)D2/4** The board approves the way the budget is constructed subject to comments being actioned

**11. STEP TAG feedback** led by P Methven (remote)

- Need to evolve technical roadmaps, including “must, should, could” statements and need to link how risk reduction feeds into engineering plan.
- Key issues which need to be addressed include tritium breeding ratio margin being eroded, quantification of hazard levels, interaction with liquid lithium and water cooling (including specific issue in the divertor), proximity to limits and how close design is to technical cliff edge, high temp steels, quenching of HTS magnets, and digital approach.
- Need to also focus on how to deliver value through the programme.
- Discussion considered systems and processes in place to enable design freeze where sub-systems are evolving at different pace and whether digital modelling could assist; this was being considered via the Engineering Management Plan but wasn’t yet concluded yet.

**12. Topical Update – Robotics** led by R Buckingham (remote)

- Board was given an overview of a wide range of robotics activities being undertaken by UKAEA. This was very well received.
- Importance of managing talent appropriately and succession planning was emphasised which board, Exec and RemCo will consider carefully going forward.

**13. Any Other Business** led by D Gann;

- i. UKAEA(23)2 AOB Board member appointments

**Decisions:**

**UKAEA(23)D2/5** Appoint new CFO to Board, replicating recent situation of previous CFO – approved

**UKAEA(23)D2/6** Appoint Deputy CEO, new situation reflecting enhanced position of a current (tbd) Executive Member - approved

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**End of Minutes**