

**UNITED KINGDOM ATOMIC ENERGY AUTHORITY,
Minutes of the 1st Board Meeting in 2015**

Date: 21 January 2015

Location: Llewellyn-Smith Room, K2,
Culham Science Centre

Members present:

Roger Cashmore, Chairman
Steve Cowley
Peter Jones
Steve McQuillan

In attendance:

Martin Cox
Sharon Ellis (BIS)
Catherine Pridham
Maya Riddle (secretary)
Andrew Hynes (Item 5)
Rob Buckingham (Item 6)
Andrew Bickley (Item 7)

Apologies:

Keith Burnett
David Martin

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1 Chairman's Opening Remarks

- 1.1 Roger Cashmore welcomed everyone to the first meeting of the new year.
- 1.2 There had been a good visit from the National Nuclear Laboratory (NNL) Board the previous day. Constructive discussions were held between both Boards on working together to enhance the UK's nuclear capability.
- 1.3 Other important meetings, held earlier in the month, included a visit from Hergen Hey, Head of Nuclear New Build for the Department of Energy & Climate Change and a visit from Rolls Royce.

2 Minutes of the 5th Board meeting in 2014

- 2.1 The Board approved the minutes of the Board meeting on 27 November 2014.
- 2.2 Members reviewed the actions.

3 Update from Board sub-committees

- 3.1 Peter Jones highlighted the following points from the 27 November 2014 Audit Committee meeting:
 - progress with the internal audit programme had been reviewed;
 - the NAO's audit strategy for 2014/15 Annual report and Accounts had been agreed; and
 - an update on future pensions arrangements was noted.
- 3.2 Catherine Pridham said that a proposal on future pension arrangements would come to the next Board meeting.
- 3.3 Peter Jones informed members that he had chaired a short Remuneration Committee meeting that morning, where the process for appointment of a new non-executive director had been agreed.

4 CEO's Report

- 4.1 Steve Cowley informed members that Greg Clark, Minister of State for Universities, Science & Cities, was due to visit Culham tomorrow. This would include a ground breaking ceremony to formally start the construction of the new RACE centre.
- 4.2 Oliver Letwin, Minister for Government Policy, was due to visit Culham next month. He was interested in MAST and its potential to drive fusion innovation.
- 4.3 NNL was moving its Materials team from Harwell to collocate with the CCFE Materials team at Culham.
- 4.4 The Henry Royce Institute at University of Manchester had been announced in the autumn statement and included provision for stage 2 of the Materials Research Facility at Culham.
- 4.5 An EPSRC grant extension panel was meeting on 27 February to review a 1-year extension to the current grant.
- 4.6 Stage 2 of the local growth fund was being focused on transport. However, the

Local Enterprise Partnership had asked for the Oxford Advanced Training Hub proposal to be submitted to round 3.

- 4.7 The UK would be well represented at the European Physical Society's 42nd European Physical Society Conference on Plasma Physics, securing 6 out of the 23 invited talks.
- 4.8 Kay Nicholson had joined the UKAEA Executive team as Head of Assurance; she had a background in Bentley and BAE systems.
- 4.9 A pay case for 2014/15 had been agreed by the Treasury and included a number of changes to the pay structure.
- 4.10 The Board noted the report.

Andrew Hynes, Head of IT, joined the meeting

5 IT Review & IT Strategy

- 5.1 Andrew Hynes said that the report provided background information on the IT review, held in 2013, and tracked progress with the recommendations.
- 5.2 IT improvements achieved/in progress included:
 - improved IT governance including the setting up of a centralised IT committee to coordinate IT strategy & projects;
 - work to improve network reliability and capacity;
 - work in progress on replacement networks & telecoms; and
 - investigation of ITER controls and/or data systems which had potential to be adopted on JET. This would enable JET to be utilised as a training platform for ITER.
- 5.3 An IT strategy was being developed and workshops were planned for requirements capture. A key priority was improving IT projects and resource management. Other priorities included software development and completing a technical roadmap.
- 5.4 Given austerity, it would not be possible to move as fast as hoped. However, IT savings would be sought to enable reinvestment into IT improvements. Capital IT projects had also been part of the recent submission to BIS. This included a proposal to improve the JANET bandwidth from ca. 0.5 to 10 Gb, which would be of benefit to the whole of the Culham site.
- 5.5 Steve Cowley said that ITER like systems on JET were strategic important.
- 5.6 Steve McQuillan asked about cyber security and noted that work on Cyber Essentials and 10 steps to cyber security (both government schemes) were underway. It was agreed that a presentation would be made at a future meeting.
- 5.7 Sharon Ellis said that she was looking at capital proposals as part of the next corporate spending review.
- 5.8 The Board noted the report.

Andrew Hynes left and Rob Buckingham, Head of RACE, joined the meeting

6 RACE Update

- 6.1 Rob Buckingham gave a presentation on the RACE business plan.
- 6.2 The objectives of RACE included supporting:
- UK jobs and growth agenda;
 - ITER;
 - nuclear power plant development; and
 - UK skills agenda.
- 6.3 He took members through the vision for RACE and the strengths, weaknesses, opportunities and threats (SWOT) analysis.
- 6.4 Next steps included:
- building the team including recruitment;
 - developing commercial relations and conditions for membership; and
 - developing the R&D programme and flagship projects.
- 6.5 Steve McQuillan suggested several contacts.
- 6.6 Peter Jones said that the Nuclear Liabilities Fund was due to spend on nuclear R&D and this might be an opportunity.
- 6.7 Steve Cowley said that RACE offered significant opportunities and would enhance UKAEA's nuclear R&D and design capability.
- 6.8 Roger Cashmore thanked Rob Buckingham for the update.

Rob Buckingham left and Andrew Bickley joined the meeting

7 2015 Corporate Plan Outline

- 7.1 Andrew Bickley proposed modifying the format of the corporate plan in line with the strategic direction of UKAEA and to separate out the organisational priorities such as Culham Centre for Fusion Energy, RACE, Integrated nuclear design and property. The plan would also take account of the Triennial review.
- 7.2 He sought guidance from the Board on development of the plan and members suggested that more emphasis be placed on:
- developing the next cadre of scientist and technologists;
 - industrial interactions and benefits to UK industry;
 - property development and impact on the local economy; and
 - collaborations.
- 7.3 The Board noted the report.

Andrew Bickley left the meeting

8 Financial Report at P8 2014/15

- 8.1 Catherine Pridham highlighted key points of the financial position at the end of period 8, which included:
- the business development target was unlikely to be met;
 - it was forecast that there would be an overspend against EPSRC programme, compensated by an underspend next financial year;
 - the Nuclear Decommissioning Authority had released the eastern part of the Harwell site back to UKAEA. This land would be used for the Harwell joint venture, including the new innovation centre announced as part of the Oxfordshire City Deal;
 - there was currently an overspend on overheads, which was primarily due to the SAP replacement project and the process transition project; and
 - the invitation to tender for a replacement system to SAP had been issued, on schedule, at the end of November. The two systems being considered were Oracle and Agresso. However, she was concerned about the amount of internal resource that would be required.
- 8.2 Peter Jones questioned the difference in income in advance in the balance sheet and noted that this was due to timing of the grant.
- 8.3 The Board noted the financial position.

9 Review of Board Decision 2014

- 9.1 Maya Riddle said that the paper tracked the decisions made and what progress had been made. There were no areas of concern.
- 9.2 The Board noted the report.

10 Any Other Business

- 10.1 Roger Cashmore asked about the status of the Triennial review and noted that it was due to be completed by the end of March.
- 10.2 Stage 2 of the review was underway and UKAEA was completing a boilerplate questionnaire on governance. One consideration for the next review of Board performance was review of the non-executive directors.
- 10.3 Sharon Ellis said that she would not expect individual non-executive directors to be reviewed.
- 10.4 Maya Riddle agreed to circulate plans for a Board visit to Cadarache.
- 10.5 The next Board meeting would be held on Wednesday 4 March 2015.

Secretary Maya Riddle

Chairman Roger Cashmore

Date 4 March 2015