

## **NERC Council Meeting**

### **Summary of discussions**

**8 June 2017**

**Heriot Watt University, Edinburgh**

#### **Members present:**

Sir A Cleaver (Chair), Ms J Davenport, Mr N Folland, Ms L Heasman, Professor AL Heathwaite, Mr I Khan, Dame Professor GM Mace, Professor G Orpen, Professor DIA Poll, , Ms C Tacon, Professor DJ Wingham (Chief Executive), Lord Willis, Professor L Yellowlees.

**Apologies:** Professor IL Boyd, Mr IR Simm, Mr S Axford.

**NERC Directors:** Professor E Hill (NOC Director), Professor T Wheeler (Director of Science and Innovation), Ms A Robinson (Director of Corporate Affairs), Mr PJ Fox (NERC Chief Operating Officer).

**Other attendees:** Mr R Gledhill (NERC Non-Executive Director, and ARAC member), Professor A Hatton (SB Chair), Professor J Remedios (Director, NCEO), Dr S Davies (IAB Chair – item 8 onwards).

**Secretary:** Dr AJ Turner.

#### **Key issues discussed**

The NERC Chair, Sir Anthony Cleaver, welcomed members and began by offering Council's sincere thanks and best wishes to members Prof. Louise Heathwaite and Christine Tacon who have reached the end of their terms with NERC Council.

The Chair then explained that the terms for all remaining members would be extended for a period beyond the launch of UKRI to provide certainty and to assist a steady transition and thanked members for their support and understanding through this process.

#### **Chief Executive update**

Council heard specific updates on the establishment of UKRI including the passing of the Higher Education and Research Act 2017, and that work was now being done to put in place clear structures, processes and arrangements, including future funding allocations. Council also received an update regarding the implications of the UK EU referendum result and analysis of annual data to determine any potential impacts from that change. The Chief Executive also updated Council on plans to place hydrology within the Centre for Ecology and Hydrology on a stronger footing.

#### **Finance and risk report**

Council received a finance report which set out a balanced financial position for 2016/17 as reflected in the Annual accounts. Council then turned to the risk report and noted that the top risks had informed the agenda for the Council meeting itself.

## **Governance, Responsibility and Ownership (GRO) programme**

Professors Hatton and Hill left the room and Mr Gledhill attended for this item. Council received an update on the Governance, Responsibility and Ownership (GRO) programme of work. GRO is the NERC programme to consider the future ownership and governance of NERC's research centres. Council noted ongoing talks to progress this activity with officials at BEIS, with work continuing to progress business cases for NERC Centres. Council thanked the GRO assurance committee for their ongoing support and assistance for this project. Council noted ongoing engagement and detailed planning with colleagues in BEIS would again pick up once the outcome of the general election was known. Reports will continue to be presented to future Council meetings as this programme of work progresses.

## **UK Antarctic Hub – Rothera modernisation**

Council welcomed a report of the progress and proposals for modernising Rothera to maintain its status as a world-class research facility and to improve its green credentials across the board, for instance in improving out of date buildings. Council approved the c£90m investment for the UK Antarctic Hub – Rothera modernisation business case.

## **Update on NERC's National Centre for Earth Observation**

Professor Remedios joined the meeting for this item. He gave Council an overview of the current activities of NERC's National Centre for Earth Observation (NCEO), delivering a vision of 'Transformational Earth Observation science capability to meet Earth System challenges'. He summarised the NCEO core science objectives, and used a series of examples to demonstrate how NCEO climate data and models have made NERC science more effective at national and global scales, in addition to playing a full role in National Capability, and acting as a focus for NCEO community action. Council congratulated Professor Remedios on a very informative presentation, and agreed that NCEO had made very significant progress towards achieving the goals set by Council in 2014.

## **Setting Environmental science research and innovation priorities for NERC**

Council considered detailed analysis of the current NERC portfolio of investment to assist discussion around setting future science and innovation priorities within NERC. Council had a wide-ranging discussion that touched on the importance of community and end-user engagement, the establishment of UKRI, and the changes to the broader funding climate. Council agreed this was a timely discussion and requested an update at September Council.

## **Corporate responsibility**

Council received an update on performance against the first full year of the NERC Corporate Responsibility policy, the [NERC Responsible Business Statement](#), that comprises commitments under four headings – environment, transparency, community and workplace - and standards. Council noted good progress on the whole, with ongoing focus on Equality and Diversity (E&D), and Transparency, and new commitments for 2017/18 within Community and workplace, and Transparency.

After discussion at the Council retreat in March, Council concluded that NERC could and should do more than simply meet government targets for reducing our environmental impact. A key aspect of this is to ensure that NERC developed an approach that sets a real ambition to minimise environmental impact while also continuing to ensure maximum scientific outcome and quality.

The framework for commitments comprises three tiers which encompass the environmental benefits and impacts of the science outputs; the actions & commitments relating to scientific programmes and mobile facilities; and existing targets & routine activity associated with fixed facilities. Council asked for a report on progress at a future meeting.

### **Reforming the Research Centre funding system**

Council considered proposals to reform the Research Centre funding system, building on workshop discussions at the March 2017 Council Retreat. The key driver for the reform was to implement include Full Economic Costs (FEC) into the main funding lines for NERC Research Centres when there is no access to QR under the HEFCE funding model. This means that in future, Centres will be fully funded in respect of additional NERC funding they obtain, and have greater delegation in the use of their funding. Council also approved the proposed approach to include an element of institutional funding to NERC Research Centres. Council requested that the effect of the policies will be reviewed at the time of the next NERC REF-style assessment.

### **Standing items**

Council also noted a number of standing items including the rolling programme of business, and reports of the Audit and Risk Assurance Committee of 23 February and 6 June 2017.

Professor Hatton reminded Council of their agreement at the previous meeting to consider Science Board's recommendations for SPA's between the June and September Council meetings. Council also noted that Science Board is currently recruiting for up to three new members.

### **Date of next meeting**

The next NERC Council meeting will be held on 27 September 2017.