NERC Management Board (NMB) Meeting
Summary of discussions
19 December 2017
MRC, 1 Kemble Street, London

Members present:
Professor DJ Wingham, Professor T Wheeler, Dr P Heads, Ms A Robinson, Mr R Gledhill, Mr P Hayden.

Apologies: Mr PJ Fox.

Other attendees: Mrs C Turner (Director Finance, item 7), Miss N Probert (Risk & Assurance Manager, item 8), Professor J Francis (BAS Director, item 12 onwards), Mr D Hyett (Head of Information Rights, item 13), Mr M Dawson (Director Yewdale Consulting Ltd, item 13), Professor S Mobbs (NCAS Director, item 14), Dr H Beadman (Head of Climate, Weather & Polar, item 14).

Secretary: Mrs SJ Morrell.

Chief Executive Update

The Chair, Professor Wingham, welcomed members.

NMB were advised that some specific aspects of NOC data had recently received had been the object of negative media attention, and that some follow up had been required. This had been handled through the appropriate channels (NOC/ NERC Communications teams).

It was noted that in relation to the setting up of UKRI, there was an emerging issue of uncertainty of how to ensure continuity of EU funding. This would be a more complex task than initially anticipated by the UKRI programme.

Professor Wingham had been invited to a dinner with the UKRI Board on 14 January, which he would use as an opportunity to introduce NERC and highlight key issues.

Funding Update

NMB received a brief update on NERC funding and confirmed that NERC was not expecting to receive written confirmation of next year’s budget allocation until February 2018. It was highlighted that NERC had been successful in bringing forward and obtaining additional Capital funding as part of the BEIS SR15 underspend exercise. NMB noted that an additional £5M Capital had been allocated for the current financial year and a further £5M for the next year.

Data Service commissioning update

A progress update on the National Capability Data Service Commissioning for NERC Centres was provided. The proposals were due in by 17 January, with the Panel meeting on 20 February. Awards would start from 1 April.
NMB noted that the commissioning process was more complex than usual as funds were to be top-sliced for innovation activity across different data centres and linked to the Environmental Data Service (EDS) to encourage integration. It was explained that the top-slice was being tapered in to allow time for design and development activity.

The NMB was informed of a pause in the timetable for the EDS commissioning for consultation with the Government Data Service. Once this step was complete, the call for proposals would go out. It was agreed that a progress report would be presented to NMB at its meeting in January.

**EU figures for NERC staff and students**

The quarterly figures for NERC staff and students who are EU nationals were presented to NMB, and members noted that, to date, there was no indication of a sharp change in either direction, once allowance is made for seasonal variation e.g. the Antarctic Employment Pool.

NMB discussed the implications for the potential reputational risk regarding Brexit.

It was felt agree that a six monthly review of the figures remained useful, noting that it assisted mitigation an open risk on the NERC that the risks around this topic should remain on the risk register about the uncertainty of implications of leaving the EU. It was noted that the situation might escalate depending on the outcome of Brexit negotiations.

**UK Research and Innovation (UKRI)**

NMB discussed the need for a high-level strategic framework across the Research Councils in order to support UKRI in directing expenditure and providing oversight.

**Governance, Responsibility and Ownership GRO Project update**

NMB received an update on Governance, Responsibility and Ownership position. NERC had recently met with HM Treasury and there appeared to be continued alignment of views on ‘control’ having now specifically focused on the issue of ships operations in respect of NOC.

It was reported that the first round of ‘negotiations’ with Centre’s Transition Oversight Committees (TOCs) had taken place but feedback had not yet been received.

Professor Wingham confirmed that a number of vacancies were being advertised for the GRO programme, which would bring in additional support and specific skills.

**Cyber Security presentation from The National Archives**

Mr Dawson from The National Archives gave a presentation on cyber security covering context and recent developments, the approach to risk management and the role of the Board as cultural champions.
Mr Hyett confirmed that NERC had a robust information management framework and Cyber Essentials accreditation. NERC guards against the most common cyber threats through regular patching and monitoring and has procedures in place in the event of a major information security incident.

**FAAM update**

**FAAM Aircraft Financial, Contractual and Renewal planning**
Professor Mobbs highlighted several contractual and financial issues that would affect FAAM in 2019/20. NMB discussed the aircraft services contract, changes to FAAM budgets and the future of aircraft/instrumentation provision.

NMB recognised that new contractual arrangements had the potential to be considerably more cost effective than current arrangements. After discussing the scientific benefits, usage and environmental management, several actions were agreed, with the main one being for the working group to continue developing options and return to NMB when a decision is required on the aircraft services contract.

**Utilisation of FAAM**
Professor Mobbs gave a presentation outlining how recent changes to the NERC Discovery Science funding model had adversely affected FAAM utilisation and resulted in reduced flying hours. He explained that although there was capacity for external usage, most other organisations required a cheap, basic aircraft rather than the unique capabilities provided by FAAM. It was recognised that unpredictable levels of FAAM utilisation would make it harder to establish collaborations with international aircraft operators and share capability.

It was agreed that the funding options should be presented to NMB in Spring 2018 for FAAM utilisation, which reflected Council's view that there should be flexibility for more proactive, top down programming where necessary. It was noted that other aircraft facilities of comparable scale in other countries already use a significant element of top-down direction of science and/or funding in order to ensure full and efficient usage.

**Standing items**
NMB also noted a couple of standing items including the monthly finance update, the risk register review and the rolling programme of business.

**Date of next meeting**
The next NERC Management Board meeting will be held on 23 January 2018.