



MEETING OF THE BOARD OF TRUSTEES

WEDNESDAY 25 OCTOBER 2023
9.30-11.00 MICROSOFT TEAMS

MINUTES

Present: Ms O Adesanya, Mr J Boyer (Chair), Mr S Boyd, Ms J Cecil, Professor I Craddock, Ms Jilly Huggins (Professional Services Trustee), Mr N Joicey, Mr N Keveth, Dr J Khawaja, Ms X Levantis, Mr F Quek, Mr S Robertson, Miss H Thornton, Professor E Welch (Vice-Chancellor).

In attendance: Charlotte Davis (Governance Administrative Assistant), Michael Flay (Head of Governance), Jon Hunt (Executive Director Research and Enterprise), Rob Logan (Director of Procurement), Barra Mac Ruairi (Chief Property Officer), Simon McIntosh-Smith (Professor in High Performance Computing), Lucinda Parr (Chief Operating Officer, Registrar and University Secretary) Hannah Quinn (Chief of Staff), Asha Sahni, (Governance Officer), Clare Smith (Associate Director of Legal Services), Phil Taylor (Pro Vice-Chancellor Research & Enterprise), Peter Vermeulen (Chief Financial Officer), Keith Woolley (Chief Information Officer).

Apologies:

Mr M Allan (Independent Trustee, Ms G Bowen, MS L Fletcher (Independent Trustee), Lucie Lambert (Board Apprentice), J Squires (Deputy Vice-Chancellor & Provost), Ms M Welham (Independent Trustee)

1 WELCOMES, APOLOGIES AND ANNOUNCEMENTS

RECEIVED and **CONSIDERED:** (ref **BoT/23-24/010**) (*on file*)).

- 1.1 The Chair welcomed members of the Board of Trustees and guests to the meeting.
- 1.2 Apologies were noted from Mark Allan, Gillian Bowen, Lucie Lambert and Melanie Welham.
- 1.3 The Chair acknowledged the tremendous amount of hard work and time invested in Isambard AI by University staff, who had been working at significant pace to deliver the project to date.
- 1.4 **NOTED** that at their meeting on Monday 23 October the University Executive Board had unanimously supported the Isambard AI proposal, expressing optimism and confidence in the University's capability to deliver the project.
- 1.5 **NOTED** that the Finance & Infrastructure Committee and the Audit & Risk Committee had considered the same proposal on Tuesday 24 October, after which draft minutes were circulated to the Chairs of those committees.
- 1.6 **NOTED** that following the above meetings the Finance & Infrastructure Committee recommended to the Board of Trustees that they approve proceeding with the project, as detailed in Section 3.5 on page 6 of the meeting pack.
- 1.7 **NOTED** that discussions would focus on the opportunities and benefits to the University presented by the Project, alignment with the University strategy and risks and mitigations.

1.8 **NOTED** that following feedback from members and the circulation of the Side Letter earlier in the week, the University had revised the resolution under 4.8.2 (page 8 of the meeting pack) to (additional text in bold italics):

*4.8.2 agree and approve any ancillary project documentation which they may consider is necessary or expedient to enable the University to enter into, and to give effect to, the Grant Funding Agreement and the Vendor Contract, **including the Side Letter which the Board NOTED has now been issued (signed version - Appendix Acii - circulated [23/10/2023, 13:46])** ("Ancillary Documents").*

1.9 **NOTED** that questions raised by Trustees (both those present and those not able to attend) would either be addressed in the meeting or answers would be reported back to individuals separately and notified to the Board of Trustees.

1.10 **NOTED** that following the exercise of Chair's Powers under Ordinance 3.10.1 in respect of the Board of Trustees (confirmed by Chair of Audit and Risk Committee and Chair of Finance and Infrastructure Committee) standstill letters to complete the evaluation process of the bids were issued on 19 October 2023.

2 DECLARATIONS OF INTEREST

2.1 There were none.

3 OVERVIEW OF THE PROJECT

3.1 RECEIVED and **CONSIDERED** the Isambard AI presentation (*on file*).

3.2 The following was **DISCUSSED**:

3.2.1 The significant potential benefits of the project including reputation, research capability and collaboration.

3.2.2 The opportunity to build on existing partnerships and establish new partnerships locally, nationally and globally.

3.2.3 Alignment of the Isambard AI project with the University's strategic goals and vision including opportunities to build on areas of research excellence such as energy, health and weather and climate modelling.

3.2.4 The core risk areas involved in the project and associated legal, financial, cyber, delivery and management capacity mitigations.

3.2.5 The decision making and delivery timeline.

3.3 **NOTED** the Chair's expression of thanks on behalf of the Board of Trustees to Simon McIntosh Smith, the chief 'architect' of the project from an academic perspective.

4 BOARD DISCUSSION, QUESTIONS AND ASSURANCES

4.1 The following issues were discussed during the meeting with Officers responding verbally with further responses and clarifications to these queries being recorded on the Isambard Questions and Responses Spreadsheet.

Legal

4.1.1 Legal issues had been considered in detail by the Audit & Risk Committee at their meeting on 24 October 2023.

4.1.2 REDACTED: Section (2) 43: Commercial Interests

4.1.3 REDACTED: Section (2) 43: Commercial Interests

Financial

4.1.4 REDACTED: Section (2) 43: Commercial Interests

4.1.5 REDACTED: Section (2) 43: Commercial Interests

Cybersecurity

4.1.6

4.1.7

REDACTED: Section (2) 43: Commercial Interests

4.1.8

4.1.9

4.1.10

Delivery

4.1.11 No questions.

Capacity

4.1.12

REDACTED: Section (2) 43: Commercial Interests

4.1.13

4.1.14

Other Issues

4.1.15

REDACTED: Section (2) 43: Commercial Interests

4.1.16

REDACTED: Section (2) 43: Commercial Interests

4.1.17 The wider stakeholder environment nationally and locally,

REDACTED: Section (2) 43: Commercial Interests

5 BOARD DELIBERATION AND DECISION

5.1 **CONSIDERED** and **AGREED** that in line with the Board's legal duties:

5.1.1 On the basis of recommendations from UEB and Finance and Infrastructure Committee and assurances from Audit and Risk Committee and Finance and Infrastructure Committee; and

5.1.2 Having regard to the opportunities for, and benefits to, the University from the Project as they relate to the University Strategy, balanced against the identified risks (subject to mitigations);

Identified risks could be mitigated to a level acceptable to the University and that proceeding with the Project is in the best interests of the University in terms of the promotion of its charitable research and education objects.

5.2 **UNANIMOUSLY APPROVED** that the University:

5.2.1 Proceeds with the Project.

5.2.2 Accepts the Grant and, subject to any amendments made under any delegated authority provided by the Board, enters into the Grant Funding Agreement subject to provisions in the Side Letter, each substantially in the form provided in the Isambard-AI Governance Pack;

5.2.3 Proceeds to execution of the Vendor Contract with the Bidder [REDACTED]

[REDACTED: Section (2) 43: Commercial Interests

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5.2.4 **DELEGATED AUTHORITY** to any two of (i) the Chief Financial Officer; and (ii) the Chief Property Officer; and (iii) the Pro Vice Chancellor Research and Enterprise acting jointly (and in the absence of any such delegate the Deputy Vice Chancellor and Provost) to:

a. Agree and approve any amendment(s) to the Grant Funding Agreement, the Side Letter and/or the Vendor Contract which does not in their opinion, having obtained any advice they consider necessary, constitute a substantial modification (for the purposes of procurement law) or otherwise a material change to the form of the Grant Funding Agreement, Side Letter and/or the Vendor Contract tabled at the meeting (together a "**material change**") provided that if they consider that any such amendment would constitute a material change they shall seek the approval of the Chair of the Board (together with such other members of the Board (if any) as the Chair may select), who shall confirm whether such material change is in the best interests of the University (and confirmation in writing signed by the Chair and such other members of the Board that such material change is in the best interests of the University shall be conclusive evidence of this);

b. Agree and approve any ancillary project documentation which they may consider is necessary or expedient to enable the University to enter into, and to give effect to, the Grant Funding Agreement and the Vendor Contract ("**Ancillary Documents**"), including the Side Letter which the Board **NOTED** has now been issued.

5.2.5 **DELEGATED AUTHORITY** to any of (i) the Chief Financial Officer, (ii) the Chief Property Officer, or (iii) the Pro Vice-Chancellor Research and Enterprise (and in the absence of any such delegate the Deputy Vice-Chancellor and Provost) to execute the

Grant Funding Agreement, the Vendor Contract and the Ancillary Documents on behalf of the University (or any two of those delegates acting jointly if required).

- 5.2.6 **DELEGATED AUTHORITY** to (i) the Chief Financial Officer; and (ii) the Chief Property Officer; and (iii) the Pro Vice Chancellor Research and Enterprise (each with authority to sub-delegate) to take (or omit to take) all and any such steps as they may consider to be necessary or expedient to implement the Project or otherwise in connection with it (where relevant delegated authority is not already provided for under the University's delegation framework and subject to such review, assurance, recommendation and approval as is required under the University's delegation framework and in accordance with its Finance Regulations) including (without limitation) authority to take any decision or action on behalf of the University under Annex C (Change Control Procedure) or Annex D (Consequences of termination of the Grant) of the Grant Funding Agreement.
- 5.2.7 **NOTED** that none of the specific delegated authorities given by the Board in relation to the Project override the existing mechanism for the reporting of material decisions under the University's delegation framework if approval of a material change to the Grant Funding Agreement, Side Letter or Vendor Contract or any other action proposed to be taken under delegated authority would be a material decision (being a decision which will or may have a material impact (adverse or otherwise) on the University's financial position, business model, strategy, reputation and/or its willingness or ability to comply with the OfS Conditions of Registration).

6 CLOSURE OF MEETING

- 6.1 The Chair thanked:
- 6.1.1 The Executive for the enormous amount of work involved in executing the project to date with impressive agility and speed.
- 6.1.2 Members of the Board of Trustees for their commitment and flexibility in attending meetings at short notice.
- 6.1.3 All the teams across the University that had made this project possible.

REDACTED: S(2) 40
Personal Information

Signed by:
Jack Boyer (Chair)

Date: 16th November 2023