

**European Spallation Source ERIC  
34<sup>th</sup> Meeting of Council  
by video and on site, Lund, Sweden  
21–22 June 2023**

**Approved Open Minutes**

**Prepared by:** ESS Governance Office

**Meeting participants**

Beatrix Vierkorn-Rudolph	Chair of Council
Kurt Clausen	Vice Chair of Council

**Delegates**

Marek Vyšinka	Ministry of Education, Youth and Sport	Czech Republic
Ondřej Svoboda	Nuclear Physics Institute of CAS	Czech Republic
Bo Smith	Danish Ministry of Higher Education and Research	Denmark
Jane Hvolbæk Nielsen	Technical University of Denmark, Dpt. of Physics	Denmark
Toivo Räm	Ministry of Education and Research	Estonia
Priit Tamm	Research Council of Estonia	Estonia
Marie-Hélène Mathon	French Alternative Energies and Atomic Energy Commission	France
Sylvain Ravy	National Centre for Scientific Research	France
Ralph Dieter	Federal Ministry of Education and Research	Germany
Martin Müller	Helmholtz-Zentrum Hereon	Germany
Balázs Kápli <sup>1</sup>	Development and Innovation Office	Hungary
Aldo Covello	Italian Ministry of Education, University and Research	Italy
Pierluigi Campana	National Institute of Nuclear Physics	Italy
Odd Ivar Eriksen	The Research Council of Norway	Norway
Mateusz Gaczyński	Ministry of Science and Higher Education	Poland
Marek Jeżabek	The Henryk Niewodniczanski Institute of Nuclear Physics	Poland
Adolfo Morais Ezquerro	Basque Department for Education	Spain
Ana María Aricha Yanguas <sup>2</sup>	Ministry of Science and Innovation	Spain
Lars Börjesson	The Swedish Research Council	Sweden
Aleksandar Matic <sup>3</sup>	Chalmers University of Technology	Sweden

<sup>1</sup> On Zoom

<sup>2</sup> Deputising for Inmaculada F. Rojas

<sup>3</sup> Deputising for David Edvardsson

Xavier Reymond	State Secretariat for Education, Research, and Innovation	Switzerland
<b>Advisors</b>		
Line Bekke Poulsen <sup>4</sup>	Danish Agency for Higher Education and Science	Denmark
Morten Scharff	Ministry of Higher Education and Research	Denmark
Jean-Luc Biarrotte	French Ministry of Higher Education and Research	France
Susana Gota-Goldmann	French Ministry of Higher Education and Research	France
Estibaliz Hernaez Laviña <sup>5</sup>	Basque Ministry for Innovation	Spain
Mario Perez	ESS-Bilbao	Spain
Elin Swedenborg	Ministry of Education and Research	Sweden
Johan Holmberg	The Swedish Research Council	Sweden
Mikaela Rapp	The Swedish Research Council	Sweden
Roger Eccleston	Director, ISIS Pulsed Neutron and Muon Source	United Kingdom

#### Advisory Committee Chairs

Stéphanie Lê Vàn	AFC Chair
Robert McGreevy	IKRC Chair
Mark Reichenadter	PAC Chair
Victoria Garcia Sakai	SAC Chair

#### Guests

Jacques Jestin	ILL Representative
Grahame Blair <sup>6</sup>	ILL Chair of Steering Committee

#### European Spallation Source ERIC\*

Helmut Schober	Director General
Andrew Kimber	Project Director
Carlo Bocchetta	Associate Director for Infrastructure and Operation
Giovanna Fragneto	Science Director
Kevin Jones	Technical Director
Florian Weissbach	Head of Finance & Business Control
Anna Hansson Kalaris	Head of Human Resource Division
Ivan Korunoski	Head of Internal Audit Function
Mark Robinson	Head of In-Kind Management Division
Karin Hélène	Head of Director General Office
Marina Giampietro	Acting Group Leader Communication
Pia Kinhult	Host State Relations and Senior In-Kind Negotiator
Michela Dell'Anno Boulton	Governance Office Lead – Council Secretary
Elisabetta Romano	Governance Administrator

<sup>4</sup> On Zoom

<sup>5</sup> On Zoom

<sup>6</sup> On Zoom



European Spallation Source ERIC  
Council/34/03  
21–22 June 2023

**Excused**

Inmaculada F. Rojas

Christian Rüegg

Shabana Haque

Mark Thomson

Ministry of Science and Innovation

PSI

Dpt. for Business, Energy, and Industrial Strategy

Science and Technology Facilities Council

Spain

Switzerland

United Kingdom

United Kingdom

## **1. Welcome and Opening of the Meeting**

The Chair called the meeting to order on the 21<sup>st</sup> of June 2023 at 09:00 and welcomed the participants.

The Chair noted that this 34<sup>th</sup> meeting of Council had been duly convened and was quorate.

She welcomed in particular the new German delegate, Ralph Dieter, and the representative from ILL, Jacques Jestin, who was invited to give a brief report on the status of activities at ILL after lunch.

She then communicated to Council an announcement from the UK delegation, confirming that their non-attendance of the meeting was exclusively due to the change of the dates of Council.34, hence clashing with the CERN Council, and by no means to be interpreted as a lack of commitment or support from the UK to the ESS project.

## **2. Adoption of the Agenda**

### **Council unanimously**

- **approved the agenda for its 34<sup>th</sup> Meeting.**

## **3. Approval of the Minutes of the 33<sup>rd</sup> Meeting of Council**

A brief discussion took place on the most appropriate length and level of details of the Council minutes.

Upon motion duly made,

### **Council unanimously**

- **approved the Open and Restricted Minutes from the 33<sup>rd</sup> Meeting.**

## **4. Matters Arising**

The Council Secretary, Michela Dell'Anno Boulton, summarised the Council action items, both those proposed for closure at the meeting and those ongoing.

Upon motion duly made,

### **Council unanimously**

- **closed the following action items proposed for closure<sup>7</sup>: C.29.06.a; C.33.07**

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<sup>7</sup> See Annex 1 of the document Council.34.04 uploaded on Indico

## **5. Reports I**

### **5.a Report from the Chair**

In her concise verbal report to Council, the Chair reminded of the most important approvals on the Agenda, namely the one for the Statutory Report 2022 and the discharge from liability for the Director General, and the one for the Activity Report 2022. She also informed the delegations that the recruitment process for the new Director for Administration was ongoing and the next meeting of the Search & Selection Committee would take place directly after the end of the Council meeting.

#### **Council**

- **took note of the Report from the Chair.**

### **5.b ESS Directors' Report**

The Director General, Helmut Schober, greeted Council and announced a shorter presentation since the longer written Directors' Report had been made available to Council beforehand.

He opened his presentation by giving his overview of the status of the project, which was proceeding well but with no reason to be complacent or release the pressure in order to remain on schedule. Several initiatives had been taken on different fronts, injecting resources and stepping up the organisation's performance. The Project Advisory Committee (PAC) had looked with favour at the creation of the Project Office and of the Fast Intervention Force, allowing prompt and more dynamic responses to challenges. The importance of very good planning for the installation and commissioning of the instruments had also been highlighted by the committee.

Schober then informed Council about the latest developments regarding the storage for the final disposal of the radioactive waste that will be produced by ESS and the planned move of the Data Management & Software Centre (DMSC) to the DTU Campus.

Good reactivity had been shown by the organisation, in particular by the Finance & Business Control division, to move in the direction of a more robust administrative system.

In conclusion, Schober presented the most recent project achievements, in particular the first beam to DTL4, the start of the cooldown of the Cryogenic Distribution System and the increasing number of instrument installations.

After the presentation, Denmark, Germany, Norway and Sweden complimented the Director General for the positive developments and the openness on the challenges still to overcome, and confirmed their strong support and commitment to the project.

The crucial importance of finding a solution for the rad waste disposal was highlighted by several delegations, in particular in view of the consequences for the licensing process.

Schober informed Council that a letter had been sent by ESS to the Swedish Finance Ministry and a reply had been received encouraging ESS to contact the company Vattenfall. A first contact in that sense had been established. Also the Swedish Research Council (VR) had written a letter to the government.



It was decided that Council, through the Chair, should also send a letter to the Swedish Ministry of Education expressing their concern and the need for a timely solution of the issue.

**Council**

- **took note of the Directors' Report (issue March 2023).**

**Council unanimously**

- **decided to support ESS Management with a letter to the Swedish government and the company SKB<sup>8</sup> to resolve the current issue of the final disposal of the radioactive waste.**

**5.c Risk Report**

The Project Director, Andrew Kimber, gave a presentation on the status of the project work in the area of risk management, where particular emphasis had been put on consistency and data quality in reviewing the risk register and on defining mitigating actions and opportunities.

External risks were not incorporated in the re-baseline contingency and modeling process and contingency had not been used for the first 6-9 months after the re-baseline, since it took time for the organisation to move from a reactive to a more active contingency usage, for example employing more resources and working more aggressively even in the absence of challenges.

Looking at the contingency breakdown, the current 15% percentage had been deemed insufficient by the PAC. Over the past eighteen months, several of the external risks (high inflation, increased energy, labour, financial and material costs) had hit the project. Putting these risks in the contingency would reduce the capability of the project to react to other challenges and seize opportunities.

Integration was high on the risk list, with the project currently being in the middle of the installation period but already seeing many activities related to integration testing, work that would escalate through 2024 and 2025 with the testing of not just single components but also of complex systems and with parts coming from different IK partners, and even more in the time after Beam on Target (BoT).

Despite the estimation of risk being in high degree a subjective exercise, it continued to be very relevant to put energy in creating good mitigations for any high risk events.

How to address the external risks in the short and longer term, avoiding a high impact on the project and its performance, was key both for ESS Management and for the ESS Governance bodies.

**Council**

- **took note of the Risk Report (Q1 2023).**

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<sup>8</sup> It was later decided to only write to the Swedish Ministry.

#### **5.d Report from the Administration and Finance Committee (AFC)**

Stéphanie Lê Văn, AFC Chair, had submitted beforehand to Council her report from the AFC.21 meeting held in April 2023, summarising the main items on the agenda of the meeting.

The AFC Working Group on Currency had agreed on a proposal for Currency principles that Council was asked to evaluate and endorse, in order to facilitate the preparation of the financial documents for the AFC.22 meeting in autumn. Further steps for the Committee depended on the decisions that Council would take and included recommending early repayments of the cash facilities, if contribution profiles allowed them, and the proposal for a Currency policy to be implemented and incorporated in the Financial Rules.

Council was also reminded that the mandate of the current Chair and Vice Chair of AFC would end soon and it was timely to start discussions on the possible candidates for those roles to be elected at AFC.22 and appointed by Council.36 in December.

##### **Council**

- **took note of the AFC Report.**

### **6. Financial Matters I**

#### **6.a Statutory Report 2022**

The Head of Finance, Florian Weissbach, gave an overview of the Statutory Report 2022. He reminded the delegates of the annual process for the closing and approval of the accounts, the report from the external auditor, and the AFC recommendation and that the binding and audited version is in SEK and with Swedish text.

The scope of the audit, which was currently briefly stated in the Financial Rules, had been discussed at AFC and would be further looked at by the committee. Coming to an end of the KPMG mandate, a tender for the next auditors would be launched later in 2023.

Upon motion duly made,

##### **Council unanimously**

- **approved the Swedish version of the Statutory Report 2022;**
- **discharged the Director General from liability for the financial year 2022.**

#### **6.b Activity Report 2022**

The Director General briefly presented the Activity Report 2022 that Council had received beforehand.

The Chair underlined the big improvement of the 2022 Report compared to the previous issue and encouraged to add even more content coming from the In-Kind partners. The Council delegations were invited to suggest possible changes and improvements to the report.

Upon motion duly made,

**Council unanimously**

- **approved the Activity Report 2022.**

**7. Staff Matters****7.a Staff Planning for Transition to Steady State Operations (SSO) - Update**

Anna Hansson Kalaris, Head of the HR Division, and Kevin Jones, Technical Director, updated Council on the advancement of the project for the SSO cost estimate and the staff planning to transition from the current project organisation to operations.

The efforts to refine the costing and developing the staffing plan were happening in parallel, and two workshops clarifying goals and objectives had taken place in May and June 2023, looking at the necessary functions, at the needs for re-training of current work force and drafting the Work Breakdown Structure (WBS) and the related Organisational Breakdown Structure (OBS).

An external cost review was planned for late autumn and a possible review panel had been presented to Council, asking for further suggestions of possible panel members.

**Council**

- **took note of the update on Staff Planning for Transition to SSO.**

**7.b Update on the New Collective Agreement**

Hansson Kalaris presented the results of the negotiations between trade unions and employer organisations for the New Collective Agreement that was signed on 31 March 2023. The agreed total salary increase was 7,4% over a period of two years, distributed with 4,1% in 2023 and 3,3% in 2024. She also informed Council that the continuous weakening of the Swedish Krona towards the Euro was impacting part of the ESS non-Swedish workforce with long-term effects difficult to foresee and raising concerns. The duration of the expert tax had been prolonged by law, from three to five years, but was still not applicable for all levels and jobs.

Collective agreements in Denmark had been agreed at the same time as in Sweden but ended at a slightly higher level, with a centralised increase but also locally conducted negotiations adding to the total of almost 10-12% over two years. This difference was important when separately discussing with DMSC employees.

**Council**

- **took note of the update on the New Collective Agreement.**



### **7.c Report on IMPACT Training**

Hansson Kalaris gave Council a presentation on the IMPACT leadership training, launched by HR in September 2021 and still ongoing, with the goal of creating individual and collective improvement of leadership practices. The program had enhanced the understanding of interconnectedness and interdependence between functions and divisions, the need of a common language when reflecting on leadership and decision making, had increased the level of awareness for this type of topics and had encouraged the creation of a network of leaders from different parts of the organisation.

#### **Council**

- **took note of the report on IMPACT training**

### **8. Internal Audit Plan 2023**

The Head of the Internal Audit Function, Ivan Korunoski, presented the Internal Audit Plan for 2023 containing three major audits:

- the first one on Energy contract management;
- the second one on the Management of the findings from External Auditors;
- the third one on the Management of Consultants at ESS.

#### **Council**

- **took note of the internal audit plan for 2023.**

### **9. In Kind Management**

#### **9.a Report from the In Kind Review Committee (IKRC)**

Robert McGreevy, IKRC Chair, summarised his report from the IKRC.27 meeting held in March 2023, looking in particular at the recommendations made by the committee.

These were mainly centered around topics such as the quality of the IK deliveries, encouraging for the distribution of lessons learned from failures of components, the importance of a wider project related communication to the IK partners, the progress of the work on knowledge transfer with the use of a template to be added to the final report, the urgency of finding ways of involving IK partners also after the instrument Tollgate 5 and of concluding the contractual and financial work on the common projects.

Upon a question from the Chair, McGreevy also confirmed that discussions had started within IKRC on what principles could be used for In-Kind during SSO.

#### **Council**

- **took note of the IKRC Report.**

#### **9.b IO Cost Book - Update**

Mark Robinson, Head of the IK Management Division, gave Council a brief update on the status of the Cost Book for Initial Operations, containing identified IK for 22.6 MEUR (all part of the new project plan) and now revised in such a way that already placed scope and potential future IK contributions were clearly shown. Most of the remaining opportunities were within Science and the Neutron Scattering Systems.

It was mentioned that for the secondment of IK personnel, taxation rules were still a hindrance. This issue had been identified within the framework of ERIC and there might be a window to implement mobility of personnel in the ERIC regulations.

**Council**

- **took note of the update of the IO cost book.**

**9.c Approval of the In-Kind Agreements**

Robinson provided the delegates with a summary of the In-Kind agreements previously recommended for Council approval by IKRC.<sup>27</sup>

Upon motion duly made,

**Council unanimously**

- **approved three Technical Annexes, one extension of In-Kind Collaboration Agreement (IKCA) and four Final Reports.**

**11. Report II****11.a Report from the Scientific Advisory Committee (SAC)**

Victoria Garcia Sakai, SAC Chair, went through the main points of the report from the SAC.<sup>30</sup> meeting held in April 2023, that had been submitted to Council beforehand in written form. SAC appreciated in particular the number and quality of scientific activities taking place at ESS and not limited to the Science Directorate and the good progress shown by the Detector Group under the lead of Kevin Fissum.

Regarding the presentation of the case of the instrument HIBEAM, it was confirmed by Council that fundamental physics were an integral part of the ESS portfolio with a very active community. The case was made by ESS to open a beamport before the closure of the bunker. After this first step, HIBEAM would follow the same procedure as all other future instruments.

The committee further recommended ESS to revisit the wording in the DMSC mission and vision and roles, aiming at clarifying aspects not fully defined at the moment. Council also asked to find opportunities for DMSC to explore the possible role of AI in collaboration with DTU.

**Council**

- **took note of the the Report from SAC.**

**11.b Report from the Project Advisory Committee (PAC)**

Mark Reichanadter, PAC Chair, presented an overview of the findings and recommendations from the PAC.11 meeting held in May 2023.

PAC was positively impressed by how the project was building momentum and holding the line with reference to the baseline schedule. The addition of the Project Managers working closely with the Sub-project leaders was bringing more efficiency to the execution of the plan. PAC, however, advised ESS Management to pay close attention to the NSS and the instruments' schedule in order to avoid further float erosion and act on the negative performance for the 2023 key milestones. PAC also advised ESS to introduce variance reports for all sub-projects, down to the Work Package level, in order to allow a monthly variance analysis to identify critical activities and promote timely actions when and where needed.

PAC also reported on the Rad Waste Management issue, supporting the engagement of the Swedish stakeholders to find a swift solution of the problem, with Council and the ESS DG as facilitators.

**Council**

- **took note of the Report from PAC.**

**12. Procedures****12.a Appointment of ESS Project Advisory Committee Members**

Due to the end of the mandate of the current Members of PAC, the Project Director presented to Council a proposal for a renewed PAC Membership, asking for the re-appointment of some PAC Members and the appointment of four new ones. Nominations had come from Switzerland, France and UK.

Upon motion duly made,

**Council unanimously**

- **re-appointed Mark Reichanadter as PAC Chair, and Diane Hatton, Lina Rodriguez Rodrigo, Reinhard Brinkmann and Winfried Petry as PAC members for a two-year term starting 1 July 2023;**
- **appointed Alain Menelle, Karen White, Stephen Jago and Thomas Klinger as new PAC members for a two-year term starting 1 July 2023.**

**13. Financial Matters II****13.a Update on Cash-flow and Cash Facilities**

The Head of Finance and Business Control, Florian Weissbach, presented the actions and action plans implemented to address the findings of the internal audit on cash-flow conducted at the end of 2022.



He also presented cash flow scenarios with possible plans for early repayments of the cash facilities, which, regardless of the applicable fees from the three banks at the moment of the repayments, would have a positive net effect.

**Council took note of**

- **of the actions and action plans in response to the findings of the internal audit on cash flow and foreign exchange;**
- **of the update on the cash facilities.**

**13.b Currency Principles**

Weissbach presented to Council a proposal for Currency Principles, resulting from the work of the AFC Working Group on Currency. Being ESS exposed to currency risks predominantly determined by the SEK-EUR exchange rate because of ESS' income and cost structure, these principles would establish how to go from a fixed exchange rate to an annual cycle where the rate was fixed each year and differences were reported annually first to AFC and then Council. Council could then decide every year how to deal with the effects of the currency fluctuations.

Four options for currency management were compared involving different combinations of EUR and SEK for the planning, the costs and the contributions. The proposed principles suggested the use of SEK internally for planning, while the option of using SEK also for contributions was deemed more appropriate for the SSO phase.

The AFC Chair encouraged Council to endorse the principles since they could easily be implemented by the ESS team and they would minimise the effects of the currency exchange for the remainder of the current project phase.

**Council**

- **took note of the proposed Principles for the revision of the Currency Policy.**

**15. Financial Matters III**

The Chair reminded the delegates that no presentation was foreseen for the following three items.

**15.a In-Year Actuals 2023****Council took note of**

- **the In-Year Actuals 2023.**



**15.b First Draft Budget Proposal 2024****Council took note of**

- the first draft Budget Proposal 2024.

**15.c Financial Estimates****Council took note**

- of the Medium-Term Financial Estimates 2023;
- the Overall Financial Estimates 2023.

**16. Procedures II****16.a Involvement of AFC in the procurement process for tenders above 500k€**

Weissbach presented the procedure and the template for the involvement of the AFC in the procurement process for tenders above 500k€, previously recommended to Council for approval by AFC.21.

Upon motion duly made,

**Council unanimously approved**

- the submission template and related process for the involvement of AFC in tenders above 500 k€, previously recommended by AFC.

**16.b Bank Mandate - Update**

Weissbach informed Council about the necessity of an updated annex to the mandate for banking services since both the new Director General and the new Head of Finance and Business Control needed authorisation.

Upon motion duly made,

**Council approved**

- the updated annex to the mandate regarding banking services on the Authorised Individuals as enclosed in this document as per 22 June 2023.

**17. Confirmation of Resolution**

The Council Secretary, Michela Dell'Anno Boulton, presented to Council the list of resolutions for Council.34.

Upon motion duly made,

**Council unanimously approved**

- **the Resolutions from the 34<sup>th</sup> meeting of Council.**

**18. Communication from this meeting**

The Head of Communication, Marina Giampietro, presented the draft key communication points for the meeting.

Upon motion duly made,

**Council unanimously**

- **agreed the key communication points from this meeting.**

**19. Any other Business**

Reymond, in representation of the Swiss delegation, confirmed that PSI would host the Council.35 meeting in December 2023.

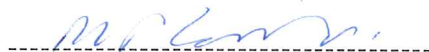
**Council**

- **took note of the items under A.o.B.**

There being no further business to discuss, the Chair brought the meeting to an end at 15:05.

**Closure of the Meeting**

Verified and approved by ESS Council at its 36<sup>th</sup> Meeting on 4-5 December 2023



Robert McGreevy  
Council Chair



Michela Dell'Anno Boulton  
Council Secretary