



**The James Hutton Institute**

**BOARD MEETING**

The Board Room, Dundee  
**27th November 2013, at 09:00**

**Chair:** Ray Perman (RP)

**Board members:** Julia Brown (JB)  
Brian Clark (BC)  
Sandy Morrison (SM)  
George Salmond (GS)  
George Thorley (GT)  
Alan Werritty (AW)

**Apologies:** David Boxer (DB)  
Laura Meagher (LM)  
Wayne Powell (WP)  
Allan Stevenson (AS)

**Attendees:** Iain Gordon (IG)  
Bob Ferrier (BF)  
Colin Campbell (CC)  
Beth Corcoran (BeC)

**Secretariat:** Anne Pack (AP)

**Closed Session**

Members of the Board. A request was made for the draft agenda to be circulated to all Board members. This was approved.

**Action: AP to circulate the draft Board agenda to all members of the Board**

**Opening remarks**

RP welcomed Mark Sinclair (MS) to his first Board meeting.

**1 Apologies**

Apologies were received from Laura Meagher, Wayne Powell, David Boxer and Allan Stevenson.

**2 Register of Interests**

There were no declarations.

**3 Minutes of Board meeting held on 25 September 2013**

The minutes were approved as an accurate record of the meeting.

**4 Matters arising**

**Action No. 1**

**IG/RP to identify a Board dinner to which two MDT Board members will be invited. IG/RP to advise AP. Action ongoing.**

**Action Nos 3, 4, and 12 are not due for completion until the January meeting.**

**All other Action Points were completed.**

**5 Minutes of sub-committee meetings since last Board meeting**

**5.1 ACS – 24<sup>th</sup> September 2013**

The minutes of the ACS meeting held on the 24<sup>th</sup> of September were received for information.

**ACS - 26<sup>th</sup> November 2013**

BC provided a verbal update on the meeting held on the 26<sup>th</sup> of November 2013.

**Group Reviews**

BC said that the Science Group and BioSS reviews were all at different stages but all on schedule. The CMS Group was reviewed in November. The report, which was very positive, was received recently, and has been circulated round ACS.

The SEGS Group will be reviewed in early December, and BioSS will be reviewed in February 2014. When the review process has been completed, the results will be synthesised in one document, approved by ACS, and tabled at the Board for information. A copy will be sent to Scottish Government.

BC said that the review process has been useful, and has revealed synergies between the Groups. There have been very few problems, but there was a delay of one report due to illness of a Panel Chair. BC said that the relationships established with panel members, will be built on. It was agreed that a one-page summary of the Group reviews will be presented to the Board in January.

**Action: BC to provide a one-page summary of the Group reviews to the Board in January.**

**Themes Review**

ACS had a discussion on a review of the Themes as a single exercise and appropriate mechanisms will be explored. This was followed by a presentation from BF on research impact. BF will bring a discussion document to the next ACS.

**Athena Swan**

BC said that the institute had recently been advised of the outcome of its application. This is embargoed until a future date. IG said that a committee has been formed to deliver our commitment across the organisation. Several female scientists at the institute are drivers in the 'Women in Science Festival' which draws eminent international female scientists each year. Pamela Anderson, Director General of CIP, and Honorary Fellow of the James Hutton Institute was invited to be keynote speaker at the 2014 festival. She was unable to accept and the committee is now considering other speakers.

**5.2 Audit & Finance**

As there had been no committee meeting since the last Board, there was nothing to report.

**5.3 Nominations & Remuneration**

GT said that this report had been covered in the closed session. It is planned to hold the next

meeting during the first week in December to discuss bonus payments, and the advert for new Board members. GT will circulate the advert to Board members for comment and suggested a repository on the website for interested persons to access relevant documentation.

## **6 Minutes of commercial subsidiary meetings & reports**

### **6.1 MRS**

The minutes of the MRS Board meeting held on 24<sup>th</sup> of September 2013 and the Business Plan for 2013-16 were received for information.

RP said that MRS was doing well. Other areas of the business have the potential to expand, *e.g.* the Lipid Analysis business, which recently achieved FDA accreditation. MRS is keen to move into molecular diagnostics.

### **6.2 MSC**

The figures for October demonstrate that MSC has exceeded its forecasted profit for the year. SM said that MSC is doing well and drew members' attention to the graph of income 2008-13. BeC said that it was due to a consistent effort from scientists and business development, and there has been real growth in the last two years. This was of note, going into the income generation review. JB said that she found the two page report helpful as it provided a succinct update on highlights.

GT asked why MSC is so successful. SM said there were a number of factors. There has been a surge in demand for services, due to *e.g.* old wells being taken over by new companies. MSC has built and maintains good relations with customers, and the customer base is multiplying. In a recent presentation by Steve Hillier, comparison of the global XRD analyst, places MSC in the top 10 companies consistently over the last few years. There is also considerable scope to grow the business in the oil and gas sector, as well as opportunities from decommissioning of the North Sea and the exploration of shale gas. This is a 5 – 10 year project and SM believes there is potential for continued incremental growth of MSC. The institute has the necessary expertise and could package its services accordingly.

Bill Donald retires at the end of January 2014. Eight applications were received for the position of Business Development Manager to replace Bill. Five people, two of whom were internal candidates, were interviewed on 26 November. The preferred candidate has been invited to come in to talk to BF and Bill Donald.

## **7 RP briefed the board on discussions with the chair and trustees of MDT, which are continuing.**

## **8 Regular Reports**

### **8.1 Chief Executive's report**

IG presented the CEO report for information and highlighted some points.

IG said that we need to decide what areas of research to reduce to meet the expected 1.5% reduction in funding from RESAS next year. IG said that we have new Terms and Conditions (T&C) for the post-doctoral training scheme which allows us to employ early career scientists on three year contracts. We are still in conversation with the union over new T&C for new employees, with an intention to implement changes in April 2014. IG suggested the Executive brings a proposal to the Board in March, with suggestions for cutting costs. This was agreed.

**Action: A proposal for meeting salary costs to be brought to the Board in March. (IG/BeC)**

### **RESAS portfolio review**

IG said that the Directors Executive Committee (DEC) met in October, and agreed they will produce a science strategy for the programme of research. Scottish Government (SG) have approved the framework and structure. Over the next few months the science strategy and operational plan will be developed. IG said that he is now Chair of DEC. The development of the framework puts the institutes in a better position going into the portfolio. The previous portfolio did not have such an arrangement.

### **Invergowrie development**

IG said that since the last Board meeting he has spoken with someone from E C Harris, and Fiona Lim (FL), from SG about a business plan and master plan for the development. FL said that any development on SG land would have to go through the Gateway process. IG said that he had engaged the help of Dianne Haley for a few days to take us through this step. IG and RP signed off the documentation earlier in the day to allow us to proceed with talks with SG to advance the project. IG said that once the project team is in place it will approach Scottish Enterprise (SE) for help. JB said that the team should also consider approaching the SE infrastructure team.

### **China**

IG said that he and BF were in China, on consecutive weeks, recently. The MoU with the Chinese Academy Sciences (CAS) was not signed, as planned, despite strong pressure to do so from the First Minister. The President of CAS was travelling at this time, and requested a delay in the signing until 2014, when he visits Scotland. Despite there being no signing ceremony, there is still strong engagement with CAS. IG and Nigel Kerby attended two SG receptions in Beijing, and everyone was positive about what the institute is trying to do in China.

BF said that there are changes happening in China. The new Congress wants more sustainable growth and investment into the country, *via* new projects and initiatives to tackle environmental issues. BF said that he is involved in an initiative in China with the Centre for Ecology and Hydrology (CEH), in engaging with CAS and the Chinese Academy of Agricultural Sciences (CAAS), to build a cohort of scientists around the principles of environmental constraints to food production. A summit will be held in March to discuss further. BF said there were opportunities in China at UK level, with governmental support and through the EU. These areas will be targeted over the next two years, to link the James Hutton Institute skills with China in a strategic way.

IG said that he visited Zhejiang Academy of Agricultural Sciences (ZAAS), in Hangzhou as guest of the President, Jianping Chen (JC), who did his PhD in Dundee, and who is proud of his connection with the Scottish Crop Research Institute, and now the James Hutton Institute. ZAAS is a £70m *p.a.* operation. There is a big investment in facilities for crop sciences. JC offered a James Hutton Institute office within ZAAS, for working up large projects, worth around £15-20m *p.a.* IG said we need to consider this offer carefully, with advice from others engaged in China, particularly, SDI. IG will prepare a proposal for the Board's consideration, for JC to take to his institute, based on two projects worth approximately £500k. BF said that Grant Davidson, our International Development Officer, has been investigating the banks' options for capacity building in countries including China. GS asked if this opportunity had come about because JC is an alumni. IG said that it had been. CC is developing an alumni database to nurture such connections.

**Action: IG to prepare a proposal for projects with ZAAS, and present to Board.**

### **8.2 Finance Report – final accounts**

BeC reported on the half year results. Work on the operational plan is being done in conjunction with a review of the risk register. Departmental Heads and Team Leaders are preparing research plans for 2014-15. Part of that process is to consider forecasts in the

current year, identify areas of concern, and update the risk register accordingly. The capital programme for the next three years is being developed at the same time, thus linking these three areas together.

The only variance of concern is in external contracts, which is slightly behind due to timing of commencement of contracts.

SM requested a list of assumptions at the first draft of the budget for next year. BeC said that she would provide this.

**Action: BeC to provide the Board with a list of assumptions with the first draft of the budget for next year.**

### **8.3 Partnerships**

IG presented a paper on strategic development for discussion. Details were provided in the paper. RP said that there had been concern about the institute's ineligibility to bid for funding from UK Research Councils, and asked how that might be overcome. IG said work has continued to identify how the Institute could become a recognised body by RCUK. Recently, IG sent a letter to a BBSRC council member, Sarah Gurr. IG said that currently we can bid for BBSRC contracts if - SG contributed funding; we are excluded from bidding for work from other research councils; if we link with a university - as a sub-contractor we can become eligible for RCUK, but this is not a very satisfactory arrangement and we wish to become recognised as a major research provider in our own right.

IG said that if we wished to explore much closer engagement with SRUC we would have to justify whether it would create a financial benefit and a greater centre of excellence on land and natural resource use.

SM asked what the benefits are of the MoUs in place. IG said many date back several years and are of little value. Partnership Agreements were more fruitful.

### **8.4 Income Generation**

Rupert Osborn (RO), I P Pragmatics, joined the meeting. RP said that RO had been invited to provide an update to the Board to demonstrate the rigorous process that had been undertaken thus far in the review of Income Generation.

RO gave a presentation on the background to the review. The output from phase one had been presented to the Board at its May 2013 meeting. The message emerging from phase one was that if the institute wants to grow its external income it has to invest in that activity.

### **8.5 Media Digest**

This was received for information.

### **8.6 Health & Safety**

The Board approved the Health and Safety Policy statement, and the Environmental Policy statement.

## **9 Strategy Planning and Budget**

### **9.1 Operational Plan Timetable**

IG presented the timetable for 2014/15. Review of the Corporate Strategy will be brought to the Board at a future date.

## **10 AOB**

IG asked the Board to view the tabled draft Annual Report. IG asked for comments to be sent to AP by Friday 29<sup>th</sup> of November.

**Action: comments on the annual report to be sent to AP by Friday 29<sup>th</sup> of November.**

CC said that Hartwood Windfarm application is going to public exhibition in January. The James Hutton Institute has been invited to be present.

**Date of next meeting: 29<sup>th</sup> of January 2014, Edinburgh**