



The James Hutton Institute
BOARD MEETING
Craigiebuckler Room, Aberdeen site
23 September 2015, 09:30h

Chair:	Ray Perman (RP)
Board members:	Brian Clark (BC) James Curran (JC) Ian Gambles (ICG) Deborah Keith (DK) Stephen Hall (SH) Joan MacNaughton (JM) Marian Scott (MS) Allan Stevenson (AS) George Thorley GT Alan Werritty (AW)
Apologies:	Laura Meagher (LM)
Attendees:	Colin Campbell (CC) Beth Corcoran (BeC) Bob Ferrier (BF)
Secretariat:	Anne Pack (AP)

Closed Session

The board considered the performance appraisals of the CEO and executive directors for 2014-15. These will be recorded on their personnel files. However, the board agreed with a suggestion from the executive that because of the necessity of making redundancies in 2014, it was not appropriate that bonuses should be paid, even where merited by performance.

- 1 Apologies**
Apologies were received from Laura Meagher.
- 2 Register of Interests**
No new interested were reported.
- 3 Minutes of the meeting held on 22 July 2015.**
The minutes were accepted as a true record of the meeting.
- 4 Matters arising**
See table at end.

Update on CEO Recruitment.

Perret Laver, the CEO recruitment consultant, will address staff on both sites by video conference, on the afternoon of 23 September, and run through the timetable for the recruitment process. That morning they met with small groups of people. It is important that staff are kept informed throughout the process. Suggestions about the job description passed to Perrett Laver. The job description will be agreed between Board meetings so as not to cause delay.

5 Strategy Planning and Budget

5.1 Corporate Plan

The draft Corporate Plan which was circulated by email on 1 September was discussed. The current priority is meeting the latest Healthcheck deadline at the end of September. The next major task involves the re-submission to tender for RESAS funding which is due on 6th November. Simultaneously, the focus of the Executive is to continue to develop the Corporate Plan.

However, the impact of the spending review will not be known until early 2016, therefore the Institute needs to take a pragmatic approach to the document to keep Scottish Government (SG) consulted and informed in the meantime. From that a sharper, strategic document, will be shaped, also potentially leaving space for input by the new CEO.

An influencing strategy should be developed as a matter of priority between now and January.

It was agreed that a full day of discussion on the Corporate Plan is required. Ideally this will be held around the main Board in November. It is important to have the completed document before going into the spending review.

5.2 Corporate Governance

The report from the internal auditors on corporate governance was held over from the July meeting. In response to the view that the Board was too informal about how it judges its own effectiveness, a Treasury questionnaire was modified for use as the Board effectiveness questionnaire. Three particular areas were identified for improvement.

1. Board performance: The Board sets itself clear objectives and measures its performance against them on an annual basis.

In the context of the Corporate Plan, annual milestones for the board should be set.

2. Managing the Board's relationship with others: The Board communicates effectively with staff and seeks feedback.

The original 'buddy' system for senior management staff worked well initially but fell into misuse due to diary clashes. RP now attends Open House sessions when possible. The rest of the Board were urged to increase their communication with staff and one way of doing this is during the CEO recruitment. RP made a short video message which was transmitted during an Open House session. Other Board members were encouraged to do the same.

3. Managing the Board's relationship with others: The Board communicates effectively with stakeholders and seeks feedback.

Thus far, too much reliance has been placed on the Executive to communicate with

stakeholders. Board members were asked to work on improving communication with stakeholders, particularly the major stakeholder, SG.

Referring to the Henderson Loggie report, under Summary of Main Findings and Recommendations, it was noted that no formal anti-fraud and corruption framework was in place. It was agreed to ask Henderson Loggie to recommend a best practice framework for adoption by the institute.

In relation to the recommendation on more transparency of information on the website and intranet, it was agreed that more corporate documents could be uploaded. In light of potential FOI requests, it would be simpler to provide a link to pertinent documents. An FOI Officer is now in place. An 'open access' policy will be uploaded in due course, as part of the developing data management policy.

The report recommended steps relating to the development of the Board; training, induction, effective appraisal. Courses are available for non-executive directors through a variety of providers including IoD and CIPFA. This will be planned to coincide with one of the Board meetings. In relation to more structured Board planning, an agenda planner has been prepared and requires populating with strategic items. It was agreed to arrange an annual Away Day for the Board to set the strategic agenda. Alternative Board appraisal methods will be considered. These may include 360° and reverse reporting. The reverse reporting perspective could be achieved by asking the Executive to complete the questionnaire too. The Risk management framework is not wholly satisfactory and the recommendations in the report were noted.

Improving engagement with politicians will be covered in the influencing strategy discussion which will be part of the Away Day.

6 Regular reports

6.1 Health & Safety

It was noted that the wrong report had been supplied. AP will investigate and circulate the corrected paper, which listed a summary of the HSQE functions, and reiterating the health and safety is everyone's responsibility.

It was requested that health and safety stats are included in every Board report.

6.2 Chief Executive

This report was received for information.

Following the recent GM debate the Institute is working on a new position paper that covers our work on the genetic modification, ecological risk assessment and socio-economic capabilities. The Institute's position statement will be reissued at the November Board meeting.

The MoU with the Chinese Academy of Agricultural Sciences (CAAS) is expected to be signed in November. The Deputy Director of CAAS will come to the UK for the signing. It is not expected that he will come to Scotland. There are further synergies to be optimised with China, and MS in her forthcoming capacity as Vice President (International) with RSE will be happy to help.

An SME will co-locate to the Dundee site: a vertical growth facility to produce high value plants *e.g.* micro salads. This gleans a small rent but more importantly a highly innovative

technology will be on site and the staff will engage with our scientists.

There was a query on the colour coding in the last four points of the Operational Plan where it was felt those should be green, not amber. An explanation for the grading would be useful.

6.3 Management Accounts

BeC drew attention to the figure for external contracts in July saying it was much smaller than expected. It is behind a little due to non-submission of timesheets. Year to date shows large figures for the first third of the year. It was explained that income can only be recognised on external projects when time has been spent on the project, and travel and consumables have been spent on the project.

There was a discussion about the reserves policy and whether it should be retained if it cannot be complied with. The A&F Committee was asked to review the policy and make a recommendation to the Board.

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7 Minutes of sub-committee meetings since last Board meeting

7.1 ACS –2015

The minutes of the meeting held on 21 July were received for information.

A verbal update was given on the meeting held on 22 September. Most of the meeting time was spent on the Corporate Plan.

7.2 Audit & Finance

The Risk Register will be brought back to the November Board meeting and thereafter to every Board meeting after it has been updated.

7.3 CEO Appraisal (Nominations & Remuneration (N&R))

This was discussed in the Private Session.

7.4 Board Succession Plan

The circulated matrix is being revised to identify gaps which will be left as longer-serving Board members retire.

Members were invited to suggest skills required for new Board members, the Chair, and three sub-Chairs. It was noted that current Board members can apply for any of these positions.

The Board approved the schedule for replacement process.

8 Minutes of commercial subsidiary meetings

8.1 James Hutton Ltd

A verbal update was provided. It was recommended that from the next Board meeting, a report from James Hutton Ltd will be provided). There is steady income stream from the market place in line with what the budget is on two areas, plant breeding and the royalty stream from plant variety rights. Budget is expected to be met from those areas. In analytical work there is a slight recovery on XRD services, but is expected to fall short of budget. The lipids area is expected to be within budget. Work has been commissioned on research on the analytics market to explore the extent of it and identify opportunities. Training for key staff is being identified. The draft business plan will go to the James Hutton Ltd Board in December.

9 Other reports

9.1 Media Digest

This report was received for information.

9.2 IBIC update

This report was received for information.

10 Open session – for decision and approval

10.1 Corporate Plan

The draft corporate Plan was received for information.

10.2 Corporate Governance

The document was received and recommendations noted.

10.3 Health & Safety

This report was received for information.

11 AOB

Dates of meetings in 2015:

November 18th Dundee

Dates of meetings in 2016:

January 20th

March 23rd

May 18th

July 20th

September 21st

November 23rd