

The James Hutton Institute
BOARD MEETING
Edinburgh
25 January 2017, 09:00h

MINUTES

- Chair:** Ray Perman (RP)
- Board members:** Brian Clark (BC) Allan Stevenson (AS)
James Curran (JC) Brian Clark (BC)
Ian Gambles (ICG) Andrew Millar (AM)
Deborah Keith (DK) Iain Reid (IR)
Joan MacNaughton (JM)
- Apologies:** Stephen Hall (SH), Marian Scott (MS)
- Attendees:** Colin Campbell (CC)
Alasdair Cox (AC)
Bob Ferrier (BF)
Fraser Black (FB)
Deb Roberts (DR)
Lesley Torrance (LT)
Derek Leslie (DL)
Anne Pack (AP) [Minutes]

- 1 Apologies**
Stephen Hall, Marian Scott.
- 2 Register of Interests**
No new declarations were made.
- 3 Minutes of the meeting held on 23 November 2016.**
The minutes were accepted as a true record of the meeting.
- 4 Matters arising**
All actions were complete.
- 5 Health and Safety**
JC, on behalf of the Board, attended an on-site H&S inspection at Invergowrie. The inspection was professional and competent and the findings were that everything was in line with what the Board would like to see. JC took the opportunity to speak with the Sustainable Hutton co-ordinator about the Climate Change report submitted by the Institute to Scottish Government (SG) and how it may be taken forward and improved upon. JC encouraged the Institute to form an informal or formal 'green' network to support the work he is doing. JC was asked to pass on his thanks to Head of HSQE for the improved process of reporting H&S to the Board.

6 Strategy Planning and Budget

6.1 Strategic Priorities 17/18 and Budget Review

A paper outlining the revised strategic priorities for 2017/18 in the Corporate Plan was provided. The revision was required in light of possible changes in EU funding following Brexit, as well as to adapt to new risks and opportunities. Tasks were graded accordingly as 'mandatory', business critical', *etc* with several being deferred. Deferring tasks is a temporary measure in order to focus effort on more critical tasks.

A budget preview was also provided in the paper. The budget timetable will preview the main drivers of costs and income for the year ahead. The new budget will go to A&F on 1st March then to the main Board on 29th March. The Institute does not expect growth on external contracts in the year ahead. For JHL there are emerging opportunities around oil and gas decommissioning and the Institute will be looking to provide specialist services.

The Executive was asked how confident it was on delivering on the priorities set out in the Plan, in particular reducing the staff costs to meet funding cuts. Culture change in income generation will be developed to identify new funding streams.

The Executive monitor closely the research landscape for potential opportunities to align or partner with other similar organisations.

The Institute is no longer able to afford to contribute 26% towards pensions, and in order to address this issue it will implement new T&Cs on 1 April. Over the past few months the Institute has been lobbying for an amendment to the Higher Education Bill which is now before the UK parliament to overturn an outdated rule which prevents us from applying for RCUK funding.

It was noted that two bids were submitted to Tay Cities Deal on 13th January; for an Advanced Plant Growth Centre (APGC), and an International Barley Hub (IBH).

6.2 Risk Register

The updated Risk Register was received for information. Since the last version of the Risk Register a new risk has been added on reserves. It was noted that the Institute expects to make an operating deficit this financial year. The Risk Register is currently being reviewed by DL who wishes to make some amendments before taken to the next A&F committee meeting.

6.3 James Hutton Foundation - update

CC had made a presentation on the James Hutton Foundation at dinner the previous evening. The paper provided outlines the background, rationale and motivation for establishing a foundation which would be a vehicle to raise the Institute's profile and promote the brand. The Foundation could be a powerful mechanism to contribute to the Institute's long-term financial resilience and buffer it against change and external factors.

The first step in the project is to establish the Foundation's governance for which the Executive sought the Board's advice. Set up options include: the Foundation being part of the James Hutton Group; it could be stand-alone; or it could be an umbrella under which the Institute and James Hutton Ltd sits. Following a discussion it was agreed that it would be prudent to obtain further professional advice in order to make an informed decision on the governance structure.

The proposed stages of the project are outlined in the paper.

6.4 Terms & Conditions update

An update paper was received for information. Negotiations with the union are progressing well and amicably. The final offer will be made to the union early in February which if accepted will go to ballot. If the offer is accepted by members the new T&Cs will be implemented by 1st April as planned at the outset.

6.5 Tay Cities Deal - update

Two bids were submitted to the Tay Cities Deal by the closing date of 13th January. Both bids will go forward for consideration at Westminster and the outcome is expected in June or July. The Aberdeen City Deal is still ongoing.

7 Regular reports

7.1 CEO Report

The report was received for information. The Board noted the award of the British Empire Medal in the New Year's Honours to Sheena Lamond. The Board asked that its congratulations be forwarded to Sheena.

7.2 P8 Management Accounts

Costs are slightly behind due to budget phasing. The full year forecast is showing a deficit of £2.7m.

8 Minutes of sub-committee meetings since last Board meeting

8.1 ACS

The draft minutes of the ACS meeting held on 22 November were received for information. BC provided a verbal update of the meeting held on 24 January:

- An update on progress of the Science Strategy Group (SSG) was provided. Three scientific challenges have been identified and leaders appointed. LT and DR have been meeting the science groups to discuss the challenges. SSG plan a number of activities beginning with an interactive workshop at each site during February to introduce the scientific challenges and explore opportunities for future working. The Hutton seminar series will be launched early this year and the first three speakers are confirmed. It is planned that the seminars will be held alongside the workshops to which the speakers will be invited to participate. A Hutton Annual Research Symposium to which all staff will be invited will take place on 22 November 2017. A Working Group from within SSG will be formed to co-ordinate the next round of science reviews and a review of KPIs is planned.
- The establishment of a Peer Support College was discussed. The aim is to broaden the portfolio of activity, monitor performance of the scientists, and deliver a one-organisation strategy. It is planned to increase the number of PIs by providing mentoring and engender momentum for income generation.

8.2 Audit & Finance

The minutes of the A&F meeting held on 1 December 2016 were received for information. A&F reviews the Risk Register on behalf of the Board and works with the Executive to ensure the Board is made aware of what has been overseen by A&F. For the benefit of new members it was explained that the Audit & Finance committee meets three times per annum. The

March meeting deals with the budget, the June meeting with the clearances and the December one with governance. All three meetings deal with the rolling audit programme which reviews all aspects of the business. The committee operates strictly to the Terms of Reference.

The term of office for both Internal Auditors, and External Auditors, is coming to an end. The appointment of new Auditors will go through the procurement process.

8.3 Nominations & Remuneration

The draft minutes of the N&R meeting held on 22 November were received for information. An additional paper providing an update on the recruitment process was circulated separately. N&R recommended inviting two candidates previously interviewed to join the Board. The Board gave its approval.

Other Reports

9.1 Media Digest

This report was received for information.

AOB

Dates of meetings in 2017:

March 29th Dundee

May 31st Aberdeen

July 26th Dundee

September 27th Aberdeen

November 29th Dundee