



The James Hutton Institute

BOARD MEETING

Held at Craigiebuckler
18th January 2012, at 09:30

Chair: Ray Perman (RP)

Board members: David Boxer (DB) George Salmond (GS)
 Julia Brown (JB) Allan Stevenson (AS)
 Brian Clark (BC) George Thorley (GT)
 Laura Meagher (LM) Alan Werritty (AW)
 Wayne Powell (WP)

Apologies: David Boxer (DB) Sandy Morrison (SM)

Attendees: Iain Gordon (IG)
 Karen Shaw (KS)

Attendees Item 5. Dianne Haley
 Bob Ferrier
 Colin Campbell
 Phil Taylor

Secretariat: Anne Pack (AP)

1	<p>Minutes The minutes were approved</p>
2	<p>Register of Interests</p>
3	<p>Matters arising <i>Action Point 1: RP to arrange a discussion with the Board on plans for the remit of the subsidiaries.</i> RP said that he would report on this later in the meeting.</p> <p><i>Action Point 2: IG to ask Phil Taylor to provide SDI with details of IG's recent trip to China.</i> IG said that this had been completed. Additionally, IG has requested Nigel Kerby and Phil Taylor to inform Anne McColl, SDI, of success stories and collaboration with China.</p> <p><i>Action Point 3: IG to present the draft Corporate Plan to the Board in January 2012.</i> IG said that this would be discussed under Item 5.</p>

	<p><i>Action 4: IG to convey the Board's thanks to David Marshall for being awarded a \$7m grant.</i> IG said that this had been done.</p> <p><i>Action Point 5: KS to liaise with BES Group Heads to assess interest in mentoring arrangements with the Board.</i> KS said that she had raised this with BES heads who agreed to the suggestion.</p>
4.1	<p>Chief Executive's report</p> <p><i>Scottish Government</i> IG gave the Board an update on funding cuts by Scottish Government (SG). A letter from Rebekah Widdowfield had been received the day before the Board meeting with figures and details as expected. The letter also stated RESAS's support of a Voluntary Exit (VE) scheme, which requires to be implemented by the end of March. SG will support a single tariff scheme for science staff, and double tariff for BES staff. However, the James Hutton Institute has to seek Cabinet approval for the double tariff scheme for BES. IG will work with the Director of Science Excellence to develop a VE proposal.</p> <p>The Science Advisor's position, previously occupied by Maggie Gill, has been advertised. Interviews are expected to be held soon.</p> <p>Professor Anne Glover has been appointed Scientific Advisor for the European Commission. SG is currently headhunting for her previous post, as Chief Scientific Advisor for Scotland.</p> <p>Dr Valerie Macniven retires in February. Dr Bob McIntosh, Director, Forestry Commission, will head Environment Science and Analytical Services.</p> <p>Collaboration SAC IG said that KS has been in discussion with potential consultants to examine closer collaboration. Professor Bill McKelvey retires as CEO & Principal of SAC. His successor, Professor Bob Webb, accompanied by Janet Swadling, will visit the Aberdeen site in February.</p> <p><i>Universities of Aberdeen and Dundee</i> Both universities have come together to work with JHI to develop an Environmental Sustainability Hub. A Working Group, comprising senior staff from all three organisations is currently developing proposals.</p> <p>The University of Aberdeen has set aside resources for joint engagement with the James Hutton Institute. A joint appointment in socio economics is being planned for.</p>

The Division of Plant Sciences of the University of Dundee recently underwent a successful Quinquennial Review. Two of the report's recommendations are relevant to the James Hutton Institute. In responding to the report, IG pointed out the perceived lack of cell and molecular science at Invergowrie. IG corrected this point and it is understood that the report will be amended accordingly. IG added that our close engagement with the Division of Plant Sciences is partly due to the presence of a group from the Division at Invergowrie. IG met recently with Professor Mike Ferguson, Dean of Research, College of Life Sciences to discuss the upgrading of facilities at Invergowrie, and to discuss a recruitment drive for 2 joint appointments in addition to the ongoing discussions regarding the proposed joint appointment of Robbie Waugh. Further information is contained within the appended correspondence between IG and Mike Ferguson. A Strategic Framework for the engagement between the James Hutton Institute and University of Dundee is being prepared. GT advised issuing a press release highlighting the benefits of the partnership as soon as possible. There is to be a celebration in September to mark the 10th anniversary of the group from Plant Sciences moving to Invergowrie. KS will be renegotiating the Terms of Agreement with UoD to ensure the cost of housing the group is adequately covered.

IG said that an MoU with Forest Research is in preparation. This follows on from a visit by a delegation from the institute to Forest Research. Bob McIntosh, the Director of Forestry Commission Scotland, has encouraged closer engagement. Jointly, we have the skills to demonstrate the value of a closer working relationship in the light of possible devolution of forestry. IG said that he was positioning us to be prepared for this process when the time came.

IG briefly spoke to the sections for the Directors of Science and Head of Communications -

Studentships. Eight or nine new students will come into our programme in October.

Seed corn.

Letters have been sent to the successful applicants. The Executive are still in discussion with proposers concerning the three large areas we wish to develop:

- Translational genetics for wheat
- Genome solanaceae
- Ecogenomics

Worth approximately £1.5m each.

IG said there was a need to proactively seek additional seed corn funding from other funding sources and that we should develop ways to do that. RP said that there were opportunities through associated charities. There was also a discussion on the possibility of seeking funding from the allocation of reserves to support future research areas. IG said that he and Colin Campbell have taken some of the seed corn proposals to MDT for potential

	<p>funding. He was awaiting a response. IG said the Mylnefield Trust may be interested in supporting projects on weed genetics and solanaceae.</p>
4.2	<p>Chief Operating Officer's Report KS reported on the most recent Business Enabling Services (BES) appointments, which conclude the lead appointments within BES. KS said that she would report more fully on the BES organisational structure at the next Board meeting. Action: KS to report on the BES structure at the Board meeting on 21st of March.</p> <p>Fifteen expressions of interest for the VE scheme were received from BES across the grade range. Within those, 2 or 3 applications (if forthcoming) would unlikely be approved. The one-off cost of approving the residual applications would be approximately £350K saving the JHI £250-£300K in salaries on an annual basis. If the Scottish Government pays the double tariff from the reserved transition monies as requested, then savings will be made from April 2012. If the JHI has to meet the extra cost associated with a double tariff, it will take about 6 months to start to realise any savings.</p>
5	<p>Corporate Strategy IG said that the agreed action following the Strategy Away Day on 23rd of September 2011 was to develop a Corporate Strategy for submission to the Board in January 2012. DH helped to develop the strategy by facilitating dedicated meetings, and by including information provided by Group Heads, Theme Leaders and BES Heads of Department. IG thanked DH for the hard work she has put in to get the document to its advanced stage.</p> <p>IG introduced the strategy by saying that the organisation today was very different from the one created on 1 April last year, but there was still much to be done to operate as a single organisation. He added that the strategy reflected a high level picture of where the organisation aimed to go.</p> <p>A general discussion followed a presentation by the Executive on the key elements of the strategy. Board members were broadly supportive of the strategy proposed and were happy to approve a revised version with the inclusion of the extra information outlined below:</p> <p>GT asked the Board to consider the circumstances under which the organisation should borrow money to grow the business. This had not historically been done. RP said that this would be appropriate for specific projects, for example to build a new building. He added that fundraising was another option for raising funds in specific cases. AS said that the financial section should be expanded to take account of our strategy for seeking different types of funding for projects and other areas such as reserves strategy.</p> <p>WP thought the section on 'what makes us unique' was weak and should</p>

include more on the value added by the Institute. He also thought that the KE and commercialisation section needed more work. The potential opportunities in this area had not been clearly expressed. LM said that KE required very different processes to communications and this should be set out. IG said that KE would be discussed in depth at an Executive Group Away Day planned for 14th of March. Commercialisation would be included in the review of the commercial subsidiaries planned for 2012/13. RP and other Board members commented that the contribution from the commercial subsidiaries should be much higher than that currently indicated in the strategy document. AS mentioned a recent talk from PepsiCo which illustrated the global opportunity for science institutes to collaborate with industry.

BC and others felt the document should include a link between strategy and implementation, for example training is required in the areas of EU funding and international funding. How would that be delivered? There was a general concern from Board members that the implementation plans should be robust. IG said that once he had received Board approval on the strategy, detailed implementation plans would be prepared.

LM said that she and JB were concerned about the focus on growth through mergers and acquisitions rather than on collaboration with other organisations. She noted that full mergers were riskier than collaborative arrangements.

AW commented that it took a long time to build up international contacts and that the focus was right to attract greater levels of EU funding in the short term but in the longer term international funding applications with e.g. The World Bank would be crucial. If contacts were developed now, it would take 5-10 years to see the results.

LM said that the international profile of the Institute should be enhanced by producing newsflashes of international partnerships. LM also suggested hosting international workshops as a way to raise the organisation's profile, and positioning itself in the global arena. There were a number of references in the corporate strategy to leadership in emerging areas and this could be pulled together into a coherent strategy.

GT felt more mention of the Institute's primary customer, the Scottish Government, should be made in the document, particularly if we were seeking informal SG feedback on the strategy. He also felt that the document required simpler language: references to food and water rather than to natural resources would have more of an impact on external audiences.

Comments on the strategy document were separately received from Sandy Morrison. In addition to some drafting changes to the initial pages, and similar points to those made by other Board members, SM felt that the international strategy needed more work and should not be based on historical relationships, but on emerging countries. He suggested that a

detailed but quick analysis should be carried out in 2012/13 to prepare recommendations for 2-3 programmes in a 3 year timescale. SM also said that the cost saving targets and activity should be more visible in the plan and set out in a 2-3 year timetable.

On next steps, the current version of the strategy document (dated 11 January 2012) would be circulated round the Senior Management Group for discussion and comment and the revised version, including Board and senior management comments, would be used for discussions with key external stakeholders. IG will feed back to the Board the comments from staff and external stakeholders. IG and the Executive team would prepare an implementation plan for the strategy, to be tabled at the Board meeting on the 21st of March. IG will provide the Board with a plan for the Corporate Strategy.

The additional areas to be included in the strategy document were:

Page	Change	Who by
3-5	Minor amendments to strategic objective wording	Exec
5	Review USP statement	Exec
10	Include section on SG as major customer	BF
16	Include review of international income generation strategy in 2012/13	BF
27	Review content of KE strategy section	PT/BF
33	Clarify cost savings implicit in strategy	KS/CK
34	Expand financial strategy section	KS/CK
35	Expand milestones section into detailed implementation plan	Exec
Various	Pull together leadership in emerging areas theme	Exec

Action: DH to circulate to Board members the list of amendments/additions to the Corporate Strategy

Action: IG to circulate current strategy document to SMG for discussion at its meeting on 6th February.

Action: DH to provide IG with a timetable for the preparation of the final version of the strategy and the implementation plan.

Action: IG to include the final strategy document with implementation

	<p>plan at the Board meeting on 21st March.</p> <p>Action: IG to present a launch plan for the Corporate Strategy at the Board meeting on 21st March.</p>
6	<p>Commercial subsidiaries</p> <p><i>6.1 MSC Board minutes (draft)</i> These were received for information. RP reported that MSC was broadly on track for budget. SM had suggested changes to MSC's operation. These had been approved. Bill Donald, Commercial Manager, has been given greater autonomy to drive MSC, the main areas for which are oil and gas. IG said that there were no plans to re-brand MSC until there was final agreement on where it would sit within the James Hutton Institute. This will be determined following finalisation of the Income Strategy Strategy and the review of the commercial subsidiaries.</p> <p><i>6.2 MRS Board minutes (draft)</i> These were received for information. RP said that there were opportunities within MRS to be further explored for the benefit of the institute.</p>
7	<p>Other committee reports</p> <p><i>7.1 Audit and Finance</i> AS reported on the Audit and Finance Committee which met the previous day. The auditors, Henderson Loggie, met with the committee and delivered a list of non-compliance issues. None of these were major issues, and were as expected at this stage. Three internal packages are currently being developed. These include corporate governance. A full report will be presented to the Board at its March meeting. Action: Audit & Finance Report will be presented to the Board on the 21st March. AS said that the risk register had been reviewed, with recommendations on structure etc. The recommendations have been given to KS for consideration. The Risk Register will go to the Board at its meeting on the 21st of March. Action: Risk Register to go to the Board at its meeting on 21st March. The committee looked at the 1st draft of next year's budget. The next draft will be reviewed by the Audit and Finance Committee before going to the Board at its meeting in March.</p> <p><i>7.2 N&R</i> GT said that the committee was currently reviewing bonus payments for senior staff and will make recommendations to the Board at its meeting on 23rd May. Action: Recommendations on bonus payments to senior staff will be made to the Board at its meeting on 23rd May.</p> <p><i>7.3 Advisory Committee on Science</i> BC reported that the mentoring system was underway. Discussions on the</p>

	<p>review of science groups process are ongoing. Ecological Sciences, will be the first group to be reviewed, in May/June 2012. A list of potential reviewers is being considered. RP asked that the group codifies the list for transparency and audit purposes. A small sub-group has been set up to manage the arrangements for the review process.</p> <p>KS was asked to investigate external audit attainments e.g. the ISO series and list for the Board meeting on 21st March. The list is to be included at the back of the corporate governance handbook.</p> <p>Action: KS to collate information on external audit attainment and to prepare a list for the Board at its meeting on 21st March.</p> <p>Action: KS to include the list at the back of the corporate governance handbook.</p>
8	<p>Health and Safety</p> <p>GT said that as the Governing Board representative on Health & Safety he would be attending a meeting of the internal committee later in the day. He said that at the meeting he would be advising the committee that health and safety is the responsibility of all staff; that they are in effect their own health and safety officer, and should risk assess each situation independently. GT said that he would suggest to the committee that they should consider: training, assessments, feedback up to management and the Board. GT asked for other suggestions from the Board to take to the meeting.</p>
9	<p>AOB</p> <p>RP asked AP to investigate permanent wifi usernames and passwords for Board members at both sites.</p> <p>Action: AP to investigate the allocation of usernames and passwords at both sites for Board members.</p>