



The James Hutton Institute

**BOARD MEETING**

Held at Invergowrie  
**21<sup>st</sup> March 2012, at 09:00**

**Chair:** Ray Perman (RP)

**Board members:** David Boxer (DB) Allan Stevenson (AS)  
 Julia Brown (JB) George Thorley (GT)  
 Brian Clark (BC) Alan Werritty (AW)  
 Laura Meagher (LM) Sandy Morrison

**Apologies:** Wayne Powell (WP), George Salmond (GS)

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

**Attendees Item 5.** Dianne Haley  
 Bob Ferrier  
 Carol Ann Stannard

**Secretariat:** Anne Pack (AP)

	<p><b>Opening Comments</b></p> <p>RP said that at a closed session immediately before the Board meeting, GT, as chair of the R&amp;N Committee tabled a report making a recommendation for the Chief Executive’s bonus. IG has been judged to have been very successful in achieving the targets set to him and was awarded a bonus representing 10% of his annual salary. IG declined to accept the bonus.</p> <p>The Board agreed to commission a paper on the Annual Bonus system and 2011/12 payments across the Institute.</p> <p><b>Action: IG to request Alison Cartwright prepare a paper on the Annual Bonus system and 2011/12 payments across the institute.</b></p> <p>RP gave the Board’s congratulations to IG, and GS <i>in absentia</i>, for being elected Fellows of the Royal Society of Edinburgh. RP asked AP to forward the Board’s congratulations to GS.</p> <p><b>Action: AP to forward the Board’s congratulations to GS on his election to Fellow of the Royal Society of Edinburgh.</b></p>
1	<b>Minutes</b>

	The minutes were approved
2	<p><b>Register of Interests</b> There were none reported.</p>
3	<p><b>Matters arising</b> <i>Action Point 9: KS to collate information on external audit attainment.</i> KS tabled a paper with this information. Other action points were either completed or dealt with elsewhere in the agenda.</p>
4.1	<p><b>Chief Executive's report</b></p> <p><b><i>Scottish Government</i></b> IG said that he would be meeting with Rebekah Widdowfield and Phil Balls of Scottish Government (SG) later in the day for a discussion on underpinning capacity. IG said that he had had conversations with Rebekah about the next funding round. The institute had made a request to SG to have substantial support for a Voluntary Exit scheme (VE) this year in order to better manage finances in the future years. SG accepted our case. The scheme will glean £600k savings <i>p.a.</i> which was acceptable to SG. The VE will allow us to continue to recruit people in new areas of research.</p> <p>The Chief Scientific Advisor (Rural and Environment) post, formerly occupied by Professor Maggie Gill, remains unfilled.</p> <p>IG said that at the Scottish Life Sciences Annual Dinner on 9<sup>th</sup> February, Richard Lochhead (RL) Cabinet Secretary for Rural Affairs, was a guest at the table co-hosted by IG and Nigel Kerby. IG mentioned his interest in seeing a climate change research facility (incorporating experimental facilities and tourism/education) at Invergowrie, and RL said that he would arrange for a small working group to prepare a case. IG has since raised this with his contacts in SG. Mr Li Ruiyou – Consul General of China in Edinburgh was also a guest at the Life Sciences Dinner. At the dinner the potential of developing a climate change facility was discussed with Mr Li. He agreed to keep Mr Li informed of developments in this area.</p> <p><b><i>Development of new collaborations</i></b> We are currently recruiting two joint senior appointments in plant sciences with the University of Dundee (UoD). The number of UoD staff based at the institute currently stands at approximately 40 and is expected to reach 60 over the next couple of years. This is likely to place substantial pressure on space at our Invergowrie site.</p> <p>Conversations continue with the Universities of Dundee and Aberdeen in relation to plant science and the environmental sustainability issues surrounding food security.</p> <p>GT said that the institute should focus on a Centre for Food Security and that we need to drive the initiatives agenda. IG agreed and promised to keep the Board informed of developments.</p>

**Action: IG to keep the Board informed of developments around a Centre for Food Security.**

We are currently finalising a Memorandum of Understanding with the Centre of Ecology and Hydrology (CEH), which has 300 employees in order to demonstrate that the two institutions can be the first port of call for UK wide information and expertise on environmental issues.

***Embedding the 'Our Future, Our Values' project***

IG said that there is a lot of engagement on the part of staff in the change process, and this was helping to reduce cynicism about the direction of travel of the institute as a whole.

AS urged management at the institute to take a strong involvement in the process, adding that it should not be entirely 100% bottom up but a balanced outcome from the whole organisation. IG has taken an active part in all stages of the process, and provided leadership. IG said that the programme was being facilitated by Willie Banks of Calabor. Willie has held workshops with the Executive, Theme & Science Group Leaders, Heads of BES functions and staff to develop the values for the organisation. The Our Future, Our Values Facilitators subsequently met and distilled the values to 10 that are now being discussed with a broad range of staff across the organisation. IG said that, in this way, the process has been inclusive, rather than top-down or bottom up. AS said that the process is clearly turning hearts and minds, and this was evident during the time he has spent at the institute mentoring Group and Theme Leaders.

The next stage is to ensure that we deliver on the outcomes of this phase of the 'Our Future, Our Values' programme. IG said that he would circulate to the Board, information on the 'values' workshop which will be held on the 1<sup>st</sup> and 2<sup>nd</sup> of May.

**Action: IG to send details of the 'values' workshop on 1<sup>st</sup> and 2<sup>nd</sup> May to the Board.**

JB asked if there was anything to report on the proposed 'closer engagement' with SAC. IG said that David McKeran, Consultant, Matrix Management, is currently undertaking a scoping exercise on behalf the James Hutton Institute. This is a two part scoping exercise, which will explore the cost/benefits of closer collaboration in science and KE & consultancy. The report is expected at the end of April, and will be tabled at the Board meeting on the 23<sup>rd</sup> of May.

***Director of Research Impact***

IG reported that Bob Ferrier has been streamlining delivery of the RESAS funding programme and to seek better integration between activities, and to rationalise commitment and over-delivery.

***Director of Science Excellence***

IG said that congratulations go to Colin Campbell for pushing through the

	<p>studentship programme which is time-consuming and not straightforward. Forty proposals were received, and 34 were approved after consideration by the PostGraduate Student Committee. Six proposals were declined for a variety of technical and quality issues. Interviews have been finalised and offers will shortly be made. Fifteen students submitted their theses in 2011. To date 13 have passed their vivas.</p> <p>The annual promotion round has just been completed and was very successful with a large number of personal promotions being made. The Board offered their congratulations to the staff who had successfully gained promotion.</p> <p><b>Action: IG to send the Board’s congratulations to the staff who had successfully gained promotion.</b></p> <p><i>Head of Communications</i></p> <p>IG thanked Board members for taking part in ‘Science on a Plate’ a public engagement project, which was launched at the Scottish Parliament on 2<sup>nd</sup> February.</p> <p>RP said that he and IG would be meeting with the Directors of D C Thomson in March. We are currently negotiating with D C Thomson on a special eight-page supplement with the Courier and Press &amp; Journal celebrating the first year of the institute. Quotes have been received from, amongst others, the First Minister. Phil Taylor is currently preparing for the one-year celebration, at which the corporate strategy will be launched.</p>
4.2	<p><b>Chief Operating Officer’s Report</b></p> <p>KS reported turning a corner over resourcing issues in light of the appointment of BES Heads. Operating plans for BES divisions is an on-going task as BES Heads are still structuring their teams. Twenty staff members will be leaving the organisation under the Voluntary Exit scheme. This includes both the Head of Finance and Interim Head of Research Support. KS hopes to recruit one person at a higher grade to cover both posts. Members expressed concern that this might dilute the effort of both important areas by combining them. KS said that she had contemplated combining the roles because the functions performed by those roles were intimately linked but equally, she had no intention of allowing her own vision for Research Support to be compromised in any way. KS said that the limiting factor would be trying to find somebody with the full complement of skills, that they are thin on the ground and that our salary scale would not likely be competitive in this regard. IG made the point that KS is in need of a deputy at that higher grade. In light of the changes due to VE, RP asked KS to present an updated BES structure to the May Board. Meantime, Margaret Richardson, from Henderson Loggie is being brought in to undertake some of the duties of the Head of Finance by helping with year-end accounting.</p> <p><b>Action: KS to present updated BES structure to May Board meeting</b></p>

5	<p><b>Corporate Strategic Plan</b> DH, BF and CAS joined the meeting.</p> <p>BF gave a presentation on income generation for the institute. This included figures for confirmed business and targeted business, noteworthy achievements, and plans for future income generation. AS said that it was essential to include a client-account management system approach in order to develop relationships <i>i.e.</i> putting the landscape together <i>e.g.</i> RCUK, EU <i>etc.</i> The Board thanked BF for his comprehensive and helpful presentation.</p> <p>IG said that he had circulated the draft strategy to high-level personnel in a number of organisations across Scotland, and had received responses from most, which were summarised in a tabled paper. All were complimentary, and commended us on a good strategic document. IG plans to follow up by meeting those who commented. LM said it was important to capture ‘how’ successes were achieved in order to be able to tell robust ‘impact’ stories, demonstrating ‘how’ the institute research leads to impacts and also to capture ‘lessons learned’ so that others at the institute can emulate good practice in knowledge exchange.</p> <p>GT queried what was intended by the ‘model’ of commercial operation. IG said that MRS are having an Away Day on the 25<sup>th</sup> September at which this will be discussed. IG said that in the first year of the James Hutton Institute the commercial subsidiaries had been told to operate in a business as usual mode, but that in the coming year the plan is for to review to commercial subsidiaries as part of the development of our Income Generation strategy.</p> <p>IG said that Phil Taylor had developed a glossy Corporate Strategy executive summary to launch on the 1<sup>st</sup> April. Abridged versions of the Plan and the Strategy will go on the intranet.</p> <p>SM had commended DH &amp; CAS on progress made especially adding pages 6-9 as this was definitely moving in the right direction to translate strategy into meaningful action. SM suggested that the “Buddies” receive the appropriate Theme/Science Group action plan to aid interaction with the Theme/Science Group Leaders.</p> <p><b>Action DH/CAS - DH will amend the strategy based on comments received.</b> <b>Action: DH/CAS will send theme/group action plans to appropriate buddies.</b></p> <p>The Board approved the strategy.</p> <p><b>Action: IG to meet with organisations that provided feedback on the strategy.</b></p>
6	<p><b>Audit &amp; Finance Report</b> AS said that the Audit &amp; Finance committee met two weeks ago during which the following items were discussed.</p>

### *Risk Register*

AS noted that the register had been updated by the management team and added the register was a good piece of work, but noted that it is critical that it is maintained and actioned on an ongoing basis. The Audit committee had made a number of recommendations at their meeting which had been included in the Register, tabled for approval. The Board approved the register, noting that the Head of Finance must develop a reporting system to ensure delivery of the actions in the Risk Register and reduce risks from red to amber. The Board was asked to provide feedback to IG/KS. The Risk Register will be a monthly item on the Executive Group agenda.

**Action: Feedback on the Risk Register to be sent to IG/KS**

**Action: Risk Register to be a monthly item on the Executive agenda.**

### *Draft Corporate Governance (Corporate Handbook)*

The committee made no recommendation as the draft presented to the Audit committee had been incomplete and so the Board Chairman had agreed to take it away to edit and table a new version to the Board. RP said that he had drawn on the legacy handbooks to give an overview on how the James Hutton Institute is governed. AS raised his concern that the draft proposed potentially three terms of office for Board members and suggested that this is too many and suggested reducing to two, with the option to re-appoint at some point in the future. RP said that he would meet, separately, over the next few months with members to discuss how they feel the Board is functioning. AP to organise. Comments on the Draft Corporate Governance paper should be sent to RP, who will revise the document and submit to the May Board meeting for approval.

**Action: AP to arrange separate meetings with Board members to discuss how the Board is functioning.**

**Action: comments on Corporate Governance paper to RP.**

**Action: revised Corporate Governance paper to be submitted for approval at May Board meeting.**

### *Corporate Strategy and forecast*

The Corporate Strategy had not been made available to the Audit Committee therefore no recommendation could be made on whether the forecast was adequately reflected in the strategy document.

### *2011/12 outturn and 2012/13 Budget*

AS advised that Johnston Carmichael had planned the year end with the Management team and reported that they had concerns about the ability of the

	<p>team to meet the deadline for the June Audit committee meeting.</p> <p>IG said that a review of the farms was planned for this year. At the recent Executive Group Away Day, Hartwood was discussed in relation to the proposed wind farm planned there. RP said that government help was available for community wind farm schemes such as the Fintry Development Trust model. Visits to the farms to be organised for the Board. AP to organise.</p> <p><b>Action: AP to arrange visits to the farms for Board members.</b></p>
7	<p><b>Advisory Committee on Science (ACS)</b> <i>Science Reviews</i></p> <p>BC reported the sub-group responsible for taking the science review process forward had met several times since the Board meeting in May. A long list of names for the review of Ecological Services was reduced to a short list with a good mix of national and international scientists. ACS sought the Board's approval to invite Professor David Tilman, University of Minnesota to chair the review panel. It is planned to hold the review in September. BC said that thanks were due to LM, and her husband Professor Tom Meagher for initiating discussion with Professor Tilman, and 'selling' the institute to him.</p> <p>The Board gave its approval to invite Professor Tilman to chair the review of Ecological Sciences.</p> <p><i>Mentoring</i></p> <p>BC said that several members of the Board had met with staff to provide mentoring and that feedback on the process had been positive on both sides.</p>
8	<p><b>Commercial subsidiaries</b> <i>8.1 MSC Board minutes (draft)</i></p> <p>The MSC draft Board minutes of 22<sup>nd</sup> of February were received for information as was the agreed MSC Board action plan for 2012/13 on Advanced Analytical Services.</p> <p>SM reported income generation in Fy 2011/12 was over 50% from the gas/oil Customer base and that MSC Advanced Analytical Services would exceed budget by +/-7% . Consultancy work remained well behind budget dragging down the overall MSC performance.</p> <p>The management of consultancy services has transferred from Bill Donald to BF, and Bill Donald (now Commercial Director of MSC) will focus 100% on growing the Advanced Analytical Business with a stretching 2012/13 target but this success can only be continued beyond 2012 with more support resources (capital &amp; people). The MSC Board are addressing the issues.</p>

	<p><b>Action: SM &amp; MSC Board</b></p> <p><i>8.2 MRS</i>  RP said that MRS expects to exceed £300k net pre-tax profit, with contract research representing the biggest growth area. This unexpectedly high surplus would be managed by MRS Board/Hutton Executive. MRS plan to hold an Away Day on the 25<sup>th</sup> of September.</p> <p><i>8.3 BIOSS</i>  A query was raised over BioSS's figures. IG said that these were consolidated within the institute's figures. BioSS should not be viewed as another subsidiary but in effect the James Hutton Institute acts as the guardian of BioSS on behalf of the other Institutes that are funded through the Scottish Government. A review of BioSS will be undertaken to look at its relationship with the institute and affiliations, and to ensure it is achieving its potential. AS pointed out that the Corporate Plan does not address the role of subsidiaries. IG said that he expected the review to deal with that.</p> <p><b>Action: IG to arrange a review of BioSS.</b></p>
9	<p><b>Health and Safety</b>  GT said that he was working with Frances Rowe on the Health &amp; Safety Risk Register. AS asked if the institute had good farm risk assessment. KS said that she would be surprised if it did not, and was confident that Frances was ensuring all aspects of Health &amp; Safety met requirements.  Action: KS to confirm that the farms had an updated risk assessment.</p>
10	<p><b>AOB</b>  MDT  RP said that he and IG had recently met with Janet Sprent and Eric Baird. In July Janet will step down as chair of MDT and will be replaced by Eric. There is to be a review of the membership of MDT trustees. The relationship between the James Hutton Institute and MDT has not been smooth to date. The meeting was very encouraging and both sides seek a mutually beneficial outcome.</p> <p>Macaulay Lecture  The T. B. Macaulay lecture is planned for September/October 2012. Professor Jules Pretty will be invited to deliver it.</p>