



The James Hutton Institute

BOARD MEETING

Craigiebuckler Room, Aberdeen

23rd January 2013, at 09:00

Chair: Ray Perman (RP)

Board members: Laura Meagher (LM)
Brian Clark (BC)
George Salmond (GS)
George Thorley GT)

Apologies: David Boxer (DB)
Julia Brown (JB)
Sandy Morrison (SM)
Wayne Powell (WP)
Allan Stevenson (AS)
Alan Werritty (AW)

Attendees: Iain Gordon (IG)
Colin Campbell (CC)
Beth Corcoran (BeC)
Bob Ferrier (BF)
Dianne Haley (DH)
Alison Cartwright (AC) Items 8.4 and 10.2

Secretariat: Anne Pack (AP)

	Closed session Members of the Board.
1	Apologies David Boxer (DB) Julia Brown (JB) Sandy Morrison (SM) Wayne Powell (WP) Allan Stevenson (AS) Alan Werritty (AW)
2	Register of Interests None were reported.
3	Minutes The minutes of the meeting held on 28th November 2012 were approved.
4	Matters arising

	<p>Action point 7. “BF to provide stats to the Board on external income.”</p> <p>This was not completed and will be held over to the March meeting. BC asked if the situation with BIS and eligibility for funding had been resolved. IG explained that the meeting arranged with a representative of BIS had to be cancelled because the person was unwell. We have since received further information about why we are ineligible. Caroline Crichton, Head of Research Support working to put together a case for application. IG said that he was keen to develop a more equitable relationship this year with RCUK.</p> <p>All other action points were completed or dealt with elsewhere on the agenda.</p>
5	<p>5.1 Minutes of sub-committee meetings since last Board meeting ACS – 27th November 2012</p> <p>The minutes were received for information.</p> <p>Update from the previous evening’s meeting of the ACS.</p> <p>LM gave a verbal update on the meeting held the previous evening. CC had brought the committee up to date on the review of Ecological Sciences. A summary of the panel’s report and a second document, comprising the conclusions and recommendations of the report, will be made available internally. These documents will be discussed with the group members, in order to implement the recommendations.</p> <p>LM said that a discussion took place on the forthcoming review of Environmental and Biochemical Sciences Group on the 5th – 7th February. Preparations are almost complete and a strong panel has been engaged to conduct the review. The review of Information and Computational Sciences Group was also discussed. CC had tabled a paper with details of potential chair and panellists, for ACS members to consider.</p> <p>RP said that immediately prior to the ACS meeting the previous afternoon, a discussion meeting took place, on “metrics of excellence”. Although sparsely attended due to the weather, it had been a very useful meeting. It was agreed that the PowerPoint presentation should be circulated to all Board members. CC said that he would produce a brief minute to accompany the presentation and circulate to Board members.</p> <p>Action: CC to circulate the presentation and brief discussion minute, from the metrics of excellence seminar, to Board members.</p> <p>IG asked if the Board would find it useful to have a copy of the presentation Andy Midwood made to the Board at dinner the previous evening. It was agreed that it would be helpful. RP said that all the dinner presentations would be useful to have.</p> <p>Action: CC to speak to IT about setting up a Drop box for depositing Board dinner presentations, for access by Board members.</p> <p>5.2 Audit & Finance</p> <p>The minutes were received for information.</p>
6	<p>Minutes of commercial subsidiary meetings & reports</p> <p>6.1 MRS</p> <p>The minutes were received for information.</p> <p>RP said that MRS held a very successful Away Day on the 11th of December. The discussions</p>

	<p>highlighted the need for MRS to narrow its focus, and be more selective in the opportunities it follows up.</p> <p>RP said that the MRS had had a good year despite a conservative budget, and that it was expected to make a profit of £400,000. The Board has nominally approved Gift Aid of £300,000 to the James Hutton Institute, which is similar to last year.</p> <p>Lipid Analysis, one of MRS’s consultancy areas, has performed well. Stable Isotope Analysis, is the other consultancy area, but is not generating sufficient income at the moment. It was agreed that no further investment should be made in this area, and that efforts should be concentrated on the Lipid Analysis business. It was recognised that there is more kit and experienced people on stable isotope analysis at the Aberdeen site.</p> <p>MRS would not purchase capital items for the consultancy areas without the knowledge of the Capex committee, which approves capital purchases.</p> <p>A draft Business Plan will be produced from the Away Day report, in time for the March meeting.</p>
	<p>6.2 MSC The minutes were received for information.</p> <p>MSC is having a good year. RP said that SM had recruited a new non-executive director to MSC. Jennifer Crow, former Chief Executive of Scottish Enterprise Grampian, and who currently works with the Ian Wood Foundation had accepted the post and will join the MSC Board in time for its next Board meeting. BC commented on the ambitious draft Business Plan for MSC, in relation to installing new equipment and training staff to use it.</p> <p>BC said that the real success in the figures relates to the analytical side of the business.</p> <p>RP said that the question of fracking in relation to MSC’s consultancy should be raised. RP made it clear that the organisation has not been involved in fracking in any way, though it sits in a politically sensitive area. The Board agreed that it should prepare statements on contentious issues such as fracking and GM, should they be required. Action: Corporate statements on the institute’s position on fracking and GM to be prepared, should they be required.</p>
7	<p>Regular Reports</p>
	<p>7.1 Chief Executive’s report</p> <p>The report was received for information. IG said that he was happy to take questions or comments.</p> <p>LM congratulated the institute on the success in passing to 2nd stage for eight out of ten submissions to the EU.</p> <p>GT said that it was encouraging to see that the institute had received capital funding, as well as funds to conduct a scoping study for a new building project in Invergowrie, to support the Scottish Food Security Alliance, although this was still just a working title. He added that clearly a lot of work had gone into the applications. IG praised BeC, DH and Steve Petrie amongst others for preparing the capital bid in a short space of time. SG had commented that</p>

	<p>we have a pro-forma they consider excellent, and this will be used for 2013-14 applications. An early decision on funding is expected.</p> <p>GS asked for further information on CREW and on the PhD programme. BF said that this was additional money received from SG to set up a five-year scholarship programme for James Hutton Institute, and non-James Hutton Institute, students, across the ‘water and science’ community in Scotland.</p> <p>GT asked IG to talk through the reasons for the post of Research Support. IG explained that there will be two non-science directors; Director of Finance & Company Secretary, and, Director of Corporate Services. Beneath the Director of Finance & Company Secretary sits the roles of Head of Finance, and Head of Research Support. The Head of Research Support role is in two major parts; pre-award and post-award, and requires financial information for costings for submissions, and preparing of reports. IG said this service was deemed most effectively managed within the financial part of the organisation. IG said that this was a direct line management function, whereas we deliver the service through the committees, with interaction between the science and BES sides, and also between the different BES components.</p>
	<p>7.2 Finance Report</p> <p>BeC drew the Board’s attention to the change in the forecast. BeC said the aim was to invest in the future. BeC has asked scientists, through the SMG meetings, to be mindful of the consumable spend, and stay within budget, for the rest of the financial year.</p> <p>BeC said that she included the balance sheet, requested previously by Board members. The purpose was to demonstrate that we don’t have major debtor or creditor impacts. BeC highlighted the contracts figures, and said that this was where we were accruing income.</p> <p>BeC said that all the financial processes were currently being reviewed including reconciling all bank accounts and efficient cash management.</p>
	<p>7.3 Media digest</p> <p>This was received for information.</p>
	<p>7.4 Health & Safety</p> <p>This was received for information.</p>
<p>8</p>	<p>Strategy Planning and Budget</p>
	<p>8.1 External environment update</p> <p>DH introduced the paper by saying that it was a review of the analysis of external environment trends. DH sought the Board’s guidance on the changing trends with a two – three year vision. IG presented the highlighted changes on the External Environment Landscape chart. Scottish Government funding has been repositioned on the chart because it is now less predictable.</p> <p>Similarly, the Global and UK economic situation now has greater uncertainty. Scottish Government long-term agenda on independence is now seen as adding more uncertainty. BC suggested the Board has a brainstorming session on the trends of major issues in the external environment landscape. IG said he would be very happy to have feedback from the Board, and suggested a one-hour session on this at the next meeting.</p> <p>Action: Board to have a one-hour brainstorming session on the external environment</p>

	<p>landscape at the March Board meeting.</p>
	<p>8.2 Draft 2013/14 budget and priority activities</p> <p>BeC said that this is a high-level starting point for preparing the budget. BeC presented three scenarios on which to base the work for preparing the detailed budget and balancing the books. The scenarios compare with last year's budget.</p> <p>BeC concluded by saying that the main focus this year will be to balance the books.</p> <p>RP said that other sources of funding are being considered. RP said that a final decision will be made on the budget at the March Board meeting, because the scale of the RESAS cuts will be known by then.</p>
	<p>8.3 Overhead costs</p> <p>BeC said that she had been asked by the Board to provide information on current practice on overhead rates. The paper provided offers two examples of this. Several considerations were taken into account for the simple methodology employed. BeC said that there are different ways of costing going forward and options will be considered.</p>
	<p>8.4 Review of Terms and Conditions</p> <p>AC joined the meeting. IG began by saying that in June 2012 the Board had requested a review of Terms and Conditions of the James Hutton Institute, and other organisations for comparison. We currently operate under BBSRC rules, which have positive and negative aspects, including limiting our flexibility to respond to new opportunities. AC has carried out a comprehensive investigation of other organisations' condition.</p> <p>AC explained that the review of Terms and Conditions of employment, was to:</p> <ul style="list-style-type: none"> • create an employment package that is seen as attractive to staff • that rewards staff in a way that achieves the desired outcomes of the organisation • to provide greater flexibility for employing and rewarding staff • to provide greater predictability of employer costs <p>AC spoke to the paper on Terms and Conditions, which outlined background information on current arrangements.</p> <p>Following discussion, the Board approved the decision that current staff remain in BBSRC Terms and Conditions, and new appointments, after an agreed date, will move to new Terms and conditions.</p> <p>This will be communicated immediately to the unions. They will be invited to discussion meetings to aid management in agreeing new arrangements for all staff. Staff will be informed at the same time. Further discussion on the Terms and Conditions of all Institute staff is required over the coming year.</p> <p>Action: AC to contact the unions to inform them of the chosen option for employment Terms and Conditions and to consult with them on new arrangements.</p> <p>Action: AC to inform staff of the proposed new Terms and Conditions.</p>
9	Audit & Finance
	<p>9.1 Wind up of legacy institutes</p> <p>DH gave a verbal update on the situation. A few tasks are still outstanding, such as</p>

	transferring the EU contracts and the carrying out of due diligence on IP and all other areas to ensure there was nothing left in the legacy institutes. We have received OSCR approval to wind up the legacy institutes, within a year. Having OSCR approval will help speed up the process of transferring the EU contracts from the legacy institutes to the James Hutton Institute.
10	Verbal updates
	10.1 Health & Safety There was nothing to report.
	10.2 Our Future Our Values AC said that good progress was being made with the staff workshops. Three hundred staff members have participated in workshops. The remaining will be completed by the end of March. AC and IG will meet to discuss how to implement the values. Action: AC/IG to meet to discuss how to implement the values of the organisation. AC will organise a two-hour workshop for Board members to fit in around the March Board meeting. AC will liaise with AP over timing. Action: AC to liaise with AP over the timing of the Board workshop on OFOV.
11	AOB RP asked the Board to receive the All-Party Parliamentary Group on Science and Technology in Agriculture, Annual Report, which included details of Nigel Kerby's talk to the Group at the Party's meeting in May 2012. RP circulated details of the three main annual industry events, supported by SSCR, which take place around the Dundee site: Cereals in Practice – 2 nd July Fruit for the Future – 18 th July Potatoes in Practice – 8 th August
Date of next meeting: 20 March 2013, Dundee	