

MINUTES of the Council meeting held on 7 March 2012.

Those attending:

Professor Sir Tom Blundell FRS (BBSRC Chair)
Professor D Kell FSB (BBSRC Chief Executive and Deputy Chair)
Professor Sir David Baulcombe FRS
Professor J Coggins OBE FRSE
Professor R Foster FRS
Professor P Fryer
Mr J Godfrey OBE
Dr M Goosey
Mr D Gregory
Professor P Grindrod CBE
Dr D Lawrence
Professor K Lindsey
Profess C Pollock
Dr A Richards
Dr J Stageman OBE
Dr W West
Dr G Reid (BIS)

Also present:

Mr S Visscher
Dr P Burrows
Dr C Caulcott FSB
Mr P Gemmill FSB
Dr A Game
Ms J Juillerat
Mr D Parfrey
Mr P Swinburne
Mrs S Carpenter
Miss K Okonska (Secretary)

Courtesies:

1. Chair welcomed everyone to the meeting.
2. Apologies were received from Professor Dell.
3. As this was his last Council meeting, the Chair thanked Professor Fryer for his contribution to Council over the past six years and as the Chair of the Appointments Board and a member of the Remuneration Board.
4. The Chair thanked Mr Swinburne as he was moving to a new role as BBSRC Director of Operations and Improvement. The Chair welcomed to the meeting Ms Juillerat (BBSRC Director of People and Development) who will now attend Council meetings instead of Mr Swinburne.

NOT PROTECTIVELY MARKED

- Members were reminded to check their details currently held on the Council conflict of interests' register, which was tabled at the meeting, and update as necessary. Members were asked to raise any conflicts that may arise during the course of discussion.

ITEM 1: MINUTES OF THE COUNCIL MEETING HELD ON 6 DECEMBER 2011

- Minutes were **AGREED** as the correct record of the meeting.

ITEM 2: MATTERS ARISING

RACI (Responsible, Accountable, Consulted, Informed) Matrix

- At its last meeting on 6 December 2012, Council had considered the RACI matrix setting out the roles and responsibilities of Council and BBSRC Executive in major areas of BBSRC's operations and had suggested that the RACI matrix should be developed further, in particular sections on finance and HR. Consequently, the RACI matrix had been iterated and a revised matrix was provided.
- Council **CONSIDERED** the matrix and highlighted that it would provide a structure when dealing with issues in future. Council **ASKED** the Executive to consider Council's responsibility in the area of Health and Safety at the Institutes. Council also **ASKED** for a list of Council members affiliated to specific Institutes.
- It was noted that the final copy of the RACI matrix would be incorporated into the induction pack for new Council members.
- The Council subgroup members who had been involved in the development of the RACI matrix should remain accessible if any issues arise and/or the details in the matrix needed amendment in future. Professor Coggins (as a member of the Remuneration Board) and Professor Dell would advise on HR matters.

CouncilNET

- Council had been provided with their login details to the CouncilNET and were asked to notify Council Secretariat if they had any difficulties in logging in.
- Council **NOTED** the updates.

ITEM 3: CHAIR AND CHIEF EXECUTIVE'S BUSINESS

Chair's Business

- Chair provided Council with an update on his recent visit to East Malling Research and emphasised that there were opportunities in the area of the horticulture. Council noted that following BBSRC Executive visits to East Malling and Warwick Horticulture Research International BBSRC was currently clarifying its role in underpinning national capability in horticulture, understanding the diverse industry sectors and beginning to formulate a BBSRC strategy within this area. It was **AGREED** that the emerging findings of the horticulture review would be brought to Council when available.
- The Chair went on to update the Council on his visit to Rothamsted Research on 5 March 2012, the purpose of which was to engage David Willetts, MP around the Institute's research, bioenergy, economic impact and industry links and the vision for

a 'green' campus at Harpenden. The Chair said that the presentations on Pathways to Impact were very good and the Minister seemed impressed.

15. Council was advised that interviews for new Council members had been held and BBSRC were waiting for a final decision from the Minister.

Report from the Chief Executive

16. Professor Kell introduced the report, which provided Council with an update of key BBSRC activities, and flagged the following highlights/issues from the report:

- A triennial review of Non-Departmental Public Bodies (NDPBs) would commence in January 2013 with the aim to review the function of Research Councils and the appropriateness of their delivery mechanisms and governance arrangements. More updates on the review would be provided to Council in July 2012.
- Director of Science vacancy – Council noted that the following Council members would be involved in the recruitment process (Professor Dell, Dr Goosey and Professor Pollock) and that the interviews were planned for May 2012.

17. Professor Kell updated Council on his visit to Unilever with Dr Caulcott and the very close parallels between Unilever's strategy and that of BBSRC. Council noted that BBSRC had considered a variety of models for working with large companies. Currently BBSRC has decided to work closely with industry and build relationships with large companies through Research Technology Clubs.

18. Council **NOTED** the report and **CONFIRMED** that the format of the report and the level of detail was appropriate.

ITEM 4: BOARD APPOINTMENTS

Appointments Board

19. Council:

- **AGREED** the appointment of Professor Coggins as Chair of the Appointments Board from 1 April 2012 until 31 March 2013.
- **AGREED** the appointment of Professor Lindsey as Deputy Chair of the Board from 1 April 2012 until 31 March 2014.

Audit Board

20. Council:

- **AGREED** that Dr Richards should become a member of the Audit Board from 1 April 2012 until 31 March 2014 and Mr Gregory the Chair of the Audit Board from 1 April 2012 until 31 March 2014.
- **AGREED** that Mr Mann should be appointed as a member from 1 April 2012 until 31 March 2015 and **NOTED** that Mike Samuel would attend the meeting in June 2012 to help with transition.
- **NOTED** that the appointment of Dr Brightman came to an end on 31 March 2012 and that BBSRC Office was in the process of identifying a suitable candidate to replace Dr Brightman on the Board. Council would be invited to agree this

appointment by correspondence and this would be formally noted at the next Council meeting on 4 July 2012.

- **ASKED** that future appointment proposals for Audit Board members were discussed with the Chair of the Audit Board prior to potential members being approached.

Remuneration Board

21. Council:

- **AGREED** that Professor Coggins should be reappointed as a member of the Remuneration Board from 1 April 2012 until 31 March 2014.
- **AGREED** the reappointment of Dr Lawrence as a member of the Remuneration Board from 1 April 2012 until 31 March 2014.
- **AGREED** that Dr M Goosey should be appointed as a member of the Remuneration Board from 1 April 2012 until 31 March 2015.

Research Panel

22. Council:

- **NOTED** the intention to appoint a representative of each of the domain Strategy Advisory Panels to the Research Panel
- **NOTED** the intention to appoint the chair of Training Awards Committee to the Research Panel.

ITEM 5: ANNUAL THEME: STRATEGICALLY FUNDED INSTITUTES, CENTRES AND CAMPUSES

Institute for Animal Health – Report from Corporate Trustee Team and Membership of the Corporate Trustee Team

This item related to information deemed PROTECT: MANAGEMENT and was therefore recorded separately.

ITEM 6: ANNUAL APPRAISAL OF COUNCIL

23. The Chair introduced this paper, which presented Council members' views on the performance of Council as a board over the past year. The Chair, the Chief Executive and the Department for Business, Innovation and Skills (BIS) representative had not participated in the exercise.
24. In discussion Council emphasised its desire to have more in depth involvement at an early stage of strategy/policy development and noted that the new meeting structure and the RACI matrix would now enable greater engagement of Council. Council was reassured that comments made in the report were reviewed by BBSRC Executive and acted upon where practicable.

25. On the point of BBSRC Executive attendance at Council, it was commented that attending Council meetings gave the Executive an opportunity to network and interact with Council members, also on a more informal basis.
26. With regards to the balance of Council members, Council expressed its concern about gender balance and **ASKED** the Executive to consider ways of encouraging women to apply, look at diversity policies and proposals to define the membership of Council to reflect balanced gender representation. In addition Secretariat would review how other Research Councils define their membership and address diversity balance. Dr Reid confirmed that it would be reasonable to reflect on the overall balance of Council in terms of background and gender as well as capability when making recommendations for appointments to the Minister.
27. Council **ASKED** for a comparison of the appraisal results when the exercise was carried out next year.

ITEM 7: THE BRIBERY ACT 2010

28. Mr Parfrey introduced this item and said that the Audit Board had asked that the Bribery Act 2010 was considered by Council. Mr Parfrey had reviewed the Act and its implications for BBSRC and advised Council that BBSRC had adequate defence processes in place such as the Delegations Authority matrix that provided clear instructions to staff members on what they were authorised to do. He also said that expenditure was made either by grant or system controlled transactions with in-built system generated controls. Council was also informed that transactions above certain amount were published in line with the Government's transparency agenda.
29. Council was also informed that grants were arms-length funding and as such grant holders were unlikely to create liabilities for BBSRC. BBSRC would not be responsible for actions of organisations BBSRC funded. Council therefore **AGREED** that the overall risk of BBSRC exposure under this legislation was low.
30. Council noted that the Institutes were aware of the Bribery Act and were adopting it.

ITEM 8: MINUTES OF THE AUDIT BOARD MEETING HELD ON 17 JANUARY 2012 INCLUDING RISK DASHBOARD

31. Dr Richards (Chair of the Audit Board) provided Council with an update on the Audit Board meeting held on 17 January 2012. In particular, Dr Richards drew Council's attention to the very ambitious timescales for submission of full unaudited 2011/12 accounts to BIS for consolidation by 30 April 2012. Council was provided with assurance that BBSRC had been undertaking significant work on resource planning and risk mitigation.
32. Council was informed that the RCUK Shared Service Centre Ltd (SSC) and Research Councils had been working intensively to drive improvements to the shared finance services and that considerable progress had been made in recent months.
33. Mr Parfrey went on to explain that the National Audit Office (NAO) had changed its view with regards to the qualification of 2011/12 accounts due to non-consolidation of two strategically funded Institutes in previous financial year and the need for them to be shown as non-disposals in 2011/12 accounts. The NAO was of the view that the non-disposal level was not material and therefore the 2011/12 accounts would not be qualified. BBSRC was awaiting formal confirmation from the NAO on this.

34. Council also noted that the issue regarding accounting for capital additions at BBSRC sites occupied by Institutes was now resolved and BBSRC accounts would not be qualified on this point.
35. At its last meeting Audit Board had requested that a copy of the BBSRC Corporate Risk Dashboard be included with the Audit Board minutes to prompt discussion on corporate risks and Council was invited to consider whether there were risks that should be highlighted. Mr Parfrey said that he would provide Council members with scoring categories for risks. Council noted that the BBSRC Corporate Risk Dashboard would be provided with every Audit Board report.
36. Council noted that BBSRC received assurance on the robustness of the strategically funded Institutes' accounts through their internal audit controls. In light of the governance changes at the Institutes, their Governing Bodies were now responsible for the sustainability of the Institutes and their reserves policies. BBSRC would have an overview of the strategic sustainability of the Institutes through annual partnership meetings when a strategic overview of accounts would be discussed.
37. Council **NOTED** the minutes and the oral update provided at the meeting.

ITEM 9: APPRAISAL OF THE AUDIT BOARD

38. Dr Richards introduced this item and said that the Board was being run efficiently. Mr Parfrey thanked the Board for the support it provided to BBSRC.
39. Council **NOTED** the report.

ITEM 10: BBSRC ANNUAL REPORT AND ACCOUNTS

40. Mr Parfrey introduced this item and said that 2010/11 accounts had received ministerial approval in late January 2012 and they had been laid before the Parliament at the end of February 2012.
41. In terms of the timetable for submitting 2011/12 accounts (see also item 8 above), Mr Parfrey added that interim internal audit had been completed successfully with some minor adjustments.
42. Council **NOTED** the position regarding BBSRC's 2010/11 and 2011/12 Annual Report and Accounts.

ITEM 11: FINANCIAL REPORT INCLUDING COMMITMENT FROM THE STRATEGIC OPPORTUNITIES FUND

43. *This paragraph related to information deemed PROTECT: MANAGEMENT and was therefore recorded separately.*
44. A newly designed Finance Dashboard was included as part of the Financial Report and Mr Parfrey described the content of the Dashboard. Council **WELCOMED** the Finance Dashboard and noted that with the new Council agenda cycle Council would receive the information on spend in each of the strategic priority areas and there would be opportunities as well to consider strategic HEI partners and how we work together.
45. Council emphasised that analysis of expenditure would be crucial, in particular when discussing future strategy and the next spending review at the Council meeting in July 2012. It would also be important to understand the trends of potential funding

levels (e.g. for Strategic Longer Larger (LoLa) Grants and responsive mode grants) and how the Executive arrived at indicative level of funding for responsive mode.

46. Council **ASKED** that the Finance Dashboard illustrated current budget spend, the forecasted spend and BBSRC's progress in achieving its strategic objectives. Information on spend in studentships and fellowships and Collaborative R & D spending (including Research Technology Clubs, Technology Strategy Board and LINK) would also be useful.

47. Council:

- **NOTED** BBSRC's financial position at the end of January 2011;
- **NOTED** BBSRC's forecast for the full-year outturn for 2011-12, and the risks associated with the outturn forecast;
- **NOTED** the update on other current finance activities; and
- **NOTED** the report on commitment to date on the Strategic Opportunities Fund.

ITEM 12: BBSRC SCORECARD

48. Council **NOTED** the BBSRC Scorecard.

ANY OTHER BUSINESS

Industrial Biotechnology

49. The Chair thanked Council members for insightful debate over dinner on "Spin-outs, Clusters and BBSRC Research, focusing on interactions between large companies, small biotechs and academia/institutes", and in particular Dr Stageman and Dr Richards who led the discussions.

50. Reflecting on the discussions, the Chair said that it was important for BBSRC to be proactive in the area of industrial biotechnology and bringing the diverse community together, in particular to enable and support the development of early stage companies. It was **AGREED** that there should be a brief report to Council at its July 2012 meeting, setting out what was being and could be done by BBSRC and its partners to enable developments in this area, in particular focusing on opportunities around the BBSRC campuses. It was highlighted that the Industrial Biotechnology Leadership Forum could be useful as a reference.

July 2012 Strategic Workshop

51. Council **NOTED** the plans for the Strategic Workshop to be held on 3 July 2012 with the focus on the next spending review and the following attendees additional to Council and the Executive: Research Committee Chairs, Strategy Advisory Panel Chairs, Institute Directors and HEI strategic partners. A small subgroup of Council would be involved in helping to develop plans for the meeting in July 2012.

ITEM 13: REMUNERATION ARRANGEMENTS FOR BBSRC SENIOR EMPLOYEES

Audit of remuneration Arrangements for Senior Employees

This item related to information deemed PROTECT: PRIVATE and was therefore recorded separately.

Council Secretariat

March 2012