



SAIC Governing Board: Terms of Reference

The Scottish Aquaculture Innovation Centre (SAIC) brings together industry and research to provide innovative solutions to industry defined problems within Scottish Aquaculture.

We aim to deliver transformational change in the relationship between the aquaculture industry and research community to support the growth, sustainability and profitability of the Scottish aquaculture industry and, in doing so, impact positively on the Scottish economy.

Specifically, SAIC will focus on areas such as fish and shellfish health and welfare; feeding, quality and nutrition; breeding and stock improvement; and engineering to contribute towards increased production of healthy, safe and sustainable food.

SAIC is core funded by the Scottish Funding Council in partnership with Scottish Enterprise and Highlands and Islands Enterprise. Launched in June 2014, it involves 26 aquaculture companies and 13 research organisations.

The role of the Governing Board will be:

- To have overall responsibility for the strategic direction of SAIC. This will include review and comment on all management reports and other SAIC business
- To consider and continuously review the optimum business structure to deliver SAIC's objectives
- To consider the constitution of the Board on an ongoing basis to ensure that
 - The Board is fit for purpose to achieve the objectives of SAIC
 - Board membership is reviewed to take cognisance of the needs of the industry, collaborators and HEI partners
 - To consider and review the representation of all the partners on the Board to ensure fair and proper representation
- To ensure that SAIC complies with all governance matters including all relevant Government legislation and guidelines
- To agree and approve the Annual Business Plan. Thereafter to monitor against performance
- To agree and approve the Annual Budget. Thereafter to monitor against performance
- To review and approve the Annual Accounts and all other relevant financial instruments
- To consider all financial commitments made by SAIC over £100k in capital value and over £20k non-budgeted revenue value
- To approve funding for projects and to terminate failing projects on the advice of the management team, taking advice from the Independent Scientific Panel as appropriate
- To review the performance of the senior management team
- To form and set out terms of reference for any committee of the Board deemed to be required for the conduct of good governance of SAIC – for example, audit, remuneration or nominations
- To consult with and report regularly to the SAIC consortium. This should include the provision of a progress report at the annual SAIC conference
- To establish a Scientific Advisory Board comprising six senior scientists to ensure the scientific quality of work undertaken under the auspices of SAIC is maintained at the highest level
- To conduct an Annual Formal Evaluation of Board performance.

The composition of the Governing Board

The SAIC Board will consist of no more than eight core members, including the Chair and Chief Executive, each member having expertise and experience in an area of direct relevance to the activities of SAIC.

SAIC GOVERNING BOARD: TERMS OF REFERENCE

A majority of members of the SAIC Board will come from within the aquaculture industry, selected from consortium members and representing both major and SME production companies and the service sector. At all times there must be at least one member of the SAIC Board from an SME. Nominations from industry members of the consortium will be sought when a vacancy in Board membership occurs.

One Board member will be from University of Stirling, in recognition of its role as SAIC's administrative hub, to advise on HIE funding regulations and compliance with SFC terms and conditions.

One Board member will be nominated from within the academic members of the consortium.

In addition, there will be a Board place for one of the funding partners.

Non-executive SAIC Board members are elected for a term of three years, with no individual member serving more than two consecutive terms.

Nomination of new Board members

When a Board vacancy occurs, nominations will be sought from members of the consortium – from the industry membership for industry Board places, and from the academic membership for the academic place. Nominations must be sponsored (seconded) by an existing Board member.

The Board will select the new member from these nominees, using a review and election process, led by the Board Chair. For consideration, nominees must agree to commit to attending four Board meetings a year, plus additional promotional events. They must also be employed by a consortium member, have relevant experience in the industry or in research, and have experience serving on a management team or governance board.

As consortium membership increases, consideration may be given by the existing Board to increasing the number of Board members to reflect membership interests and activity.

In sponsoring and reviewing nominees, the Board will, where the opportunity arises, actively promote diversity in the composition of the Board. The review process will recognise that a diverse Board comprising individuals with different backgrounds and perspectives could enhance SAIC's support for industry growth and innovation.

Where possible, the nomination process will begin six months prior to the vacancy coming up. If a vacancy arises unexpectedly, the process will begin as soon as possible, to be completed within six months.

Quorate

The Governing Board will only be quorate if at least four voting members of the Governing Board are in attendance at the nominated date and time. However the four members must at least include the following in attendance:

- The Chair or his/her appointed alternate
- The Chief Executive and her/his appointed alternate
- At least two of the industry representatives.

It is expected that the Board member nominated by the administrative hub university will be in attendance at all Board meetings. In the event that s/he is not available, a suitable deputy will be provided by the university who shall attend the Board with observer status.

It is expected that at any meeting at least one of the funding partners (SFC, HIE, SE) as observers will be present at a Board meeting.

Observers do not count towards the numbers of the above qualifying members.

At the Chair's discretion attendance through Skype, video conferencing or teleconferencing may be allowed.

Timing of Governing Board meetings

There will be a minimum of four Board meetings per annum and the meetings will be set at least six months in advance. Special meetings of the Board may be held at any time at the call of the Chair or if more than 50% of the Board membership asks for a special meeting.

Governing Board process

All agreed relevant papers will be sent electronically to Board members at least five working days before the date of the Board meeting. Draft minutes will be distributed to Board members within 10 working days of the Board meeting for comment. Board minutes will be in draft form until formally accepted at the following Board meeting.

Agenda shall include (but not limited to):

- Attendance and apologies for absence
- Minutes of previous meeting and matters arising
- Review of SAIC projects
- Financial report
- Staffing issues
- Matters of a material nature within the Board's Terms of Reference.

The SAIC Risk Register will be formally considered by the Board semi-annually.

The Board will keep minutes of its proceedings and make these available to the representatives of the SAIC consortium and funding partners. In addition, they will be made available to comply with the provisions of the Freedom of Information Act. Reserved business items will be minuted separately and will not be available under the Freedom of Information Act.

Questions arising at any meeting of the Board will be decided by a majority of votes with the Chair carrying a casting vote.

Any urgent or emergency items requiring Board approval shall be dealt with through the special meeting process above and requires a quorum to be present for such approvals to be given.

Board members will be expected to sign a non-disclosure agreement (NDA) with SAIC. This will cover all project applications that panel members will see. Should an applying company require more specific NDA clauses, they may also be required to sign additional NDAs on a case-by-case basis.

Confidentiality

It is the duty of every Board member, observer and every officer in attendance to preserve the confidentiality of any item of business so designated by the member in the Board.

Declaration of interest

Any Board member, observer or officer, who has a pecuniary, family or other personal interest in any matter under discussion at any meeting of the Board at which he/she is present shall as soon as practicable disclose the fact of his/her interest to the meeting and shall withdraw from that part of the meeting.

FOR NOTE ONLY

Because of the nature of the public funding of SAIC, Board members will be required to carry out their duties to the same standards of conduct as those required for other voluntary roles within the host university. These standards are set out in the Code of Conduct of the University Court. For reference, the Code has been revised for SAIC and is set out below.

SAIC is entrusted on behalf of the University with the administration of public funds and it has a particular duty to fulfil the highest standards of corporate governance at all times. This includes ensuring that it discharges its duties with due regard for the proper conduct of public business. Universities were included among the 'public spending bodies' examined by the Committee on Standards in Public Life and consequently all members of the SAIC Board should observe the Seven Principles of Public Life drawn up by the Committee for 'holders of public office', even though strictly speaking that term may not apply to them.

The principles are as follows:

- **Selflessness** – they should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefit for themselves, their families or their friends
- **Integrity** – they should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties
- **Objectivity** – in carrying out public business, including making public appointments, awarding contracts or recommending individuals for rewards and benefits, they should make choices on merit
- **Accountability** – they are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office
- **Openness** – they should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands
- **Honesty** – they have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest
- **Leadership** – they should promote and support these principles by leadership and example.

In general terms, members of SAIC should:

- Act honestly, diligently and in good faith
- Not bind the SAIC to a course of action which it cannot carry out
- Ensure that the SAIC does not continue to operate if it is insolvent
- Seek to persuade colleagues by open debate and register dissent if they are concerned that the action would be contrary to any of the above
- Avoid putting themselves in a situation where there is actual or potential conflict between their personal interests and those of the SAIC.

If this advice is followed it is unlikely that personal liability could arise, particularly since the powers and responsibilities of SAIC are exercised in a collective manner and decisions are made by formal minuted resolution.