

TERMS OF REFERENCE – SAIC Governing Board

The Sustainable 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 sector 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, who provide the majority of project funding.

In governance terms, SAIC operates as an autonomous unit within the University of Stirling and the University hosting arrangements mean that SAIC receives its public sector grant funding via the University. SAIC is subject to University of Stirling policies and procedures on Human Resources and Finance and falls within the scope of University of Stirling audit and compliance arrangements. All matters of strategy and operation are under the control of the SAIC Board, which will take decisions on HR, financial, audit, risk and compliance issues as required in line with University policies, drawing on professional advice from relevant University staff when required. The University of Stirling has a representative on the SAIC Board as set out in the section on Board Quorum.

The role of the Governing Board will be:

- To have overall responsibility for the strategic direction and operation of SAIC. This will include scrutiny of all management reports and other SAIC business.
- 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; and
 - to consider and review the representation of all the partners on the Board to ensure fair and proper representation with an appropriate mix of skills, experience, and overall diversity.
- To ensure that SAIC complies with all governance matters, including all relevant Government legislation and guidelines and relevant University of Stirling HR, Finance, Audit and Compliance arrangements.
- To scrutinise and approve the Annual Delivery Plan, and to monitor performance against the plan during and after the end of the year.
- To scrutinise and approve the Annual Budget and to scrutinise performance against the budget during and after the end of the year.
- To scrutinise and approve the Annual Accounts and all other relevant financial instruments.
- To scrutinise 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, risk, audit, remuneration or nominations.
- To consult with and report regularly to the SAIC consortium.
- To maintain an Independent Scientific Panel comprising at least six senior scientists to ensure the scientific quality of work undertaken under the auspices of SAIC is maintained at the highest level and to help guide the work of this Independent Scientific Panel to inform SAIC strategy and funding decisions.
- To ensure effective Board performance using self-appraisal and any external appraisal as required.

Composition of the Governing Board

The SAIC Board will consist of no less 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.

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 SAIC's status as an operationally autonomous unit within the University.

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

Non-executive SAIC Board members are elected for a term of up to four years, with no individual member serving more than two consecutive terms. Board terms will be decided on a case-by-case basis to ensure a balance between continuity and refresh of the Board and to avoid as far as possible gaps in essential skills and experience.

Appointment of new Board members

When a Board vacancy occurs, the Board will consider its existing mix of skills and experience when agreeing the criteria for appointment of a new Board member. Applicants must usually have relevant, current experience in the industry or in research and have experience serving on a management team or governance board. The Board may exceptionally agree to open applications to people with different experience if they agree this would bring important additional skills or experience to SAIC and complement the existing membership.

Vacancies will be advertised, and the advert will also be circulated to members of the Consortium. Where required to ensure a good range of skills and experience and to meet the criteria set by the Board, the advert may also be drawn to the attention of other organisations.

The Board will appoint a panel, led by the Board Chair, to sift (if necessary) and interview applicants and make decisions on appointment in line with the criteria agreed by the Board. For consideration, applicants must

agree to commit to attending four Board meetings a year, plus additional promotional events.

In seeking applications, the Board will, where the opportunity arises, actively promote diversity in the composition of the Board. The selection process will recognise that a diverse Board comprising individuals with different backgrounds and perspectives could enhance SAIC's own performance and 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.

Board quorum

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 appointed alternate
- The Chief Executive or appointed alternate
- At least two of the industry representatives
- For at least part of the meeting, a representative of one of the funding partners (SFC, HIE, SE).

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

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

Board observers

It is required that at any meeting at least one of the funding partners (SFC, HIE, SE) as observers will be present for some part of a Board meeting. The Director of Marine Scotland from Scottish Government is also a standing observer at Board meetings. The Board may invite other people with particular skills and experience to attend part or all of any Board meeting as observers where this will help inform Board discussion.

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

Observers are encouraged to bring their skills and experience to SAIC by contributing to discussion on any matters before the Board, but do not have a vote. If an observer believes that an item for decision raises a question of compliance with terms of funding or relevant legislation this should be made clear in discussion or in writing to the Chair in advance of the Board meeting.

Board attendance

Board members make a commitment to SAIC and are expected to make every effort to attend Board meetings. The Chair will usually have a conversation with any Board member who misses two consecutive meetings to explore future commitments and whether continued membership of the Board is desirable for both the Board member and SAIC.

Timing of Governing Board meetings

There will be a minimum of four Board meetings per annum and the meeting dates 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.

The Board Agenda shall include (but is not limited to):

- Attendance and apologies for absence
- Minutes of previous meeting and matters arising
- CEO report
- Financial report
- Updates as required from Board committees
- Matters of a material nature within the Board's Terms of Reference.

The SAIC Risk Register will be formally considered by the Board annually and will also be subject to detailed consideration by the Audit and Risk Committee. The CEO report will highlight any significant new or substantially increased risks since the last Board risk register review.

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 special meetings of the Board, and decisions will be valid only if the Board is quorate.

Only in exceptional and unavoidable circumstances, and where a special meeting is impossible within the required timescale, will any urgent or emergency item be dealt with in correspondence. Dealing with an item through correspondence will require the approval of the Chair. Decisions in correspondence will require views from a quorum of Board members.

Non-disclosure agreement

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.

Code of conduct for SAIC Board members and observers

Because of the nature of the public funding of SAIC, Board members and observers 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 SAIC to a course of action that it cannot carry out;



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- Ensure that 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 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.