

## **STRATIFIED MEDICINE SCOTLAND – INNOVATION CENTRE**

### **Executive Board Terms of Reference**

These Terms of Reference are derived from the CONSORTIUM AGREEMENT in respect of STRATIFIED MEDICINE SCOTLAND INNOVATION CENTRE (SMS-IC) between The University Court of the University Of Glasgow; The University Court of the University Of Aberdeen; University Court of the University of Edinburgh; The University of Dundee; NHS Grampian; NHS Tayside; NHS Lothian; NHS Greater Glasgow and Clyde; Life Technologies Limited and Aridhia Informatics Limited dated 24th December 2013 (the Consortium Agreement). For the definitive wording, the executed Consortium Agreement should be consulted.

It should be noted that ThermoFisher Scientific Inc acquired Life Technologies Limited in February 2014. ThermoFisher Scientific Inc therefore assumes the rights and responsibilities assigned to Life Technologies Limited within the Executive Board Terms of Reference.

#### **1. Board Responsibilities:**

- Establishing the vision, mission and values of the SMS-IC as set out in the Bid Document
- Developing and maintaining the strategic and operational plans for the SMS-IC, including setting commercial objectives for the SMS-IC, and monitoring progress against these
- Developing and implementing SMS-IC's business model for access to, and on-going management, provision and commercialisation of, SMS-IC resources and services
- Establishing and maintaining the SMS-IC's financial plan and monitoring performance against plan
- Preparing a detailed annual budget for operation of the SMS-IC for each Financial Year, presenting to the Core Partners (by end of the preceding March), for consideration and approval by the Core Partners (by end of the preceding May), and monitoring performance against the approved budget on a quarterly basis
- Overseeing scientific and clinical projects

- Developing the selection mechanism/criteria for Exemplar Projects to be funded and conducted by SMS-IC
- Overseeing the management and delivery of Exemplar Projects (including contracts to govern the funding and intellectual property arrangements for each Exemplar Project and monitoring of Project milestones)
- Identifying any needs for formal documents/agreements to be drawn up for the management and ongoing operation of the SMS-IC and arranging their drafting and execution
- Monitoring and ensuring the compliance of SMS-IC with regard to funding and legal responsibilities
- Determining whether further Grant Funding may be required and, if so, co-ordinating the preparation of the relevant applications and review of commitments
- Reviewing membership of the SMS-IC and establishing criteria and an approval process for Third Parties to become Affiliate Partners and Core Partners
- Formation and membership of the Business and Scientific Advisory Board
- The selection of the SMS-IC Director and of the SMS-IC Chair
- Reporting to Core Partners and Affiliate Partners and preparing appropriate reports to enable the relevant Lead Applicant to report to the providers of Grant Funding
- Developing a communications policy and plan for the SMS-IC
- Preparing and maintaining a risk register for SMS-IC
- Arranging an annual meeting of the Core Partners at which to discuss strategy and other on-going matters in respect of the SMS-IC

## **2. Executive Board Composition:**

- The Executive Board will consist initially of up to eleven members as follows:
  - the SMS-IC Chair;
  - the SMS-IC Director/CEO;
  - one member nominated by Life Technologies (the Life Technologies Executive Board Member) and one member nominated by Aridhia (the Aridhia Executive Board Member) (collectively, the Industrial Partner Executive Board Members);
  - four members nominated by and drawn from the Universities and the Health Boards, one of which will be drawn from and appointed to represent the relevant University

and Health Board in each geographical and up to three members nominated by and drawn from the Affiliate Partners in accordance with the provisions set out in the Affiliate Partners Agreement.

- Each member of the Executive Board appointed may appoint a named alternate who shall be entitled during the period when he/ she is appointed as the alternate to:
  - receive notice of all meetings of the Executive Board;
  - attend and vote at any meeting of the Executive Board at which the member of the Executive Board for which he/she is the named alternate is not personally present;
  - generally to perform all the functions of the member of the Executive Board for which he/she is the named alternate in any circumstances in which such member of the Executive Board is unable to perform those functions.
- The Core Partners shall be entitled to appoint one board secretary who shall be entitled to:
  - receive notice of all meetings of the Executive Board; and
  - attend and speak at any meeting of the Executive Board in order to provide guidance to the Executive Board on legal and financial matters on procurement and HR policies applicable to SMS-IC, but not to vote on any matters arising.
- For so long as SFC continues to provide grant funding for SMS-IC, SFC will be entitled to appoint one representative to attend meetings of the Executive Board as an observer. The SFC Board Observer shall be entitled to speak at meetings but does not vote.
- The Core Partners acknowledge that the office of the Chief Scientist for Health in Scotland will be entitled to appoint one representative to attend meetings of the Executive Board as an observer. The CSO Board Observer shall be entitled to speak at but does not vote.
- The Executive Board shall be entitled to invite observers to attend meetings of the Executive Board.
- The Executive Board Members shall not be entitled to any remuneration or other payment in respect of the discharge of their functions on the Executive Board.
- The Core Partners may unanimously agree to vary the composition of the Executive Board to take account of the addition or withdrawal of Core Partners.

### **3. The role of the SMS-IC Chair**

- The first SMS-IC Chair shall be Dr David C. U'Prichard, President of Druid Consulting LLC. The SMS-IC Chair will be a part-time non-executive role and may be remunerated.
- The SMS-IC Chair will be responsible for:

- arranging meetings of the Executive Board;
  - circulating an agenda for each meeting of the Executive Board
  - circulating to each member of the Executive Board, minutes of each meeting of the Executive Board wherever possible within ten (10) working days following the relevant meeting;
  - circulating to each member of the Executive Board details and the current status of all and any on-going Exemplar Projects.
- The SMS-IC Chair shall preside at meetings of the Executive Board. If the post of SMS-IC Chair is vacant or if the person holding that post is unwilling to preside or is not present at any meeting of the Executive Board, the members of the Executive Board may appoint one of their number to act as chair of the meeting
  - In the event the SMS-IC Chair resigns or is removed or becomes unable to continue in such role, the remaining members of the Executive Board use all reasonable endeavours to agree a suitable replacement for the SMS-IC Chair

#### **4. Obligations on Parties**

- Each party shall:
  - notify the other parties and keep the then current members of the Executive Board advised of the contact details for any member of the Executive Board appointed from that party (and for any named alternate appointed by such member); and
  - throughout the period of this Agreement keep the other parties and the then current members of the Executive Board advised of any changes to the contact details for any member of the Executive Board appointed from that party (and for any named alternate appointed by such member).
- If at any time an Industrial Partner Executive Board Member or an HSS Executive Board Member resigns or is removed or becomes unable to continue in such role by reason of death or incapacity that member shall be replaced as follows:
  - a replacement for the Industrial Partner Executive Board Member shall be nominated by Life Technologies or Aridhia, as applicable; and
  - a replacement for the HSS Executive Board Member shall be nominated by agreement among the relevant University and Health Board (the relevant parties to act reasonably and in good faith in coming to such agreement),

in each case such appointment to take effect on the date of the withdrawal, resignation, or removal of the relevant Executive Board Member.

- If at any time an Affiliate Partner Executive Board Member resigns or becomes unable to continue in such role by reason of death or incapacity then that Affiliate Partner Executive Board Member shall be replaced by agreement among the Affiliate Partners as soon as reasonably practicable thereafter in accordance with the terms of the Affiliate Partner Agreement
- Each Core Partner and Affiliate Partner will be responsible for any costs associated with attendance of its members at and travel to meetings of the Executive Board. The Executive Board will establish an expenses policy for reimbursement of reasonable expenses incurred by the SMS-IC Chair, the SMS-IC Director and the members of the Business and Scientific Advisory Board
- The Executive Board will meet no less than once every three months. The quorum for meetings of the Executive Board will be at least five members, including the SMS-IC Chair at least two HSS Executive Board members (one of which must have been nominated by UoG) and at least one Industrial Partner Executive Board Member. Meetings of the Executive Board may take place in person, by video conference or by audio conference
- The Executive Board may vote to make recommendations to the Core Partners that any term of this Agreement should be amended from time to time but such amendments will not take effect unless agreed in writing and signed by an authorised signatory on behalf of each of the Core Partners.
- The Executive Board will develop and agree a procedure for the management of any Conflicts. No member of the Executive Board will be deemed to have a Conflict unless they are a named Investigator on Project under discussion. Unless expressly permitted by the SMS-IC Chair, no member of the Executive Board will be entitled to be present at discussions in respect of or to vote in a decision in respect of which they have declared a Conflict.

#### **5. Decisions and Voting:**

- All decisions of the Executive Board will, wherever possible, be by unanimous decision. Where a unanimous decision is not expressly required the decision will be made by majority vote. If there is a voting deadlock of the voting members of the Executive Board, the SMS-IC Chair will have the casting vote except where the SMS-IC Chair has declared he/she has a Conflict in respect of that vote.
- The Executive Board will not be entitled to make any decision to:
  - change the funding contributions of an Industrial Partner;
  - select Exemplar Projects
  - select an SMS-IC Chair or an SMS-IC Director
 until such times as it has consulted each of the Industrial Partners

- The Executive Board will not be entitled to make any decision to:
  - change the location of the SMS-IC
  - adopt or, once adopted, amend the Strategic Plan
  - amend the selection criteria for Exemplar Projects; and/ or
  - adopt or, once adopted, amend the procedure by which Core Partners and Affiliate Partners join the SMS-IC

until such times as it has consulted each of the Core Partners and taken reasonable account of any representations which they make in respect of such decision.

- The Executive Board may delegate any of its powers to a committee consisting of one or more of its members. It may also delegate to the SMS-IC Director such of its powers as it considers desirable to be exercised by the SMS-IC Director. Any such delegation may be made subject to such conditions as the Executive Board deems appropriate and may be revoked and altered as the Executive Board may determine.
- At each meeting of the Executive Board, the following standing items will be included in the agenda:
  - approving the minutes of the previous meeting
  - reviewing SMS-IC's financial performance, including performance against financial plan and the approved annual budget
  - reviewing progress against the key performance indicators set out in the business plan for SMS-IC
  - reviewing the SMS-IC risk register.
- Except as set out in terms of reference, the Executive Board may regulate its proceedings as it deems fit.

August 25<sup>th</sup> 2014