



**Minutes of the Meeting of the Agri-Food and Bio-Sciences Institute (AFBI) Board
held at
AFBI Newforge (Headquarters), Belfast
on Wednesday 25 February 2009 at 9.30 am**

Present - Board Members

Mr Sean Hogan, Chairperson
Prof David McDowell
Mr James Noble
Mr Kieran Campbell
Dr Michael Hollywood
Mr Nicholas Mack
Prof Stewart McNulty
Dr Christine Kennedy
Mr John Rankin
Mr John McKinley
Prof Grace Mulcahy
Mr Michael Walker

In Attendance – AFBI Executive

Dr George McIlroy, CEO
Dr Seamus Kennedy, DCEO
Dr Michael Camlin, DCEO
Dr Arthur Gilmour, DCEO (Acting)
Dr Robin Boyd, DCEO (Acting)
Mr Joel Ferguson, AFBI Business Manager
Mr Stephen Cousins, AFBI Secretariat

1. Welcome and Introduction

ACTION

The Chair opened the meeting with a word of welcome.

During a brief introduction the Chair mentioned that the Board meeting would be operating to a shortened agenda in order to accommodate the Open Meeting.

The Chair also informed the Board that the CEO, Dr McIlroy and his Deputy, Dr Seamus Kennedy would be leaving the Open Meeting early as they had an engagement with the DARD Minister, Mrs Michelle Gildernew MP MLA.

2. Apologies

There were no apologies although the Chair was asked to note that Mr Mack would be delayed.

3. Minutes of the Previous Meeting – 28 January 2009

On a proposal from Mr Rankin, seconded by Mr Noble it was agreed that the minutes of the previous meeting held on 28 January 2009 be accepted subject to the following amendments.

Item 4.4 – Publication of Scheme

Second paragraph, last sentence should be replaced with -

“It was suggested that the Executive may wish to compare the format and content of minutes published by other organisations such as the Strategic Investment Board and if necessary seek a legal opinion from AFBI’s legal advisors.”

Item 5.3 - Health and Safety

Second paragraph, second sentence delete “...care of duty...” and replace with “...duty of care...”.

Item 12 - Date of Next Meeting

Change date of meeting, delete “...25 March 2009...” and replace with “...25 February 2009...”.

4. Matters Arising from the Previous Meeting – 28 January 2009

4.1 Item 4.1 – Draft AFBI Corporate Plan 2008-2011 and Business Plan 2008/09

It was noted that the Board had received confirmation that both the Corporate Plan for 2008–2011 and the Business Plan for 2008/09 had been approved by the Department of Finance and Personnel.

4.2 Item 4.4 – Publication Scheme

This matter is ongoing and the Executive agreed to provide the Board with a more detailed update on the requirements of the Scheme and its impact on the Board at the March Board meeting. EXEC

At the request of the Board it was also agreed that this matter be left open for further discussion and comment at the March meeting.

4.3 Item 5.3 – Health and Safety

Secretary confirmed that the paper from Dr Boyd outlining the major changes and increases in penalties arising from the amended 1974 Health and Safety Act had been issued to Board members. The Executive agreed that this matter should remain on the agenda for further discussion at the March Board meeting. SEC

The Executive also agreed that it would provide the Board with a presentation at the March Board meeting on how the internal communication system operates between AFBI (as tenant) and DARD (as landlord), in respect of minor estate works that may impact on the health and safety of staff. EXEC

4.4 Item 8 - Rewards and Recognition to Staff Scheme

Work is still ongoing in relation to the supporting Business Case with the aim of having it completed by the end of March 2009.

4.5 Item 10.2 – AFBI Audit Committee – Renewal of Membership

The Board agreed to hold further discussions on the appointment of two new members to the AFBI Audit Committee until the March meeting. However, it was noted that there was no need for any immediate action to be taken by the Board to have these appointments made in time for the April meeting of the Audit Committee.

BOARD

4.6 Item 10.2 – AFBI Audit Committee – Payments to Board Members Who Serve on Board Sub-committees

The Secretary reported that this was still work in progress. AFBI Sponsor Branch have yet to clarify the position relating to the current ceiling approved by the Department of Finance and Personnel to cover the remuneration of Board members who serve on AFBI Sub-Committees (Remuneration Committee/Audit Committee).

Board agreed that the Secretary continue to pursue the matter and provide an update for the March meeting.

SEC

5. **Report from CEO's Office and Business Support Unit**

5.1 Risk Management

The Board noted that the updated version of the AFBI Corporate Risk Register had been circulated to members of the Board.

The Executive informed the Board that this latest version had been updated by way of a meeting of the AFBI Risk Management Co-ordination Group at a meeting held on 4 November 2008 and subsequently signed-off by the AFBI Audit Committee at its meeting held on 3 February 2009.

The Board were asked to note that there were no substantial changes to the risks but in line with audit requirements and advice, individual members of AFBI Management had now been appointed to manage the risks.

CEO informed the Board that there may be risks associated with HR Connect and these risks may have to be added to the Corporate Risk Register. CEO advised that several Government Departments had included HR Connect in their Corporate Risk Registers due to the adverse impact it was having on staff and he was taking this opportunity to make the Board aware.

The Board suggested that another risk which the Executive may wish to consider adding to the Corporate Risk Register was “*Failure to Respond to Change*”.

In response the Executive advised that “*Change Management*” was an issue currently being examined as part of the implementation of the AFBI Strategies and if risks emerged as part of this exercise then they would be added to the Corporate Risk Register and ultimately brought to the attention of the Board.

The Board indicated their willingness to accept this assurance without the need for further discussion.

5.2 Fraud

There were no reports of fraud or whistle-blowing.

5.3 Health and Safety

There were no reports of any health and safety incidents.

The Board were informed that the Executive were re-establishing the AFBI Health and Safety Advisory Group which had lapsed in recent months and Dr Boyd will be taking this forward on behalf of the Executive.

5.4 Finance

The Executive presented the Board with a financial report for the period ending 31 January 2009 and advised that AFBI was still on target to remain within budget for the current financial year.

In the discussion that followed the Board were asked to note that there had been a substantial increase in electricity costs but the Executive gave an assurance that this increase could be managed within the current budget.

The Executive also advised that it was now focusing on obtaining regular payments and ensuring that annual income is received during the course of the whole financial year. To achieve this, the Executive will undertake a review of customers and their current payment arrangements with the aim of seeking payment on a quarterly basis.

The Board voiced their agreement with this course of action and added that in today’s economic climate it was prudent to recoup money for services provided as quickly as possible.

The Executive also pointed out that a new line had been added in the financial report to take account of the funding being provided through PSRE4 and regular updates would be included in future reports.

The CEO referred to a recent meeting he had attended with DARD during which he had been informed of the enormous pressures that are likely to be placed on all of the United Kingdom devolved administrations and their departments and emphasised the point that AFBI will not be remote from these pressures.

The CEO stated that he was flagging this issue to alert the Board to the following –

1. that there is likely to be difficult financial times ahead;
2. the potential risk to AFBI through reduced income;
3. that AFBI may not meet the incremental increases that have been stipulated as part of its aims and objectives.

However, while the CEO recognised that there was likely to be difficult times ahead he assured that Board that he would be placing great emphasis on AFBI Innovations to do all in its power to identify new income streams and increase external income.

6. Pensions Issue

The Board were advised that matters relating to the Pensions Issue were close to resolution and the Executive were in the process of completing the Business Case in respect of the bulk transfer of the pension fund.

The Board also noted that all retired staff are now in receipt of their pensions and there are no personal issues remaining.

However, the Executive flagged up the possibility that there may be a requirement for AFBI to pay some employees of the former Agricultural Research Institute of Northern Ireland an allowance which will have to be back dated to 1 April 2006. The Executive advised that it was still in the process of analysing the information relating to this issue in order to ensure that it takes the appropriate action.

In response the Board acknowledged that there was quite a lot of matters relating to this issue that were outside the control of the Board and the Executive but were thankful to the Executive in having brought matters this far. The Board were also delighted to learn that no-one was suffering due to the delay in having this issue resolved.

The Executive also informed the Board that the issue had been raised during a recent site visit to AFBI Hillsborough by Mr Jeffrey Donaldson MP MLA who had also acknowledged the work being carried out by AFBI in order to resolve this issue.

7. Rewards and Recognition to Staff Scheme

The Board were informed that the Executive are currently working on the supporting Business Case as requested by the Department of Finance and Personnel (DFP).

However, the pending court case relating to the distribution of royalty payments had been postponed due to ongoing issues with Queen's University Belfast and this delay may assist AFBI in having the Rewards and Recognition to Staff Scheme finalised and implemented before a judgement is made.

8. SAPO4

The Executive informed the Board that AFBI's Internal Auditors, Deloitte had been tasked with resurrecting the previous work that they had carried out on the Business Case for a SAPO4 facility with the aim of amalgamating this with the scientific input needed to complete the Business Case.

The CEO reported that in light of the recent contaminated feed emergency he was content that members of the Northern Ireland Executive were now clear on the need for a local scientific response capability and AFBI's role in the provision of such a response had been recognised.

In thanking the Executive for the update, the Board raised the concerns expressed previously by the Northern Ireland Internal Audit (NIAO) regarding the use of Deloitte and there was a need for the Executive to ensure that AFBI are in a position to defend the use of Deloitte in the Business Case.

In response the Executive indicated that they were satisfied that the work being undertaken by Deloitte was within their current remit. However, the Executive agreed that any work that AFBI required Deloitte to undertake that had not been identified within the original Internal Audit Operational Plan would be brought to the Audit Committee for approval on a case by case basis.

9. Any Other Business

9.1 Rolling Database

The Board noted the changes made to the Rolling Database to take account of the position following the January 2009 meeting and indicated that they were content.

The Secretary was asked to update the Database for the March meeting and agreed that the item relating to the AFBI Corporate Plan could be marked and recorded as complete.

SEC

9.2 Theft of Cattle from Loughgall

The Board were given an update on the recent theft of nineteen in-calf heifers from AFBI Loughgall. These animals are almost unique to the Suckler Herd Programme and Red Meat Task Force and it was recognised that the theft is a tremendous blow not only to AFBI but the industry as a whole.

The Executive stated that they were bitterly disappointed that this was the second theft of cattle from Loughgall and accepted that this location may no longer be a suitable venue for storing valuable animals. However, in response to a query from the Board, the Executive advised that any recommendations arising from the previous theft had been put in place.

The Executive advised that in the next few days it will be raising awareness of the theft through the local media and are hopeful of stimulating a return based on a reward which will be provided by the industry. The Board suggested that any publicity should underline the fact that these animals are part of a research programme.

As well as creating heightened awareness through the local media, the Executive are working in co-ordination with the Police Service of Northern Ireland (PSNI) and it was also noted that it would be possible to identify the animals through DNA and retinal scanning.

9.3 Draft AFBI Business Plan 2009/10

The Board were advised that DARD were keen to have the draft AFBI Business Plan for 2009/10 in time for the March meeting of the DARD Departmental Management Board.

In order to facilitate DARD's request the Board agreed to the Executive's suggestion that an electronic version of the draft Business Plan for 2009/10 be forwarded to Board members for their comment before submitting an agreed draft to DARD.

RB

9.4 Open Meeting

The Secretary provided Board members with a list of those who had contacted the Secretariat and expressed an interest in attending the Open Meeting. The Board noted that those listed were representative of a wide cross section of the Northern Ireland agri-food industry.

A copy of the agenda for the Open Meeting was also presented to Board members for their information and the Chair took the opportunity to outline the running order particularly in light of the CEO and Dr Seamus Kennedy having to leave the meeting earlier than expected.

10. Date of Next Meeting

The next meeting of the Board will be held on Wednesday 25 March 2009 at AFBI Newforge.

Signed: _____
(Chairperson)

Date: _____