



Minutes of the meeting of the Agri-Food and Biosciences Institute (AFBI) Board
held at
AFBI Newforge (Headquarters), Belfast
on Thursday 28 February 2008 at 10.00 am

Present:

Board Members

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

In Attendance: Dr George McIlroy, Chief Executive Officer
Dr Robin Boyd, Head of Chief Executive's Office
Mr Stephen Dolan, Head of Business Support Unit
Mr Stephen Cousins (Secretary)

Mr Hogan welcomed those in attendance particularly Mr Cousins who was attending his first AFBI Board meeting in place of Mr McGuinness who has now retired.

Mr Hogan informed the Board that he had received a "*Thank You*" card from Mr McGuinness and relayed the comments to the Board.

1. Minutes of the meeting held on 16 January 2008

It was proposed by Mr Rankin, seconded by Mr Noble that the minutes of the meeting held on 16 January 2008 were agreed subject to the following change:

In 2.2 (second bullet point, second sentence) should be revised to read "*At the last meeting the Board viewed the deficit figure as the final hurdle to be overcome, but noted that there was a delay in the Actuary supplying a more considered estimate.*"

2. Open Board Meeting

Mr Walker presented a paper to the Board outlining the reasons for holding an Open Board Meeting and highlighting some suggestions and characteristics that the Board may wish to consider.

Following a lengthy discussion the Board indicated that they were content to proceed on the basis of Mr Walker's suggestions and the following points were noted:

- The Board would hold a pre-meeting prior to the Open Meeting.
- There would be a media gathering and photo shoot opportunity presented to the local press prior to the event.
- The meeting would concentrate on three key topics –
 - The AFBI 2006/07 Annual Report
 - The AFBI Corporate Plan 2008/09 to 2010/11
 - AFBI Science
- The meeting would provide an opportunity to showcase the Board and the organisation.
- There would be an opportunity for questions at the end of the meeting.

Mr Hogan agreed that he would take the opportunity in his opening address to mention the achievements of the organisation, the difficulties that had been encountered as well as acknowledging the key role and contributions of the staff.

It was agreed that the AFBI Executive in conjunction with the Chair would finalise the logistics and Board members will be notified of these arrangements in advance.

3. Report from Chief Executive's Office

3.1 Balmoral Show 2008

Dr Boyd made a presentation highlighting the topics that AFBI proposes to showcase at the 2008 Balmoral Show. The topics have been sourced from different business areas across AFBI and cover a number of diverse areas such as the landscape preference survey, grasslands, cattle health scheme, and "*bugs*" – an interactive stand that will give visitors an opportunity to view varieties of insects and other "*bugs*" through a microscope.

All of the exhibit will be manned by AFBI staff.

3.2 Renewables Conference

Dr Boyd informed the Board that AFBI are planning to hold a conference in conjunction with the Irish Chamber of Commerce USA (ICCUSA).

The aim of the conference will be to promote AFBI's expertise in the field of renewable energy as well as raising the profile of AFBI in an international context.

The conference is planned for 28 and 29 October 2008 and will be held at the Slieve Donard Hotel, Newcastle. This will be a high profile event and it is envisaged that Northern Ireland Ministers will participate along with other influential American keynote speakers. The Strategic Investment Board is very supportive of the idea.

In response Mr Hogan recommended to the Board that they should visit the website of the ICCUSA (www.iccusa.org) and proceeded to underline the potential for investment in the field of renewable energy. Mr Hogan also underlined the importance of attracting the right calibre of people and the support of our own Northern Ireland Ministers.

Dr Boyd informed the Board that he and Mr Dolan will be visiting New York next month (March 2008) to meet with the ICCUSA and a further update would be provided at the April Board meeting.

The comments of the Board were very supportive of the idea. It was also noted that the Executive will consider the inclusion of Board members when forming the Committee to take this event forward.

4. Report from the Business Support Unit

Mr Dolan presented the Business Support Unit Report which had been circulated to members prior to the meeting.

4.1 It was noted the matters pertaining to AFBI Risk Management and the Corporate Risk Register would be addressed by Dr Hollywood under Item 6 of the agenda – Audit Committee.

4.2 Fraud

Mr Dolan presented the Counter Fraud Policy and Fraud Response Plan to the Board to note and approve.

It was suggested by a member of the Board that AFBI being a scientific organisation, the policy should also address the issue of scientific fraud for example, the fabrication of results arising from scientific testing.

The Board were informed that the Northern Ireland Audit Office had suggested the inclusion of examples of the type of fraud that might arise in AFBI.

Mr Dolan advised that an Ethics Policy was in the process of being formulated and it would be more appropriate if the issue of scientific integrity was incorporated into this policy.

On a proposal by Mr Campbell, seconded by Mr McKinley the Board approved the Counter Fraud Policy and Fraud Response Plan.

4.3 Pension Matters

Mr Dolan reported that a "*Pensions Awareness Seminar*" had been held at Hillsborough at the end of January 2008 and the Government Actuary had presented examples relating to both Schemes (NILGOSC and PCSPS (NI)) and the outcome proved that the two Schemes were comparable.

With regard to those nearing retirement the financial incentives in transferring from NILGOSC to the PCSPS (NI) are likely to be minimal. However, for those who have a longer service period remaining it may be more advantageous for them to transfer but this would have to be based on obtaining and considering their own independent financial advice.

The Board were supportive of the work undertaken by the Executive in relation to this matter and it was timely that the Board could sign-off on this thereby enabling the Minister to respond positively to another letter that had been received from Mr J Donaldson MP.

It was also noted that AFBI had put in place arrangements to deal with individuals who may suffer some hardship arising from this matter.

4.4 Health and Safety

Mr Dolan presented the revised Health and Safety Policy to the Board for noting and approval.

The Board were advised that this document had been submitted for consultation within AFBI and had also been approved by Trade Union Side (TUS) and the Health and Safety Executive Northern Ireland (HSENI). Given that this is a final revised policy document it was agreed that a date be inserted and this date be recognised as the date of implementation.

In response to a query from a Board member, the Board were advised that their responsibility in relation to Health and Safety within the organisation was to ensure that a culture of Health and Safety existed

and was promoted but operational matters are delegated to the Executive.

The assurance necessary to prove that the Board is fulfilling its role and responsibility comes in the form of regular monthly reports from the Executive to the Board and the fact that the Board is requested to sign-off on any amendments to the Health and Safety Policy.

The revised Health and Safety Policy was accepted by the Board on a proposal from Dr Kennedy, seconded by Professor McNulty.

4.5 AFBI Accounts 2006/07

The Board were informed that the Annual Report and Accounts for the year ended 31 March 2007 are complete and the document is currently being formatted for presentation to the Northern Ireland Audit Office tomorrow (Friday 29 February 2008). The aim is to have the Accounts signed-off by the 7 March 2008 as the Comptroller and Auditor General will not be available again until the end of March and this would undoubtedly have implications for the Open Meeting.

In view of the time factor and in order to expedite the process of finalising the accounts Dr Hollywood in his role as Chair of the Audit Committee signified that he was content with the Accounts based on the action taken to date and did not see the need for the Audit Committee to meet in order to formally sign-off on the Accounts.

It was agreed that the Accounts be issued immediately to all Board members for approval and return prior to 7 March 2008 in order that they could be presented to the Comptroller and Auditor General.

4.6 Finance

The Board were presented with a breakdown of the 2007/08 budget and Mr Dolan explained that at this point the budget was showing a slight surplus. However, transactions will continue to be processed until 31 March 2008 and the aim of the organisation would be to have an underspend rather than overspend at the financial year end.

The following points were raised by a member of the Board.

- In relation to salaries, it was noted that this underspend was linked to ring fenced budgets but the work associated with these budgets is now complete and this will be reflected in future reports.
- In relation to the shortfall in income, the Board was advised that this was due mainly to one customer. In light of the difficulties that had been encountered AFBI Executive advised that the exposure to such risk has been reduced and in future prior to any work being

5. Audit Committee – Report on 23 January 2008 Meeting

5.1 Report to the Board

Dr Hollywood referred members to the draft minutes of the Audit Committee meeting held on 23 January 2008 and his note to the Board. He highlighted the main points in his report.

5.1.1 Pensions Issue It was noted that the pensions issue had already been covered during the course of this meeting and the Board were content with the outcome.

5.1.2 Risk Management The Audit Committee are content with the process employed to identify the risks and while the Board commended the Audit Committee and the Executive on lowering the risks, nevertheless attention was drawn to two risks that still remain in the “*high category*” particularly the risk associated with recruitment.

In response the Board were advised that this risk will be reviewed on a six monthly basis and that a Human Resources Report is being produced that will examine recruitment over the last two years and will help identify the key areas of concern.

Whenever this exercise has been completed the matter will be referred back to the Board with a view to changing recruitment policy, especially in relation to the lower grades within the organisation, based on statistical analysis and sound information.

In response to a question from a Board member, the Board were advised that a consultancy assignment was being undertaken at present and this would include an examination of the ratio of low to high grades within the staffing structure as well as other personnel issues.

5.1.3 Annual Report The Annual Report and Accounts for the year ended 31 March 2007 has been completed. An audit on the Accounts for the year ended 31 March 2008 will soon commence with the draft Accounts required by the auditors by the end of June 2008.

This raised a query in relation to the recruitment and appointment of a Deputy Principal Accountant which was now a high priority issue. Accounting resources had been mentioned at the Audit Committee and, while the NIAO had been patient in relation to the Accounts for the year ended 31 March 2007, this was not likely to be the case for the current financial year.

The Board was informed that efforts are being made to address this situation with the Deputy Principal Accountant post being re-advertised. However, in the interim period there was no alternative but to use the services of external consultants.

- 5.1.4 Dr Hollywood advised the Board that in accordance with the Terms of Reference of the Audit Committee he would draft an Annual Review Report and forward this to the Chief Executive Officer and Chair of the Board for recommendation.

6. Any Other Business

6.1 Report from the Remuneration Committee

Deputy Chief Executives – Performance Monitoring

The Board was informed that the Remuneration Committee had noted recent correspondence it had received and wished to notify the Board that the Committee was content that the Chief Executive Officer had carried out a formal process of assessing the individual performance of the Deputy Chief Executive Officers in accordance with Senior Civil Service Group Performance Monitoring guidelines.

The Chair of the Remuneration Committee informed the Board that the role of the committee was to assure the Board that this function had been carried out appropriately.

Rewards and Recognition to Staff Scheme

The Board was informed that the committee had received the draft Rewards and Recognition to Staff Scheme document from DARD but recognised that there are a few minor issues that DARD and the AFBI Executive may wish to comment on. It was noted that the delays in this process were attributed to DARD who were in possession of this document over six months.

There will be a further meeting of the Remuneration Committee on Wednesday 12 March 2008 following which the committee would hope to be in a position to make a recommendation to the Board regarding the proposed Rewards and Recognition to Staff Scheme.

6.2 Rolling Database of Major Issues Raised at Board Meetings

Members noted the Rolling Database which had been updated to take account of developments in January 2008.

It was agreed that the AFBI Business Plan for 2007/08 should be marked as “*approved/completed*”.

6.3 **Board Meeting Dates**

The Board was presented with a list of proposed dates and arrangements for forthcoming meetings during 2008.

Following consideration it was proposed by Mr Rankin, seconded by Professor McNulty that these be accepted.

6.4 **Crossnacreevy Relocation**

The AFBI Board was informed that a number of Crossnacreevy Relocation Project Board meetings have taken place. At the latest meeting the Project Board applied the agreed criteria to a long list of potential locations and this has now produced an interim list which will be subject to a further scoping exercise. It was noted that eleven sites on the interim list are located within the DARD estate.

The AFBI Board was assured that matters are progressing and the interests of the Board are being upheld.

6.5 **Business Manager**

It was noted that there had been no movement on this issue since the last Board meeting but agreement had been reached with the University of Ulster that if they had to resort to an open recruitment competition to replace the successful candidate then they would consider some form of sharing arrangement.

The Chief Executive Officer stated that he was grateful that the University of Ulster has approached this matter in a practical manner.

7. **Date of the Next Meeting**

The next meeting of the Board will be an Open Meeting to be held on Thursday 27 March 2008.

Signed: _____
(Chairperson)

Date: _____