



**Minutes of the Meeting of the
Agri-Food and Biosciences Institute (AFBI) Board
held at AFBI Stormont
on Thursday 4 December 2014 at 10.00am**

Present – Board Members

Mr Colm McKenna, Chair
Prof William McKelvey,
Deputy Chair
Mr David Lindsay
Dr Cecil McMurray
Prof Patrick Murphy
Mr Bob McCann
Mrs Hilary McCartan
Mr Ken Millar
Mrs Hilda Stewart
Mrs Sarah Havlin

In Attendance - AFBI Executive

Prof Seamus Kennedy, Chief Executive Officer
Mrs Lesley Hogg, Director of Finance and Corporate Affairs Division
Dr Sinclair Mayne, Director of Sustainable Agri-Food Sciences Division
Dr Stanley McDowell, Director of Veterinary Sciences Division
Mr James Adams, AFBI Secretariat

Visitor

Mr Graeme Wilkinson, Director of Finance, DARD
Mr Colin McCrossan, Strategic Investment Board (SIB)

1. Welcome and Introduction

ACTION

The Chair opened the meeting with a word of welcome and informed attendees that two items on the agenda, Dr Gilliland's presentation and AFBI's updated Whistleblowing and Fraud Policy, have been deferred to the January meeting of the Board.

2. Apologies

There were no apologies to record.

3. Conflict of Interests/Register of Interests Declaration

There were no conflicts of interest declared, nor any changes to be made to Board members' Register of Interests.

Mr Wilkinson and Mr McCrossan entered the meeting

4. Newforge Estate Rationalisation – Update

The Chair welcomed Mr Wilkinson and Mr McCrossan to the meeting to provide an update on progress of the Newforge Estate Rationalisation Business Case.

Mr McCrossan informed the Board that the AFBI Estate Project Board met on 26 November 2014. At the meeting revised SMART objectives were agreed and the long list and short list of options were identified. Board feedback received at the November Board on the Executive's preferred option has been taken into account in the current cost projections and the capital and revenue costs have been refined which has resulted in slight reductions to the proposed payback periods of some options.

Going forward the Board noted that a meeting with representatives from the Maze/Long Kesh (MLK) Development Corporation is scheduled to be held that afternoon to explore the availability of agricultural land at the MLK site. In the discussions that followed, the Executive stated that the availability of land is of critical importance to AFBI's future operations and highlighted current difficulties in securing land, particularly at AFBI Hillsborough, and the impact that this has on establishing long term field based research. Dr Mayne suggested that to fulfil the proposals in the Going for Growth Report, research would be required using suckler and beef herds to highlight the associated land requirements. In light of the discussions Mr Wilkinson agreed to clarify with his DARD colleagues as to their future requirements for beef research.

GW

The Board noted that the Executive's preference is *Option 9 – "New builds at AFBI Hillsborough and AFBI Loughgall"*. For comparison purposes, the Chair requested that a suboption be included incorporating a further 10% reduction in the footprint. The Board noted the importance of future proofing AFBI's requirements and that options must ensure that the AFBI Estate is fit for purpose in the short, medium and long term. The Board also requested that the assumption on land valuation be re-visited to reflect current market prices.

CMcC

Mr McCrossan advised that a workshop to evaluate the options will be conducted shortly. The Chair emphasised the Board's desire to have a robust business case ready for submission to DFP by the agreed deadline of 19 December 2014 and that direction from Board members would be provided to facilitate completion.

Mr Wilkinson stated that he has been very impressed with the work carried out by SIB and AFBI in developing the business case to date particularly within such a constrained timescale. DARD is committed to the project with an initial £500k capital having already been identified for 2015/16 to take forward the first stage in developing AFBI's estate. Mr Wilkinson also informed the Board that the Chair of the ARD Committee has requested sight of the AFBI Headquarters and Plant Science Centre outline business case (OBC) and the AFBI Stormont OBC. As the AFBI Stormont OBC is currently with DARD, Mr Wilkinson agreed to try and expedite the process.

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In response, the Chair thanked Mr Wilkinson and also paid tribute to the work of SIB and DARD and emphasised the need to ensure that the business cases are completed on time while there is capital money to avail of.

Mr Wilkinson and Mr McCrossan left the meeting

5. Draft Minutes of the AFBI Board Meeting held on 6 November 2014

The draft minutes from the previous AFBI Board meeting held on 6 November 2014 were approved as a true and accurate reflection of the meeting.

5.1. Action Sheet from AFBI Board Meeting held on 6 November 2014

Progress against actions was noted as per the Action Sheet.

The Chair updated the Board on a busy month of activities including meetings with the Permanent Secretary and Deputy Permanent Secretary to discuss the proposed 2015/16 AFBI Budget. The Chair also informed the Board that he had participated in Staff Briefing Sessions at the four AFBI sites. Approximately 400 staff attended and they were updated on AFBI's corporate strategy, budget pressures to 2020 and proposals for a Voluntary Exit Scheme in 2015. A copy of the CEO's presentation was also circulated to Board members at the commencement of the meeting.

The Chair advised the Board that the appointment process for new members is at the interview stage and once complete, a list of candidates who had met interview requirements will be presented to the DARD Minister for consideration. It was noted that new Board members are scheduled to commence their term of office in April 2015.

The Board also noted that there have been some preliminary dialogue around AFBI increasing links with other institutes.

7. Executive Report

In presenting the Executive report for October 2014, the CEO highlighted VSD's recent response to a suspect outbreak of highly pathogenic avian influenza. Tests conducted at VSD proved negative and DARD recorded its appreciation for the rapid and effective response provided by AFBI. The CEO also informed the Board that a number of agricultural scientists have arrived from China and will spend a week with AFBI training on grass and clover evaluation techniques.

The Executive also updated the Board on two events held in November 2014; the international Scientific Forum and the joint AFBI/LMC Beef Conference. Both events have generated momentum and have been positively received by industry. AFBI is already looking at other areas to promote early next year. In commenting on the events held over the last twelve months, the Board and the Executive recorded their appreciation of the effort and commitment shown by the organising committees and the corporate communications team in raising the public profile of AFBI and communicating key messages to a wide range of stakeholders.

In noting that this is the third consecutive month in which the Executive has informed the Board of ongoing maintenance issues within the Lamont Building at AFBI Stormont, the Board expressed serious concern that matters have not been resolved. The Executive explained that AFBI was working closely with DARD Properties Division to try and resolve the issues.

In response to a query on the SIB appointment of a company to complete the remainder of the laboratory space utilisation/consolidation exercise for AFBI Newforge, the Board was content to note that this will not impact on the delivery timeline of the ongoing business case for the AFBI Headquarters and Plant Science Centre.

8. AFBI's Vision to 2020

In discussing a report from Professor McKelvey and EMT on the recent Strategic Issues Working Group (SIWG) meeting, the Board noted that papers prepared

by three of the four Sub-groups had been reviewed but noted its disappointment that the paper from the 4th sub-group, chaired by the CVO, had not been available for the meeting. The Board noted that the paper was to be circulated by 28 November but still had not been made available but hoped that it would be circulated well in advance of the next SIWG meeting scheduled for 19 December to permit adequate time for consideration.

In noting that Dr Alastair Carson is widening the debate on taking forward top fruit research on an all-Ireland basis with DARD, DAFM and Teagasc, the Chair stated that, having already held discussions with Teagasc on this matter, it is important to ensure a consistent message is delivered. Following the recent meeting with representatives from Teagasc the Chair expects the next stage of the process to involve the production of a Memorandum of Understanding between AFBI and Teagasc.

Arising from discussions on how to take forward the AFBI Vision in the short, medium and long term, it was agreed that the duration of the Board meeting scheduled for 8 January 2015 should be extended to permit more in depth discussion on strategic issues and future direction of AFBI.

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9. Finance

9.1 Implications of proposed 2015/16 DARD Resource Budget

Mrs Hogg presented a paper detailing the implications of the proposed 2015/16 resource budget from DARD and highlighted the Executive's concerns at the extent of the proposed cuts. Mrs Hogg explained that the paper had been submitted to DARD on 14 November 2014 and highlighted AFBI's grave concerns at the extent of the proposed budget cuts and increased income target for AFBI. Mrs Hogg also advised the Board that AFBI cannot assume that in-year monitoring bids for funding will be successful in 2015/16 due to the current difficult financial climate.

The CEO circulated a bar chart showing AFBI's year on year external income growth from 2006/07. It was acknowledged that a more detailed breakdown of non-GiA income should be considered by the Board at its strategy session on 8 January 2015.

The Board supported the work carried out by the Executive in the production of the paper and noted that a response is awaited from DARD. The Board also noted that the DARD budget proposals are out for public consultation with a closing date of 29 December 2014 and supported the Executive's proposed outline response. The Chair encouraged Board members to respond to the consultation.

9.2 AFBI Budget Monitor Report – Position at 31 October 2014

Mrs Hogg presented the AFBI Budget Monitor for October 2014 and highlighted that the forecast outturn for the year reflects the January Monitoring round award of £2m resource and £950k of capital. Mrs Hogg highlighted that, despite AFBI's success in the January Monitoring Round, AFBI still needed to maintain a tight control of expenditure in order to deliver a balanced budget for 2014/15.

10.1 Draft Minutes from Audit & Risk Assurance Committee Meeting held on 4 November 2014

Mr McCann presented the draft minutes from the Audit & Risk Assurance Committee Meeting held on 4 November 2014 and the Board was content to note.

11. Governance Issues**11.1 Risk Management****11.1.1 *Reports of New or Emerging Risks***

Mrs Hogg advised that the Executive was not aware of any new or emerging risks to the organisation.

11.1.2 *AFBI Corporate Risk Register – October 2014*

In presenting the AFBI Corporate Risk Register – October 2014, Mrs Hogg informed the Board of the following:

- Progress of additional actions to manage the risks have been updated.
- Key changes to risk scoring have been highlighted.
- An additional risk in relation to implementation of NIAO and PAC recommendations has been incorporated into the revised register.

The Board was content to note.

11.1.3 *Whistleblowing and Fraud*

The Board was content to note that there were no new or emerging cases of Whistleblowing or Fraud.

12. Any Other Business**12.1 Proposed Dates of Board Meetings for 2015/16**

The Chair requested that the proposed dates for the 2015/16 AFBI Board meetings be revised at the January meeting to enable consideration of diaries.

13. Review of Board Effectiveness

The Board was content that the meeting had been effective.

14. Date of Next AFBI Board Meeting – 8 January 2014

The next AFBI Board meeting will be held in AFBI Newforge on Thursday 8 January 2014.

Presentations of Long Service Certificates

Following the close of business the Board presented certificates of long service to Dr Ronnie Laughlin and Dr Hywel Ball. In presenting the certificates, the Chair gave the Board a brief synopsis of their careers following which the Board congratulated them on their long and dedicated service to AFBI and its predecessor DARD Science Service, and wished them a long and happy retirement.

Signed: _____
(Chairperson)

Date: _____