



**Minutes of the Meeting of the
Agri-Food and Biosciences Institute (AFBI) Board
held at AFBI Newforge
on Thursday 2 October 2014 at 10.00am**

Present – Board Members

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

In Attendance - AFBI Executive

Prof Seamus Kennedy, Chief Executive Officer
Mrs Lesley Hogg, Director of Finance and Corporate Affairs Division
Mrs Beverly McRoberts, AFBI Finance

Visitors

Mr Graeme Wilkinson, DARD Finance Director
Mr Michael Donnelly, Strategic Investment Board

1. Welcome and Introduction

ACTION

The Chair opened the meeting and welcomed those present.

2. Apologies

Apologies were received on behalf of Prof Wm McKelvey, Deputy Chair, Dr Sinclair Mayne, Director of Sustainable Agri-Food Sciences Division and Dr Stanley McDowell, Director of Veterinary Sciences Division.

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 Donnelly entered the meeting.

4. Newforge Estate Rationalisation – Update

The Chair welcomed Mr Donnelly and Mr Wilkinson to the meeting. Mr Donnelly gave the Board an update on the progress to date; underlining that DARD now needs assurance from AFBI that the size of the facility being proposed will meet its needs in terms of space. DARD also requested confirmation from AFBI of its intention for Loughgall to become AFBI's Plant Science Centre. The Chair confirmed that the proposal for Loughgall to become a Centre of Excellence for Plant Science had been agreed by the AFBI Board and Executive as the way forward.

Mr Wilkinson then gave an update on the financial situation in relation to estate rationalisation. Resource funding, in particular, is under stress and

there is therefore a focus on looking for Invest to Save opportunities although these needed to be identified quickly while capital monies were available.

ACTION

The Board acknowledged the benefits of Invest to Save as an imperative to reduce future resource expenditure but requested clarity from DARD on the future of the Assigned Work Programme in order to ensure that AFBI's Estate Strategy aligns with this. DARD assured the Board that the Strategic Working Group would provide this clarity.

The Executive advised Mr Donnelly that EMT was scrutinising the space requirement proposals proposed by SIB and that it would respond to SIB's proposals by Friday 10 October 2014.

Exec

Mr Wilkinson and Mr Donnelly left the meeting.

5. Draft Minutes of the AFBI Board Meeting held on 4 September 2014

The draft minutes from the previous AFBI Board meeting held on 4 September 2014 were approved.

5.1. Action Sheet from AFBI Board Meeting held on 4 September 2014

Progress against actions was noted as per the Action Sheet.

6. Draft Minutes of AFBI Open Meeting held on 4 September 2014

The draft minutes from the AFBI Open Meeting were approved and the Board noted the positive feedback that had been conveyed to the CEO from visitors and expressed in the event evaluation form.

7. Chairman's Remarks

The Chair opened by commending staff on the success of the AFBI Open Meeting and informed the Board that his September meeting with AgriSearch had also been positive.

He then informed the Board that he is due to meet with the DARD Minister, Michelle O'Neill MLA, on Tuesday 7 October 2014 to discuss the AFBI 2020 Vision Strategy Paper presented to her recently.

The Chair took the opportunity to underline the importance of AFBI taking ownership of implementation of its Strategic Vision to 2020.

The Chair briefed the Board on the current Board appointment competition and timeline. The Chair advised that while a panel would complete the sift and interview process the appointments would be decided by the Minister.

8. Executive Report

ACTION

The Executive report was taken as read with the following points noted:

8.1 Finance

A letter has been received by the CEO from the Clerk of the Agriculture and Rural Development (ARD) Committee requesting an update on the impact of current Government budget cuts on AFBI's budget and how this would affect AFBI's operations. A response is currently being drafted.

8.2 DARD E&I Programme

The 2015/16 DARD Evidence and Innovation (E&I) Call was issued on 11 July 2014. Concept notes were submitted by the deadline of 1 September 2014, followed by Full Format Proposals on 30 September 2014. The Board noted that whilst the 2015/16 DARD E&I commissioning process is underway, it had been agreed at the joint DARD/AFBI Board held on 20 August 2014 that DARD will move to a programme based approach for commissioning R&D.

8.3 External Recruitment Competitions

In light of AFBI's current financial pressures the recruitment of new staff to the organisation has been restricted to unavoidable appointments where AFBI does not currently have the skills set required.

8.4. Lamont Building

The Board asked for it to be noted that, in light of the continuing issues concerning the Lamont building, AFBI must insist on CPD engaging specialists with the appropriate level of expertise to avoid similar mistakes being made in the design of the future AFBI estate. An AFBI Project Sponsor should also be appointed to ensure that AFBI's needs are properly reflected in the design of any new or refurbished buildings and that these are fully delivered in the construction stage. The Executive assured the Board that this had already been made clear to CPD and that the appropriate level of expertise had been involved to date although the requirement of specialist expertise would be of more importance during the detailed design stage.

9. AFBI's Vision to 2020 - update

It was agreed that this update would be dealt with under the October Monitoring Round update elsewhere on the agenda.

10. Finance Sub-Committee

10.1 Report from Finance Sub-Committee Meeting held on 22 September 2014

The report from the Chair of the Finance Sub-Committee was noted. The Board underlined the importance of developing a fit for purpose charging policy.

10.2 Draft Revised Finance Sub-Committee Terms of Reference

The Board approved the revised Finance Sub-Committee Terms of Reference and the re-appointment of members to the committee.

11. Finance**11.1** October Monitoring Round Update

Mrs Hogg presented an update to the Board on the October Monitoring Round, during which a number of points were made:

- AFBI has been advised that its October Monitoring Round bid of £1.3m for pay progression is unlikely to be successful and that AFBI therefore faces a pressure of £2.2m.
- DARD and AFBI met on 26 September 2014 to go through the work carried out for DARD and to review the remaining uncommitted expenditure of the year and assess what is inescapable and what could be saved by pausing work in order to deliver a balanced budget by 31 March 2015.
- Other available options to deliver a balanced budget are being considered.
- There are a number of major financial and scientific consequences for 2015/16 and beyond.

The Board underlined the requirement for a financial recovery plan and risk assessment. An extraordinary AFBI Board meeting has been scheduled for 21 October 2014 to discuss progress with this issue.

Exec

11.2 AFBI Budget Monitor Report – Position at 31 August 2014

The paper entitled AFBI Budget Monitor Report – Position at 31 August 2014 was noted.

12. Audit and Risk Assurance Committee**12.1** Draft Revised Audit and Risk Assurance Committee Terms of Reference

The revised Audit and Risk Assurance Committee terms of reference were approved by the Board following an update to reflect the requirements of the Department of Finance and Personnel's Audit and Risk Assurance Committee Handbook (NI) published March 2014. This included changing the committee's name to Audit and Risk Assurance Committee.

13. Science Strategy Committee**13.1** Draft Revised Science Strategy Committee Terms of Reference

The Board reviewed the revised Science Strategy terms of reference and requested that a further amendment be made to incorporate consideration of Peer Review findings.

Exec

The Board also agreed that the Science Strategy Committee should continue to operate with two members until such time as new Board members are appointed.

14. Organisational Development & Human Resources Sub-Committee (OD&HR)

14.1 Report and Draft Minutes from OD&HR Sub-Committee Meeting held on 3 September 2014

The draft minutes from the OD&HR Sub-Committee were noted and the Chair commended the CEO, Mrs Hogg and Mr Brennan, Head of HR, on the high level of work being done to achieve the set objectives.

14.2 Annual Review of OD&HR Sub-Committee Terms of Reference

The Board supported the OD&HR Sub-Committee's recommendation that following the annual review of its terms of reference, no amendments were required.

14.3 AFBI Staff Establishment 1 April 2013 – 31 August 2014

The AFBI Staff Establishment at 31 August 2014 was noted by the Board.

15. Corporate Risk No. 5 – ***“If AFBI fails to maintain and grow its excellence capability this will adversely impact AFBI’s ability to deliver to its customers and impact negatively on its reputation.”***

The Executive provided an overview of Corporate Risk 5, including the controls in place and the additional actions required to help manage the risk. After a brief discussion the Board was content to note the overall position in respect of Corporate Risk No. 5 with the Chair commenting that AFBI must continue to be true to the strategy and objectives of the organisation.

16. Governance Issues

16.1 Risk Management

16.1.1 *Reports of New or Emerging Risks*

The Executive confirmed that there were no new or emerging risks to the organisation.

16.2 Whistleblowing and Fraud

The Whistleblowing and Fraud paper was noted along with the status of the ongoing investigation.

17. AFBI Business Plan 2014/15

17.1 Update on Progress Against KPIs

Mrs Hogg presented a paper providing an update on the Q1 progress against

AFBI's 2014-15 Key Performance Indicators (KPIs). The Board noted that of the 25 KPIs the only target with a red status was the target to deliver provisional resource outturn between 98.5% and 100% given AFBI's significant in year financial pressures.

ACTION

With regard to the amber status of the target to publish peer-reviewed scientific papers the Board requested that given the time lag between submission and actual publication, which is outside AFBI's control, that the number of papers submitted for publication also be recorded against the KPI.

Exec

18. Annual Report 2013/14

The Board reviewed the Annual Report in order to provide any comments prior to receiving the Annual Report and Statement of Accounts 2013-14 for approval in November. During the discussion that followed a number of points were made by the Board regarding the Annual Report for future years including:

- Considering highlighted AFBI's PhD programme; and
- Considering the purpose of the Annual Report and whether this or a more targeted document is best suited for marketing purposes.

19. NIAO/PAC Action Plan - Update

The Board noted the update provided on the NIAO/PAC Action Plan.

20. AFBI Board Workshop Action Plan (C Moore) – Progress Update

The Board Workshop Action Plan Progress Update was noted with all actions now completed.

21. Sponsorship Risk Assessment Action Plan

The Board noted the current status of the actions on the Sponsorship Risk assessment Action Plan.

22. KPMG Implementation Plan – Update

The update on the KPMG Implementation plan was noted by the Board.

23. Review of AFBI's Assigned Work Programme for year end 31 March 2014

The Board noted the Review of AFBI's Assigned Work Programme for year end 31 March 2014, remarking on the 94% level of positive satisfaction from DARD.

24. Any Other Business

The Executive informed the Board that the CEO of Titanic Quarter met with the AFBI CEO to discuss the potential of AFBI having a presence within the Science Park. The Executive stated that such a move did not align with AFBI's current estate strategy.

25. Review of Board Effectiveness

The Chair updated members on the annual Board Effectiveness Review which commenced in February/ March and was completed in May and provided a summary of the results. Whilst the outcome was very positive, the following areas for improvement were noted:

- Continuing the development of AFBI's relationship with its sponsor DARD;
- Developing the appraisal process for Board Members and areas for Board development; and
- Continuing to develop stakeholder engagement and the role of the Board in this.

26. Date of Next AFBI Board Meeting – 6 November 2014

The next AFBI Board meeting will be held in AFBI Stormont (VSD), on Thursday 6 November 2014.

Signed: _____
(Chairperson)

Date: _____