



**Minutes of the Meeting of the  
Agri-Food and Biosciences Institute (AFBI) Board  
held at AFBI Newforge  
on Thursday 3 September 2015 at 9.00am**

**Present – Board Members**

Mr Colm McKenna, Chair  
Prof William McKelvey,  
Deputy Chair  
Mr Ian Buchanan  
Mr Colin Coffey  
Mrs Sarah Havlin  
Mr David Lindsay  
Mr Bob McCann  
Mrs Hilary McCartan  
Mrs Maureen McKeague  
Dr Cecil McMurray  
Mr Ken Millar  
Prof Patrick Murphy

**In Attendance - AFBI Executive**

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

**Presentation**

**ACTION**

Prior to the commencement of proceedings, the Board presented a certificate of long service to Dr Walter Crozier, Head of Fisheries and Aquatic Ecosystems Branch. The Chair provided the Board with a brief synopsis of Dr Crozier's career including early work on salmon biology, management of the AFBI research vessel and the provision of scientific advice to the DARD Minister during negotiations in Brussels which, on many occasions, had aided the Northern Ireland fishing industry in achieving better deals in respect of fishing quotas.

The Board thanked Dr Crozier for his dedicated and distinguished service to AFBI and wished him well in his retirement. In response, Dr Crozier thanked the Board and stated that he had had a wonderful experience working with AFBI and wished the Institute every success in the future.

**1. Welcome and Introduction**

The Chair opened the meeting and welcomed all in attendance.

**2. Apologies**

An apology was received on behalf of Dr Sinclair Mayne, Director of Sustainable Agri-Food Sciences Division.

### 3. **Conflict of Interests/Register of Interests Declaration**

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

### 4. **Draft Minutes of the AFBI Board Meeting held on 1 July 2015**

The draft minutes from the previous AFBI Board meeting held on 1 July 2015 were approved without amendment.

### 5. **Action Sheet from AFBI Board Meeting held on 1 July 2015**

Progress against actions was noted as per the Action Sheet.

### 6. **Chairman's Remarks**

- The Chair stated that it had been a very busy summer period for him and the Executive and outlined the following activities –
- The Chair was pleased that the DARD Minister had now replied to AFBI's 2020 Strategy proposals. The Chair also acknowledged the effective communication plan and high quality press statements developed by AFBI and DARD to announce AFBI's strategy, which also included the comprehensive engagement with a number of key stakeholders.
- In her response, the Minister had deferred a decision regarding DARD funding for mushrooms and top fruit research and had asked AFBI to explore alternative funding streams. The Chair advised the Board that while preliminary negotiations with Teagasc, on the establishment of an all island research facility for apples, mushrooms and top fruit, had been very positive, Teagasc would require that any agreed programme of joint research must be of a planned strategic nature.
- The Chair highlighted his concern regarding the DARD Minister's letter in relation to AFBI's Corporate & Business Plan 2015/16 and stated that it was highly unlikely that AFBI would be able to balance its budget without some assistance from DARD. This had previously been pointed out to DARD officials.
- In noting that the CEO had advised those concerned of his intention to retire within the next six months, the Chair stated that the CEO had led AFBI through a difficult period during the last six years and thanked him for his leadership during this period. The Chair also advised that the CEO felt that this was an appropriate time to seek the appointment of a successor to lead the Institute through the next phase of its development and the implementation of AFBI's 2020 strategy. In noting the CEO's decision and the Chair's comments, the Board felt that the expedient recruitment of a replacement was vitally important in order to provide appropriate stability for the Institute.

- DARD has not yet responded to AFBI's Peer Review report. The Chair agreed to follow up with the Permanent Secretary.

**ACTION  
Chair**

## **7. Executive Report**

During the presentation of the Executive Report the CEO highlighted a number of items, including -

- AFBI has received confirmation from BIS/InnovateUK that the Centre for Innovation and Excellence in Livestock's (CIEL) bid, of which AFBI could potentially avail of £3.6m in capital investment, is one of three bids which have been successfully shortlisted for funding. Each partner in the consortium has been asked to provide a letter of commitment in relation to match funding and the CEO informed the Board that he had written to the DARD Director of Finance on the matter. Meetings with representatives from DARD, on a number of issues relating to the bid, continue to take place with the Executive describing the discussions as positive. The Board welcomed the developments and congratulated those involved for the work undertaken to date.
- Before the CEO discussed the following item, the Board confirmed that he no longer had a conflict of interest in relation to the matter. The CEO informed the Board that an Intellectual Property company has been engaged by Queen's University Belfast (QUB) to undertake a review of various patents that have resulted from research carried out in VSD with a view to ensuring that the duration and value of the associated royalty income to AFBI, and QUB as an agent of AFBI, would be maximised. The Board recognised the huge importance of this matter and was content to note that the Executive has the matter in hand and that the Board will be kept informed of progress.
- An update on AFBI's applications for research funding to Horizon 2020 and examples of the highly competitive nature of that funding. The CEO pointed out that the Horizon 2020 programme was intended to provide a contribution to Member states own research funding, rather than provide 100% of the costs. Therefore shortfall funding was required for all successful H2020 applications.
- The Northern Ireland Contact Point for Agri-Food is continuing to work with the NI Executive Office in Brussels on a networking event for AFBI and other NI partners which will coincide with the H2020 Societal Challenge 2 Infoweek and brokerage event to be held in Brussels on 23-26 November 2015.
- Mr Ray Atkinson, AFBI Business Development Executive, is working with Canadian colleagues to organise the Edmonton Scientific Fall Forum programme in October 2015. Uptake and participation in the event is gathering pace and the CEO felt that such an event presented enormous potential for AFBI to establish close working relationships that could lead to important collaborative research. INVESTNI and the UK Foreign and Commonwealth Office have agreed to co-fund the travel of AFBI scientists to the event.

- While disappointed to note the higher than normal current levels of staff absence for 2015/16, the CEO explained that impending Voluntary Exit, redeployment and significant changes taking place within AFBI were contributing factors. He assured the Board that the Executive is robustly adhering to its absence management procedures and managing the situation closely.

At the conclusion of the presentation of the Executive report it was agreed that the Board would extend the duration of its October meeting to discuss a number of strategic issues such as development of the AFBI Estate, strengthening links with CAFRE and enhancing stakeholder engagement.

## **8. Finance**

### **8.1 AFBI Budget Monitor Report – Position at 31 July 2015**

Mrs Hogg presented the Budget Monitor for the period ending 31 July 2015 which projects a deficit outturn for 2015/16 of £3.9m. Primarily this deficit outturn is as a result of exclusion of potential paybill savings attributable to the Voluntary Exit Scheme (VES), which are assumed to be unrealisable at this time due to uncertainty regarding funding, and because of a projected shortfall in non-Grant-in-Aid income.

Subject to funding, 129 staff are expected to exit AFBI through the VES during 2015/16. Discussions have commenced with Civil Service Pensions Branch on the possibility of introducing a third tranche but it is unlikely that this would provide significant in-year savings at this late stage in the year.

### **8.2 Feedback from the Minister on AFBI 2015/16 Corporate and Business Plan**

The Board noted the Minister's response to AFBI's 2015/16 Corporate and Business Plan which states that she is content to approve the plan, subject to the timely development of a viable contingency plan that will mitigate against any potential budget deficit.

The Chair stated that, in his response to the Minister's letter, he intends to highlight AFBI's financial position which has consistently been articulated to the DARD Permanent Secretary and other senior officials over the past year.

**Chair**

Taking account of the Chair's comments, an assessment of the financial information presented in relation to 2015/16 and the Minister's unwillingness to support a reduction in programme expenditure associated with the DARD work programme, the Board agreed that it could not endorse the delivery of a balanced budget for AFBI in respect of 2015/16 without additional funding from the Department.

## **9. Draft AFBI Annual Report and Statement of Accounts 2014/15**

The Executive presented the draft AFBI Annual Report and Statement of Accounts 2014/15 for consideration and the Board was asked to provide any comments or suggestions by Friday 11 September 2015.

**Board**

**10. Draft Minutes from the Finance Sub-Committee Meeting held on 23 June 2015**

The Board noted the draft minutes from the Finance Sub-Committee meeting held on 23 June 2015.

**11. Draft Minutes from Audit & Risk Assurance Committee Meeting held on 30 June 2015**

The Board noted the draft minutes from the Audit & Risk Assurance Committee meeting held on 30 June 2015.

**12. Draft Minutes from Science Strategy Committee Meeting held on 23 June 2015**

The Board noted the draft minutes from the Science Strategy Committee meeting held on 23 June 2015.

**12.1 AFBI Organisation of Science**

The Board approved the paper entitled “*AFBI Organisation of Science*” which outlines the supervision and governance arrangements required to provide sufficient oversight of AFBI’s science programme.

Mr Lindsay informed the Board that, following a review of a draft action plan at its previous meeting, a revised action plan will be presented for consideration and approval at the next meeting of the Science Strategy Committee.

**13. Governance Issues**

**13.1 Risk Management**

**13.1.1 *Reports of New or Emerging Risks***

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

**13.2 Whistleblowing and Fraud**

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

**14. AFBI Open Day – Agenda**

The Board was content to note the agenda for the AFBI Open Meeting.

**15. Any Other Business**

**15.1 Voluntary Exit - Update**

The Board noted the Executive’s written update on AFBI’s Voluntary Exit Scheme which had been covered under earlier discussions.

**16. Review of Board Effectiveness**

Given the restricted timeframe for the meeting, the Board was satisfied that it had held an effective meeting and adequately discussed the key items.

**17. Date of Next AFBI Board Meeting – 1 October 2015**

The next AFBI Board meeting will be held on Thursday 1 October 2015 at AFBI Bushmills.

Signed: \_\_\_\_\_  
(Chairperson)

Date: \_\_\_\_\_