

**Minutes of the Agri-Food and Biosciences Institute (AFBI)
Board Meeting held in AFBI HQ (Newforge) and via WebEx
on Thursday 2 March 2023 at 10.00hrs**

Board Members

Mr Colin Coffey, Chair	Mr Bill Montgomery
Mrs Roberta Brownlee, Deputy Chair	Mr Ian Murphy
Ms Kate Burns	Mr Tim McClelland
Mr David Campbell	Ms Therese Rafferty
Mrs Daphne Johnston	Prof Sally Shortall
Mr Alan Moore	Mr Tom Tynan
	Mr Tom Wright

AFBI Executive:

Dr Stanley McDowell, Chief Executive Officer
Prof Elizabeth Magowan, Director of Sustainable Agri-Food Sciences Division
Mr Ivor Johnston, Interim Director of Finance & Corporate Affairs Division
Dr Alastair Douglas, Director of Veterinary Sciences Division
Mr Pieter-Jan Schön, Director of Environment and Marine Sciences Division

In Attendance

Mr Glenn Montgomery, Head of Governance and Performance
Mr Conor O'Neil, Head of Finance (Item 8.2)
Mr James Adams, AFBI Secretariat

1. Welcome and Introduction

ACTION

The Chair welcomed everyone to the meeting and stated that the audit of the Annual Report and Accounts 2021-22 and the 2023-24 Budget would be key areas of focus for today's meeting.

2. Apologies

Apologies were received on behalf of the Board Member, Mr Martyn Blair and the Boardroom Apprentice, Mr Jonathan Craig.

3. Conflicts of Interest Declaration

There were no conflicts of interest declared.

4. Draft Minutes of Board Meeting held on 2 February 2023

The draft minutes of the Board Meeting held on 2 February 2023 were accepted as an accurate and fair representation of the meeting.

4.1 Action Sheet from Board Meeting held on 2 February 2023

The Board noted that the actions as per the Action Sheet had been completed or formed part of the agenda.

Mr Montgomery informed the Board that in line with best practice an external review of Board effectiveness is due and likely to be undertaken in June 2023. DAERA have completed a similar exercise and a draft Terms of Reference (ToR) will be shared with the Chair.

GM

5. Board Sub-Committees

5.1 Report of the Audit and Risk Assurance Committee held on 31 January 2023

The Board noted the minutes of the Audit and Risk Assurance Committee held on 31 January 2023.

5.2 Report of the Organisational Development & Human Resources Committee held on 8 February 2023

Mrs Johnston summarised the key discussions at the Organisational Development & Human Resources Committee meeting on 8 February 2023 which had centred around the Quarter 3 HR Reports. In terms of the Staff Engagement Survey Action Plan, the Committee welcomed the comprehensive range of initiatives but also stressed the importance of clearly defined timeframes, the need to evidence the impact of the initiatives and whether they had led to improvements in staff engagement.

5.3 Report of the Finance & Business Strategy Committee held on 15 February 2023

Mr Tynan provided a summary of the key items discussed at the Finance & Business Strategy Committee meeting on 15 February 2023. The Research Support Office (RSO) provided excellent reports on current and future contracts as well as the funding landscape and a detailed finance paper was also thoroughly reviewed.

5.4 Report of the Science Strategy Committee held on 20 February 2023

Ms Burns reported on the Science Strategy Committee meeting held on 20 February 2023. She felt that the meeting had a strong strategic focus with the discussions taking place on the future funding landscape aligned with scientific priorities and scientific impact and how assessment should be built into proposals. The Committee also received an informative overview on PhD studentships within AFBI.

Detailed discussions also took place in relation to the DAERA Science Transformation Programme (STP) and the categorisation framework for future DAERA commissioned Monitoring & Surveillance and Research & Development work. The Executive are on various STP working groups and will continue to liaise with DAERA on such matters and promote the excellent science that AFBI undertakes.

6. Governance Issues

6.1 Risk Management

6.1.1 *Reports of New or Emerging Risks*

There were no reports of any new or emerging risks.

6.2 Fraud and Whistleblowing / Raising Concerns

6.2.1 *Reports of new or Ongoing Cases*

The Board noted the report on Whistleblowing / Raising Concerns and that two cases had arisen since the last Board meeting. One has been investigated and closed and the other remains ongoing. No new cases of potential fraud had been raised since the last meeting.

6.3 AFBI Business Plan 2023-24 – Draft Key Performance Indicators (KPI) 2023-24

Mr Montgomery provided the Board with a brief presentation on the draft AFBI Key Performance Indicators (KPIs) 2023-24 and how they align with AFBI's vision, purpose and strategic priorities.

The CEO also highlighted key ongoing workstreams not included in the KPIs such as major IT and Estate projects, which are DAERA-led and outside AFBI's direct control.

The Board was largely content with the KPIs for 2023-24 but during discussions the following points were noted:

- Once complete the AFBI Science Strategy to 2030 will reflect a point in time but it can be revisited if major changes materialise.
- Prof Magowan agreed to provide the Chair with more detail on how the current KPI on scientific and other outputs is measured.
- The Chair encouraged the Executive to ensure utilisation of Green Growth funding in 2023-24. Any potential delays in this or the business case approval should be brought to the Chair's attention as soon as possible.

EM

7. Health & Safety

7.1 Health & Safety Update

Mr Johnston informed the Board that there were no Health and Safety matters to report.

The Board agreed to invite the Head of Health & Safety Compliance Branch to a future Board meeting and this will be added to the schedule for an appropriate time.

Sec

8. Finance & Business

8.1 Finance Update Report

Mr Johnston presented the Finance paper and updated the Board on a number of matters including the following:

2022-23 Budget Update

AFBI is projecting an underspend within budget tolerance. The Board noted that variances from the preceding month had largely been due to a reduction in the staff budget forecast and a review of overheads. The Board was pleased to note the current forecast position.

2023-24 Budget Update

While AFBI's Opening Resource Budget allocation has not yet been confirmed for 2023-24, indications are that the baseline could be the Opening Resource Budget allocated for 2021-22. Given the overall public funding landscape for 2023-24, Mr Johnston advised that there may also be further reductions in the Resource Budget allocation with the potential for a significant resource funding gap. A meeting with DAERA is scheduled for next week and it is hoped that clarification on the budget position for 2023-24 will be provided.

The Board discussed the likely financial challenges that AFBI will face in 2023-24 from the resource budget perspective and noted that the Executive is undertaking scenario planning to explore ways to address the funding gap.

Review of Financial Processes (ROFP)

AFBI remains committed to provide a completed 2022-23 Consolidation pack to DAERA by the 24 April 2023 deadline. AFBI's Financial Reporting Team also continues to liaise with AFBI Internal Audit on their review of AFBI readiness for the faster close.

Auditing of the AFBI Annual Report and Accounts 2022-23 had been discussed at the Audit & Risk Assurance Committee earlier today and the Northern Ireland Audit Office (NIAO) confirmed that they did not see a prospect of an audit being undertaken prior to the summer recess. The NIAO stated that the delay in undertaking the audit of the 2021-22 accounts meant that there was insufficient time to plan for the forthcoming audit and the production of an audit strategy. DAERA had been informed of the NIAO position. The Board was disappointed to note the position given the efforts being made by AFBI in relation to financial systems and additional resourcing to achieve the faster closing deadline but noted that discussions with DAERA and the NIAO on the issue would be continuing.

8.2 AFBI Annual Report and Accounts 2021-22

The Executive presented the 2021-22 AFBI Annual Report and Accounts and accompanying Executive Summary. Mr O'Neill outlined some of the changes made as a result of the audit which had been for clarification purposes or the receipt of additional financial information.

The 2021-22 AFBI Annual Report and Accounts had been reviewed by AFBI's Audit & Risk Assurance Committee directly prior to this meeting. While the NIAO is yet to conclude their audit with a small amount of testing and close out procedures to be completed, there has been no material issues arising to date that would have a bearing on the audit opinion.

The Chair of the ARAC, Mr Wright, gave an overview of the detailed discussions earlier that morning and while there was deemed a small risk to signing off the 2021-22 AFBI Annual Report and Accounts prior to the conclusion of the audit, the ARAC was assured that mechanisms are in place to re-sign a further set of accounts prior to certification by the NIAO should this be deemed necessary.

Based on the documents and resulting discussions and clarifications at the earlier meeting, the ARAC confirmed that it was content to recommend to the AFBI Board that they approve the Annual Report and Accounts 2021-22 for signing by the Chairman and Accounting Officer but note that the NIAO have yet to finalise the audit and provide their report.

The AFBI Board indicated that it was content to approve the 2021-22 AFBI Annual Report and Accounts for signing by the Chairman of the Board and the CEO and noted the caveat provided by the ARAC.

The Board took the opportunity to thank all those involved in the production and audit of the 2021-22 AFBI Annual Report and Accounts and given the in-year difficulties experienced was pleased with the achievements to date.

9. Executive Report

The CEO presented the Executive Report for March 2023 and highlighted a number of points including the following:

- EU Exit –in-year funding had been provided by DAERA for additional testing requirements arising from EU Exit but this has not been baselined for 2023-24 and beyond. AFBI is continuing to input to the relevant funding discussions.
- The section on funding opportunities highlights AFBI's significant scientific collaborations with other local, national and international organisations.
- The AFBI Internal Audit Plan is progressing with several reviews underway.

In response to a query on the progress of the Project Portfolio Management (PPM) system CORA, it was noted that time recording will move onto the platform from 1 April 2023. The CEO highlighted that it would take time to embed the system and for it to be used to its maximum potential.

In terms of the Strategic Review of the AFBI occupied land and property holdings, being undertaken by DAERA Estate Transformation Division (ETD) in conjunction with AFBI and the Strategic Investment Board (SIB), the Executive was pleased to note the progress to date and that the Review Team is due to report on their initial findings at the next Project Board meeting later this month.

10. Chair's Remarks

The Chair updated the Board on meetings with the DAERA Permanent Secretary and a number of one to one meetings with DAERA Deputy Secretaries. Key areas of discussion included 2023-24 budgets, DAERA Science Transformation Programme, Green Growth and carbon reductions.

The end of year appraisal process will be commencing soon and he will liaise with Mr Montgomery in relation to issuing of documentation and organising individual performance appraisal meetings.

CC/GM

11. Any Other Business

Mr Murphy informed the Board of his recent visit to the AFBI Research Vessel and how impressed he had been with the excellent science being undertaken. He felt that such fascinating work should be prominent in AFBI's public communications.

12. Review of Board Meeting Effectiveness

Board Members were content that the meeting had been effective.

13. Date of Next Meeting

The next AFBI Board Meeting was scheduled for Thursday 6 April 2023. However, this is to be rescheduled to later in April to maximise the likelihood of having relevant information including on AFBI's budget for 2023-24.