



**Minutes of the  
Agri-Food and Biosciences Institute (AFBI)  
Board Meeting held via WebEx  
on Thursday 30 September 2021 at 10.00hrs**

**Present via WebEx  
Board Members**

Mr Colin Coffey, Chair  
Mrs Roberta Brownlee, Vice Chair  
Ms Kate Burns  
Ms Theresa Cullen  
Mrs Fiona Hanna  
Dr Michelle Costello-Smith  
Dr Richard Horton  
Ms Joan Houston  
Mr Richard Solomon  
Mrs Sharon Smyth

**AFBI Board Apprentice**  
Mr Nigel Morris

**AFBI Executive:**

Dr Stanley McDowell, Chief Executive Officer  
Mrs Josephine Kelly, Director of Finance & Corporate Affairs Division  
Dr Elizabeth Magowan, Director of Sustainable Agri-Food Sciences Division  
Mr Pieter-Jan Schön, Director of Environment and Marine Sciences Division

**In Attendance (via WebEx)**

Mr Glenn Montgomery, Head of Governance and Performance  
Mrs Lisa Donnelly, AFBI Secretariat  
Mrs Stephanie Robinson, AFBI Secretariat

**ACTION****1. Welcome and Introduction**

The Chair welcomed everyone to the meeting.

**2. Apologies**

Dr Alastair Douglas, Director of Veterinary Sciences Division

**3. Conflict of Interests Declaration**

None declared.

**4. Draft Minutes of Previous Board Meeting held on 26 August 2021 and 29 July 2021.**

The draft minutes from the Board meeting held on 26 August 2021 and 29 July 2021 were accepted as an accurate and fair representation of the meetings.

In answer to a question by a Board member with regard to the meeting on 29 July 2021, it was confirmed that all royalty financial transactions would be in line with the existing 90/10 split.

**4.1 Action Sheet from Previous Board Meeting held on 26 August 2021**

The Board noted the progress against actions as per the Action Sheet.

**5. Brexit Update**

Dr McDowell advised that AFBI's Brexit Working Group continue to meet to address the uncertainties and issues arising out of the implementation of the Northern Ireland Protocol. Ongoing discussions also continue with DAERA and DEFRA. The risks remain as there continues to be uncertainty over a number of key issues including the levels of additional testing which may be required by DAERA and changes in relation to laboratory accreditation requirements.

## 6. Governance Issues

### 6.1 Risk Management

#### 6.1.1 Reports of New or Emerging Risks

Mr Montgomery advised the Board there were no new or emerging risks to the organisation.

#### 6.1.2 Quarterly Risk Management Update

Mr Montgomery advised the Board that, following the quarterly review of the Corporate Risk Register (CRR) by AFBI's Risk Review Group (RRG), the CRR was presented to the June meeting of the Audit and Risk Assurance Committee (ARAC). The Members noted that the next Risk Review Group meeting was scheduled for 14 October 2021 which would take the format of a workshop to refresh the CRR. This would also take account of the opportunities and threats discussed at the Board Away Day in September.

Discussions took place around supply chain risks and legal issues. It was agreed that the definition of Corporate Risk 9 would be amended to specifically mention royalties given the importance of the monies outstanding to the public purse. The Board requested that the budget risk be split out into two risks one to reflect the in-year risk and the other to reflect the wider public sector funding pressures. It was agreed that this would be presented at a future Board meeting.

**GM**

### 6.2 Fraud and Whistleblowing

#### 6.2.1 Reports of New or Ongoing Cases

Mr Montgomery advised the Board that there had been no new cases of suspected/actual Fraud identified since the summary report provided to the Board in August. In the 2021/22 year to date (up to 27 September 2021) there had been two cases reported.

The Board noted that work was continuing with regards to a case of potential fraud raised in Quarter 4 of 2020/21 relating to a live whistleblowing case.

### 6.2.2 AFBI Whistleblowing Policy and AFBI Whistleblowing Policy Guidance to Staff

Mr Montgomery reported to the Board that, following review by the AFBI Board at their meeting in August 2021, Appendix A '*Whistleblowing Process Map for Members of Staff*' had been updated. This now provides greater clarity to staff for reporting situations where there is a perceived Conflict of Interest in notifying a particular Head of Branch or Head of Division.

There were no other substantive changes made to the guidance and the Board was content to approve the documents.

### **BREAK (10.30-10.45AM)**

### 6.3 Draft Updated Gifts and Hospitality Policy

Mr Montgomery noted that following a recent review of the "*AFBI Gifts and Hospitality Guidance*", there had been no substantial changes. The Board was content to approve the updated guidance.

### 6.4 Complaints

#### 6.4.1 Reports of New or Emerging Complaints

Mr Montgomery advised the Board there had been one corporate complaint recently received which had been acknowledged in line with policy and was under investigation by the relevant business area.

### 6.5 Draft DAERA-AFBI Partnership Agreement

Mr Montgomery advised the Board that DAERA and AFBI had worked together in developing the template Partnership Agreement and Engagement Plan based on the guidance issued by Department of Finance (DoF). The Partnership Agreement and Engagement Plan reflects the baseline position between DAERA and AFBI and represents a key first step in progressing Partnership working. Subject to clarification on the reference to the commercial work, the Board were content with the Partnership Agreement and Engagement Plan.

### 6.5.1 DAERA-AFBI Partnership Working - A Roadmap for Change

Mr Montgomery advised the Board that the proposals were designed to complement the process to develop and agree a Partnership Agreement and Engagement Plan between DAERA and AFBI.

He outlined that this set out the proposals to build on a positive baseline and took account of the lessons learned from the recent Department of Health commissioned review of the Regulatory and Quality Improvement Authority. Discussions took place around a Roadmap for Change and the AFBI Partnership agreement.

The Board were asked to note any points they would like to raise in the document to share with Mr Montgomery. A Roadmap for change to be clarified by EMT and Mr Montgomery and presented at a future Board meeting.

The Board welcomed the proposals and complimented Mr Montgomery on his excellent papers presented.

### 6.6 AFBI Review Recommendations

Mr Montgomery presented a paper, which summarised the current position in relation to the recommendations made within the tailored review of AFBI, which was published in 2018. This highlighted the relative level of progress made for those which DAERA and AFBI were responsible for and those for which DAERA and AFBI were joint responsibility.

## 7. **Health & Safety**

### 7.1 Health & Safety Update

The Board noted the *"Health & Safety Update Report"* and the significant amount of work that had been undertaken across AFBI to ensure compliance with Northern Ireland Executive Covid-19 Regulations.

Mrs Kelly reported that a number of potential clusters had occurred since the August Board meeting.

The Board queried what methods AFBI would use for deep or enhanced cleaning if there were Covid-19 clusters in the workplace. Mrs Kelly stated this would be referred to AFBI Estates Team to engage cleaning contractors to provide a deep clean.

Mrs Kelly noted that HSE approved the 'Safety Climate' Survey. Health & Safety, Human Resources and Corporate Communications are liaising regarding planning with a view to publicising and running late September to late October 2021.

The Board discussed the importance of the safety of staff gradually returning to the workplace and asked what measures would be put in place.

Mrs Kelly advised that AFBI continues to follow Government guidelines.

## **8. Finance & Business**

### **8.1 Finance Update Report**

Mrs Kelly presented the "*Finance Update Report*" outlining that its purpose was to

- To update the Board on the 2021-22 Budget against forecast outturn;
- To provide an update to the future years' budget scenario planning exercise requested by Department of Finance (DoF);
- To provide an update on the Audit of the 2021-22 Annual Report and Accounts; and
- To provide a Royalty update.

Mrs Kelly advised that AFBI's October monitoring round submission was based on information as at the end of June. Through the most up to date assessment, including actuals for the five months to end of August and forecast to the end of the financial year, there has been a reduction in the current income forecast of £0.7m and an increase in the staff forecast of £1.9m resulting in a current forecast shortfall of £2.6m.

Mrs Kelly emphasised that, given the significant increase in the staff forecast, EMT have met regularly since the latest figures were presented at the EMT meeting on 21 September 2021 to discuss the staffing figures and agree a way forward for the overall budget to ensure AFBI's 2021/22 forecast is within budget constraints. The Board noted the following key actions being undertaken by the Executive:-

- Income – the current level of income forecast for 2021-22 will continue to be closely monitored and robustly assessed in advance of January monitoring;
- Staff – a pause on permanent recruitment and engagement of agency staff on a by exception basis, in conjunction with considering opportunity for additional capitalisation of staff costs, especially given the increase in E&I projects;
- Programme spend – Divisions are to review the level of programme spend required in year between now and 31 March 2022 with a view to contributing to an in-year targeted reduction;
- Overheads – whilst these costs are generally fixed, a review would be carried out to determine if there are any areas where cost reductions could be made.
- January Monitoring Round bids – EMT were considering the need for bids within the upcoming January Monitoring Round.

The Board expressed their deep concern and disappointment around the changes in the projected income and staff expenditure and in-depth discussions took place around the expenditure figures and timelines.

Dr McDowell assured the Board that Finance and Human Resources were working closely and would work as quickly and efficiently as possible to revise the projections.

The Board were anxious to understand the Executive's plan to address this overspend as quickly as possible. The Members accepted the Chair's proposal that he would interact with Dr McDowell and Mrs Kelly on the progress being made towards the development of the plan.

**CC/JK/  
SMcD**

The Chair committed to keep the Board informed on progress and once the plan was known this would be communicated to Members and a decision would then be taken as to whether it was necessary to convene a further Board Meeting to consider the impact of the plan.

Mrs Kelly stated that the business case for DAERA's Soils Nutrient Health Scheme was currently with DoF for final approval following DAERA's recent approval.

Mrs Kelly highlighted that Systems Capital allocation primarily represents the funding requirements of the new Project Management system (CORA) along with various IT and Finance systems upgrades.

Mrs Kelly noted that, regarding the new Research Vessel, the Project Board were currently reviewing the concept design supplied by the Naval Architect and consideration would be given to any adjustments required to the current approved requirements in advance of January Monitoring.

Mrs Kelly advised the Board regarding Green Growth Capital that AFBI received £7.75m in the June Monitoring round for Capital Projects supporting the Northern Ireland Executive's Green Growth Strategy in the year 2021-22. However a bid was submitted in the October Monitoring round to reduce the budget by £3,550k to £4,200k following a review of procurement lead times for a number of items based on the estimated approval date of the Green Growth overarching Business Case. The business case is currently being prepared for approval. AFBI is pre-engaging with CPD to seek to ensure appropriate planning and that once approval is granted, the capital spend for 2021-22 is delivered.

Mr Schön advised the Board that the Business Case was scheduled to be submitted to DAERA on 15<sup>th</sup> October.

### **Lunch (12.55 - 1.25 pm)**

## **9. Executive Report**

The Board noted the "*Executive Report*". Discussions focused on a number of key issues.



Dr McDowell highlighted the on-going discussions with DAERA in relation to testing requirements arising from the implementation of NI Protocol and the inclusion of additional resource bids from AFBI within relevant DAERA business cases.

Dr Magowan advised that she would be presenting a paper on the AFBI / QUB Alliance to the Science Strategy Committee in October.

Discussions took place around Gene Editing, Research Vessel, Horizon Scanning, AFBI Corporate Plan and Timelines, Evidence & Innovation (E&I) Programme Budget, DAFM/DAERA Call 2021, budget pressures, Internal Audit and veterinary recruitment.

#### **10. Evidence & Innovation (E&I) Report**

Dr Magowan referred to a recent letter received from DAERA regarding the DAERA Directed AFBI Research Work Programme – Annual Financial Review Report 2019/2020 and advised that a response would be issued shortly.

#### **11. Green Growth Update**

Mr Schön provided an update to the Board on the “*Green Growth Capital Project*” highlighting that work was in progress and that one single overarching business case is being prepared for the Green Growth project. Sections of the business case have been shared with DAERA in advance of formal submission. A further update on progress will be presented at the next Board meeting.

Mr Schön noted that AFBI Finance are currently reviewing the Business Case and costs attributed to the life of the project. These will be revisited as part of the October Monitoring Round.

## 12. Board Sub-Committees

### 12.1 Minutes of Board Sub-Committees

#### 12.1.1 Report of the Organisational Development and Human Resources Committee held on 8 September 2021

The Chair of the Committee raised a concern in relation to delays in receiving Committee minutes. Ms Cullen provided a summary of the key points raised at the Organisational Development and Human Resources Committee meeting held on 8 September 2021, noting that the Equality Commission (NI) report had been submitted.

#### 12.1.2 Report of the Finance and Business Strategy Committee Meeting held on 29 September 2021

The Chair of the Committee highlighted that overall that it had been a challenging but effective meeting with significant discussions around the current AFBI budget position.

It was noted that Mr Schön and Mrs Francis would develop a Partner Payment Framework going forward.

The Chair of the Committee advised that a good overview had been provided from Ms Murphy on the Strategic Cost Model (SCM) project.

There had also been In depth discussions regarding the Directed Research Fund (DRF) and the Out-Turn figure was not available on that date.

The Committee also reviewed the Covid-19 Report.

## 13. **Reflections and Actions from the Board Away Day held on 16 September 2021**

The Board were asked to note the summary from the Away Day discussions and agree the action plan.

It was agreed that Mr Montgomery and the Chair would have follow-up discussions regarding the Board Away Day.

**GM/CC**

**Chair's Remarks****14.**

The Chair advised that the DAERA Permanent Secretary, Mr Anthony Harbinson, had visited the Hillsborough site and that dates were in diaries for visits to the Stormont and Newforge sites.

The Chair had recently met with Minister Poots and a further meeting would be taking place in October.

**Any Other Business****15.**

None to report.

**Review of Board Meeting Effectiveness****16.**

The Board was content the meeting had been effective.

**Date of Next Meeting** - Thursday 28 October 2021

**17.**