



Minutes of the meeting of the Agri-Food and Biosciences Institute (AFBI) Board
held at
AFBI Newforge (Headquarters), Belfast
on Wednesday 17 December 2008 at 10.00 am

Present:

Board members

Mr Sean Hogan, Chairperson
Mr Kieran Campbell
Dr Michael Hollywood
Dr Christine Kennedy
Mr Nicholas Mack
Mr John McKinley
Professor Stewart McNulty
Mr John Rankin
Mr Michael Walker

In Attendance: Dr George McIlroy, Chief Executive Officer
Dr Michael Camlin, Deputy Chief Executive Officer
Dr Seamus Kennedy, Deputy Chief Executive Officer
Dr Arthur Gilmour, Acting Deputy Chief Executive Officer
Dr Robin Boyd, HCEO/BSU
Mr Joel Ferguson, AFBI Business Manager
Mr Stephen Cousins, AFBI Secretariat

Apologies: Professor David McDowell, Deputy Chairperson
Professor Grace Mulcahy
Mr Jim Noble

Welcome and Introduction

The meeting opened with a word of welcome from the Chair.

1. Minutes of the previous meeting held on 26 November 2008

It was proposed by Mr McKinley, seconded by Mr Campbell that the minutes of the previous meeting be accepted subject to the following amendments.

- Item 4.5 – Finance

Para 5, second sentence; replace “...a more detailed report...” with “...a more detailed and revised report...”

- Item 5 – Report from the Remuneration Committee

Delete Para 4, and replace with “It was agreed that the Executive would re-draft the document and re-submit it to DARD.”

2. Matters Arising/Action Points from Minutes of 26 November 2008

2.1 Item 2.1 – Draft AFBI Corporate Plan 2008 to 2011

Dr Boyd informed the Board that the draft AFBI Corporate Plan had still not received the approval of the Department of Finance and Personnel (DFP) but was hopeful that this would be completed in January 2009.

The Board expressed frustration at the continuing delay in having the AFBI Corporate Plan approved and queried the role of DFP in the approval process.

Dr Boyd agreed that he would check on progress however, it was acknowledged that the process of having the Corporate Plan submitted and approved in future should not be so protracted.

It was also noted that the draft AFBI Business Plan was also subject to DFP approval and was currently in the same position as the Corporate Plan, much to the displeasure of the Board.

Action: Dr Boyd to check on progress re the approval of the AFBI Corporate Plan and Business Plan.

2.2 Item 3.4 – Opening of the Environmental and Renewable Energy Centre (EREC)

The practical arrangements for this event are now in place and a formal submission inviting the Minister of Agriculture and Rural Development, Mrs Michelle Gildernew MP MLA to open the centre would be made before the Christmas holidays.

There will be approximately eighty invited guests including members of the AFBI Board and invites should be posted within the next week.

2.3 Item 4.1 – Risk Management

The AFBI Risk Management Co-ordination Group met in November 2008 and have produced an updated AFBI Corporate Risk Register (CRR). This updated document will be sent to members of the AFBI Audit Committee for comment and side copied to the Chair. The document will then be ratified at the next meeting of the Audit Committee before being submitted to the Board for signing-off.

Action: CRR to be sent to members of the Audit Committee for comment and side copied to the Chair.

2.4 Item 4.3 – Health and Safety

The Executive will arrange for an in-depth Health and Safety Report to be given at the April 2009 Board meeting and on a six monthly basis thereafter.

2.5 Item 5 – Report from Remuneration Committee

Executive advised that the Rewards to Staff Scheme was still in the process of being re-drafted following which it will be re-submitted to DARD.

2.6 Item 8.4– Intellectual Property (IP) Issue

Work is ongoing in relation to this matter but as yet there are no precise details available or an indication of how long the process will take to transfer ownership of IP from DARD to AFBI. Ultimately this could take eighteen months to two years to complete as it may involve changes to the primary legislation governing the creation of AFBI as a Non-Departmental Public Body.

It was agreed that the Executive through Dr Boyd should seek clarity on the issue and provide the Board with an update at a future meeting.

Action: Dr Boyd to seek clarity on the IP issue and advise the Board.

2.7 Item 8.5 – Publication Scheme

The Executive reported that discussions are ongoing regarding certain aspects of the Publication Scheme including the need to obtain an insight into other organisations and how they are managing the implementation of the Scheme.

The Executive gave a commitment to keep the Board informed of progress but assured the Board that AFBI would meet the broad context of the legislative requirements of the Scheme by the

implementation date of 1 January 2009. The Chair accepted the commitment given by the Executive.

Action: Executive to keep Board informed of progress.

2.8 Item 8.6 – Request for Confidential Session

The Chair reported that the AFBI Board had held its first confidential session prior to the Board meeting.

3. Report from Chief Executive's Office

3.1 Business Opportunities

Mr Ferguson (AFBI Business Manager) gave the Board a Business Development update on recent developments and provided further details on three key areas of activity –

3.1.1 Development of Strategy, Systems and Procedures for the Exploitation of AFBI IP and Commercial Opportunities

Two posts are currently being advertised by way of an internal trawl to provide support through PSRE4 funding and arrangements are also underway to procure specialist market expertise for screening and developing opportunities. Filling these posts is vital in terms of PSRE commercial activity.

3.1.2 Targeting Strategic Funding for AFBI

AFBI are continuing to target strategic sources of funding.

3.1.3 Invest NI New Programme for R&D

Invest NI gave an advance presentation to AFBI staff on their new programme for R&D support.

3.2 Chinese Visitation

In the past week AFBI has hosted a high level delegation from the Chinese Academy of Agricultural Sciences (CAAS). During this visit delegates signed a Memorandum of Understanding (MoU) with AFBI which was the first MoU signed with any organisation in the UK. The visit had been very successful in identifying the potential for collaboration and business and this will be followed up through an action plan. An invitation had also been extended to AFBI for a return visit to China.

The Chair commended Mr Ferguson on his report and was delighted to hear of the positive advances that have been made. These comments were echoed by other members of the Board.

In the discussion that followed comment was made of AFBI's collaboration with other organisations and the possibility that this may increase the potential of our competitors that in turn could cause harm to the Northern Ireland Agricultural Industry. The CEO assured the Board that where there was a conflict of interest or perceived conflict of interest, then AFBI would consider its position and in cases where it was decided to proceed, the decision to do so would be supported by a sound business case.

The Chair also recognised the input from other AFBI staff particularly Dr Ziping Wu who played a key role in arranging the visit from CAAS.

In response to further comments, Mr Ferguson advised the Board that ideas relating to business opportunities were coming from AFBI staff and the role of AFBI Innovations was to provide the necessary support to these ideas through to completion.

It was also noted that the implementation of the AFBI Strategies mentioned in previous meetings, was working in parallel with AFBI's business development.

4. Report from Business Support Unit

4.1 Risk Management

The Executive informed the Board that there were no new or significant changes to the current risks as detailed in the Corporate Risk Register.

4.2 Fraud

There were no reports of fraud or suspected fraud within the organisation.

4.3 Health and Safety

There were no reports of any major Health and Safety incidents of which the Board should be made aware.

4.4 AFBI Accounts 2007-08

The CEO announced that he had just received notification prior to the meeting that the Comptroller General had signed the AFBI Accounts for 2007-08 without qualification and arrangements are now being made to have the Accounts published and laid in the Library of the Northern Ireland Executive.

Following this announcement the CEO advised the Board that it could now proceed with its plans for an Open Board Meeting in February 2009 with the full support of the Executive.

The Chair indicated that he was content to hold an Open Board Meeting in February 2009 and the Board agreed to proceed. The Board also signified that they were content to leave the arrangements with the Chair and the CEO.

In the general discussion that followed the CEO advised that the Executive and the Chair would consider and agree a suitable agenda, specific presentations and following lunch there would be an offer of a site visit for anyone attending.

In response the Chair agreed to contact Board members via e-mail early in the New Year with outline proposals so that agreement could be made at the January Board meeting.

Action: Chair to contact Board members early in New Year with outline proposals for an Open Board Meeting.

4.5 Finance

The Chair announced that he had outlined to the Board the new presentational format that the Executive would be using to provide a financial report to the Board. However, this will not be available until the next meeting in January 2009. The Executive believe that this new format will address the concerns of the Board and it was noted that the Chair of the Audit Committee had also been consulted.

The CEO, as Accounting Officer, assured the Board that, at this juncture, there were no significant difficulties in the AFBI budget for 2008/09.

With regard to capital expenditure, the Executive advised that confirmation had been received from the AFBI Heads of Division that this budget would be expended by the end of the current financial year. However, it was noted that in future there was a need to ensure that the capital spend was progressed earlier in the year.

To assist with this, AFBI Sponsor Branch (ASB) have agreed that they will provide an indicative and final budget early in the New Year (2009) and this should enable AFBI to address its procurement of capital items earlier.

Two further points were noted –

- i) There are no outturns available yet in respect of the International Renewable Energy Conference.
- ii) At present no additional funding is required to cope with the current emergency response but after the emergency is over the situation will be re-assessed.

The Board welcomed the progress of the Executive in addressing the need for a new presentational format but were disappointed that it could not be presented until the next meeting. In view of the report not being available it was suggested that the Finance Report in its new format be forwarded to Board members in advance of the next meeting to enable members to examine the detail and prepare comment.

However, the CEO advised members that due to the current emergency situation he could not guarantee that this would be done prior to the Christmas break but he did agree that it would be forwarded to Board members in advance of the next meeting on 28 January 2009.

In concluding the discussions on finance the Executive were asked if AFBI's customers were meeting their financial commitments given the current financial climate. The Executive advised that they were not aware of significant changes or trends. However the Executive acknowledged that this was a worthwhile comment and would monitor any increases in the debtor profile.

5. Pensions Issue

The Board were advised of the need to present a Business Case to DFP in respect of the bulk pension transfer. However, given the complexities involved in this issue the indications are that DARD do not have the necessary expertise in-house to complete a Business Case and this may have to be outsourced. AFBI Sponsor Branch and the AFBI Executive have been tasked with appointing someone to complete the Business Case possibly through the Government Actuary's Department (GAD) or procured through the Central Procurement Directorate (CPD).

The Executive informed the Board that nothing has arisen to date that will impact on the agreed roadmap or the deadline of 31 March 2009 and assured the Board that all staff affected by the pensions issue have been catered for in terms of the information made available to them in order that they can make an informed decision to transfer their pension or not.

6. Rewards and Recognition to Staff Scheme

There was nothing further to note under this item that had not already been addressed under Matters Arising (see Item 2.5).

The item will continue to remain as a standing item on the agenda and the Board will be kept up-to-date on progress.

7. SAPO4

The Board were advised that the Executive had arranged to meet with DARD but this meeting had to be postponed due to other

circumstances. However, there is a possibility that the meeting will take place next month (January 2009).

As part of the agenda it is likely that discussions will include the future use of the main building at VSD and the overall requirements of the VSD estate.

The Board indicated that they were content with the actions taken by the Executive in respect of the proposal for a SAPO4 facility and in light of the current emergency DARD should recognise the need for such a facility in order to provide a local response.

On reflection the Chair reported that the current situation had indeed highlighted the need for a local response and undoubtedly there is a much greater and sharper understanding that has helped focus minds including that of the DARD Minister.

Board members were encouraged to continue lobbying the industry regarding this issue.

8. Crossnacreevy Relocation

Dr Camlin presented the Board with a Final Draft of the Executive Summary of the Business Case on the Potential Relocation of the AFBI Crossnacreevy Plant Testing Station as agreed by the Crossnacreevy Relocation Team (CRT) at the end of November.

The Board were advised that the document still had the status of a Final Draft as the Business Case was still undergoing a Quality Assessment (QA) process by DARD Economists, who worked with the CRT, to recheck the figures as it is expected that the document will be examined in detail.

However, it was believed that the QA process was unlikely to change the conclusions.

As outlined in the CRT Terms of Reference (ToR) the Business Case has been presented to the AFBI Senior Management Team, is now before the AFBI Board and with the Board's agreement it will be forwarded to the DARD Departmental Board.

Dr Camlin informed the Board that DARD had also established a Disposal Team but the CRT had no sight of any reports from this Team and the Business Case was completed on the basis of the CRT having no knowledge of a definitive disposal value.

After highlighting some key points in the Business Case, Dr Camlin concentrated on the conclusions which he stated were based on the ToR set down for the CRT. In short, of the three shortlisted options that could accommodate the relocation of the Crossnacreevy work

programme the preference would be Greenmount. However, in terms of value for money, Crossnacreevy presently remains the only viable option.

In response the Chair expressed the appreciation of the Board for the work undertaken by the CRT but acknowledged that the outcome is very much in the hands of others.

The Board highlighted and the Executive accepted two points that require further consideration before forwarding to DARD –

- i) Para 1.2.7 – should be replaced with the latest AFBI Mission Statement.
- ii) Para 1.5.1 – may require further clarification on the basis that the land area of 20 acres used for elimination of non-fit for purpose sites did not match up with the area of land currently being used for operations at Crossnacreevy.

On a proposal by Mr Rankin, seconded by Dr C Kennedy, the Board agreed that the Business Case be formally passed to AFBI Sponsor Branch for presenting to the DARD Departmental Board (DMB).

Action: AFBI Executive to consider two points made by the Board, amend if necessary and forward the Business Case to ASB for forwarding to DARD DMB.

9. Any Other Business

9.1 Rolling Database of Issues Raised at Board Meetings

The Board indicated that they were content with the details recorded in the Rolling Database of Issues Raised at Board Meetings and requested that the current emergency response be added to the list of issues.

Action: Secretariat to update Rolling Database and add details relating to the current emergency response.

9.2 Dioxins Contamination in Animal Feed – AFBI Emergency Response

Dr S Kennedy informed the Board that AFBI is currently involved in an emergency response that has arisen through the contamination of some animal feed by dioxins. The state of emergency had been declared on Friday 12 December 2008 and AFBI staff from both the Veterinary Science Division and the Agri-Food and Environmental Sciences Division have been carrying out analyses of Polychlorinated biphenyls (PCB) that are a potential index indicator of dioxins.

An “*Emergency Command Group*”, Chaired by the CEO, has been established to co-ordinate AFBI’s response.

Dr S Kennedy provided the Board with an insight into the work that was being undertaken but emphasised that this was of a confidential nature.

The Board commended the Executive on the manner in which they have dealt with the emergency response. The CEO stated that the Executive appreciated the comments of the Board and found them to be both helpful and supportive. The CEO also advised that the Executive were using this emergency situation as an opportunity to provide input into AFBI’s Business Continuity Plan and this was very timely given the work being undertaken by AFBI in this area.

The Chair welcomed Dr David Bryson (AFBI Project Director, BCM) and Dr Eileen Stewart (AFBI Project Manager, BCM) to the meeting along with Mr Stephen Cross and Mrs Pauline Wilson, BCM Consultants from the Delivery and Innovation Division (DID) who proceeded to make a presentation to the AFBI Board.

10. Business Continuity Planning (BCM)

The main aim of the presentation was to provide Board members with an insight as to what Business Continuity Management is and the benefits to an organisation from having a Business Continuity Plan in place.

The Board were also given a progress report on the AFBI BCM project and details of the next steps in the process. It was also noted that Trade Union Side and AFBI Sponsor Branch have also been involved with the latter participating in the awareness seminars and expressing a keen interest on the implementation of BCM within AFBI.

Following some discussion on a number of issues the Chair thanked Mr Cross and Mrs Wilson for their presentation and affirmed that the AFBI Board were very supportive of the work being undertaken and look forward to receiving further updates and the possibility of having an input into the process.

11. Date of the Next Meeting

The next meeting of the Board will be held on Wednesday 28 January 2009 at AFBI Hillsborough.

Signed: _____
(Chairperson)

Date: _____