



**Minutes of the Meeting of the Agri-Food and Biosciences Institute
(AFBI) Board
held at
AFBI Hillsborough
on Wednesday 25 May 2011 at 10.00 am**

Present – Board Members

Mr Sean Hogan, Chairperson
Prof David McDowell, Deputy
Chairperson
Mr Trevor Hinds
Prof Grace Mulcahy
Mr Seamus McCaffrey
Mr Bob McCann
Mrs Hilary McCartan
Mr Alan McKeown
Prof Stewart McNulty
Mr James Noble
Mr John Rankin
Mrs Hilda Stewart
Mr Michael Walker

In Attendance - AFBI Executive

Dr Seamus Kennedy, CEO
Dr Michael Camlin, DCEO
Mr Joel Ferguson, Head of Corporate Services Division (Acting)
Mr Paul Brennan, Head of Human Resources
Mr Venkat Deshpande, Head of Finance
Mr Stephen Cousins, AFBI Secretariat

1. Welcome and Introduction

Action

Mr Hogan opened the meeting with a word of welcome and thanked everyone for attending. The Board were pleased to note that following the conclusion of today's business, the Board would be introduced to the newly appointed DARD Minister, Michelle O'Neill MLA, who had accepted an invitation from the CEO to visit AFBI. The Minister had expressed a strong interest in visiting AFBI Hillsborough and a desire to meet the AFBI Board.

2. Apologies

Apologies were received on behalf of Dr Arthur Gilmour, DCEO (Acting) and Dr David Bryson DCEO (Acting).

3. Conflict of Interests Declaration

The CEO notified the Board of a "*Conflict of Interest*". The Chair was content to note on the basis that the Executive team would withdraw from the meeting at the appropriate point of discussion.

4. Draft Minutes of the Previous Board Meeting held on 20 April 2011 **Action**

On a proposal from Mr Hinds, seconded by Mr McCann, the draft minutes from the previous meeting held on 20 April 2011 were approved by the Board subject to an apology being recorded on behalf of Mr Alan McKeown (Board Member) for the April meeting.

5. Matters Arising/Action Points from Previous AFBI Board Meeting held on 20 April 2011

The Chair proceeded on the basis that any Matters Arising or Action Points from the previous AFBI Board meeting held on 20 April 2011 had been resolved or would be addressed during the course of the meeting with the exception of:

5.1 Equal Pay Deal (EPD) – (Item 5.2 – Mins 20 04 11)

The Executive advised the Board that it had sought additional legal advice which was anticipated shortly.

5.2 Terms of Reference (ToR) for Organisational Review of AFBI – (Item 5.3 – Mins 20 04 11)

The Executive informed the Board that final ToR are now with the Strategic Investment Board (SIB) for forwarding to the Central Procurement Directorate (CPD) for inclusion in the tender documents.

5.3 AFBI Business Plan 2011/12 & AFBI Corporate Plan 2011/12 to 2014/15 – (Item 5.4 – Mins 20 04 11)

The Executive and the AFBI Chair, Mr Hogan had met with the DARD Departmental Board (DB) on 9 May 2011 and presented both plans. During the course of the meeting it was agreed that the Executive, at the request of the DARD DB, would make a number of amendments to the presentation of budget figures.

The Executive agreed that it would circulate the relevant section of the revised plans to the AFBI Board for information and comment before resubmitting to the DARD DB.

Exec

The Chair stated that he was willing to endorse the changes being made to the plans by the Executive subject to the insertion of caveats on the absence of guarantees that all income and savings targets could be met.

6. Chairman's Business

Action

To allow the Board to discuss an item which posed a conflict of interest for the CEO, he and other members of the Executive (with the exception of Mr Ferguson) and the Secretariat withdrew from the meeting.

The Executive and Secretariat who had absented themselves then re-joined the meeting after the Board had completed its discussions.

7. CEO's Report

7.1 Visits

The CEO provided the Board with details on a number of visits that had taken place to various AFBI sites including a visit by Mr Gerry Lavery, Acting DARD Permanent Secretary, Mr Mike Hamell, Head of Agriculture, Forestry and Soil, DG Environment and Mr Aidan Cassidy from the Northern Ireland Bureau in Washington DC, USA.

7.2 Events

The CEO highlighted a number of high level events involving AFBI participation that had taken place since the previous meeting including the annual Apple Growers event at Loughgall, the Balmoral Show and the launch of the INTERREG-funded Agricultural Need for Sustainable Willow Effluent Recycling (ANSWER) project at Belfast's City Hall. AFBI is lead partner in this project.

In commenting on the Balmoral Show the several Board members expressed disappointment at the profile of the AFBI stand and suggested a possible outcome would be that AFBI would be overlooked in its location in the Government Departments' Hall.

In view of the disappointment expressed, the Executive gave a commitment to consider when planning for next year's event.

7.3 Botulism

The CEO informed the Board that there had been several recent outbreaks of botulism in cattle. The first case in sheep in Northern Ireland had also been detected. An AFBI advisory press release on the subject will be issued shortly.

7.4 AFBI Representation in the USA

The Executive informed the Board that following a meeting with the Chief Executive of NI-CO, NI-CO had offered the services of their representative in the USA to AFBI on a temporary basis.

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Following discussion the Board were content for the Executive to proceed.

8. Governance Issues

8.1 AFBI Risk Management

There were no reports of any new or emerging risks to the organisation.

8.1.2 *Internal Audit Review of AFBI's Risk Management Processes*

The Executive informed the Board that the AFBI Audit Committee had been briefed on the Internal Audit Review of AFBI's risk management processes including presentation of the revised AFBI Corporate Risk Register (CRR).

The Executive advised that it intends to make a formal presentation of the CRR to the AFBI Board at the next meeting to be held on Wednesday 22 June 2011.

Exec

8.2 Whistleblowing and Fraud

There were no reports of any new or ongoing cases of whistleblowing or fraud.

8.3 Health and Safety

There were no reports of any accidents or "*near misses*".

8.3.1 *Accident Reporting*

A revised accident reporting process has been drafted and is being finalised following which it will be assessed by the AFBI Health and Safety Advisory Group (HSAG) before being presented to the AFBI Senior Management Team and the AFBI Board.

Exec

8.3.2 *Promotional Opportunity*

With the number of accidents that occur on farms, the Board highlighted a possible opportunity for AFBI to assist, in conjunction with other Government Departments and Agencies, in the promotion of good practice in farm safety.

The Executive welcomed the suggestion and agreed to explore the possibilities.

Exec

9. Publication of Gifts and Hospitality Registers

Following discussion it was proposed by Mr Walker, seconded by Prof McNulty that *Gifts and Hospitality Registers* relating to members of

the AFBI Board and senior members of the AFBI Executive be published on the AFBI website in line with best practice. The Secretariat will take this matter forward.

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10. Report from AFBI Personnel

A “*Starters and Leavers*” Report for the period ending 20 April 2011 was presented to the Board for noting.

11. Finance

The Executive are currently working on the budget allocation process for the current financial year (2011/12).

Discussions are taking place with the Finance Committee on the format of a revised method budget monitoring report with the aim of developing a single report that could satisfy the requirements of both the AFBI Board and the DARD DB.

The Board were informed that AFBI had lost a contract with a commercial company in relation to pricing. The Board expressed concern that this may be the start of a trend given the current economic climate and asked the Executive to monitor the situation closely.

Exec

In further discussion the CEO informed the Board that the Executive would be undertaking a review of overheads including the impact of high lease costs.

12. AFBI and the Northern Ireland Science Park (NISP)

The Executive presented a paper outlining the opportunities for beneficial co-operation between AFBI and the NISP and provided a number of recommendations in respect of an AFBI presence within NISP and AFBI’s continued involvement in the NISP Connect Programme.

In the discussion that followed, the Executive assured the Board that any AFBI presence in NISP will be in the context of an overall AFBI Estates Strategy and would not detract from AFBI’s core mission of providing support for the agri-food industry. Any presence at the NISP was likely to involve only a small number of staff engaged in a few highly innovative areas.

On a proposal from Mr Walker, seconded by Mr Hinds, the Board adopted the Executive’s recommendations.

13. Implementation of Pegasus Opera 3 Financial Management System

The Executive informed the Board that it had provided the AFBI Finance Sub-Committee with a paper on the implementation process.

At present there are two modules (expenses and reporting) still to be implemented, with the expenses module due to be implemented by the end of the week (Friday 27 May 2011) and the reporting module to follow.

Action

14. AFBI Annual Report and Accounts for 2009/10

A copy of the AFBI Annual Report and Accounts for 2009/10 was presented to the Board.

The Board were also content, on a recommendation from the Audit Committee, to give its approval for the CEO to sign-off on the 2009/10 AFBI Accounts.

On a proposal from Mrs McCartan, seconded by Prof Mulcahy, the Board accepted the AFBI Annual Report and Accounts for 2009/10.

15. Report from AFBI Audit Committee Meetings held on 10 May and 25 May 2011

Mr McCann, Chair of the AFBI Audit Committee presented the Board with a draft of the minutes from the Audit Committee meeting held on 10 May 2011. Mr McCann also provided a verbal report on the special meeting held immediately prior to this Board meeting to discuss the accounts for 2009/10.

In summary, he informed the Board that four Internal Audit reviews had been completed since the previous Audit Committee meeting held in February 2011.

The Board were also made aware that the area of procurement will be a major focus of attention for auditors during 2010/11.

In welcoming the comments from the Audit Committee, the AFBI Chair, Mr Hogan commended the Audit Committee for addressing the issues arising from the Internal Audit reviews and the Executive for taking matters forward.

In the discussion that followed the Board reflected on the difficulties being experienced through the continuing use of HR Connect. In light of the Internal Audit reviews the Board accepted that the position is now untenable and asked the Executive to prepare an options paper that would help enable the Board to make an informed decision on the future of HR services for AFBI.

It was agreed that the HR options paper should be presented to the Board in October 2011.

Exec

16. Report from AFBI Finance Sub-Committee Meeting held on 18 May 2011 **Action**

Mrs McCartan, Chair of the AFBI Finance Sub-Committee (FC), presented a draft note of the FC meeting held on 18 May 2011 and asked the Board to note the following:

- Financial information on the first quarter of 2011/12 will not be available to the Board until its August meeting. However, the FC recognises that this is due to the exceptional circumstances of implementing a new accounting system.
- The Executive will present a finalised budget for 2011/12 at the next Board meeting. **Exec**
- The Chair of the FC will be meeting with the CEO and the Head of AFBI Finance to consider and agree an appropriate financial reporting tool.
- At the September 2011 Board meeting the Board should receive the first figures from the financial reporting tool set against the agreed 2011/12 AFBI budget.
- The Committee also considered the issues arising from the Internal Audit Review of Payroll, and would endorse the view that AFBI should have control of its own payroll system.

The Board thanked the Chair and members of the FC and acknowledged the work being undertaken by the FC.

17. Report from AFBI Strategy Sub-Committee

Mr Walker, Chair of the AFBI Strategy Sub-Committee, presented a progress report to the Board.

The paper recommended criteria to the Board that would assist AFBI in the identification of scientific areas in which AFBI displays scientific excellence and which should be retained for the future.

The list of criteria is open to further addition and it was agreed that Board members should advise the Strategy Sub-Committee if there was anything further that could be added. Responses should be sent directly to the Chair of the Strategy Sub-Committee in advance of the June 2011 meeting. **Board Members**

18. Strategic Item – Personnel

Mr Brennan made a presentation to the Board on the work of the AFBI

Human Resources Unit.

Action

Mr Brennan described the structure of AFBI's Human Resource Unit, existing HR support services provided to staff and associated developments and achievements.

19. Any Other Business

19.1 Proposed Meeting with DARD Departmental Board (DB)

The Chair informed the Board that the DARD DB have agreed to meet with representatives from the AFBI Board as and when occasions require.

The Chair also assured the Board that DARD DB are well aware of the problems that AFBI may have in balancing the 2011/12 budget and have indicated a willingness to support any in-year bids.

19.2 Open Meeting

With the review of the 2009/10 AFBI Accounts now complete the Board asked the Executive to consider holding the AFBI Open Meeting in September 2011. This should allow sufficient time for the AFBI Annual Report and Accounts for 2009/10 to be published and laid before the Northern Ireland Assembly.

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20. Date of Next Meeting

The next meeting of the AFBI Board will be held on Wednesday, 22 June 2011.

Signed: _____
(Chairperson)

Date: _____