



**Minutes of the Meeting of the
Agri-Food and Biosciences Institute (AFBI) Board
held at AFBI Newforge
on Tuesday 27 August 2013 at 10.00am**

Present – Board Members

Mr Sean Hogan, Chair
Prof William McKelvey, Deputy Chair
Mr Trevor Hinds
Mr Bob McCann
Mrs Hilary McCartan
Prof Patrick Murphy
Dr Cecil McMurray
Mr David Lindsay
Mrs Hilda Stewart
Mr Seamus McCaffrey

In Attendance - AFBI Executive

Prof Seamus Kennedy, Chief Executive Officer
Dr Sinclair Mayne, Director of Sustainable Agri-Food Sciences Division
Dr Stanley McDowell, Director of Veterinary Sciences Division
Mrs Lesley Hogg, Director of Finance and Corporate Affairs

Mrs Jacqueline Armstrong, AFBI Interim Solicitor
Mr Stephen Cousins, AFBI Secretariat

1. Welcome and Introduction

ACTION

The Chair opened the meeting and welcomed all present.

2. Apologies

Apologies were received on behalf of Board members Mr Ken Millar, Mrs Sarah Havlin and Mr Alan McKeown.

The Chair informed the Board that Mr McKeown has tendered his resignation and this has been passed to the Department of Agriculture and Rural Development (DARD) Permanent Secretary for consideration by the DARD Minister. The Chair also informed the Board that he had thanked Mr McKeown for the work that he had carried out on behalf of AFBI and wished him and his family well for the future.

3. Conflict of Interests / Register of Interests Declaration

Prof McKelvey made the Board aware of his family connection with Dr Mayne. Mr Lindsay also highlighted his connection with the Northern Ireland Fishery Harbour Authority (NIFHA) given that there is reference to this body in Item 14 - Estate Strategy. The Chair thanked both members and the Board signified that it was content to proceed.

4. Presentation – UK Bribery Act

Mrs Jacqueline Armstrong, AFBI Interim Solicitor gave a presentation on the relevance of the UK Bribery Act, its impact on AFBI and outlined the responsibilities of the Board and the Executive regarding its implementation. Following the presentation, discussion centred on issues such as staff

training, the possible areas of risk within AFBI and the possible need to appoint someone to oversee the practical out-workings of the Bribery Act. In response the Executive advised that it intended appointing someone to cover the whole range of Corporate Governance issues within AFBI including the Bribery Act.

ACTION

(Dr Mayne left the meeting)

5. Draft Minutes of the Previous AFBI Board Meeting held on 25 June 2013

On a proposal from Mr Trevor Hinds, seconded by Mr Bob McCann, the draft minutes from the previous AFBI Board meeting held on 25 June 2013 were approved without amendment.

6. Action Sheet from Previous AFBI Board Meeting held on 25 June 2013

Progress against actions was noted as per the Action Sheet subject to the following –

6.1 AFBI Budget Monitor Report

The request for a further column to be added to the budget monitor report showing comparisons to the previous financial year will be completed in time for next month's report.

LH

6.2 AFBI Roadshows

The AFBI Roadshows due to take place in August were postponed at the request of Trade Union Side. Fresh dates have been communicated to Board members.

7. Executive Report

In presenting the Executive Report the CEO highlighted a number of items for the benefit of Board members -

7.1 Northern Ireland Audit Office (NIAO) Value for Money Report

The CEO informed the Board that he had been advised that the NIAO Value for Money Report had appeared on the NIAO website over the weekend although the NIAO had previously advised of a publication date of 12 September 2013. He was unsure whether this was the final version of the report.

7.2 Management Statement and Financial Memorandum (MSFM)

The latest version of the MSFM is currently being reviewed by AFBI and any significant issues will be brought to the attention of the Board.

EXEC

7.3 Visit to China

Having noted that the CEO will be part of a DARD Ministerial delegation visiting China during week commencing 23 September 2013, the Board sought clarification on the approval process for CEO travel. Following

**CHAIR
& CEO**

discussion the Chair and the CEO agreed to review the current approvals process. **ACTION**

7.4 AFBI Representation in the USA

AFBI's representative in the USA had a successful visit to AFBI during which he had met with a number of key AFBI staff. Mr Atkinson is now engaging with the United States Department of Agriculture Agricultural Research Service (ARS) in the planning of a scientific event entitled the "*Fall Forum*", to be hosted by ARS in Washington DC. Teagasc and Genome Canada have also expressed an interest in participating. The main purpose of the event is to identify opportunities for joint research projects. Dr Mayne will be taking the lead for AFBI.

7.5 Major International Workshop on Methane Emissions

The Chair will write to the AFBI organisers of a major international workshop on greenhouse gas emissions, held at AFBI Hillsborough, to congratulate them on the success of the event. The event was attended by 80 scientists representing over 20 countries.

CHAIR

7.6 Visit to AFBI Loughgall

The CEO confirmed that Martina Anderson MEP had accepted an invitation to visit AFBI Loughgall and the visit had taken place on Friday 23 August 2013.

7.7 Amendments to EU Eel Regulations

The proposed Northern Ireland amendments to changes in EU Eel Regulations have been accepted by the EU Commission. These amendments arose partly from a briefing visit by Dr Derek Evans, AFBI to the Northern Ireland parliamentary group in Brussels in March 2013 and are based on AFBI advice to the Department of Culture Arts and Leisure (DCAL) through the Department of the Environment, Food and Rural Affairs (DEFRA) to the EU Commission.

7.8 RV Corystes

The RV Corystes lost two weeks voyage time following a problem with its propulsion system. The problem highlighted a number of issues such as the increasing age of the ship, clauses within the current contract and the difficulty in obtaining an alternative vessel on a short-term basis. In response to a question from the Board, the Executive confirmed that it was confident that the downtime could be recovered. AFBI also confirmed that it was examining a number of service delivery options as the Corystes approaches the end of its useful life.

7.9 Agri-Food Competence Centre

The Steering Committee for the Invest NI funded Agri-Food Competence Centre is seeking bids from organisations to host the Centre and the CEO reported that AFBI will be making a bid. The Board was supportive of this proposal.

7.10 Agri-Food Strategy Board

The CEO informed the Board that AFBI had made a presentation on Farm Systems Modelling to the Agri-Food Strategy Board (AFSB) following an invitation from the AFSB. The presentation had been well received.

The CEO also informed the Board that Mr Tony O'Neill, Chair of AFSB has agreed to present the Agri-Food Strategy Board's findings to the Board. In order to accommodate Mr O'Neill's availability, the Board agreed to change its meeting date from Tuesday 26 to Wednesday 27 November 2013. The Secretary will issue confirmation of the change of date.

SEC**7.11** Badger Sett Survey

An interim report on the Badger Sett Survey has been submitted to DARD.

Dr McMurray declared an interest with DEFRA on this matter. The Board was content to note.

7.12 Appointments

It was announced that Dr Maria Guelbenzu has been appointed Head of Disease Surveillance and Investigation Branch following a recent recruitment competition. However, a recruitment competition to fill the vacant post of Head of Bacteriology Branch has been unsuccessful.

Commenting on the situation, the Board acknowledged the difficulty in recruiting staff and recognised that similar organisations across the United Kingdom had similar issues.

However, the Board did express its concern at the apparent lack of internal interest for posts. In response the Executive informed the Board that it was in the process of organising leadership management training for senior AFBI staff and reviewing recruitment and retention issues in AFBI.

7.13 Funding Opportunities

Reference was made to the recent announcement by the UK Government of £160m funding, under the Agri-Tech Strategy, to support further development of the agri-food industry. The Board enquired as to how AFBI would avail of this research funding opportunity. The CEO referred to AFBI's joining of the Steering Group of the Centre of Excellence for UK Farming (CEUKF) earlier this year and the recent visit by Dr Mayne and himself to IBERS at Aberystwth University, another CEUKF partner. The first joint bid to the Agri-Tech Strategy with CEUKF partners would be for an Agricultural Informatics and Sustainability Metrics Centre. It was also agreed that the Agri-Tech Strategy should be on the agenda for discussion at the joint DARD / AFBI Board meeting to be held on 23 September 2013.

**CHAIR /
CEO**

8.1 AFBI Budget Monitor Report – Position at 31 July 2013

The Budget Monitor Report currently forecasts a deficit for 2013/14 due to a potential shortfall against the non-Grant-in-Aid income target, the payment on account to Her Majesty's Revenue and Customs of Corporation Tax interest and penalties and estimated legal and compensation costs. The Executive explained that monitoring round bids had been made in respect of Corporation Tax interest penalties and legal and compensation costs but that the outcome of these would not be known until October. The Executive also explained that the forecast was based on the premise that DARD would meet AFBI's pay progression costs as it had previously committed to do.

Dr McDowell provided an update on the VSD Divisional Budget. In the absence of Dr Mayne, Mrs Hogg provided an update on the SAFSD Divisional Budget. Mrs Hogg advised that SAFSD had identified additional income streams but highlighted a degree of uncertainty about how much could be realised in the current financial year.

The Board discussed the forecast deficit in detail and queried how it would be addressed. The Executive reaffirmed its commitment to achieving a balanced budget and drew the Board's attention to the Financial Pressures Plan later on the agenda. The Board agreed to move to that item on the agenda.

8.2 Finance Plan 2013/14

The Executive explained that the Financial Pressures Plan was split into three elements; those actions which could be put in place to generate savings in 2013/14; those actions to be explored in the current financial year but which would not realise savings until 2014/15 and beyond; and strategic actions which could be explored to generate efficiencies in the longer term. The Board considered the paper in detail and focused primarily on the potential actions required to deliver a balanced budget for 2013/14. The Executive explained that it was reviewing all expenditure lines in detail to determine the scope and potential for savings across each budget line as well as continuing to seek additional income streams.

The Executive advised that it would have reviewed all expenditure lines by the next meeting and would provide the Board with a report detailing how it planned to achieve a balanced budget for 2013/14.

EXEC**8.3 Finance Improvement Plan (FIP) (Phase 2)**

The Executive provided a detailed plan on the themes and actions to be addressed in Phase 2 of the FIP. After considering the plan the Board signified that it was content to note.

8.4 AFBI Strategic Cost Model (SCM)

AFBI / DARD are using 2013/14 as a shadow year for the SCM with the aim of having any issues resolved in time to cost the 2014/15 Assigned Work Programme (AWP). DARD is scheduled to provide the AWP by

mid-September 2013 and AFBI plans to have this costed for DARD by mid-November. The Board were pleased to note the progress being made. **ACTION**

9. Governance Issues

9.1 AFBI Risk Management

The Executive tabled Corporate Risk No 8 – “*Failure to recruit, retain and motivate the agreed compliment of staff with the right skills, experience and competencies will adversely impact on AFBI’s ability to deliver the DARD Assigned Work Programme (AWP)*” - for consideration and having noted the Executive’s comments in relation to the controls that are in place to manage the risk and the additional actions, the Board was content to note.

There was no report of any new or emerging risks to the organisation.

9.2 Whistle Blowing and Fraud

A report on the potential theft of equipment and the status of the investigation was presented to the Board and duly noted.

10. AFBI Equality Scheme – Progress Update on First Quarter Ending 30 June 2013

The Board noted the status of the Equality Scheme Action Plan and that all quarter one actions had been completed.

11. AFBI Business Plan 2013/14 – First Quarter Report on Key Performance Indicators for Period Ending 30 June 2013

The Board noted the Corporate KPI progress made for the first quarter ended 30 June 2013. Out of a total of 29 targets, 25 are on target to be achieved and 4 are of risk of not being achieved. The Board considered the targets that were at risk and the actions in place to address these.

12. AFBI Board Workshop Action Plan – Progress Update

The Board noted the significant progress made against the Board Workshop Action Plan.

13. Sponsorship Risk Assessment Action Plan – First Quarter Report for Period Ending 30 June 2013

The Executive asked the Board to note that of the 18 improvement actions identified in the DARD Risk Assessment of AFBI, 3 have been completed, 6 are partially complete or in progress and 9 are not yet due although a number of these rest with DARD. The Board was pleased to note the progress being made.

14. Estate Strategy

The Executive presented a paper summarising the options appraisal for the relocation of business functions from AFBI Newforge.

The Executive reported that, with the exception of Food Science Branch, DARD have accepted AFBI's analysis that the greatest net benefits would be achieved through the relocation of all scientific functions from Newforge to a purpose built facility such as Maze/Long Kesh.

ACTION

With regard to Food Science Branch, DARD has asked AFBI to carry out further analyses to determine whether all or some of the activities could be transferred to the Loughry College campus. The Board stated that the issue would require further consideration of the advantages and disadvantages for AFBI.

EXEC

The Executive also reported that the analysis suggested that there would be no net benefit in co-locating AFBI's Fisheries and Aquatic Ecosystems Branch with DARD Fisheries Division at a new site in Co. Down.

The CEO asked Board members to provide any further comments or thoughts on the paper.

BOARD

15. AFBI Finance Sub-Committee

15.1 Draft minutes from Finance Sub-Committee meeting held on 24 June 2013

The Board noted the draft minutes from the Finance Sub-Committee meeting held on 24 June 2013.

15.2 Annual Review of Terms of Reference

On a proposal from Mr Trevor Hinds, seconded by Mr Seamus McCaffrey, the Board approved the revised Terms of Reference for the Finance Sub-Committee.

16. AFBI Audit Committee

16.1 Draft Minutes from Audit Committee meeting held on 28 June 2013 and Self Assessment meeting held on 24 July 2013

The Board noted the draft minutes from both the Audit Committee meeting held on 28 June 2013 and the Self Assessment meeting held on 24 July 2013.

16.2 Annual Review of Terms of Reference

On a proposal from Mr Cecil McMurray, seconded by Prof Patrick Murphy, the Board approved the revised Terms of Reference for the Audit Committee.

17. Science Strategy Sub-Committee

17.1 Draft Minutes from Science Strategy Sub-Committee meeting held on 23 May 2013

The Board noted the draft minutes from the Science Strategy Sub-Committee meeting held on 23 May 2013.

ACTION

18. Rolling Database of Issues Raised at AFBI Board Meetings

EXEC

19.1 Joint DARD / AFBI Board Meeting – 23 September 2013

CHAIR

This item was deferred due to time constraints and a subsequent meeting.

The next AFBI Board meeting will be held in AFBI Hillsborough at 10.00am on Tuesday 24 September 2013.

Date: _____