



**Minutes of the Meeting of the Agri-Food and Biosciences Institute  
(AFBI) Board  
held at  
AFBI Newforge (Headquarters), Belfast  
on Wednesday 27 January 2010 at 10.00 am**

**Present – Board Members**

Prof David McDowell, Chairperson  
Dr Michael Hollywood  
Dr Christine Kennedy  
Mr John McKinley  
Prof Stewart McNulty  
Mr John Rankin  
Mr Michael Walker  
Prof Grace Mulcahy

**In Attendance - AFBI Executive**

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

**1. Welcome and Introduction**

**Action**

In the absence of the Chair, Mr Hogan, the Deputy Chair Prof McDowell chaired the meeting and opened proceedings with a welcome for all in attendance especially Dr David Bryson who was attending in his new role of Acting Deputy Chief Executive Officer.

**2. Apologies**

Apologies were received on behalf of the Chair, Mr Hogan, Mr James Noble, Mr Nicholas Mack and Mr Kieran Campbell.

**3. Draft Minutes of the Previous Board Meeting held on 16 December 2009**

On a proposal from Mr Walker, seconded by Dr Christine Kennedy, the draft minutes of the previous Board meeting were approved by the Board subject to the following amendment –

Item 5.1.1 – AFBI Corporate Risk Register (CRR) – updated 30 October 2009

Third paragraph, first sentence, replace “...*Veterinary Services Division*...” with “...*Veterinary Sciences Division* “.

**4. Matters Arising from the Minutes of the Previous Board Meeting held on 16 December 2009** **Action**

The Chair proceeded on the basis that any matters arising or action points from the previous meeting had been resolved or would be addressed during the course of the meeting except for the following -

**4.1** Health and Safety (Item 5.3)

The Board noted that reference had been made to Dr Boyd's retirement and were aware that this had now taken place since the date of the last meeting. The Board acknowledged the work that Dr Boyd had carried out on behalf of the organisation and agreed that a letter of thanks and appreciation should be sent to him following his retirement.

**Chair**

The Board also noted that the Chair had written to Dr Sydney Neill, DCEO congratulating him on receiving the OBE in the Queen's New Year's Honours List.

**4.2** HR Connect (Item 5.6.1)

The Board were advised that the Executive had not yet received a response from Mr Paul Wickens, Director of the Shared Services Organisation regarding a lack of AFBI representation at Directorate level concerning HR Connect matters.

The Executive agreed that it would pursue this matter and provide an update at the next Board meeting.

**Exec**

**5. Corporate Issues**

**5.1** AFBI Risk Management

The Board were asked to note that the Corporate Risk Register dated 30 October 2009 had been updated to reflect recent changes in the organisation and a copy of this revised document would be presented to the Audit Committee at their meeting on 2 February 2010.

The Executive advised the Board that no new risks had emerged since the date of the previous meeting. However, in light of the recent meeting with DARD and the impending savings that will have to be made, the Executive would be undertaking a review of –

Risk No 1 "*Failure to recruit, retain and motivate staff with the right skills, experience and competencies*" and Risk No 2 "*Insufficient resource allocation for AFBI from DARD*".

The Executive also advised the Board that Risk No 13 “*Failure to resolve former ARINI pensions issue*”, Risk No 14 “*Failure of HR support services (HR Connect)*” and Risk No 15 “*Failure of new accounting system (Account NI)*” had been raised at SMT who will be carrying out a review of these risks.

**Action**

In the discussion that followed the Executive outlined some of the relatively high costs that AFBI would incur in relation to both Account NI and HR Connect. In light of these charges, the Executive confirmed that it was actively considering alternatives to Account NI and its position within HR Connect.

In response the Board agreed it was very prudent to seek alternatives at this time and offered support to the Executive.

In terms of the Corporate Risk Register (CRR), the Board were content that the Executive recognised that the increased costs presented a risk to AFBI and should be reflected in the CRR coupled with details of the proposed actions required to manage or mitigate the risk. The Executive also confirmed that it would be considering a change to the titles of both risks as they did not accurately convey the current position.

**Exec**

The Board suggested that during the review of Risk No 15 “*Failure of new accounting system (Account NI)*”, the Executive may also wish to consider changing the “*Risk Rating*” from 3:2 to 3:3 to reflect the increased risk to the organisation.

**Exec**

A member of the Board commented on a recent training course he had attended along with members of AFBI staff and was satisfied that the organisation was operating in accordance with recognised procedures and good practice.

## **5.2** Whistleblowing and Fraud

The Executive reported that there were no new incidents to report since the date of the previous meeting.

In relation to the two cases that are currently ongoing, the Executive advised that the fact finding investigations have now been completed and the Acting CEO is considering the findings.

Following discussion, the Board accepted a suggestion from the Chair of the AFBI Audit Committee, Dr Hollywood that the Audit Committee was best placed to seek assurance from the Executive that the appropriate procedures had been followed in both of these cases and the Audit Committee would convey its findings to the Board.

**MH**

5.3 Health and Safety

There were no major incidents to report since the date of the previous meeting. However, during the recent period of inclement weather there had been a number of slips and falls.

The Board were also advised that the AFBI Health and Safety Advisory Group had met earlier in the week (Monday 25 January 2010). There are no major issues to report and in future the Group will meet on a quarterly basis.

6. **Finance**

6.1 Budget 2009/10

The Executive presented the monthly budget monitoring report for the period ending 31 December 2009 and highlighted a number of issues for the benefit of the Board.

*Budget* – it was noted that the budget allocation had increased since the date of the previous meeting due to successful bids made during the December monitoring round. Overall, AFBI is still on target to remain within the allocated budget.

*Institute of Agri-Food and Land Use (IAFLU)* – it was noted that funding for IAFLU was still being deducted from the AFBI grant-in-aid budget even though AFBI was working on the understanding that the liability for IAFLU had transferred from DARD to DEL and that AFBI was only required to make payments for an initial three-year period. The Board voiced concern that this was now the fourth year that a payment had been deducted and asked the Executive to seek an explanation through AFBI Sponsor Branch.

Exec

*Capital* – the Executive confirmed that additional allocations of capital money had been received towards the end of 2009 and that AFBI remains on target to meet the expenditure target.

In the discussion that followed the Board suggested that it would be helpful if the Executive could provide a *manpower plan* to accompany the *budget monitoring report*. The Executive advised that it was already in the process of preparing a *manpower plan* for consideration at Senior Management Team meetings and would be happy to circulate a copy to the Board for future meetings.

Exec

6.2 Budget 2010/11

The Executive informed the Board that it had recently been involved in a

high level meeting with representatives of DARD including the Permanent Secretary, Dr Malcolm McKibbin during which the Executive underlined the difficulties that AFBI would encounter in meeting the proposed level of savings. **Action**

The Executive advised that they had found the meeting to be positive with DARD recognising the difficulties that AFBI faces in meeting the proposed reduction in grant-in-aid for 2010/11. It was agreed that further meetings between DARD and AFBI would be required before agreement can be reached on the reduction in the work programme that AFBI carries out for DARD necessary to meet the proposed budget cut.

In the discussion that followed the Board asked the Executive to be proactive in examining all aspects of the organisation with the aim of ensuring that each business unit had a paying customer for the work that it carries out. **Exec**

The Board also asked the Executive to give this matter its urgent attention and provide the Board with regular updates. **Exec**

The Secretary was also asked to add this item to the Rolling Database of Issues raised at Board Meetings. **Sec**

## **7. Personnel**

### **7.1 Pensions Issue**

The Executive advised the Board that work was ongoing in relation to this matter and negotiations with NILGOSC were continuing with the ultimate aim of securing the bulk transfer of accrued pension rights of the thirty-seven members of staff who had opted to transfer their pensions to the PCSPS(NI).

The Executive also confirmed that it had secured agreement with the PCSPS(NI) that anyone retiring before a final settlement has been reached, would not be disadvantaged and the terms of their pension would be honoured on the basis that the bulk transfer had taken place.

While again expressing concerns at the continuing delay, the Board acknowledged the complexities involved in this matter and restated that its position was to ensure that employees are not disadvantaged in any way.

### **7.2 Equal Pay Deal**

The Board were advised that AFBI had sought legal advice which indicated that the Equal Pay Deal should apply to relevant staff in AFBI.

However, the Executive also advised the Board that there may be additional costs to AFBI arising from the potential need for AFBI to be

established as a separate pay entry on HRConnect due to the unique arrangements relating to AFBI pay remits. This will require a “change control” which HRConnect have suggested may cost up to £75k plus recurring costs for future pay remits.

**Action**

A meeting with HR Connect is imminent and this matter is high on the list of issues for discussion.

In response the Board confirmed that it was committed to the Equal Pay Deal but is reluctant to pay additional money to HRConnect to process the payments. Furthermore, the Board expressed extreme concerns at the escalating costs of the service being provided by HR Connect and asked the Executive to convey its concerns during the forthcoming meeting.

**Exec**

The Board also requested that the Executive make AFBI Sponsor Branch aware that AFBI is considering the cost of the Shared Services (HR Connect, Account NI and IT Assist) as part of its comprehensive review of current spending.

**Exec**

### **7.3** Short Term Employment – Fixed Term Contracts (FTCs)

The Executive advised the Board that it had sought information relating to short-term employment or fixed term contracts (FTCs) and confirmed that this facility is being used in the Northern Ireland Civil Service. Therefore it is also an option for AFBI to consider.

The Executive confirmed that the AFBI Senior Management Team would be devising criteria that would provide guidance on the procedures to be applied when assessing the need to fill a vacancy and when a fixed term contract would be deemed appropriate.

The Board stated that it was aware of this facility being used by universities but highlighted the need to ensure that any FTCs were administered appropriately within the organisation otherwise AFBI could find itself with permanent members of staff who were surplus to requirements. However, the Board acknowledged the flexibility that such an option provides and were content for AFBI to proceed, bearing in mind the need for appropriate administration.

**Exec**

## **8. AFBI Innovations**

### **8.1** AFBI Innovations Update

A progress report on the activities being undertaken by AFBI Innovations was presented to the Board.

In commenting on the report the Executive highlighted a number of issues:

**8.1.1** 3-Year Marketing Strategy

Plans to appoint external consultants to assist with the development of the 3-Year Marketing Strategy have suffered a slight set-back as none of the companies who tendered met the criteria. The Board were asked to note that this will undoubtedly have an impact on the 31 March 2010 target for having an action plan in place, as the competition will have to be re-run.

**8.1.2** Profit Retention

AFBI are engaged in negotiations with DARD regarding a facility that would enable AFBI to retain a proportion of any profits from commercial work beyond the end of a financial year. AFBI is currently seeking independent advice regarding UK precedents and the legal framework for profit retention with a view to using these in negotiations with DARD.

As well as the issues highlighted by the Executive, the Board made reference to the launch of the AFBI high pressure processing of food service across various media sources and offered congratulations to the AFBI staff involved. The Board acknowledged the publicity that this event had generated.

**8.2** Rewards and Recognition to Staff Scheme

A copy of recent correspondence between Mr Hogan and the DARD Permanent Secretary, Dr Malcolm McKibbin was circulated to the Board for information. However, apart from the exchange of letters, there have been no further developments of note and the matter still resides with the Department of Finance and Personnel (DFP).

**9. AFBI Strategy Implementation**

**9.1** HR Strategy

Work is continuing with each of the project teams continuing to meet on a regular basis. Steady progress is being made on a number of issues and the Executive have been impressed with the degree of enthusiasm being shown by those serving on the project teams.

The Executive reported that the AFBI Senior Management Team (SMT) have considered the findings contained in the report on the Review of Morale and Motivation and have accepted the recommendations. The report is now ready to go to the various HR project teams for consideration before issue to staff.

One of the main issues highlighted in the report is the lack of communication and the feeling amongst staff that the AFBI SMT is remote. To help address these issues SMT have decided to initiate an

internal staff newsletter and that future SMT meetings will be held at various sites across AFBI. To underline this point the Executive confirmed that the January SMT meeting had been held at VSD, AFBI Stormont.

**Action**

The Executive agreed that it would circulate a copy of the report on the Review of Morale and Motivation to the Board after consideration by the HR strategy teams.

**Exec**

## **9.2** Business and Science Strategy

The three teams involved in this strategy also continue to meet with Team 1.3 working on the development of a new format for AFBI business plans which they hope will be the “*first win*” to emerge from this strand.

All three teams are currently waiting on the appointment of the consultants in the development of the 3-Year Marketing Strategy as this will impact on the work being carried out by the three project teams.

In noting the report the Board commented on the paper outlining the dates and proposals for Board meetings during 2010. The Board suggested that, as well as including presentations from staff on the work that it is being undertaken in AFBI, the meeting agenda should also include a specific item focusing on one of the following areas - policy, strategic issues or business development.

**Chair/  
Acting  
CEO**

The Board also suggested that the five strategic goals should also be openly displayed within the Boardroom. In accepting the suggestion the Executive agreed that it would consult the Board on the wording and format of display before finalising.

**Exec**

## **9.3** Assets Strategy

Of the three project teams working on this strategy, the IT team are forging ahead with a number of issues. The other two groups are relying on the Estates Strategy being finalised.

In this respect, the Executive advised that a draft Estates Strategy document should be available for the Board meeting on 24 March 2010 and, following Board approval, will then be forwarded to DARD for consideration and comment.

**Exec**

## **10. SAPO4 Strategic Outline**

A copy of the AFBI Strategic Outline Case for the Development of a SAPO4 facility had been circulated to the Board for information and the Executive confirmed that the document has been submitted to AFBI Sponsor Branch for consideration.

In commenting, the Board stated that it was an excellent document and



overall it was content.

**Action**

## **11. AFBI Board Effectiveness Review**

A summary report on the work carried out during the review was circulated to the Board. However, in the absence of the Chair, Mr Hogan, the Board decided to hold the matter until a future meeting when a more detailed discussion can take place. The Secretary was asked to note and place this item on the agenda for a future Board meeting.

**Sec**

## **12. Any Other Business**

### **12.1 Rolling Database of Issues Raised at Board Meetings**

The Board noted that the Rolling Database had been updated since the previous date of meeting and were satisfied that this was an accurate record.

The Board agreed that the Secretary could undertake the following actions:

**Sec**

- Reference to the AFBI Emergency Response could be recorded as complete and moved accordingly.
- Reference to the Board Effectiveness Review should be added.
- Reference to AFBI Strategic Direction should be added.

### **12.2 Appointment of New Board Members**

The Board noted that the process of appointing new Board members was ongoing and interviews are currently taking place. However, in the absence of the Chair, there was nothing further to note and the Board decided to place the matter on hold pending a further update at the next Board meeting.

### **12.3 Dates and Arrangements for 2010 Board Meetings**

The Board accepted the dates and proposed arrangements for Board meetings to be held during 2010 subject to change should business matters dictate. The Executive took into consideration the comments made by the Board during earlier discussions under Item 9.2, "*Business and Science Strategy*" relating to the format for future Board meetings.

### **12.4 Open Meeting – 24 February 2010**

There have been twenty-five responses to date from the initial invitations issued prior to Christmas and the list of attendees is expected to increase after the event has been publicised in the local press.

To accommodate those wishing to attend, the Board agreed that AFBI Hillsborough would be a more suitable venue and asked the Executive to

**Exec/  
Sec**

make the necessary arrangements.

**Action**

It was agreed that the format for the day would be along similar lines to last year with the Board meeting for a short period prior to the Open Meeting which would then be followed by a light lunch and an invitation to stay for a short tour.

**13. Date of Next Meeting**

The next meeting of the Board will be held on Wednesday 24 February 2010 at AFBI Hillsborough.

*After the close of business a presentation was given to the AFBI Board by Dr David Graham on the subject of Bovine Tuberculosis.*

*The Executive then retired from the Boardroom and the Board members remained to discuss a number of issues under the heading of "Reserved Matters".*

Signed: \_\_\_\_\_  
(Chairperson)

Date: \_\_\_\_\_