



Minutes of the Open Meeting
of the Agri-Food and Biosciences Institute (AFBI) Board
held at
AFBI Newforge (Headquarters), Belfast
on Thursday 27 March 2008 at 9.30 am

Present:

Board Members

Mr Sean Hogan, Chairperson
Professor David McDowell, Deputy Chairperson
Mr Kieran Campbell
Dr Michael Hollywood
Dr Christine Kennedy
Mr Nicholas Mack
Professor Grace Mulcahy
Mr John McKinley
Professor Stewart McNulty
Mr James Noble
Mr John Rankin
Mr Michael Walker

In Attendance: Dr George McIlroy, Chief Executive Officer
Dr Seamus Kennedy, Deputy Chief Executive Officer
Dr Sydney Neill, Deputy Chief Executive Officer
Dr Jim McAdam, Deputising for Dr Michael Camlin, DCEO
Dr Robin Boyd, Head of Chief Executive's Office
Mr Stephen Dolan, Head of Business Support Unit
Mr Stephen Cousins, Secretary

Mr Hogan welcomed all those present and in attendance.

1. Minutes of the meeting held on 28 February 2008

It was proposed by Dr C Kennedy, seconded by Dr Hollywood that the minutes of the meeting held on 28 February 2008 be accepted.
Agreed.

2. Matters Arising

It was agreed that any matters arising from the last meeting, 28 February 2008, be carried forward to the next Board meeting to be held on 23 April 2008.

3. Open Meeting Agenda

A copy of the agenda for the Open Meeting had been circulated to members in advance.

Mr Hogan highlighted a change in relation to point 5 in the agenda “*Question and Answer Session*”. It was noted that Professor McDowell would preside over this part of the meeting and not Mr Hogan as stated.

Members of the Board indicated that they were content with the agenda for the Open Meeting and the topics to be presented. However, some members expressed concern at the low numbers who would be attending the Open Meeting.

In response, Mr Hogan informed members that the Open Meeting had been widely circulated via the local press and apart from issuing individual invitations; he was not overly concerned with a low turn out.

With regard to the non-attendance of AFBI stakeholders, Mr Hogan advised that he was working on the basis that they must be content with the manner in which AFBI conducts its business otherwise they would be in attendance.

In relation to the publishing of the Annual Report and Accounts for the year ended 31 March 2007 and the associated publicity surrounding the event, Mr Hogan advised that he had given an interview with Farming Life, provided an interview with the BBC for their Farmgate programme (due to be broadcast that evening) and confirmed that AFBI Corporate Communications Unit had issued a press release regarding the event.

It was acknowledged however, that not all of the local papers pick-up on AFBI matters but efforts are continually being made to address this issue and AFBI Corporate Communications Unit are in contact with those papers who are not publishing AFBI articles or press releases at present.

Reference was also made to the fact that the Annual Report and Accounts related to 2006/07 and as such were somewhat delayed. However, this should not be the case in relation to the Annual Report and Accounts for 2007/08 and AFBI should seek to maximise publicity as it would be more timely.

At this point in the proceedings the Chairperson, Mr Hogan invited members of the public into the meeting.

4. Open Meeting – 10.00 am

Mr Hogan issued a special welcome to the members of the public and in his opening comments made reference to this being the first Open Meeting and as such it was not unexpected, given his previous experience of similar events, to have a low attendance. However, he assured everyone, that the AFBI stakeholders were vociferous and would certainly let the Board know if there were any problems.

Mr Hogan reported that an apology had been received from DARD Sponsor Branch but coupled with the apology was a note of congratulations on AFBI having had its first year accounts unqualified.

Mr Hogan then handed over to Mr Dolan to give a presentation on the Annual Report and Accounts for the year ended 31 March 2007.

4.1 Annual Report and Accounts for the year ended 31 March 2007

4.1.1 Reasons for the delay in presenting the Accounts for 2006/07

The three main reasons for the delay in not having the Accounts completed were due to –

- (i) The Hillsborough pensions issue – this was a very technical and complex matter but during the course of finding a resolution the Board were kept informed at all times.
- (ii) Consolidation of the Accounts and the introduction of the new finance arrangements did not go according to plan when AFBI came into existence on the 1 April 2006.
- (iii) Insufficient resources which are now being addressed.

4.1.2 Income Generation

Mr Dolan referred to one of the key objectives that had been set for AFBI which was to increase its external or non-DARD funded income to 10% of its total budget within three years.

Mr Dolan reported that in the period covered by this report AFBI had generated £6.2m (a year on year increase of <100%) representing 15% of the total AFBI budget thereby meeting its objective in its first year.

4.1.3 Comprehensive Spending Review

As part of the Comprehensive Spending Review (CSR), the cuts being imposed on AFBI translated into £700,000, accumulative for three years. In practical terms this means that in order for AFBI to meet its financial obligations (including pay and price rises) during this period,

AFBI would need to increase revenue during 2008/09 and 2009/10 by £500,000 and £1,000,000 respectively.

However in 2010/11, while increased revenue would remain a target, maintaining the 2009-2010 level of income would be sufficient to meet the CSR reduction. AFBI will realise efficiencies from the closure of the School of Agriculture and Food Science, Queen's University Belfast (SAFS) and receive additional income from stakeholders following the introduction of the Cattle Health Scheme (CHS).

Mr Hogan thanked Mr Dolan for his presentation and stated that it was worth noting that AFBI's significant achievements during its first year as an NDPB (Non-Departmental Public Body) were made without a "*shadow period*", with limited resources in Finance and Personnel and within the demands of new financial and auditing arrangements.

Mr Hogan praised the commitment and dedication of AFBI staff in achieving the targets set for the Institute.

Mr Hogan also confirmed that the DARD Minister, Michelle Gildernew MP MLA had made it known that she was pleased that AFBI had received an unqualified set of Accounts in its first year.

In response several Board members echoed the sentiments of the Chairperson and focused on the achievements that had been made. Professor McDowell (Deputy Chairperson) stated that the AFBI Board were now at a point where it could move forward with confidence that the financial management and corporate governance arrangements within AFBI were coming of age.

In conclusion, the Board complimented the Executive Team's presentation of the Annual Report. The Chairperson advised the Board that the Annual Report and Accounts would be placed in the Northern Ireland Assembly Library and be made available electronically on the AFBI website.

4.2 AFBI Corporate Plan

Dr Boyd gave a presentation on the AFBI Corporate Plan. During his introduction Dr Boyd mentioned that the Corporate Plan was not yet finalised as AFBI were presently awaiting the outcome of two consultancy reports but the aim is to have the Corporate Plan finalised by the end of April 2008.

Dr Boyd advised that the Corporate Plan should be viewed as a "*living document*" subject to change as and when required.

Dr Boyd's presentation reflected on the role of AFBI, the Corporate Objectives of the Institute and the various work areas in which AFBI is currently engaged. For example, Statutory Work that is undertaken to

meet European Union legislative requirements; Research and Development of which 28% to 30% underpins other activities; Emergency Response Capability (ERC); Assigned Work for other Government Departments or customers and Specialist Advice to support and interpret the results of the scientific work.

Mr Hogan thanked Dr Boyd for his presentation and several Board members voiced their appreciation and acknowledged that they were content that the Corporate Plan was progressing.

Some Board members raised questions in respect of the Rewards to Staff Scheme and new business generation.

With regard to the Rewards to Staff Scheme it was noted that this was an ongoing issue but AFBI is striving to have this implemented as soon as possible.

In relation to the generation of new business the Board were informed that the appointment of a Business Manager was imminent and this would enable AFBI's business activities to be enhanced over time.

Reference was also made to a major conference to be held in the Autumn of 2008 on Renewable Energy. Members of the Executive gave a brief report on a recent business trip to the United States of America to promote this event and informed the Board that the early signs were very encouraging with several leading Americans expressing an interest in attending the event. Further details would be made known to the Board as and when they become available.

Mr Hogan advised that the DARD Minister is very keen on the idea of this conference and is liaising with other Ministerial colleagues and MLAs to gather support.

A Board member asked about the opportunities for Bluetongue testing and the Board were advised that AFBI had been testing for Bluetongue since the start of this year and had recently proved its capability to perform such tests during the recent outbreak of Bluetongue disease. This had placed AFBI to the fore in the fight against the disease and assisted the Minister of Agriculture in making timely decisions in order to protect the industry. As a result the Minister had recently visited AFBI Stormont to thank the staff personally for the work that they had done.

On the issue of resources members of the Executive outlined the need for a new SAPO4 facility which if given the necessary approvals would enhance AFBI's emergency response capability throughout all of Ireland. Board members indicated that they would be fully supportive of such a proposal.

4.3 **AFBI Science**

In making the presentation on AFBI science, Dr Kennedy recognised that most of work undertaken by AFBI was of a statutory or regulatory nature, and the associated targets and out-turns were listed in the AFBI Annual Report for 2006/07. He highlighted some of the scientific achievements of AFBI in the field of non-statutory work including –

Agri-Environment and Food Science Division – Dairy research
Applied Plant Science and Biometrics Division – Grass breeding and pig grading information software (PIGIS)
Veterinary Sciences Division – Porcine circovirus disease
Agri-Food and Economics Branch – Impacts of trade liberalisation

Dr Kennedy also referred to the important role that AFBI science had played in relation to influencing government policy and strategy. For example, in respect of the Nitrates and Phosphorus Regulation (2007), AFBI's proactive role in analysing soil and water samples and the provision of scientific advice to DARD had enabled DARD to successfully negotiate a derogation in respect of Northern Ireland.

In relation to scientific emergency response, Dr Kennedy highlighted the scientific advice and laboratory testing that AFBI had provided to DARD following the discovery of nortestosterone in urine samples from cattle that had undergone emergency on-farm slaughter. Until then, it was believed that this hormone could not be naturally produced by male cattle and therefore its detection in urine was considered tantamount to illegal administration. However, AFBI's findings proved otherwise and have led to acceptance by scientists and policymakers in Europe that the presence of nortestosterone in the urine of male cattle can no longer be considered as proof of illegal administration.

Board members complimented Dr Kennedy on his presentation which they stated had revealed the depth of skills and knowledge within AFBI. Members were very impressed by the way in which hard scientific evidence was and is used to underpin policy decisions, especially in relation to the Agri-Food industry.

On the foot of Dr Kennedy's presentation, there was a short discussion on the need for a SAPO4-level animal pathogen biocontainment facility in AFBI. Mr Hogan informed the meeting that this matter has been brought to the attention of the DARD Minister and the arguments for such a facility were strong. The final decision will be dependent on the financial resources available and Department of Finance and Personnel approval.

4.4 **Question and Answer Session**

Professor McDowell thanked the members of the public for their patience during the course of the presentations and invited questions.

Mr Seán MacAntsaoir (an AFBI employee) thanked the Board for presenting him with an opportunity to attend the meeting.

Mr MacAntsaoir then posed a question in relation to the lack of communication from the Board during the period since AFBI's creation. However, it was pointed out that the role of the Board was to offer strategic advice to the Chief Executive Officer and his colleagues and not to become involved in operational matters.

Mr MacAntsaoir asked a further question in relation to DARD's plans to submit a percentage of its Research and Development requirements for tender and if this was the case had the Board considered how this would impact on AFBI. The meeting was advised that AFBI was not aware that DARD had any immediate plans to tender for R&D requirements and at present this is not an issue.

Mr John Calvert (Northern Ireland Public Service Alliance representative) announced that he was pleased to note the financial position of the Institute and the forecasts for the next three years. However, when considering the finances required, he asked if rising costs and inflation had been taken into account.

In response Mr Dolan advised that in the two years since its creation AFBI had had to build a financial costing system to provide the data needed for financial monitoring. Within the next two to three months an up-to-date financial costing system will become operational and this will result in major changes in how the work is costed and will have a cultural impact on how the Institute conducts its business.

Professor Fred Gordon (a retired Director of the Agricultural Research Institute of Northern Ireland (ARINI)) indicated that he was extremely pleased at what he had heard during the course of the presentations, particularly in relation to finance and the ARINI pensions issue. Professor Gordon suggested that the same presentation should be delivered to all appropriate staff.

As well as mentioning future project development Professor Gordon also raised a question in relation to the quality of the work and how this can be assured. Professor Gordon was advised that there are several ways this assurance can be given, for example the number of publications that AFBI staff continue to produce; the continually high number of accredited analytical laboratories and the success of receiving official ISO 9001 accreditation across all of the Research and Development work undertaken within AFBI which was not the case in either DARD Science Service or ARINI. However, the main acid test would be the business AFBI generates and the number of customers who continually seek AFBI services.

In conclusion Mr Calvert informed the Board that he had found this first Open Meeting to be very useful but asked the Board to consider the future format of Open Meetings.

Professor McDowell advised that the Board will review the events of today and consider how best it fulfils its obligation.

Professor McDowell thanked the members of the public for their attendance and the interest they had shown.

Commenting on the meeting some members of the Board said that they were encouraged by the exchanges that had taken place and this reflected a healthy organisation.

Mr Hogan, in bringing the meeting to a close, advised that the Board would not hold an Open Meeting just for the sake of it and the Board would reflect on today's events. One aim would be to consider the involvement of AFBI stakeholders and how best to engage with them in this type of meeting.

Mr Hogan thanked Board colleagues and those who gave presentations. Particular reference was also made to those members of the public who had attended and the contribution they had made.

5. Date of Next Meeting

The next meeting of the Board will be held on Wednesday 23 April 2008.

Signed: _____
(Chairperson)

Date: _____