



**Minutes of the Meeting of the Agri-Food and Biosciences Institute
(AFBI) Board held at AFBI (HQ) Newforge
on Thursday 29 September 2011 at 2.00 pm**

Present – Board Members

Mr Sean Hogan, Chair
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
Dr David Bryson, DCEO (Acting)
Mr Joel Ferguson, Head of Corporate Services Division (Acting)
Mr Paul Brennan, Head of Human Resources
Mr Stephen Cousins, AFBI Secretariat

Presentation by – Dr Eileen Stewart, Emergency Planning,
Safety & Estate Branch

1. Welcome and Introduction

Action

The Chair opened the meeting and welcomed all in attendance.

2. Apologies

An apology was received on behalf of the Deputy Chair, Prof David McDowell. The Executive also submitted apologies on behalf of Dr Arthur Gilmour, DCEO (Acting), Mr Paul Brennan, Head of AFBI HR and Mr Venkat Deshpande, Head of AFBI Finance.

3. Conflict of Interests Declaration

Mr Michael Walker made the AFBI Board aware that a company with whom he has a close affiliation may be in competition with AFBI for funding and should this matter arise during the course of the meeting he would retire.

The Board was content to note.

4. Draft Minutes of the Previous Board Meeting held on 24 August 2011 Action

On a proposal from Mr Trevor Hinds, seconded by Mrs Hilda Stewart, the Board approved the draft minutes from the previous Board meeting held on 24 August 2011 subject to the Secretary making the following amendment:

Item 4 - Draft Minutes of the Previous Board Meeting held on 22 June 2011

Finance/Commercial Interests – replace the third paragraph with the following:

“Mr McKeown suggested that AFBI review its commercial terms and conditions and ascertain if there is a “non-solicitation” clause contained within these that might offer some level of protection against employee loss to private sector companies or organisations.”

5. Matters Arising/Action Points from Previous AFBI Board Meeting held on 24 August 2011

5.1 Item 4 - Draft Minutes of the Previous Board Meeting held on 22 June 2011 – AFBI Review its Commercial Terms and Conditions

The Executive reported that AFBI is limited in the actions that it can take in relation to employees Terms and Conditions which mirror those of the Northern Ireland Civil Service.

The Executive agreed to provide the AFBI Board with a more detailed response at the next AFBI Board meeting.

Exec

5.2 Item 5.3 - AFBI Vision and Mission Statement

Secretary confirmed that AFBI’s Vision and Mission Statement had been updated and copies have been prominently displayed throughout all AFBI locations including the Boardroom.

It was further suggested that the Executive may also wish to consider displaying Board members names throughout AFBI.

Exec

(Prof Mulcahy entered the meeting)

5.3 Item 7 - CEO’s Report

The CEO made reference to the recent Department of Agriculture and Rural Development (DARD) Stakeholder Event held on the 28 September 2011. A number of AFBI Board members had also been present and expressed a varying range of views and opinions on the outcomes derived from the meeting. Overall, the Board were pleased to note that AFBI had been well represented at the event.

The Executive advised that it was still in the process of drafting a formal response to the Department of Agriculture and Rural Development Estate Strategy, for AFBI Board approval.

6. Chairman's Business

The Chair advised the Board that all of the issues that he wished to mention were covered under the CEO's report and that he had nothing further to add.

7. CEO's Report

The CEO provided the Board with a written report on events that had taken place since the previous meeting.

Some of the issues that he highlighted were –

- *Exercise Larkspur* – a Food Standards Agency simulation exercise aimed at fully rehearsing lines of communication during a food or feed emergency had been completed during the previous week and AFBI are now awaiting a report.
- *Representation* – AFBI were again represented at the National Ploughing Championships (NPC) in Athy, Co Kildare, Republic of Ireland. During the course of the event the AFBI exhibits were visited by the Chair and members of the Northern Ireland Assembly Committee for Agriculture and Rural Development and the CEO and the Chair took the opportunity to invite them to visit AFBI.

The CEO and the Chair also attended a reception hosted jointly by Simon Coveney TD, Minister of Agriculture, Food and Fisheries (DAFF) and Michelle O'Neill MLA, Minister of Agriculture and Rural Development during which they launched the first all-island animal disease surveillance report produced by AFBI and DAFF's veterinary laboratory service.

An AFBI-Backweston MOU was also launched at the event.

Commenting on the CEO's report, the Board acknowledged that the NPC continues to provide AFBI with an opportunity to showcase its work and services and those attending reported that there had been a noticeable increase in the numbers visiting the AFBI stand.

Mr Rankin also reported on a recent event organised jointly by AFBI and CAFRE. The event had been a success with over three hundred (300) visitors in attendance and had also provided an opportunity to underline the close working relationship between AFBI and CAFRE.

8. Governance Issues **Action**

8.1 Risk Management

8.1.1 *AFBI Corporate Risk Register*

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

8.1.2 *AFBI Risk Management Strategy*

The Executive presented the Board with a draft copy of the AFBI Risk Management Strategy document and highlighted a number of areas for consideration particularly the area of Risk Appetite.

The Executive advised that the paper had also been presented to the AFBI Audit Committee at its meeting on the 27 September 2011 and overall the Audit Committee had been satisfied with the work that the Executive had carried out.

The Executive also confirmed that during the meeting the Audit Committee had also made reference to Risk Appetite and the possible need for the Board to seek DARD's view on the issue.

To allow adequate time for consideration and discussion the Board and the Executive agreed to have the paper placed on the agenda for the AFBI Board meeting on 23 November 2011.

Sec

8.2 Whistleblowing and Fraud

There were no new or ongoing cases of whistleblowing or fraud to report.

8.3 Health and Safety

There were no reports of any accidents or near misses.

9. Personnel Issues

9.1 Equal Pay

The Executive presented the Board with a paper detailing the latest position in respect of the AFBI Equal Pay liability.

Following discussion the Board accepted a proposal from Mr Noble, seconded by Mr McCann and gave approval for the Executive to proceed with a Business Case seeking DARD/Department of Finance and Personnel (DFP) approval for –

- Payment of the AFBI Equal Pay liability from 1 April 2006.
- Provision of funding to support the Equal Pay liability which has been estimated at £360k.

9.2 Compensatory Payment **Action**

The Board noted that AFBI had recently secured DFP approval for a compensatory payment to be made.

9.3 Approved Early Retirements (AER)

The Executive informed the Board that eight members of AFBI staff had applied for AER and having considered the applications, five were approved on the basis that there would be significant savings. The successful applicants will retire on 31 October 2011.

9.4 AFBI Starters and Leavers Report

The AFBI Starters and Leavers Report for the period 1 April 2011 to 29 September 2011 was presented by the Executive.

Commenting on the report the Board asked that in future the Executive provide additional details in the report to highlight the relevance of the information in terms of AFBI's Manpower Strategy.

Exec

10. Finance

10.1 AFBI Monthly Budget Monitor Report

In presenting the AFBI Monthly Budget Monitor Report the Executive advised the Board that the balances had been taken directly from the new financial accounting system for the five-month period ending 31 August 2011.

The Board congratulated the Executive on getting to this stage in the process and also complimented the Executive on the presentation of the report. As a further improvement the Board suggested that the Executive consider showing the current financial position in comparison to the same period as last year and provide a financial forecast to year-end.

Exec

Overall the Board were very content with the report provided and were assured that the Finance Committee and the Audit Committee were monitoring developments.

The Chair of the Finance Committee, Mrs McCartan concurred with the views of the Board and stated that the Finance Committee are very much aware that the reporting of financial information, using the new financial accounting system and report format, was an evolving process and work is continuing.

(Mr McCaffrey and Dr Camlin left the meeting.)

10.2 AFBI Monthly Cash Flow Report

Action

The Board were presented with a copy of the AFBI Monthly Cash Flow Report and noted that the AFBI account was overdrawn for the months of June and August.

In response the Executive advised the Board that despite AFBI Finance lodging early requests with AFBI Sponsor Branch for a draw down on the AFBI Grant-in-Aid, the payments were received late. Having queried the reason for this it would appear that the problem rests with Account NI and the length of time it took to process the request. The Executive assured the Board that it would explore possible ways of preventing recurrence with Sponsor Branch and keep the Board informed of any further problems.

Exec

The Executive also reported that the 2011/12 AFBI Business Plan that had been approved by the DARD Departmental Board in May 2011, has still not been submitted by DARD to DFP for its approval.

To further delay matters DARD officials have now queried AFBI's proposal to reclassify an amount of money from capital to resource despite this having been approved at the highest level within DARD.

The CEO informed the Board that the delay in having the 2011/12 AFBI Business Plan formally approved by DFP is causing continuing frustration within AFBI and he assured the Board that he would be raising the matter with DARD.

The Board expressed its disappointment that the AFBI 2011/12 Business Plan still resides with DARD despite it having been approved by the DARD Departmental Board and the DARD Minister, and were fully supportive of the CEO in his raising of the matter with DARD.

10.3 Update on Northern Ireland Audit Office (NIAO) Review of the 2010/11 AFBI Accounts

The Executive informed the Board that all fieldwork relating to the Review of the 2010/11 AFBI Accounts has been completed. However, it had been decided to complete and submit all VAT returns going back 4 years rather than include an estimate in the accounts. This would mean that the NIAO's review could not be completed until December at the earliest.

The Executive presented a paper that outlined the background to the issue, the Executive's proposal for dealing with it and the likely timeframe for completion.

Having considered the contents of the paper the Board expressed its support for the CEO in his role as AFBI Accounting Officer and supported the immediate appointment of an additional resource to deal specifically with the outstanding VAT returns.

The Executive reported that, although not complete, overall the NIAO audit review appears to have gone well. **Action**

11. AFBI Site Security Policy

The Executive presented the Board with a copy of the AFBI Site Security Policy for approval.

Having considered the content of the Site Security Policy the Board suggested that a form of words be inserted under “*Section 4.05 – Visitors*” to cover the current arrangements governing AFBI Board members.

Subject to a suitable form of words being inserted the Board accepted a proposal from Mr Trevor Hinds seconded, by Prof Stewart McNulty and approved the AFBI Site Security Policy. **Exec**

12. Organisational Review of AFBI

The Board reflected on the extraordinary Board meeting held on Monday 26 September 2011 that was held to consider the Board’s position and provide input to the Organisational Review of AFBI being carried out by KPMG.

Overall, Board members agreed that the meeting had been very useful and members are hopeful that the consultants will produce a useful report that will enable AFBI to move forward.

The Executive confirmed that it was now in receipt of a draft Project Initiation document and a copy of the final paper will be forwarded to Board members in due course. **Exec**

13. AFBI Internal Audit Validation Report on 2010/11 AFBI Business Targets

A copy of the AFBI Internal Audit Report on the Validation of AFBI Business Plan Targets for 2010/11 was circulated to Board members for noting and discussion.

The report confirmed that out of thirty-seven targets validated thirty-one had been fully achieved, five partially achieved and one not achieved.

The Executive informed the Board that it considered this to be a very good report considering the constraints and pressures being experienced across all sections of the organisation and was testimony to the commitment and dedication of AFBI staff who continually deliver an excellent service.

The Board were content to note and asked that the gratitude and thanks of the Board be conveyed to the staff. **Exec**

(Dr Stewart entered the meeting.)

14. Strategic Item – Business Continuity Management (BCM) Action

Dr Stewart, Head of Emergency Planning, Safety & Estate Branch gave the Board a presentation on the AFBI Business Continuity Management Project.

Dr Stewart provided the Board with an update on the work that has been carried out to date, outlined the next steps in the project and made the Board aware of the strategic importance of BCM to AFBI.

The Board thanked Dr Stewart for her presentation and stated how impressed and assured it was by the work carried out to date. The CEO also took the opportunity to thank Dr Stewart and those who have assisted her in the BCM Project.

(Dr Stewart left the meeting.)

15. Reports from Divisions

Reports were received from the four AFBI Divisions.

Commenting on the Divisional reports the Board were pleased to note the appointments of a DARD Business Manager and a Research Officer and inquired about the appointment of a non-DARD Business Manager. In response the Executive advised that it had decided to place this matter on hold pending further consideration.

The Board also reflected on AFBI's achievement of being placed on a "contractor framework" to provide scientific services to support nature conservation in Scottish waters. In response to a request from the Board the Executive agreed to provide details of contracts that AFBI had been awarded recently and in so doing would provide the Board with a flavour of the work being carried out throughout the organisation.

Exec

The Board congratulated the staff involved in the development of PiGIS on winning another award.

The Board raised the subject of insurance cover with particular reference to "consequential loss". In the discussion that followed the Board were of the opinion that this should be included in AFBI contracts and asked the Executive to seek legal advice on the matter.

Exec

The Board noted that the Northern Ireland Science Park 25K Awards Ceremony is being held tonight (29 September 2011) and asked the Executive to pass on its congratulations and best wishes to the AFBI staff who have won through to the final stages of the competition.

Exec

16. AFBI Open Meeting

The AFBI Board signified that it was content to proceed on the same

basis and format as last year's Open Meeting with the Chair providing the opening comments, AFBI staff making a number of presentations and the event concluding with a Question and Answer Session hosted by the Deputy Chair.

The Board acknowledged that it would be presenting the 2009/10 AFBI Accounts.

17. AFBI Response to Department of Environment Paper on Environmental Governance

The Board received a copy of a letter sent by the Chair to Mr Robert Gray, Department of the Environment (DoE) Environmental Policy Division in response to a DoE discussion paper on the future of Environmental Governance.

The Executive informed the Board that it was important for AFBI to respond to the request for comments and if the matter should go to a full consultation then AFBI would submit a more detailed response.

The Board were content to note.

18. Report from the AFBI Audit Committee Meeting held on Tuesday 27 September 2011

The Chair of the AFBI Audit Committee, Mr McCann gave the Board a brief report from the recent Audit Committee meeting.

During the meeting the Audit Committee had been made aware of the delay to the review of the 2010/11 AFBI Accounts due to the CEO's decision to complete all outstanding VAT returns rather than include an estimate and was happy to report that there are no other major issues.

The Audit Committee had also considered the AFBI Risk Strategy document and voiced the opinion of the Audit Committee that it is important for the Board to set the risk appetite while at the same time ensuring that DARD as our Sponsoring Department are comfortable with the Board's decisions.

The Audit Committee is also content to report that the Executive is making good progress on the implementation of audit recommendations.

19. Report from the AFBI Finance Committee Meeting held on Thursday 29 September 2011

The Chair of the AFBI Finance Committee, Mrs McCartan was content to report to the Board that all of the items considered by the Finance Committee had been covered during the course of this meeting.

20. Any Other Business

Action

20.1 Rolling Database of Issues Raised at Previous Board Meetings

The Board noted the changes made to the Rolling Database of Issues and were content with the updates.

21. Date of Next Meeting

The next AFBI Board meeting will be the Open Meeting and this will be held at AFBI Hillsborough on Wednesday 26 October 2011 commencing at 9.30am.

Signed: _____
(Chairperson)

Date: _____

