



**Minutes of the Meeting of the  
Agri-Food and Biosciences Institute (AFBI) Board  
held at AFBI Newforge  
on Thursday 1 December 2016 at 10.00am**

**Present – Board Members**

Mr Colm McKenna, Chair	Ms Theresa Cullen	Mr Ken Millar
Prof William McKelvey, Deputy Chair	Mrs Fiona Hanna	Mrs Maureen McKeague
Mr Ian Buchanan	Mrs Sarah Havlin	Dr Cecil McMurray
Mr Colin Coffey	Dr Richard Horton	Mrs Sharon Smyth
Dr Michelle Costello-Smith	Mr David Lindsay	Mr Richard Solomon

**In Attendance - AFBI Executive**

Dr Sinclair Mayne, Chief Executive Officer  
Mrs Mary Jackson, Interim Director of Finance and Corporate Affairs Division  
Dr Stanley McDowell, Director of Veterinary Sciences Division

Mrs Lynsey Cooper, AFBI Secretariat

**Visitors**

Mrs Jackie Armstrong, AFBI Solicitor - Contracts and Intellectual Property  
Ms Lesley Johnston, AFBI Head of Finance  
Dr Elizabeth Magowan, Agriculture Branch  
Dr Steven Morrison, Agriculture Branch

**1. Welcome and Introduction**

**ACTION**

Prior to the commencement of business, the Chair on behalf of the Board and EMT congratulated Mrs Jackie Armstrong, Ms Lesley Johnston, Dr Elizabeth Magowan and Dr Steven Morrison for their success in achieving AFBI's membership of the Centre for Innovation Excellence in Livestock (CIELivestock) Ltd.

*The visitors, except Mrs Armstrong, left the meeting.*

**2. Apologies**

Apologies were received on behalf of AFBI Board Members, Ms Joan Houston and Prof Patrick Murphy.

**3. Conflict of Interests/Register of Interests Declaration**

There were no conflicts of interest to be recorded.

#### **4. Presentation – Intellectual Property (IP), Patents and Royalties**

**ACTION**

Mrs Jackson gave a presentation to the Board outlining the historical success of products derived from AFBI-licensed inventions which provide an annual royalty income stream to AFBI. The Board were advised that, although patents are due for expiration in the near future, future earnings are expected to reduce at a more gradual rate than was previously forecast.

Following a thorough discussion on AFBI's future IP potential, the Board confirmed its support for the Executive as it focuses on AFBI's commercialisation activities and future capability to identify non Grant-in-Aid opportunities to manage the anticipated budget deficit.

*Mrs Armstrong left the meeting.*

#### **5. Draft Minutes of the AFBI Board Meeting held on 3 November 2016**

The draft minutes from the AFBI Board meeting held on 3 November 2016 were approved without amendment.

##### **5.1 Action Sheet from AFBI Board Meeting held on 3 November 2016**

The Board noted the progress against actions as per the action sheet.

#### **6. Chair's Remarks**

The Chair informed the Board that he would be speaking with the Permanent Secretary in the near future regarding the Board succession plan, being mindful of the upcoming expiration of terms of office for a number of members.

Reporting on attendance at recent events, the Chair remarked on the encouraging endorsements he had received from the local agri-food industry for Dr Mayne's appointment as Chief Executive Officer. He described the DAERA Minister's comments at the recent Progressive Beef Production Conference regarding AFBI's role in carrying out research on behalf of DAERA for the local agri-food sector as supportive and positive.

The Chair stated his intention to hold two closed sessions after the meeting; one with the CEO, followed by a closed session with only the non-executive directors present.

#### **7. Executive Report**

The CEO introduced his first "*Executive Report*", stating he would welcome comments on the new format and information contained therein.

He advised the Board of a number of key external and internal activities, future events, successful research bids and business and estate strategy-related issues, which included the following: –

- DAERA have agreed in principle to consider bids for additional resources for the development of specific corporate services projects;

- An AFBI/CAFRE Joint Beef Working Group has been tasked with completing an Outline Business Case for new beef facilities by 31 March 2017; **ACTION**
- The CEO has initiated a series of bi-monthly meetings between the Executive and the Heads of Branch Leadership Group. A facilitated workshop has been arranged to focus on Research Programmes and details will be reported to the December meeting of the Science Strategy Committee;
- Professor Trevor Gilliland, Head of Agriculture Branch and Dr Rodrigo Olave, Agri-Environment Branch, accompanied the DAERA Minister and Invest NI officials during a visit to China from 4-10 November. Key contacts were made with Innovate UK, the Newton Fund and the UK/China Sustainable Agriculture Intensification Network.

The Board thanked the CEO for a succinct and informative report, demonstrating interest in the strategic benefits of successful research bids and agreed that the Science Strategy Committee should consider the use of international expertise to provide a view on the proposed programme-based approach.

Following a verbal update on a confidential matter discussed at the November meeting, the Board requested the Executive provide further information at the Board meeting in January. **Exec**

## **8. Finance**

### **8.1 AFBI Budget Monitor Report – Position at 31 October 2016**

Mrs Jackson reported that despite a decrease in income due to the delay in the award of several INTERREG projects, as at 31 October 2016 there is a year-end projected surplus of £274k for 2016/17, which reflects an increase of £93k since the previous month. Mrs Hanna highlighted the significant income required by year end to reach this final position and although the Board recognised the risks associated with INTERREG funding, it accepted the Executive's confidence in ongoing monitoring and assurance that the Board would be kept informed of significant changes.

The CEO informed the Board that work on the 2017/18 budget had commenced and in acknowledgement of the improvements required in income and expenditure profiling, the Executive will be preparing four year budgets in order to have greater oversight of project-related income.

## **9. Draft Minutes from the Audit and Risk Assurance Committee meeting held on 1 November 2016**

The Board noted the draft minutes from the Audit and Risk Assurance Committee meeting held on 1 November 2016.

**10. Report and Draft Minutes from the Organisational Development and Human Resources Committee meeting held on 16 November 2016 ACTION**

Prof McKelvey referred to the draft minutes of the Organisational Development and Human Resources Committee meeting held on 16 November 2016 and highlighted the following items in his verbal report:-

- The Committee recommended that the Board approve the CEO's proposal to put the "*Review of Staff Terms and Conditions*" on hold in order for him to prioritise other operational issues. The Board agreed that this could be temporarily deferred in order for the Executive to focus on other priority areas of activity.
- The Committee reconsidered the AFBI Appeals Policy in order to address the issues raised at the November Board meeting. Following advice from the Executive that any deviations from NICS policy could be subject to challenge from Trades Unions, and considering that it would be an exceptional situation for the authority of the CEO to be utilised, the Committee recommended paragraph 5.4.7 not be amended.

However, following further discussion by the Board on the authority of the appeals panel, it was agreed that the draft policy should reflect that the CEO may not overturn the panel's decision and should be sent to the Trades Unions for consultation.

**Exec**

**11. Review of AFBI's Assigned Work Programme for year end 31 March 2016 – Executive Summary**

The Board noted the increased satisfaction from DAERA Branches reflected in the report compared to the previous year and congratulated all AFBI staff involved in providing the Assigned Work Programme.

**12. Governance Issues**

**12.1 Risk Management**

**12.1.1 *Reports of New or Emerging Risks***

The Board noted that the Executive was not aware of any new or emerging risks to the organisation.

**12.2 Whistleblowing and Fraud**

**12.2.1 *Reports of New or Ongoing Cases***

The Board was advised that there were no new or emerging cases of Whistleblowing or Fraud to be reported.

**12.3 Health & Safety**

**12.3.1 *Reports of New or Emerging Issues***

The CEO advised the Board that the Executive was initiating a Health & Safety

review within AFBI.

**ACTION**

**12.4** Draft AFBI POL 04/09 – Intellectual Property and Procedures Policy – updated version

The Board considered the draft version of the “*Intellectual Property and Procedures Policy*” and agreed that while it had been reviewed in line with its governance cycle to reflect the current position within AFBI, the decision to approve was deferred to take account of the CEO’s proposed strategic review. The CEO agreed that the policy would be returned to the Board in June 2017.

**CEO**

**13. Format of AFBI Annual Report & Statement of Accounts for 2016/17**

The Board considered examples of different formats for Annual Reports and Statements of Accounts adopted by other comparator organisations and agreed that AFBI’s publication should be streamlined for the 2016/17 edition. The Executive agreed to explore the development of a separate external-facing document to promote scientific capability and achievements.

**Exec**

**14. Any Other Business**

**14.1** EU Exceptional Adjustment Aid Funding

Following a query from a Board member regarding AFBI’s position in relation to the additional £4m package of support for farmers announced by the DAERA Minister yesterday, the CEO confirmed that AFBI had submitted a bid in relation to soil analysis and interpretation in two major catchment areas.

**15. Review of Board Meeting Effectiveness**

The Board considered that it had held an effective meeting.

**16. Date of Next AFBI Board Meeting – 5 January 2017**

The next AFBI Board meeting will be held on Thursday 5 January 2017 at AFBI Newforge.

*Following the end of the meeting, the Board held a closed session with the CEO followed by a closed session with only non-executive directors present.*

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

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