



**Minutes of the Meeting of the  
Agri-Food and Biosciences Institute (AFBI) Board  
held at AFBI Hillsborough  
on Wednesday 2 December 2015 at 10.00am**

**Present – Board Members**

Mr Colm McKenna, Chair  
Prof William McKelvey,  
Deputy Chair  
Mr Ian Buchanan  
Mr Colin Coffey  
Mrs Sarah Havlin  
Mr David Lindsay  
Mrs Hilary McCartan  
Mrs Maureen McKeague  
Dr Cecil McMurray  
Prof Patrick Murphy

**In Attendance - AFBI Executive**

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

**1. Welcome and Introduction**

**ACTION**

The Chair opened the meeting and welcomed all in attendance.

**2. Apologies**

Apologies were received on behalf of AFBI Board Members, Mr Bob McCann and Mr Ken Millar.

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

There were no new conflicts of interest declared, nor any changes to be made to Board members' Register of Interests.

**4. Draft Minutes of the AFBI Board Meeting held on 5 November 2015**

The draft minutes of the AFBI Board meeting held on 5 November 2015 were approved without amendment.

**4.1 Action Sheet from AFBI Board Meeting held on 5 November 2015**

Progress against actions was noted as per the action sheet, with the exception of the following -

#### 4.1.1 Chair's Message to Staff (Item 7.1)

A copy of the Chair's message to all AFBI Staff, acknowledging the excellent staff efforts this year in light of voluntary exit and the difficult financial situation, will be circulated to Board members for information.

Sec

### 5. Chairman's Remarks

The Chair updated the Board on the Joint DARD/AFBI Board meeting held on 16 November 2015. The Chair advised that as far as the AFBI Board was concerned AFBI had completed the "Shrink" phase of its "Shrink to Grow" strategy and that AFBI now needed to quickly move to the "Grow" stage to develop its areas of scientific strength.

In discussing the key matters arising from the joint meeting the following points were also noted -

- EMT has developed an action plan to capture the actions from the Minister's letter to AFBI on AFBI's 2020 Strategy and the information requested by the Minister is being collated.
- A plan to address the 2015/16 budget deficit is being developed by the Executive.
- An updated AFBI Charging Policy is required and the Board noted that the former Interim Head of Finance had been retained, on a short term basis to develop this.
- Although the majority of the NIAO/PAC recommendations arising from the review of AFBI have been implemented, DARD and AFBI officials are to agree any remaining actions to enable the outstanding recommendations to be brought to a satisfactory conclusion.
- In discussing the four pillars established for the restructured Department of Agriculture, Environment and Rural Affairs DAERA department, AFBI highlighted the need for science to cut across all areas.
- The Deputy Chair also noted the recent recommendation from the Nurse Review of UK Research Councils, to allow a scheme to be piloted in which Public Sector Research Establishments would be eligible for Research Council funding.

The Chair informed the Board that sifting of applications for 2016 appointments to the AFBI Board had now been completed and that interviews would be completed by 21 December 2015.

### 6. Executive Report

In presenting the Executive report for November 2015, the CEO highlighted the following items –

- The AFBI Annual Report and Statement of Accounts 2014/15 had been signed by the CEO and issued to the Northern Ireland Audit Office for certification by the Comptroller and Auditor General before they are laid before the Assembly by AFBI Sponsor Branch.
- AFBI's 2015/16 Voluntary Exit Scheme (VES) will be re-launched to seek

a further small number of volunteers. AFBI had also advised the Department that it does not wish to participate in a VES for 2016/17 given the significant staff reductions in 2015/16.

**ACTION**

- Having responded to DARD to indicate that AFBI could utilise additional capital funding in 2015/16, DARD had recently advised that additional capital was no longer available apart from an amount to fund purchase of a manure nutrient separator for use in a DARD research project.
- The CEO had chaired an afternoon session of AFBI's Pig Conference, held on 10 November 2015 at Hillsborough which had helped to raise AFBI's profile. The event had been well attended by industry representatives. AFBI PhD students had made excellent presentations.
- As part of AFBI's Leadership Development Programme, Professor Gerry Boyle, Director of Teagasc and Professor Nigel Scollan, Director of Knowledge Exchange and Commercialisation, IBERS/University of Aberystwyth made presentations to senior management on 18 November 2015 on the change process their respective organisations had undergone.
- The CEO welcomed Dr Ann Bartuska, Deputy Under Secretary for Research, Education and Economics in the United States Department of Agriculture (USDA), and other USDA representatives, to AFBI Hillsborough on afternoon of 19 November 2015. The primary reason for Dr Bartuska's visit was to attend a meeting of the Steering Board of the US-Ireland R&D Partnership Programme in Dublin. The addition of agri-food to the list of topics covered, as proposed by the CEO in 2012, was agreed at the Steering Board meeting.
- The CEO attended an event to mark the centenary of the Department of Agriculture Food and the Marine's (DAFM) Backweston Laboratory and informed the Board of the excellent keynote presentations by Mr Aidan O'Driscoll, DAFM Secretary General and Mark Ferguson CBE, Director General, Science Foundation Ireland. The Board welcomed the update and was pleased that the Executive was considering events of a similar stature as part of the 2016 calendar.

**Exec**

During the discussions on a number of aspects of the report, the Board requested that they receive a monthly update on the status of the review of AFBI's royalty income.

**Exec**

## **7. Finance**

### **7.1 AFBI Budget Monitor Report – Position at 31 October 2015**

Mrs Hogg presented the Budget Monitor for the month ending 31 October 2015 which projected a deficit outturn for 2015/16 of £1.3m. The increase from £810k, as reported the previous month, is mainly as a result of a £556k increase in income shortfall.

Mrs Hogg highlighted that the shortfall in income relates to a number of factors across a number of work areas and that while a modest saving in associated

consumable costs had been made, the majority of areas affected by the reduction in income had limited or no associated programme costs. The Board also noted that a number of areas affected by a reduction in income are demand-led and that there is no scope for replacement of this work given the long lead-in time associated with most projects.

**ACTION**

Mrs Hogg advised the Board that DARD is currently considering how much additional funding it might be able to make available to AFBI. AFBI has undertaken a thorough review of its overheads but no further overall net savings have been identified. AFBI is therefore in the process of identifying the impact of necessary cuts to programme expenditure.

Taking account of the £4.1m savings for target staff costs and the unbudgeted increase in employer pension contribution costs of £600k, the Board accepted that the current forecast of a slight overspend in staff costs for 2015/16 represented a satisfactory position and commended the Executive for its significant efforts in achieving this.

In discussing the options available to maximise AFBI's competitiveness and the unprecedented financial pressures facing AFBI, the Board agreed to revisit the setting up of a commercial arm. The Chair agreed to discuss this further with the DARD Permanent Secretary.

**Chair**

## **8. Finance Sub-Committee**

### **8.1 Minutes from Finance Sub-Committee Meeting held on 23 October 2015**

The Board noted the draft minutes from the Finance Sub-Committee meeting held on 23 October 2015.

## **9. Audit and Risk Assurance Committee**

### **9.1 Minutes from Audit & Risk Assurance Committee Meeting held on 3 November 2015**

The Board noted the draft minutes from the Audit & Risk Assurance Committee meeting held on 3 November 2015.

## **10. Organisational Development and Human Resources Committee**

### **10.1 Minutes from Organisational Development and Human Resources Committee Meeting held on 4 November 2015**

The Board noted the draft minutes from the Organisational Development and Human Resources Committee meeting held on 4 November 2015.

### **10.2 Draft Revised AFBI Research Misconduct Policy**

Mrs Hogg presented the revised "*AFBI Research Misconduct Policy*" for Board consideration and comment. In the discussions that followed the Board asked for some additional wording on standards of animal welfare, inappropriate attribution of inventorship and full disclosure of information internally to be included under the appropriate sections.

The Executive agreed to revise the wording within the policy and present an updated version to the Board at its January meeting.

## **11. Governance Issues**

### **11.1 Risk Management**

#### **11.1.1 *Reports of New or Emerging Risks***

Mrs Hogg advised that the Executive was not aware of any new or emerging risks to the organisation.

### **11.2 Whistleblowing and Fraud**

Mrs Hogg advised that there were no current cases to report. She reported that a previous incident of potential fraud at AFBI Hillsborough, reported at the November Board meeting, had been fully investigated and it was determined that no act of fraud or attempted fraud had occurred.

## **12. National Fraud Initiative 2014**

Mrs Hogg presented a paper on the results of the “*National Fraud Initiative 2014*”. She stated that following the completion of the data matching exercise, AFBI had been recommended to investigate 115 matches. In total AFBI investigated 118 matches and all were cleared with no fraud being found. The Board welcomed the outcome and noted that no fraud had been detected during any of AFBI’s annual National Fraud Initiative exercises.

## **13. Any Other Business**

### **13.1 Proposed Dates of Board Meetings for 2016/17**

In noting the dates of the Board meetings for 2016/17, it was agreed that the April 2016 meeting would take place on 11 April 2016.

**Sec**

### **13.2 Centre For Innovation and Excellence in Livestock (CIEL)**

Dr Mayne presented a paper detailing recent progress in respect of the establishment of the CIEL. The consortium had achieved “*Preferred bidder status*” in late October which allowed the formal development of legal documents to commence. Funding for the innovation centres had been confirmed in the UK Comprehensive Spending Review on 25 November 2015.

Dr Mayne stated that a demanding spend profile has been set which required AFBI to procure £450k of capital by 31 March 2016 with the remainder being procured during the next two financial years. In order to procure the capital within this financial year, the Board noted that, while DFP approval had been received, AFBI will need to obtain DARD’s formal consent to become a member of the company. The timeframe for agreement of the detailed relationship documents, currently under negotiation, will need to be in place no later than mid-January to allow AFBI to procure the capital items in this financial year.

In response to a query on match funding by the department, Dr Mayne informed the Board that agreement had been reached that DARD will provide funding for the building requirements of the programme and that the funding from the Department of Business Innovation and Skills will be used for procurement of capital equipment.

**ACTION**

The Board noted the rapid pace of development, welcomed the progress being made and the benefits of the collaboration for the Institute. It was also agreed that the Board should write to those staff involved in the project to thank them for their work in developing and progressing the significant work associated with the project.

**Chair/  
CEO**

### **13.3** AFBI Estate Strategy

During a discussion on a number of aspects in relation to the current and future AFBI estate the following points were noted –

- The Executive was asked to produce a summary paper for the January Board meeting to outline the pros and cons of a proposal to relocate Veterinary Sciences Division to a site in Mid-Ulster.
- The VSD-Stormont Main Building and AFBI HQ/Grassland and Plant Science Outline Business Cases (OBC) are being updated to take account of the space utilisation exercise and the reduction in AFBI functions under AFBI's 2020 proposals. Both OBCs are expected to be completed by 31 December 2015.
- The Executive will meet next week to consider the proposals regarding the AFBI/CAFRE Farmed Estate. Whilst biosecurity issues need to be addressed, the Board supported further enhancing the working relationship between AFBI and CAFRE.

**Exec**

### **14. Review of Board Effectiveness**

The Board was satisfied that the meeting had been effective.

### **15. Date of Next AFBI Board Meeting – 7 January 2016**

The next AFBI Board meeting will be held on Thursday 7 January 2016 at AFBI Newforge.

#### Presentation of "Long Service Certificates"

Following the close of business, the Board attended an event in the AFBI Hillsborough Conference Room to present Long Service Certificates to a number of AFBI staff members, the majority of whom had recently exited the Institute under the AFBI's VES. A certificate was also presented to one current member of staff who had served for over 50 years.

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

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