



**Minutes of the Meeting of the  
Agri-Food and Biosciences Institute (AFBI) Board  
held at AFBI Stormont  
on Thursday 5 May 2016 at 10.00am**

**Present – Board Members**

Mr Colm McKenna, Chair  
Mr Ian Buchanan  
Mr Colin Coffey  
Dr Michelle Costello-Smith  
Ms Theresa Cullen

Mrs Fiona Hanna  
Dr Richard Horton  
Ms Joan Houston  
Mr David Lindsay  
Mr Ken Millar

Prof Patrick Murphy  
Mrs Maureen McKeague  
Dr Cecil McMurray  
Mrs Sharon Smyth  
Mr Richard Solomon

**In Attendance - AFBI Executive**

Prof Seamus Kennedy, Chief Executive Officer  
Mrs Lesley Hogg, Director of Finance and Corporate Affairs Division  
Dr Stanley McDowell, Director of Veterinary Sciences Division

Mrs Lynsey Cooper, AFBI Secretariat

**Visitor**

Dr Alastair Douglas, Head of Chemical and Immunodiagnostic Sciences Branch (Item 4)

**1. Welcome and Introduction**

**ACTION**

The Chair welcomed everyone to the meeting at the AFBI Stormont site.

**2. Apologies**

Apologies were received on behalf of Deputy Chairman Prof William McKelvey, AFBI Board Member Mrs Sarah Havlin and Dr Sinclair Mayne, Director of Sustainable Agri-Food Sciences Division.

**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. Presentation - “*Chemical and Immunodiagnostic Sciences Branch – Protecting our animals and food*”**

Dr Alastair Douglas gave a presentation describing the activities of the Chemical and Immunodiagnostic Sciences Branch (CISB) which underpin Northern

Ireland's high animal health and food quality status by providing assurances on animal health to trading partners and ensuring the food-chain is free from harmful substances.

**ACTION**

Dr Douglas informed the Board of a number of highlights of the branch's animal health and food safety programmes, including the following –

- Provision of support towards DARD's achievement in October 2015 of Official Brucellosis Free status for Northern Ireland by performing high throughput serology testing with an average of 1.2 million samples tested per annum since 2006.
- Provision of statutory testing support to DARD for bovine spongiform encephalopathy (BSE) since 2001. As a result, an application by DARD for Negligible Risk Status is currently underway.
- Development of a rapid method for determination of phenylbutazone in bovine/equine plasma, enabling CIBS to provide DARD with a rapid turnaround testing programme of food of animal origin for this nonsteroidal anti-inflammatory agent.
- Development of multi-analyte detection methods using state of the art, high sensitivity instrumentation.
- Development of high sensitivity multi-analyte mass spectrometry method for monitoring antimicrobial, coccidiostats and antiparasitics carryover in feedstuffs.

In concluding his presentation, Dr Douglas focused on future challenges and opportunities for the branch, expressing confidence in the skills and capabilities of the lab personnel, along with the establishment of UKAS-approved ISO17025 flexible scope of accreditation in all units which enables the branch to react quickly to emergency situations.

In thanking Dr Douglas for his informative talk, the Chair voiced his view that there was scope for additional commercial opportunities which may be taken forward with the support of the Finance and Business Strategy Committee.

*Dr Douglas left the meeting*

## **5. Draft Minutes of the AFBI Board Meeting held on 11 April 2016**

The draft minutes from the previous AFBI Board meeting held on 11 April 2016 were approved without amendment.

### **5.1 Action Sheet from AFBI Board Meeting held on 11 April 2016**

Progress against actions was noted as per the action sheet, subject to the following:

#### **Item 9. AFBI Board Performance Self-Assessment 2015-16**

The Chair reported he will discuss the results with the Permanent Secretary at a meeting next week.

Item 12. Draft Minutes from Finance & Business Strategy Committee held on 1 March 2016

**ACTION**

The Board requested that a draft proposal regarding changes in charging policy be presented at the next Finance and Business Strategy Committee meeting scheduled for June 2016.

**Exec**

**6. Chair's Remarks**

In providing his remarks, the Chair focused on the following topics –

- The increased strength of the Board Sub-Committees following the appointment of additional non-executive directors.
- The recent announcement of the new CEO, Professor Elaine Watson, who will commence her tenure on 1 June 2016 at the Staff Open Day event in AFBI Hillsborough. The Board agreed that this was a timely opportunity to communicate their determination for future investment in AFBI following a period of significant change.
- The Permanent Secretaries for the Departments for Infrastructure and Justice will be presenting the NI Executive's new "*Programme for Government*" to all Arms Length Bodies at a meeting on 12 May 2016 which the Chair and senior AFBI Management will attend.

In response to a query concerning the proposed review of science requirements for the new Department for Agriculture, Environment and Rural Affairs (DAERA), the Chair agreed to enquire on progress during his meeting with the Permanent Secretary scheduled for next week.

**Chair**

**7. Proposed Membership of Sub-Committees from 5 May 2016**

The Board approved the proposed membership composition of the four AFBI Board sub-committees which will see membership of each being increased to four non-executive directors.

**8. Executive Report**

The CEO presented the Executive Report for April 2016, and the following key points were noted -

**8.1 Internal Audit**

The Board was pleased to note that Internal Audit has awarded a "Substantial" maximum level of assurance on the basis of its recent review of Corporate Governance within AFBI. This review included AFBI's management of conflicts of interest, gifts and hospitality, whistleblowing, fraud and complaints. This is the third recent award of a 'Substantial' assurance rating and follows those received for Asset Management and Payroll, Pensions and Travel Expenses.

The Chair indicated he would write to AFBI staff on behalf of the Board thanking them for their excellent effort and commitment in gaining these maximum assurance levels.

**Chair**

**8.2** Grassland and Plant Science Branch

Mairéad Kilpatrick is co-ordinating a visit by Dr David Beyer and Dr John Pecchia from Pennsylvania State University to AFBI Loughgall, Teagasc (Ashtown Horticulture Centre) and Monaghan Mushrooms in late May to discuss a potential research proposal to the US-Ireland R&D Programme. Ray Atkinson, AFBI's business development executive, initiated this contact.

**8.3** Veterinary Drug Residues & Food Chemistry

Australian and USA audit teams have carried out inspections of residues testing laboratories at Newforge and VSD in respect of meat exports to those countries. Preliminary findings were presented by the American audit team at a wash-up meeting before their departure. The laboratories were described by the auditors as "world class." As AFBI's testing underpins meat exports from NI, favourable audit reports on the laboratories are extremely important to the local industry and AFBI's reputation.

**8.4** CEO Items

The CEO hosted a visit by David Small, Deputy Secretary in DARD, to Newforge Lane on 25 April 2016. Presentations were given by AFBI staff on environmental research, including economics, to highlight the variety of work carried out by AFBI.

The CEO attended a quarterly Accountability meeting with DARD on 27 April 2016 at which he indicated that AFBI would not be making an application to the 2016/17 Voluntary Exit Scheme. He confirmed that the AFBI Business Plan 2016-17 and AFBI Corporate Plan 2016-2020 have been submitted for consideration by DARD.

During discussions, the Board highlighted the need for AFBI to focus on international opportunities in order to increase income generation for the future.

**9. Finance****9.1** AFBI Budget Monitor Report – Position at 31 March 2016

Mrs Hogg reported that the previously forecasted 2015/16 year-end surplus of £164k had been revised to £144k., Although subject to further minor year-end adjustments. The budget outturn position is expected to be within 1.5% of the allocated budget in accordance with AFBI's target.

In relation to the 2016/17 budget, Mrs Hogg stated that meeting income generation targets will present a significant challenge and that AFBI will need to carefully manage programme budgets during the year. The Board noted that updated reports on bids and contracts will be presented quarterly by the Executive with significant opportunities highlighted in the CEO's Executive report.

**9.2** Vaccine Royalties Update

Prior to starting his report, the CEO made the Board aware of a potential conflict of interest and the Board was content to proceed.

The CEO informed the Board of ongoing work to clarify AFBI's position with

regards to future royalty income received from pig circovirus and salmonid alphavirus global vaccine sales. In noting the continuing uncertainty around this issue, the Board agreed with the further action outlined by the CEO in his paper presented to the April Board meeting.

**ACTION**

## **10. Governance Issues**

### **10.1 Risk Management**

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

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

### **10.2 Whistleblowing and Fraud**

#### **10.2.1 *Reports of New or Ongoing Cases***

Mrs Hogg advised that there were no new or emerging cases of Whistleblowing or Fraud to be reported.

## **10.3 Draft AFBI Corporate Risk Register – April 2016**

Mrs Hogg updated the Board on the recent changes to the AFBI Corporate Risk Register following review by the Risk Management and Business Planning Group on 12 April 2016, which include the following –

- Scores for four of the risks have been amended slightly to better reflect AFBI's position following the completion of the Voluntary Exit Scheme for 2015/16 and the progress in AFBI's peer review process.
- The definition for CR6 has been extended to bring focus to the need to not only maintain but continue to develop new hardware and software solutions to meet AFBI's business needs.
- Risk CR9 "*If AFBI fails to implement NIAO and PAC recommendations it may negatively impact its reputational standing*" is to be removed given the relatively low risk scores and that AFBI has implemented the recommendations as far as is practicable and is continuing to work with DARD to ensure future improvement.
- Two additional actions have been added against the long term financial sustainability risk CR4 to include a review of royalty income streaming and maintain a watching brief on the potential exit of the UK from the European Union (Brexit) due to the potential impact on European Grant Funding.

The Board noted that the draft register would be presented to the Audit and Risk Assurance Committee on 10 May 2016 and approved the changes subject to any queries from the Committee. If raised, these are to be brought to the Board meeting in June for deliberation.

## **11. AFBI Equality Scheme 2013-2018 Action Plan Progress Report (Oct 15 – ACTION Mar 16)**

Mrs Hogg presented the progress report for the “*AFBI Equality Scheme 2013-2018 Action Plan*” which covered the six month period October 2015 – March 2016, highlighting that a recent “*Audit of Inequalities*” had been completed and will be presented to the Board at the meeting in June 2016. The Board was pleased to note the progress made on the ongoing actions.

**Exec**

## **12. Provisional KPIs Outturn for 2015/16**

Mrs Hogg summarised the provisional year-end outturns for AFBI’s Key Performance Indicators (KPIs), notifying the Board of the following –

- 19 were reported as Green (achieved / on track for delivery)
- 3 reported as Red (commitments not achieved / not expected to be achieved)
- 1 had been deferred to 2016/17 - KPI 12 (Science Strategy Review)
- 1 had yet to commence – KPI 3 (Customer Satisfaction Review by DARD)

The outturns will be subject to analysis by Internal Audit and published in AFBI’s “*Annual Report & Statement of Accounts*” later in the year.

With respect to KPI 2 “*90% of DARD Evidence & Innovation R&D projects due for completion in 2015/16 completed within the agreed time and budget*”, Mrs Hogg reported that 60% of the 25 projects were completed within time and budget. She explained the constraints of the very precise proposals which can lead to overruns in staff time or budget once projects commence and informed the Board that while a change control process had been agreed with DARD to manage changes in project budget, scope or timing, it had not been fully utilised at the start of the year while the process was bedding in, but that she expected a significant improvement in the KPI for 2016/17. The Board was content that AFBI will continue to focus on this area for future improvement.

## **13. Any Other Business**

### **13.1 AFBI Induction Session – 9:30am, Wednesday 18 May 2016, Boardroom, AFBI Newforge**

The Chair reminded the members of the induction session organised by AFBI to be held on Wednesday 18 May 2016 at 9:30am. The aim is to introduce relevant governance documents and give an overview of financial arrangements and roles and responsibilities for new members.

The Executive confirmed that formal induction has been arranged during June for the seven new members to comply with their terms and conditions as specified by DARD.

### **13.2 AFBI Staff Open Day & Open Meeting**

The Chair reminded members of the Staff Open Day and AFBI Open Meeting to be held at AFBI Hillsborough on 1 and 2 June 2016 respectively. He expressed his expectation that both events will be well-attended considering these will be

the first opportunities for the new CEO to meet with staff and stakeholders. The CEO confirmed that programmes for the events would be circulated to members once finalised.

**ACTION  
Exec**

**14. Review of Board Meeting Effectiveness**

The Board was satisfied with the effectiveness of the meeting.

**15. Date of Next AFBI Board Meeting – 3 June 2016**

The Chair requested that the next AFBI Board meeting be held at AFBI Loughgall on Friday 3 June 2016 and the visit to the Omagh Laboratory be re-scheduled for September 2016.

**Sec**

**16. Presentation – AFBI Stormont**

Prior to the tour of the facilities, Dr McDowell gave a presentation in which he gave an overview of the work carried out by the four branches of the Veterinary Sciences Division (VSD) based at the AFBI Stormont site, explaining the value of VSD's multi-disciplinary scientific testing and emergency response capabilities for animal disease health programmes in local, national and international contexts.

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

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