



**Minutes of the Meeting of the
Agri-Food and Biosciences Institute (AFBI) Board
held at AFBI Newforge
on Monday 11 April 2016 at 10.00am**

Present – Board Members

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

Mrs Fiona Hanna
Mrs Sarah Havlin
Dr Richard Horton
Mrs 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 Sinclair Mayne, Director of Sustainable Agri-Food Sciences Division
Dr Stanley McDowell, Director of Veterinary Sciences Division

Mrs Lynsey Cooper, AFBI Secretariat

Visitor

Mrs Liz Beaton, AFBI Communications Manager (Item 4)
Mrs Catherine Sweeney, Head of AFBI Human Resources (Item 21)
Mr Graham White, Deputy Head of AFBI Human Resources (Interim) (Item 21)

1. Welcome and Introduction

ACTION

The Chair opened the meeting by welcoming the seven new non-executive director board members before inviting brief introductions from all present. The Chair expressed his appreciation of the increased strength of the AFBI Board for the coming year.

The new members are: Dr Michelle Costello-Smith, Ms Theresa Cullen, Mrs Fiona Hanna, Dr Richard Horton, Mrs Joan Houston, Mrs Sharon Smyth, Mr Richard Solomon.

2. Apologies

There were no apologies to record.

3. Conflict of Interests/Register of Interests Declaration

There were no new conflicts of interest declared, nor any changes to be made to

4. Draft Communication and Stakeholder Engagement Strategy 2016/17 Presentation

The Chair welcomed Mrs Liz Beaton, AFBI Communications Manager, to the Board meeting to give a presentation on AFBI's Communication and Stakeholder Engagement Strategy for 2016/17.

Mrs Beaton outlined the strategy's approach to both internal and external stakeholder engagement. She advised of the traditional, web and social media based methods of communication in use, including a new customer-focused website, Twitter feeds and AFBI's e-newsletter 'News and Views' which is circulated to over 1,200 stakeholders each month.

While informing the Board of a number of key stakeholder engagement events planned for the following year, Mrs Beaton explained that AFBI's ten-year anniversary would be an underlying theme.

In response to the Board highlighting the importance of gaining feedback to measure reputational performance, the CEO informed members of the Executive's intention to hold a consultative forum with industry representatives in the latter half of the financial year.

The Board thanked Mrs Beaton for her excellent presentation, acknowledging the need to raise AFBI's public profile while ensuring that the information communicated is aligned with AFBI's 2020 strategy.

Mrs Beaton left the meeting

5. Draft Minutes of the AFBI Board Meeting held on 3 March 2016

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

5.1 Action Sheet from AFBI Board Meeting held on 3 March 2016

Progress against actions was noted as per the action sheet.

6. Chair's Remarks

The Chair informed the Board that the new members had attended an induction meeting on 6 April 2016 with himself and senior DARD representatives which had been very productive.

The Chair announced the resignation of Mrs Hogg, Director of Finance and Corporate Affairs, and expressed his gratitude for her invaluable contribution and commitment to the organisation over the last three years. The Board noted its appreciation of Mrs Hogg's support during a challenging period for AFBI.

6.1 Letter to Minister dated 31 March 2016

The Chair referred to his letter to the DARD Minister dated 31 March 2016 in

which he informed her of the progress on the reviews of staffing and staff terms and conditions within AFBI. He then tabled the response from the Minister and highlighted her support for procuring external support to assist with the reviews.

ACTION

7. Proposed Membership of Sub-Committees from 11 April 2016

The Chair briefly explained the role of the four AFBI Board sub-committees and indicated that he proposed to increase the number of members from three to four for each. The Chair advised that he would speak to new members individually before proposing final memberships.

Chair

8. Board Members Training Requirements

In addition to the externally provided training courses for Board members, Mrs Hogg stated that the Executive would arrange an induction session for new Board members and agreed existing members were also welcome. The CEO advised that Health & Safety training would also be organised in due course.

Exec

9. AFBI Board Performance Self-Assessment 2015-16

Mrs Hogg presented the results of the recent AFBI Board Performance Self-Assessment exercise for 2015/16 which forms part of the Board's governance arrangements.

The Board noted that the results were largely positive, showing strong consensus amongst members as to the areas of strength and areas which may need possible attention. Mrs Hogg highlighted the improvement in scores from the previous year, with strong areas including the quality of information provided to the Board and the Board's relationship with stakeholders.

The Chair agreed to discuss the results with the Permanent Secretary at a meeting scheduled for May and proposed that an agenda item be included for the next joint DARD/AFBI Board meeting.

Chair

10. Executive Report

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

10.1 Estate Strategy

The VSD-Stormont Main Building Outline Business Case has been approved by DFP. The cost of the build is estimated at £30m and AFBI now awaits funding approval from the NI Executive. The VSD Mid-Ulster Relocation Feasibility Study being prepared by DARD, with AFBI input, is nearing completion.

The first meeting of the AFBI-CAFRE Farmed Estate Beef Facilities Working Group took place on 9 March 2016. This group will look at a range of issues, including biosecurity, affecting the future of the red meat industry and produce an outline business case for beef facilities on the DARD farmed estate.

10.2 Human Resources

Mrs Catherine Sweeney took up the post of Head of AFBI Human Resources on 7 April 2016.

Management of attendance continues to be closely monitored as the absence figures were higher than expected during 2015/16 as a result of the changes in the organisation over the last year. The absence rate has, however, improved significantly during the second half of the year as staffing stabilises following the substantial redeployment and Voluntary Exit initiatives.

ACTION

10.3 Agriculture Branch

The Board congratulated Dr Peter Frost, Dr James Browne (former HSO in AFBI) and Stephen Gilkinson (now with CAFRE) on their award, with co-authors, of the Douglas Bomford Trust Paper Award for 2015 for their paper, published in Biosystems Engineering:

“James D. Browne, Stephen R. Gilkinson, John P. Frost, 2015. *The effects of storage time and temperature on biogas production from dairy cow slurry*, *Biosystems Engineering*, Volume 129, January 2015, Pages 48-56, ISSN 1537-5110”. The award is made for a top paper within the field of agricultural engineering and presented by the President of the Institution of Engineers (Northern Ireland Branch).

10.4 Stakeholder Engagement

Following a Board member’s query on the composition of attendance at the monthly AFBI lunchtime seminars, the CEO confirmed that these were informal information events, primarily for AFBI staff, but that the public were invited to any which were deemed relevant for increasing public awareness of AFBI work.

10.5 CEO Items

The Chair, Mrs Hogg, Dr Mayne and CEO met with the DARD Permanent Secretary on 4 March 2016 to discuss issues relating to the relocation of plant DUS (distinctiveness, uniformity and stability) trials from AFBI Crossnacreevy.

The CEO welcomed and made a presentation to the NI Assembly Committee for the Environment when it held a meeting at AFBI Newforge on 10 March 2016. Several members of AFBI staff presented aspects of AFBI’s environmental research which were enthusiastically received by members of the Committee. The Chair, Ms Anna Lo MLA, stated that, in its legacy report, the Committee would recommend that the new DAERA Committee visit AFBI at an early opportunity.

11. **AFBI Business & Corporate Plans**

11.1 AFBI Business Plan 2016-17

The CEO presented an updated draft of the AFBI Business Plan 2016-17. Following discussion, the Board was pleased to note that the document now reflected a balanced budget for the coming year, although acknowledged the challenging income forecast and requested that every effort be made by the Executive to achieve this. The Board approved the Business Plan 2016-17 for submission to DARD.

11.2 AFBI Corporate Plan 2016- 2020

The CEO presented a second draft of the AFBI Corporate Plan 2016-2020 which takes account of the recommendations made by the Board in March 2016. The Board approved the Corporate Plan 2016-2020 for submission to DARD.

12. Draft minutes from Finance & Business Strategy Committee Meeting held on 1 March 2016 **ACTION**

The Board noted the draft minutes of the Finance & Business Strategy Committee held on 1 March 2016 and discussions followed regarding the proposed changes in charging policy. The Chair requested that a comprehensive proposal be presented to the Board at the earliest opportunity.

Exec

13. Finance

13.1 AFBI Budget Monitor Report – Position at 29 February 2016

Mrs Hogg reported that, as of 29 February 2016, a slight surplus of £164k was currently forecast for the end of the year but that adjustments were likely to alter this slightly. The Board noted that the Executive expected to deliver an outturn position within 0.5% of the allocated budget in accordance with AFBI's target.

14. Draft minutes from Organisational Development & Human Resources Committee Meeting held on 2 March 2016

In tabling the draft minutes of the Organisational Development & Human Resources Committee meeting held on 2 March 2016, Prof McKelvey congratulated the Executive for the successful administration of AFBI's Voluntary Exit Scheme.

Prof McKelvey drew the Board's attention to the Executive's development of an AFBI Appeal Board Procedure.

15. Report and Draft Minutes from Science Strategy Committee Meeting held on 22 March 2016

During his report of the draft minutes of the meeting held on 22 March 2016, Mr Lindsay, Chair of the Science Strategy Committee, drew the Board's attention to the following items -

- The Committee had launched the review of the AFBI Science Strategy 2014-2020 which is due to be concluded by September 2016. Mrs Hogg noted that the completion of the review was a KPI for the period 2015/16 and the Board gave formal ratification for the deferment of completion of the KPI until 2016/17 by which time impact of the recent voluntary exits on AFBI's scientific capacity will have stabilised.
- The 2015/16 AFBI Research Peer Review of Plant Science and Food Science Programmes had taken place between 14-16 March 2016, with final recommendations to be assessed by the Executive and brought to the Board in due course.
- Mr Robert Huey, DARD Chief Veterinary Officer, had declined an invitation to attend the Committee meeting to discuss the review of science priorities in the context of the new Department for Agriculture, Environment and Rural Affairs (DAERA), as he felt it was too early in the process to do so. The Board approved of continued correspondence with Mr Huey to encourage future dialogue on this topic.

16. Governance Issues

ACTION

16.1 Risk Management

16.1.1 *Reports of New or Emerging Risks*

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

16.1.2 **Corporate Risk No. 8** – *“Failure to maintain the required staff complement with the right skills, experience and competencies following implementation of the AFBI Voluntary Exit Scheme and associated organisational change will adversely impact on AFBI’s ability to fulfil its work requirements for customers.”*

The Board was content with the assurance given by Mrs Hogg that the control measures put in place during the year were likely to reduce the residual score closer to the target score at the next review.

16.2 Whistleblowing and Fraud

16.2.1 *Reports of New or Ongoing cases*

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

16.2.2 *Draft Whistleblowing policy (v3.0)*

Mrs Hogg presented version 3.0 of the AFBI Whistleblowing Policy outlining the minor changes to this version, including contact details and a summary flowchart, following the substantial review of this policy carried out in 2015. The Board approved the policy without amendment.

16.3 Draft AFBI Board Code of Conduct

Mrs Hogg advised the Board of the changes to the second draft of the “*Code of Conduct for AFBI Board Members*” following comments by members at the March AFBI Board meeting. She also drew attention to an additional section regarding indemnities for personal liability. The Executive agreed that this statement would also apply in relation to AFBI’s commercial work given that this is referred to in the Agriculture (NI) Order 2004. The Board approved the Code of Conduct without further amendment.

16.4 Draft AFBI Standing Orders and Schedule of Matters Reserved to the Board and Scheme of Delegation

The Board approved the AFBI Standing Orders and Schedule of Matters reserved to the Board, noting that the attached financial Scheme of Delegation, included for completeness, was that previously approved at the March AFBI Board meeting.

17. **ALB Sponsorship Risk Assessment – Action Plan**

Mrs Hogg informed the Board that a response had been sent to DARD providing

further feedback and an update on the progress made in relation to the improvement actions arising from the ALB Sponsorship Risk Assessment. In providing detail on the three improvement actions that are still in progress, Mrs Hogg highlighted the potential requirement to procure external training provision in order to complete two of them. The Board was pleased to note that twelve actions out of nineteen had been completed and acknowledged that four others may involve further discussion with DARD to reach a resolution.

ACTION

18. Vaccine Royalties update

Before presenting the paper “*Update on Vaccine Royalties Exploration*”, the CEO made the Board aware of a potential conflict of interest and the Board was content to proceed.

The CEO outlined the background to the £6m per annum royalties received by AFBI from pig circovirus and salmonid alphavirus global vaccine sales, explaining the importance of the patent protection involved. The Board approved the proposed approach outlined in the paper to establish further clarity on future royalty income and the request to include a royalty update as a future standing item on the Board agenda.

**Exec/
Sec**

19. Presentation of Long Service Certificates

Prior to a brief break for lunch, the Chair presented long service certificates to the following members of staff from SAFSD, acknowledging their contributions to AFBI and wished them well in their retirements: Dr Peter Frost, Prof Shekhar Sharma, Dr Bob Madden & Mr Stephen Sturgeon.

20. NIAO/PAC Action Plan - Update

Mrs Hogg updated the Board on the additional action requested by DARD against two PAC and NIAO recommendations regarding unit and corporate costs and benchmarking. She reported that AFBI was in the process of compiling additional explanatory narrative regarding unit costs and expected to calculate actual outturns for 2015/16 in this financial quarter to facilitate further internal benchmarking work. She explained that, as recommended by DARD, AFBI had signed up for five CIPFA benchmarking clubs for 2016/17 to benchmark corporate costs.

21. Draft AFBI Staff Terms & Conditions – Stage 1 - update

The Chair welcomed Mrs Catherine Sweeney, recently appointed Head of AFBI Human Resources and Mr Graham White, Deputy Head of AFBI Human Resources (Interim) to the meeting to present the “*Review of AFBI Terms and Conditions of Employment*” paper to the Board.

In providing background, Mr White referred to the results of the 2012 KPMG review and instruction from the DARD Minister to initiate AFBI’s planned review of staff terms and conditions. Mr White outlined the work completed under Stage 1 of the review and the actions proposed under Stage 2. The Board agreed that Stage 2 should proceed as proposed and that the required external expertise be procured.

22. Any Other Business

ACTION

No additional matters were raised.

23. Review of Board Meeting Effectiveness

The Board was satisfied with the effectiveness of the meeting.

24. Date of Next AFBI Board Meeting – 5 May 2016

The next AFBI Board meeting will be held on Thursday 5 May 2016 at AFBI Stormont. The Chair requested that a tour of the site for the Board members be accommodated following the meeting.

Exec

24.1 Date of June Meetings

The Board noted the following arrangements for future meetings –

- The AFBI Open Meeting will be held on Thursday 2 June 2016 at AFBI Hillsborough
- The AFBI Board Meeting will be held on Friday 3 June 2016 at the Silverbirch Hotel, with a tour of AFBI Omagh afterwards.

Signed: _____
(Chairperson)

Date: _____