



**Minutes of the Meeting of the  
Agri-Food and Biosciences Institute (AFBI) Board  
held at AFBI Newforge  
on 12 December 2018**

**Present – Board Members**

Mr Colm McKenna, Chair	Dr Michelle Costello-Smith	Ms Joan Houston
Mr Colin Coffey, Deputy Chair	Ms Theresa Cullen	Mrs Maureen McKeague
Mrs Roberta Brownlee	Mrs Fiona Hanna	Mrs Sharon Smyth
Mr Ian Buchanan	Dr Richard Horton	Mr Richard Solomon
Ms Kate Burns		

**In Attendance - AFBI Executive**

Dr Stanley McDowell, Chief Executive Officer  
Dr Elizabeth Magowan, Director of Sustainable Agri-Food Sciences Division  
Mrs Josephine Kelly, Director of Finance and Corporate Affairs Division  
Dr A Douglas, Acting Director of Veterinary Sciences Division

Mr James Adams, AFBI Secretariat

**AFBI Board Apprentice**

Ms Nuala Kilmartin

**Visitors for Long Service Awards**

Mr David Johnston  
Professor Jim McAdam  
Mr Desmond Irwin  
Mr William Morrison

**1. Welcome and Introduction**

**ACTION**

The Chair welcomed everyone to the meeting.

**2. Apologies**

There were no apologies to record.

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

There were no conflicts of interest to be recorded.

#### **4. Draft Minutes of the AFBI Board Meeting held on 13 September 2018**

**ACTION**

Subject to one minor amendment under Item 6 – Executive Report, the draft minutes from the AFBI Board meeting held on 13 September 2018 were approved as an accurate reflection of the business conducted at the meeting.

##### **4.1 Action Sheet from AFBI Board Meeting held on 13 September 2018**

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

##### **4.2 Draft Minutes of Extraordinary Board Meeting 26 September 2018**

The draft minutes from the Extraordinary Board Meeting held on 26 September 2018 were approved as an accurate reflection of the business conducted at the meeting.

#### **5. Chair's Remarks**

The Chair commented on the progress in terms of the audit of the AFBI Annual Report and Accounts 2017-18 and was pleased that every effort had been made by the Executive and the Northern Ireland Audit Office (NIAO) to meet the key dates as set out in the NIAO's '*AFBI 2017-18 Audit Strategy*'. The Board welcomed that the external audit process was almost concluded.

The Chair will be meeting with the DAERA Permanent Secretary (PS), Dr Denis McMahon, on 18 December 2018. The Chair will seek assurance that the AFBI Corporate Plan 2018-2022 remains in line with Departmental objectives. Whilst recognising the current workload of the DAERA PS, the Chair is hopeful that a joint meeting of the DAERA and AFBI Boards will be scheduled.

The Chair also updated the Board on the recruitment of his successor given that he will complete his Term of Office at the end of this financial year. Interviews are scheduled to be held in January 2019 and the appointment is expected to be in place by 1 April 2019.

#### **6. Executive Report**

The CEO presented his Executive Report and highlighted a number of points including the following:-

- A focus on building relationships with DAERA, CAFRE and agricultural colleagues had been undertaken since his appointment;
- He had held a number of staff engagements to familiarise himself with the breadth of AFBI work areas.
- The Executive is constructing a Financial Improvement Plan which is seen as a project for AFBI going forward;
- Sponsorship arrangements within DAERA will move to the remit of the Director of Corporate Services, Mr Brian Doherty in February 2019. DAERA has also appointed a candidate to take forward the DAERA Estate Transformation;
- The 6th AFBI initiated International Fall Forum had been well attended with good opportunities for international collaboration identified;

- AFBI is to co-ordinate delivery of Marine Protected Area Management and Monitoring (MarPAMM) project. This project is supported by the European Union's INTERREG VA Programme and is bringing together expertise and knowledge of seven organisations to deliver the programme.

**ACTION**

In light of AFBI's recent success in securing large projects, a number of which AFBI will be leading, a discussion ensued on the delivery of the projects. The Executive outlined some of the issues that will need resolved in order to fully resource key areas and successfully deliver the projects. The Board urged the Executive to urgently progress the matters outlined with relevant stakeholders.

Dr Magowan agreed to verify the source of one project detailed in the report but believed this was awarded through the DAERA Research Challenge Fund. In noting Dr Magowan's comments, the Board asked the Executive to continue to further develop relationships with other funding bodies.

**EM**

## 6.1 Update on DAERA Science Transformation Programme

The CEO informed the Board of the outcome following the Gateway Review of the DAERA Science Transformation Programme (DSTP). DAERA will now be focusing on the development of their science strategy which will set frameworks for areas of scientific work. The Board commented on the importance of scientific impact and engaging with a range of stakeholders during strategy development and the Chair also suggested some constructive government models. The CEO will be seeking an update from Programme Director of the DSTP regarding the recent DSTP Board meeting.

The CEO will sit on the DAERA Science Strategy Steering Group, which will also provide governance oversight of the Animal Health Sciences Building (AHSB) and Laboratory Management Information System (LIMS) projects during this interim period. In relation to the two projects, the CEO highlighted that work on containment high laboratory accommodation will be taken forward as a separate entity and will not delay the AHSB and that DAERA is continuing to progress the business case for LIMS with Dr Douglas leading on AFBI input.

Given recent developments around the replacement of the AFBI Research Vessel, the Executive confirmed that the removal of a co-procurement option will impact on timescales and costs. The Executive confirmed that it will take this into account in discussions with DAERA around budgetary impacts for 2019/20 and potential alternative options for funding. It was also confirmed that the current research vessel will continue to be available for charter in 2019/20.

## 6.2 AFBI QUB Alliance – Governance Report

The Board noted the final report entitled '*QUB & AFBI Strategic Alliance - Models of Corporate Governance*' which identified the preferred governance model for the AFBI/QUB Alliance following conclusion of the appraisal process. The Chair encouraged the Executive to develop the detail of the operating model to support the preferred option and to update the Board on progress at the next meeting.

In reference to the recruitment of the specific project resource to co-ordinate the project activities, it was noted that a draft job description has been prepared and

logistical matters are being established. The external recruitment process is expected to commence in early 2019.

## **7. Finance**

### **7.1 AFBI Budget Monitor Report – Position at 31 October 2018**

Mrs Kelly presented the AFBI Budget Monitor Report – Position at 31 October 2018 and outlined the current financial position following the AFBI submission to the January Monitoring round.

In discussing the 2018/19 financial analysis including the six month review of income and expenditure, Mrs Kelly highlighted that AFBI had realised 40% of income at the six month position. The Board welcomed the “income accruals” exercise and that it had improved the level of visibility in relation to the realisation of income, while acknowledging the risks that were attached to the external non grant in aid income levels for the remainder of the financial year. The Executive confirmed that the income and expenditure exercise will be repeated at the nine month stage and is part of the efforts to strengthen financial management and aid the faster closing of the accounts in future years.

Given the presentation of financial reports earlier in the financial year, a discussion ensued around the need to enhance and clarify financial reports provided to the AFBI Board. The Executive acknowledged that resource budgets and cash positions should be clearly explained with key assumptions also highlighted. In noting the projected underspend for 2018/19, the Chair stated the importance of understanding why budgets had not been fully utilised, what work was not carried out and what lessons had been learned from the process.

In terms of the budget process for 2019/20, the Executive provided the Board with verbal estimates of indicative budgets based on initial discussions with DAERA. The Board noted that a paper will be provided to the Finance & Business Strategy Committee prior to the Board meeting in March and encouraged the Executive to seek a 2019/20 budget settlement at the earliest opportunity.

### **7.2 Report on 2018/19 Underspend**

The Board noted the report on the 2018/19 underspend and emphasised the need to ensure that the Board was made aware at the earliest opportunity of any budget risks and that lessons needed to be learned on budget management and reporting next year. The Chair updated the Board that he was meeting with the Permanent Secretary next week and the budget position was on the agenda for discussion.

### **7.3 Royalty Update**

The Executive updated the Board on the current position in relation to income received from royalties including how it had been reflected in the 2017-18 Annual Report & Accounts and the subsequent impact on the financial statements and the cash flow position.

#### **7.4** Finance & Corporate Affairs Division Structure – Update

The Board noted the progress of a number of recruitment competitions relating to restructuring within AFBI Finance. Mrs Kelly explained that the posts will strengthen financial reporting, costing and budgeting functions.

The Board acknowledged the importance of this issue and encouraged the Executive to take this forward as a key priority.

#### **8. Audit & Risk Assurance Committee**

##### **8.1** Final Minutes from the Audit and Risk Assurance Committee Meeting held on 26 September 2018

The Board noted the minutes from the Audit and Risk Assurance Committee Meeting held on 26 September 2018.

##### **8.2** Report from the Audit and Risk Assurance Committee Meeting held on 5 December 2018

The Board noted that the relevant papers in relation to the AFBI Report and Accounts 2016-17 and 2017-18 are presented at today's meeting.

In reporting on the Audit and Risk Assurance Committee meeting held on 5 December 2018, Ms Houston highlighted that the DAERA Financial Director Letter entitled '*Review of Financial Processes*' was presented which outlined the proposed timeline for consolidation of Arm's Length Body accounts into the Departmental accounts. The Committee had noted that discussions are ongoing between the Department of Finance (DoF) and NIAO as to the implementation of faster closing of ALB accounts but raised concern that AFBI may be audited on two separate occasions.

The Chair agreed to raise the Committee's concern with the DAERA Permanent Secretary.

**Chair**

##### **8.3** Final Report to those Charged with Governance for year ending 31 March 2017

The Board noted the Final Report to those Charged with Governance for year ending 31 March 2017.

##### **8.4** Audit and Risk Assurance Committee Chairman Annual Report 2016/17 – Final

The Board noted the Chairman's Audit and Risk Assurance Committee Annual Report 2016/17.

##### **8.5** Draft AFBI Annual Report & Accounts for year ended 31 March 2018

The Executive presented the draft AFBI Annual Report and Accounts for year ended 31 March 2018. All queries raised by the NIAO during the auditors were logged and managed through AFBI's audit query database and the covering report provides update on the completion of the accounts including key audit issues and subsequent changes to the accounts.

A discussion took place regarding remote contingent liabilities and contingent liabilities. The Executive agreed to expand the text at 'Section 4.4 - Assembly Accountability and Audit Report' under 'Remote Contingent Liabilities'.

**Exec**

Subject to this amendment and other minor typographical and presentational changes, the Board was content to approve the AFBI Annual Report and Accounts 2017-18.

**8.6** Draft Report to those Charged with Governance for year ending 31 March 2018

The Board noted the draft Report to those Charged with Governance for year ending 31 March 2018 and was pleased that an 'unqualified' opinion is being recommended to the Comptroller & Auditor General and that no 'Priority 1' recommendations were made. The Board congratulated the Executive on such a positive report including the implementation of prior year recommendations.

**8.7** Final ARAC Chairman Annual Report 2017/18

The Board noted the Chairman's Audit and Risk Assurance Committee Annual Report for 2017/18.

**9. Finance and Business Strategy Committee**

**9.1** Report from the Finance and Business Strategy Committee Meeting held on 28 November 2018

It was noted that many of the items discussed at the Finance and Business Strategy Committee meeting held on 28 November 2018 had been covered under Item 7 of today's agenda.

In addition, Mr Coffey highlighted that discussions had been held in relation to the 2019/20 AFBI budget process and that a draft budget will be reviewed at the Committee's next meeting on 1 March 2019 before presentation to the AFBI Board on 14 March 2019.

Mr Coffey also took the opportunity to provide assurance to the Board that AFBI's cash profile is now regularly discussed at Committee meetings.

**10. AFBI Oversight & Governance Committee**

**10.1** Draft Minutes from the Oversight & Governance Committee Meeting held on 2 October 2018

The Board noted the minutes from the Oversight & Governance Committee Meeting held on 2 October 2018.

The addition of a further member of the Board to the Committee had been agreed in principle and the Chair and Deputy-Chair will discuss potential candidates for the role.

**CMcK/  
CC**

*Mr Solomon entered the meeting*

## **11. Organisational Development & Human Resources Committee**

### **11.1 Minutes from the Organisational Development & Human Resources Committee Meeting held on 11 September 2018**

The Board noted the minutes from the Organisational Development & Human Resources Committee Meeting held on 11 September 2018.

### **11.2 Report and Draft Minutes from the Organisational Development & Human Resources Committee Meeting held on 6 November 2018**

The Board noted the minutes from the Organisational Development & Human Resources Committee Meeting held on 6 November 2018.

Ms Cullen also highlighted the positive trend developing in relation to absenteeism figures and engagement with the performance review process. For clarity, it was also noted that the next meeting of the Committee will be held on Tuesday 19 February 2019.

## **12. Science Strategy Committee**

### **12.1 Report from the Science Strategy Committee Meeting held on 3 December 2018**

In reporting on the Science Strategy Committee meeting held on 3 December 2018 Dr Costello-Smith highlighted the following:-

- The Committee was disappointed that the AFBI Science Programmes had not progressed but accepted that the Executive had to prioritise other matters in recent months;
- Key Performance Indicators (KPI) in relation to publications and project delivery were discussed;
- Discussion on the AFBI 2030 Science Strategy commenced with a presentation by the Head of Agri-Environment Branch;
- The Head of Agricultural & Food Economics Branch gave a presentation on research impact and the approach to realising the full potential of AFBI science. The Executive is to develop and implement a strategic plan based on the recommendations made.

Mrs Costello-Smith also informed the Board that fellow Board Member, Ms Kate Burns, had been bestowed the Irish Seafood Award for Innovation in Processing. The Board congratulated Ms Burns on her receipt of the award.

*Ms Burns left the meeting*

## **13. Presentation of Certificates to Long Service Staff**

Prior to a break for lunch, the Board presented Mr Dessie Irwin, Mr David Johnston, Prof Jim McAdam OBE and Mr William Morrison with long service certificates in recognition of their years of service to AFBI.

On behalf of the Board and the Executive, the Chair thanked them for their immeasurable contribution to AFBI over a combined total of 176 years' and everyone wished the visitors' long and happy retirements.

*Mrs Brownlee left the meeting*

## **14. Governance Issues**

### **14.1 Risk Management**

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

There were no new or emerging risks to report.

#### **14.1.2 Draft AFBI Corporate Risk Register – November 2018**

Having noted the key changes to the Corporate Risk Register – November 2018, the Board was content to approve the draft Corporate Risk Register.

In noting the references in the register around the UK exit of the EU, the Chair asked the Executive to consider if this should now be drawn out as a separate risk.

**Exec**

### **14.2 Whistleblowing**

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

There were no new or emerging cases of whistleblowing to report.

### **14.3 Fraud**

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

The Board was made aware of two incidents of potential Government Purchasing Card (GPC) frauds and a break-in to the Newforge site which had been investigated and reported on in line with AFBI's Fraud Response Plan. The break in had also been reported to the PSNI. The Board was also made aware of another potential incident that is currently at the information gathering stage.

In a wider discussion on potential areas of fraud, the Board asked the Executive to investigate if tighter controls and limits could be placed on GPCs without hindering the ability to conduct essential business.

#### **14.4 Revised Staff Guidance on Conflicts of Interest – Update**

The Board noted that the Audit & Risk Assurance Committee had reviewed the revised guidance but the Chairman felt that wording needed to be finalised in relation to one particular section of the guidance.

The Chairman and Mrs Kelly will take this forward and it is anticipated that the revised guidance will be presented to the Board in early 2019.

**JK/JH**



## **15. Health & Safety**

### **15.1 AFBI Health & Safety Reviews: 3 Year Compliance Plan – Q3 Update**

The Board noted the update on the AFBI Health & Safety Reviews: 3 Year Compliance Plan.

### **15.2 Health & Safety Review – Presentation**

Mr McGimpsey and Dr Stewart gave a presentation on the progress of Health and Safety audit recommendations. In focusing on the highest ranked actions classified as '*immediate*', the Board was pleased to note that all of these actions had been addressed.

*Mr Coffey left the meeting*

Mr McGimpsey proceeded to outline work areas and how they had been aligned to major Health and Safety Management Profile (HASMAP) themes such as training and competence, risk assessments and communication. This included an overview of AFBI performance against the categories of HASMAP compliance were Mr McGimpsey highlighted that '*Substantial*' and '*High*' compliance categories are predominantly non-statutory in nature and are more in line with best practice.

The Board welcomed the improved performance in '*Basic*' compliance which has now been achieved against most HASMAP indicators. In discussing how this can be further improved the Board acknowledged that a number of ongoing actions are dependent on the implementation of, or linkage to other, AFBI IT systems before they can be considered fully addressed.

The Board was pleased to note the levels of improvement over the previous six months and that a Health and Safety Strategy 2018-2021 is also under development which will align with the following:-

- AFBI's Health & Safety Corporate Audit - themes and indicators;
- Health & Safety Executive NI (HSENI) Corporate Plan (2018-2023) priorities.

### **15.3 Health & Safety Policy – Sections 1.2, 1.3, 1.4**

Having previously approved Section 1.1 – Statement of Intent, the Board approved the following sections of the AFBI Health & Safety Policy:-

- 1.2 – Roles and Responsibilities
- 1.3 – Arrangements
- 1.4 – AFBI Organisational Structure for Health and Safety

*Ms Kilmartin left the meeting*

**16. AFBI Business Plan 2018/19**

**16.1 Update on Progress Against KPIs 2018/19 (Quarter 1 & 2)**

The Executive presented the Update on Progress Against KPIs 2018/19 as at 30 September 2019 and outlined the updated position in relation to a number of KPIs.

The process for collating information in relation to the position at 31 December 2018 will commence shortly and given that the schedule of Board meetings, it was agreed that the updated report would be provided to the Board as soon as possible.

**Exec**

**17. Any Other Business**

**17.1 AFBI Strategic Outlook Conference**

It is proposed that the AFBI Science Outlook Conference will be held in early April 2019. Dr Magowan outlined the proposed themes for the conference as follows:-

- Future of Dairying
- Air Quality
- Antimicrobial Resistance (AMR)

AFBI will lead in presenting on these areas with guest speakers also being considered that will best complement the proposed themes.

**18. Review of Board Meeting Effectiveness**

The Board concluded that they had held a lengthy but effective meeting.

**19. Date of Next Meeting**

The next AFBI Board Workshop will be held 7 February 2019, CAFRE, Greenmount Campus.

The next AFBI Board Meeting will be held 14 March 2019, AFBI HQ, Newforge Lane.

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

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