



**Minutes of the Meeting of the
Agri-Food and Biosciences Institute (AFBI) Board
held at AFBI Newforge
on Thursday 15 March 2018 at 10.00am**

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

In Attendance - AFBI Executive

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

Mr James Adams, AFBI Secretariat

AFBI Board Apprentice

Ms Jennifer Ritchie

Visitor

Dr Dennis Ensing, Fisheries & Aquatic Ecosystems Branch (Item 19)

1. Welcome and Introduction

ACTION

The Chair welcomed everyone to the meeting.

2. Apologies

An apology was received from the AFBI Board Member, Ms Kate Burns.

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 11 December 2017

The draft minutes from the AFBI Board meeting held on 11 December 2017 were approved as an accurate reflection of the business conducted at the meeting.

4.1 Action Sheet from AFBI Board Meeting held on 11 December 2017 **ACTION**

The Board noted the progress against actions as per the action sheet, subject to the following:-

4.1.1 Risk Appetite (Item 15.1.2)

The Chair requested that the subject of Risk Appetite be added to the agenda for the AFBI Board Strategy Workshop in April 2018. **Sec**

4.1.2 Additional Actions

Mrs Hanna requested that two additional actions be extracted from the minutes in relation to Item 10.3 – ‘*Effect of Exchange Rate Movements*’ and Item 15.3.2 – ‘*Health and Safety Review Update*’. The Executive agreed to add them to the action sheet and recirculate to Board Members. **Exec**

5. Chair’s Remarks

In providing his remarks the Chair updated the Board on the following matters:-

- The Chair attended the morning sessions of the AFBI Science Outlook Conference on Tuesday 13 March 2018 and described the sessions as of an excellent standard. Positive feedback had been received from a range of stakeholders and the Chair congratulated all participants and organisers for their part in ensuring that the event was successful;
- The Chair had met with the newly appointed DAERA Permanent Secretary (PS), Mr Denis McMahon. The Chair is looking forward to developing and maintaining good relationships with the PS and Departmental stakeholders;
- Departmental Budgets 2018/19 have been passed by the Secretary of State;
- A brief closed session of the AFBI Board will be held at the conclusion of today’s meeting;
- The competition for the recruitment of an AFBI Chief Executive Officer will be advertised next week.

6. Sub-Committee Planning 2018/19

The Chair informed the Board that Mrs Brownlee had been appointed to the Organisational Development & Human Resources and the Finance & Business Strategy Committees. Ms Burns had been appointed to the Science Strategy and Audit & Risk Assurance Committees.

It was also noted that the Deputy Chair will continue his role on the Finance & Business Strategy and Science Strategy Committees for a period of time before relinquishing these roles.

7. Draft Terms of Reference for Sub-Committees

ACTION

Subject to the updating of membership as detailed at Item 6, the Board approved the Terms of Reference for the four AFBI Board Sub-Committees. The Secretary will update the documents to reflect current membership.

Sec

8. Executive Report

The CEO presented his Executive Report for the period 1 December 2017–28 February 2018 and highlighted a number of items which included the following:-

- CEO and members of EMT had made a number of visits to important senior stakeholders such as Teagasc, Ulster University Business School and the Department of Agriculture, Food and the Marine's animal health laboratories;
- CEO and EMT met with Peer Review Panel members for review of Agricultural and Food Economics, Fisheries and Aquatic Sciences and Veterinary Sciences Division. The two peer reviews brings to an end the first four year review of AFBI science;
- AFBI had a significant presence at the RUAS Winter Fair on 14 December. AFBI had its own stand at the Event and feedback from stakeholders was extremely positive;
- AFBI research and data has been instrumental in achieving Protected Designation of Origin (PDO) status for Lough Neagh Pollan. This is the first PDO in Northern Ireland and the first fin fish PDO in the British Isles;
- AFBI research featuring Deborah McConnell was showcased as an exemplar of best practice in relation to knowledge exchange in the BBC's "Countryfile" on 11 February 2018;
- AFBI have established a team to take forward a planning exercise as part of the work commissioned by DAERA's Brexit team to prepare for Day 1 following the UK exit from the EU. A report will be completed and submitted to DAERA by late March 2018. The Board requested sight of this report;
- AFBI have received approval for a number of new projects funded through a variety of sources including the Agri Food Quest Competence Centre and EU Horizon 2020;
- Fisheries and Aquatic Ecosystems Branch was represented by Pieter-Jan Schön at the EU Council fisheries negotiations on 11-12 December 2017. Based on AFBI research data, the outcome resulted in some significant increases in quotas for cod, herring, plaice, nephrops and haddock;
- AFBI will have its own stand at this year's Balmoral Show to be held on 16 – 19 May 2018.

Exec

The Board welcomed the report from the CEO and during discussions the following points were noted:-

- 1) A presentation on the implementation of EU General Data Protection Regulations will be given at the AFBI Board Strategy Workshop in April 2018;
- 2) It was suggested that the AFBI Open Days in June 2018 should be themed around major impacts such as the work around the fisheries negotiations;

Exec

- 3) A key duty of the Head of Communications will be to nurture relationships with the press and media; **ACTION**
- 4) It is envisaged that economics will be embedded throughout the work programme of AFBI.

9. Hillsborough Feeding Information System (HFIS)

The Executive presented a paper which outlined the current operation of the HFIS. After a detailed discussion it was agreed that an in-depth economic appraisal on the service was required to enable the Executive and Board to conduct a thorough analysis of the situation.

Exec

10. Progress Report on DAERA Review of AFBI 2017/18

The CEO presented the report which outlines the progress of the DAERA Review of AFBI and highlighted that the timeline for completion of the review is likely to be deferred to June 2018.

In noting that AFBI provided strong feedback on the draft paper on emerging themes and that the CEO had asked that the AFBI's challenges to the paper be presented at the next Project Board meeting, the Board requested sight of the paper and the AFBI responses.

Exec

11. Progress on AFBI/QUB Discussions

The CEO updated the Board on the progress of discussions between AFBI/QUB. The business case to allow for external support around governance issues needs Departmental approval before this work can proceed.

The CEO and a QUB senior representative met with the Director of College of Agriculture, Food and Rural Enterprise (CAFRE) and he was largely supportive of the proposals. The CEO and Chair plan to meet with representatives from the Ulster University in April to communicate the proposals and a close out meeting with DAERA is to take place regarding the official launch.

It was also noted that a review of knowledge transfer had been conducted by DAERA. Details will be provided to the Chair and he will raise the matter with the DAERA Permanent Secretary.

Chair

12. End of Year Review on Delivery of Assigned Work Programme - Update

The Executive informed the Board that the End of Year Review on the Delivery of the AFBI Assigned Work Programme is still awaited from DAERA. The matter will be raised again at the accountability meeting with the Department and a final report will be shared with the Board on receipt.

CEO

13. Finance

13.1 AFBI Budget Monitor Report – Position at 31 January 2018

Mrs Kelly presented the “*AFBI Budget Monitor Report - Position as at 31 January 2018*” and the following points were noted:-

- A year-end surplus of £139k is forecast for 2017/18;
- Expenditure profiles in both resource and capital budgets are behind profile. The Executive have received assurances that expenditure budgets will be utilised and the capital position is monitored on a daily basis;
- Two issues raised in the review of the AFBI Annual Accounts will impact on the outturn of 2017/18. These are treatment of CIELivestock Ltd and re-living of assets. The Chair has written to the DAERA PS on the matter and he is aware.

In concluding the discussions, the Chair stated that it is key that both the Board and DAERA are kept fully informed of the year-end position and that there should be no surprises.

14. Audit & Risk Assurance Committee

14.1 Draft Minutes from Audit & Risk Assurance Committee Meeting held on 30 January 2018

The Board noted the draft Minutes from Audit & Risk Assurance Committee meeting held on 30 January 2018.

14.2 Draft Minutes from Audit & Risk Assurance Committee Self-Assessment Meeting held on 30 January 2018

The Board noted the draft Minutes from Audit & Risk Assurance Committee Self-Assessment meeting held on 30 January 2018.

14.3 Report from Extraordinary Audit & Risk Assurance Committee Meeting held on 9 March 2018

The Committee held an extraordinary meeting where it was hoped that the draft AFBI Annual Report and Statement of Accounts 2016/17 could be signed-off. Unfortunately it was not possible at this time to get a final set of papers agreed and a further meeting will be required.

The Committee did approve the Executive's proposal to seek specialist advice in the area of VAT.

15. Finance & Business Strategy Committee

15.1 Minutes from Finance & Business Strategy Committee Meeting held on 28 November 2017

The Board noted the Minutes from Finance & Business Strategy Committee meeting held on 28 November 2017.

15.2 Report from Finance and Business Strategy Committee Meeting held on 8 March 2018

In reporting on the Finance and Business Strategy Committee meeting held on 8 March 2018, Mr Coffey brought to the Board's attention the expected increases in maintenance costs, associated with remaining on the AFBI Newforge site, until the conclusion of the DAERA Science Transformation Programme.

In terms of Health and Safety, the Board was assured that no issues resulting from ageing nature of the AFBI estate had arisen to date and the Executive will take proactive measures should any issues arise. DAERA will also be kept fully updated and Mrs Kelly now sits on the DAERA Estate Strategy Group.

16. Organisational Development & Human Resources Committee

16.1 Report and Draft Minutes from Organisational Development & Human Resources Committee Meeting held on 21 February 2018

The Board noted the draft Minutes from Organisational Development & Human Resources Committee meeting held on 21 February 2018.

Ms Cullen also highlighted the recent Audit of AFBI's HR Management which had received a 'satisfactory' level of assurance. The Committee felt that this was reflective of the improved practices within AFBI, the progress of cultural change and the positive movement in terms of performance and absence procedures.

16.2 Draft Disability Action Plan 2017-2021

The Executive presented its draft Disability Action Plan 2017-2021. The Board was content to approve the plan and noted that the implementation of the plan will be monitored by the Organisational Development & Human Resources Committee.

16.3 Draft Learning & Development Strategy April 2018 – March 2021

The Executive presented the draft Learning & Development Strategy April 2018 – March 2021.

Following a brief discussion on the timeline the Board was content to approve the strategy and noted that the Organisational Development & Human Resources Committee will receive quarterly progress reports on the matter.

17. Science Strategy Committee

17.1 Report and Draft Minutes from Science Strategy Committee Meeting held on 26 February 2018

The Board noted the draft Minutes from Science Strategy Committee meeting held on 26 February 2018.

Dr Costello-Smith also commented on the implementation of AFBI's Science Programmes, the need for staff input and that the recently appointed Head of Communications will take forward the establishment of the AFBI Industry Advisory Group. The Committee had also received reports on a number of science related KPIs and whilst a particular KPI is significantly below the target set, this is largely due to legacy issues and is not seen as a long term issue.

18. Achieving Cultural Change in AFBI – Roadmaps - Update

ACTION

Mrs Kelly advised the Board that the Organisational Development and Human Resources Committee had provided valuable input to assist with cultural change.

In terms of the next steps in the process, the following points were noted:-

- EMT will attend a facilitated session on AFBI's Science Programmes. EMT will then liaise with Heads of Branch on the matter;
- Investors in People will facilitate the staff focus groups across AFBI sites to obtain their views following the Staff Engagement Survey;
- EMT will conduct Roadshows across a range of AFBI Sites in order to talk directly with staff and increase senior management visibility.

19. Letter of Recognition from International Council for the Exploration of the Sea – Service Award to Dennis Ensing

Prior to lunch, Dr Dennis Ensing gave a brief presentation around the International Council for the Exploration of the Sea (ICES) which focused on Fisheries and Aquatic Ecosystems Branch (FAEB) involvement with ICES and his various roles and experiences within the council.

ICES is a global organisation whose goal is to provide the best available science to assist decision-makers in making informed choices on the sustainable use of the marine environment and its ecosystems. Eleven FAEB staff are currently involved in twenty expert groups with Dr Ensing sitting on four expert groups as well as chairing or co-chairing a number of workshops.

Following a very interesting Q&A session, the Board thanked Dr Ensing for his time and very informative presentation. The Chair then presented Dr Ensing with a framed copy of his service award from ICES in recognition of his work as Chairman of the '*Workshop on Potential Impacts of Climate Change on Atlantic Salmon Stock Dynamics*'.

20. Governance Issues

20.1 Risk Management

20.1.1 *Reports of New or Emerging Risks*

There were no new or emerging risks reported.

20.1.2 *Draft AFBI Corporate Risk Register (CRR) (January 2018)*

Mrs Kelly summarised the key changes to the CRR dated January 2018 and subject to a number of minor formatting amendments, the Board was content to approve the CRR.

Exec

20.2 Whistleblowing and Fraud

20.2.1 *Reports of New or Ongoing Cases*

There were no reports of any new or ongoing cases of whistleblowing or fraud.

21. Health & Safety

21.1 *Reports of New or Emerging Issues*

There were no new or emerging cases reported.

21.2 Health and Safety Review Update

EMT had just received a copy of the final report on the Health and Safety Review of AFBI undertaken by SHEQ.point Ltd. EMT will be meeting with the Head of Emergency Planning, Safety and Estate Branch in April to discuss the findings of the report and to prioritise actions. A copy of the report will also be provided to the AFBI Board following the EMT meeting.

Exec

The Chair clarified that he would expect to see Health and Safety on the agendas of the Sub-Committees with the exception of the Finance & Business Strategy Committee but reminded members that the ultimate responsibility for Health and Safety rests with the AFBI Board.

Sec

The Chair also requested that the recently appointed Head of Communications should attend a Board meeting and a meeting of each of the Sub-Committees.

Sec

21.2.1 *Dangerous Goods Safety Advisor (DGSA) – Action Plan*

The Action Plan arising from the DGSA audits of AFBI will also be discussed alongside the Health and Safety report at the meeting described in Item 21.2.

22. AFBI Business Plan 2017/18

22.1 Update on Progress Against Key Performance Indicators (KPIs) 2017/18 – (Quarters 1-3)

The Board examined the report on AFBI Corporate KPI's as at 31 December 2017 and were disappointed to note that a large percentage of the KPIs are classed as '*Not achieved/Not expected to be achieved*'.

During the discussions that followed it was noted that some KPI wording did not accurately take account of mitigating issues and did not reflect the positive efforts of staff. The Board urged the Executive to ensure that objectives and KPIs for 2018/19 were as Specific, Measurable, Achievable, Realistic and Time bound (SMART) as possible. The Chair also emphasised that once the KPIs have been set and agreed by all parties, all efforts must be made to ensure that KPIs are achieved.

23. Draft AFBI Business Plan 2018/19

The Executive presented the draft AFBI Business Plan 2018/19 and highlighted that a draft budget and a preface from the CEO are to be added. The Head of Communications will also review the formatting and presentation of the plan before it is completed.

In terms of the draft KPIs 2018/19, the Executive will reflect on the earlier discussions and assured the Board that there will be a clear two-way process within the Institute in order to establish SMART objectives/KPIs and ensure accountability throughout AFBI.

ACTION

The Board also asked the Executive to be mindful of its target audiences such as front line staff and customers. It was agreed that a revised draft of the plan will be circulated to Board members with returns due early next week to ensure that the plan is submitted to the Department by the stated deadline.

Exec

24. Draft AFBI Budget 2018/19

Mrs Kelly presented a draft AFBI Budget 2018/19 and outlined the scenario planning undertaken to ensure that AFBI has an operating position from the 1 April 2018. The scenario planning is also based on a series of assumptions which are stated in the paper.

During discussion the Deputy Chair recapped on discussion at the Finance & Business Strategy Committee on 8 March 2018 and highlighted the following:-

- The Committee was content with the accounting change to reflect that DAERA will provide additional cover of £150k to allow the crystallisation of provision accrued for the decommissioning of the irradiation building which is planned for 2018/19;
- The Committee also recommended proceeding on a flatline cash basis having adjusted the royalty forecast to take account of changes in the exchange rate;
- The Committee also asked the Executive to ensure that it reflects the investment in people and structures for 2018/19 and the non-monetary benefits attributed to this outlay.

After due consideration, the Board was content to endorse the adoption of budget scenario 1 as the preferred option as the initial operating budget for the year. It was noted that this is a working budget pending official notification of the AFBI Budget Allocation from DAERA.

25. Draft AFBI Corporate Plan 2018-2021 v17 – Update

Mrs Kelly informed the Board that she had presented the draft AFBI Corporate Plan 2018-2021 to the DAERA Board. The plan was presented with a caveat in terms of budget and funding and with that in mind, feedback from at the DAERA Board had been largely positive.

26. AFBI Board Annual Governance

26.1 AFBI Board Self-Assessment 2017-18 - Update

The Chair reminded Board Members that returns in relation to the AFBI Board Self-Assessment 2017-18 should be returned to Mr Glenn Montgomery by 30 March 2018.

Board

26.2 AFBI Board Members' Appraisals & Assessment of the Chairman's Performance 2017-18 - Update **ACTION**

The Chair reminded Board Members that returns in relation to the AFBI Board Members' Appraisals & Assessment of the Chairman's Performance for 2017-18 should be returned to the Secretariat by 30 March 2018. One to one appraisal meetings with the Chair will also be arranged and Board members were reminded to respond in terms of their availability as soon as possible.

Board

27. Any Other Business

There were no additional items of business.

28. Review of Board Meeting Effectiveness

The Board considered that it had held a very effective meeting.

29. Date of Next AFBI Board Strategy Workshop and AFBI Board Meeting

The next AFBI Board Strategy Workshop will be held on Tuesday 24 April 2018, Venue TBC.

The next AFBI Board Meeting will be held on Tuesday 15 May 2018 in the AFBI Boardroom, Newforge Lane.

Signed: _____
(Chairperson)

Date: _____