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AGRI-FOOD  
& BIOSCIENCES  
INSTITUTE



# AFBI STANDING ORDERS

SCHEDULE OF MATTERS RESERVED TO THE BOARD AND SCHEME OF DELEGATION

## AGRI-FOOD & BIOSCIENCES INSTITUTE

(AFBI)

### AFBI STANDING ORDERS

## SCHEDULE OF MATTERS RESERVED TO THE BOARD AND SCHEME OF DELEGATION

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<b>Author:</b>	Head of Governance & Performance

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## 1.0 INTRODUCTION

The statutory authority for AFBI is Article 3 of the Agriculture (Northern Ireland) Order 2004 which establishes AFBI as an executive Non-Departmental Public Body.

Subject to the aforementioned legislation, AFBI and the Department of Agriculture, Environment and Rural Affairs (DAERA) have agreed a Management Statement and Financial Memorandum that sets out the broad framework within which AFBI will operate.

Further to the above and in line with the Board Operating Framework, AFBI has created these Standing Orders to set out to clearly define the governance of the AFBI Board and the basic rules and procedures to ensure it operates effectively. The Scheme of Delegation sets out the decisions and powers reserved to the Board of AFBI and the matters delegated to the Board's sub-committees and the AFBI Executive. The Board will regularly review the effectiveness of the Scheme of Delegation and make amendments as required. Appendix 1 Sets out the Delegated Financial Authority within AFBI.

## 2.0 STANDING ORDERS

### 2.1 Meetings

#### **General**

- 2.1.1 The meetings of the Board shall be held at such time and place as the Board may from time to time determine, subject to the provisions of the remainder of this Standing Order.
- 2.1.2 If required, the meetings of the Board may be conducted, wholly or partially, on a remote basis using appropriate technological systems.

### 2.2 Chairman's/Vice Chair's Power

- 2.2.1 The Chairman (or, in his/her absence, the Vice Chair) may at any time alter the time and/or place already decided upon for a particular meeting, or may order the convening of a meeting.

## 2.3 Requisitions

2.3.1 The convening of a meeting may be required at any time by written requisition signed by members of the Board, specifying the nature of the business desired to be transacted at such meetings.

## 2.4 Emergencies

2.4.1 In case of emergency certified by the Chairman (or, in his/her absence, the Vice Chair), a meeting of the Board may be held although:

- (1) notice shall not have been given as required by these Standing Orders and/or
- (2) the quorum of members prescribed in these Standing Orders; shall not be present but at least 3 members are present provided that, in either case, the business transacted at such emergency meetings must be reported to the next
- (3) scheduled meeting of the Board and must be confirmed at the latter meeting (to the extent that the authority of the Board is required in that connection).

## 2.5 Quorum

2.5.1 The quorum at any meeting of the AFBI Board shall be **FIVE** members present in person.

### **General rule on transaction of business**

2.5.2 The general rule is that no business shall be transacted at any meeting of the Board unless the prescribed quorum of members is present.

### **Exception to the rule**

2.5.3 Notwithstanding the general rule, a meeting may proceed, in respect of any item or items on the agenda, if three members of the Board are present and agree the relevant matter or matters to be an emergency. In that event, the meeting shall be treated as an emergency meeting within the meaning of Standing Order paragraph 2.4.1 and, as being subject to the restrictions therein specified.

## 2.6 Chairing Meetings

### **The presiding member**

- 2.6.1 Meetings shall be chaired by:
- (1) The Chairman; or
  - (2) The Vice Chair (in the absence of the Chairman); or
  - (3) Any other member of the Board selected by resolution of the members present (in the absence of both the Chairman and the Vice Chair).
- 2.6.2 Any power or duty assigned to the Chairman in relation to the conduct of a Board meeting may be exercised by the person presiding at that meeting.

## 2.7 Minutes of Meetings

### **Keeping of minutes**

- 2.7.1 Draft minutes shall be circulated to the Chair in accordance with these Standing Orders.
- 2.7.2 Draft minutes shall be submitted to the next meeting of the Board for approval.
- 2.7.3 Minutes which are being submitted for approval shall be taken as read and then approved, with or without amendment. No discussion shall be allowed on such minutes except as to their accuracy.
- 2.7.4 Approved minutes shall be deemed to be a true record of the meeting to which they relate and they shall be signed by the person presiding at the meeting at which they were approved.
- 2.7.5 Draft and approved minutes will be shared with DAERA's AFBI Sponsor Branch.

### **Closed sessions/Closed Board meetings**

- 2.7.6 The Board or Chairman may decide to hold a closed session during the Board meeting to provide a safe space for free and frank discussion or deliberations of confidential matters; examples of such may include personnel or commercial-in-confidence issues. The taking of minutes will be at the discretion of the presiding member, but any formal decisions made must be recorded in the minutes of the meeting.

2.7.7 In exceptional circumstances, the Board or Chairman may agree the entire Board meeting to be closed to provide a safe space for free and frank discussion or deliberations of confidential matters; examples of such may include personnel or commercial-in-confidence issues. A minute must be taken of this meeting but at the Board's discretion, it may be marked confidential and withheld from publication on the AFBI website. This minute will be shared with DAERA's AFBI Sponsor Department.

### **Publication of minutes**

2.7.8 Once approved by the Board, non-confidential minutes of Board meetings will be a matter of public record and publicly available on the AFBI website.

### **Records of attendance**

2.7.9 In the minutes of any Board meeting the names of members present and officers in attendance at the meeting shall be duly recorded together with the items of business for which they are in attendance.

2.7.10 AFBI Secretariat will maintain a register showing details of attendance of members at meetings.

## **2.8 Notice of Meetings and Agenda**

### **Documents to be provided prior to meetings**

2.8.1 Five days at least before any meeting of the Board, there shall be issued to every member a copy of the following:

- (1) A notice convening the meeting, giving its time and place;
- (2) A statement of the business to be transacted at that meeting (in these Standing Orders referred to as the agenda);
- (3) All reports and other documents referred to in, or to be read with, the agenda.

2.8.2 However, any report or other document, a copy of which cannot for good reasons be circulated with the agenda, may nevertheless be tabled and considered.

### **Matters/business to be discussed**

2.8.3 No matter or business shall be discussed or decided at a meeting, if reference to this is not set forth in the agenda, except with the consent of the majority of the members present at that meeting.

2.8.4 Any member may require that any subject may be placed on the agenda and that any document relating to such subject shall be circulated, on giving fourteen clear days' notice in writing to the Chair.

### **Order of business**

2.8.5 Subject to paragraph 2.8.6 below, the order of business at every meeting of the Board shall be as follows:

- (1) To choose a person to preside (if the Chairman and Vice Chair are both absent).
- (2) To approve as a correct record the minutes of the last Board meeting.
- (3) To dispose of business (if any) remaining or arising from that previous meeting.
- (4) To deal with any business in the order in which it is listed in the agenda.
- (5) To deal with any other business.

2.8.6 The foregoing order of business may be varied by the person presiding at his/her discretion, with the consent of a majority of the members present at the relevant meeting.

## **2.9 Deferred or Withdrawn Papers**

### **At Board meetings, papers may on occasion be deferred or withdrawn**

2.9.1 On occasion, papers on the Board agenda may be deferred due to time constraints or pending the outcome of some other event. No action should be taken on deferred papers until the paper is re-submitted and approved by the Board. Deferred papers will be noted on the matters brought forward/outstanding matters list until the required action is taken by the relevant Director.

2.9.2 On occasion, papers on the Board agenda may be withdrawn either prior to, or at a Board meeting. In such instances the papers are recorded as withdrawn and returned to the relevant Director by Secretariat. No action should be taken in respect of any withdrawn paper. If any action is requested by the Board this should be recorded on the matters brought forward/outstanding matters list.

## **2.10 Voting**

### **Mode of decision-making**

2.10.1 Every question shall be determined by a majority of the members present and voting.



2.10.2 The member presiding at the meeting shall have a second or casting vote in cases of equality (i.e. a tied vote).

2.10.3 The votes shall be taken by a show of hands or otherwise as the meeting shall decide.

### **Records of votes**

2.10.4 On the request of any member, a record shall be made in relation to each member of how that member voted and of whether that member abstained.

## **2.11 Disclosure of Conflicts of Interest**

2.11.1 Members are of the requirements of the AFBI Board Code of Conduct for Board Members in relation to disclosure of interests.

## **2.12 Committees**

### **Constitution of committees**

2.12.1 The Board may constitute committees of its members, to which it may delegate such of its functions as it may specify, with such terms of reference and with such powers as it may determine.

2.12.2 Unless any such committee is explicitly given powers of action, all findings of that committee shall be of an advisory nature only.

### **Procedures of committees**

2.12.3 The Board shall designate the Chairman of any committee which it may establish.

2.12.4 The provisions of these Standing Orders shall apply as if the committee were referred to instead of the Board, except that no business shall be transacted at any meeting of any committee unless at least two Board Members are present.

2.12.5 Any such committee shall, subject to any directions by the Board, meet at such times and at such places as the committee may from time to time determine.

2.12.6 If required, any such committee shall, subject to the directions of the Board, conduct meetings wholly or partially on a remote basis, using appropriate

technological systems.

## **2.13 Delegation by the Board**

### **Delegations**

- 2.13.1 The Board may decide to delegate, where it has power to do so, responsibility for specified matters to:
- (1) A committee of the Board; or
  - (2) Any committee of officers; or
  - (3) Any officer. Any specific delegation may refer to posts, as distinct from referring to the individuals who occupy those posts.

### **Scheme of Delegations**

- 2.13.2 A scheme of delegation set out at Section 3 of this document, which will be updated regularly, provides Board guidance covering:
- (1) Matters which are delegated, and
  - (2) Matters which are reserved for decisions by the Board.

## **2.14 Confidentiality**

- 2.14.1 All agenda reports and other documents and all proceedings of the Board or of a committee thereof shall be treated as confidential unless and until:
- (1) The Board or the Chairman decides otherwise; or
  - (2) They become public in the ordinary course of AFBI's business; or
  - (3) Confidentiality is, in all the circumstances, incompatible with any right of access to information conferred by the Freedom of Information Act 2000.

## **2.15 Duty to Promptly Raise Concerns with Board**

A Board Member who considers it his/her duty in the public interest to raise any question affecting the policies, procedures, reputation, integrity or impartiality of AFBI should do so promptly with the Board.

## **2.16 Revocation and Variation of Standing Orders Suspension**

- 2.16.1 No Standing Order adopted by the Board shall be suspended at any meeting of the Board except by consent of at least five members present thereat.

### **Variation and revocation**

2.16.2 The Standing Orders for the time being of the AFBI or any of them may from time to time be varied or revoked and additional Standing Orders may from time to time be adopted. Such variations, revocations and/or additions may only be made with the consent of the majority of the members of the Board present, at the meeting of the Board, the agenda for which contains due notice of the proposed variation, revocation or addition.

### **3.0. SCHEDULE OF MATTERS RESERVED FOR BOARD AND SCHEME OF DELEGATION**

The main purpose of the Board is to ensure that AFBI is successful in delivering the policies and priorities of DAERA (and the Minister) by providing strategic leadership to AFBI and ensuring effective performance management of AFBI.

#### **3.1 Governance**

**3.1.1** The following matters are reserved to the AFBI Board:

- (i) Review, compliance with and approval of standing orders and of matters reserved for AFBI Board approval.
- (ii) Approval of the Board's Operating Framework.
- (iii) Approval of the AFBI Equality Scheme.
- (iv) Approval of key AFBI Policies.
- (v) Establishment and dissolution of Board Committees.
- (vi) Approval of procedures for the evaluation of the effectiveness of the AFBI Board.
- (vii) Chair's review the Register of Interests for AFBI Board Members.
- (viii) Approval of changes to the Board Code of Conduct.
- (ix) Approval of AFBI Fraud and Whistleblowing policies.
- (x) Approval of arrangements for the management of risk.

#### **3.2 Strategy Plans and Budgets**

**3.2.1** The following matters are reserved to the Board:

- (i) Establishment of the overall strategic direction of AFBI within the policy and resources framework determined by the Minister and DAERA as per the Management Statement and Financial Memorandum.
- (ii) Approval of the annual revenue and capital budget.
- (iii) Monitoring of performance against agreed business targets and budget on a regular basis.
- (iv) Approval of the Terms of Reference for Sub Committees of the Board.

### **3.3 Staffing**

**3.3.1** The following matters are reserved to the AFBI Board:

- (i) Appointment or dismissal of the Chief Executive Officer.
- (ii) Approval of an AFBI Redundancy Policy.
- (iii) Performance Appraisal by the Chair (in conjunction with DAERA) of the Chief Executive Officer.
- (iv) Approval of any substantial organisational restructuring which does or does not involve any compulsory redundancy.
- (v) Approval of changes to AFBI Staff key Terms and Conditions.

### **3.4 Financial Arrangements**

**3.4.1** Generally, the Annual Budget approval by the Board provides authority to incur all expenditure specified within the Budget and non-compliance with public sector finance rules.

**3.4.2** In line with the levels of operational delegation defined within the Management Statement and Financial Memorandum and Sponsorship Manual AFBI maintains a scheme of financial delegations which is set out at Appendix 1.

### **3.5 Auditing and Reporting**

**3.5.1** Approval of the Annual Report and Statement of Accounts is reserved to the AFBI Board.

### **3.6 Urgent Decisions**

**3.6.1** The Chief Executive is empowered to take urgent action on behalf of the AFBI Board in matters which would normally have been considered by the Board itself but where no meeting of the AFBI Board is available for that purpose. On all such occasions he / she shall consult first with the Chair, or in his / her absence the Deputy Chair, before taking action and shall seek endorsement of the action taken at the next AFBI Board meeting.

## SCHEME OF FINANCIAL DELEGATION

Within the Executive, the levels of operational delegation are defined within the following key governance documents:

- a. Management Statement and Financial Memorandum (MSFM);
- b. Sponsorship Manual; and
- c. AFBI's Financial Procedures.

### Management Statement and Financial Memorandum (MSFM) & Sponsorship Manual

Appendix A of the MSFM sets out AFBI's delegated expenditure limits as agreed by DAERA and DoF and these are also included within the Sponsorship Manual. In summary this sets out the delegated authorities under the following categories:

1. Delegated Authority for the Purchase of Goods, Services and works Economic Appraisal;
2. Capital Projects;
3. Disposal of Surplus Equipment;
4. Engagement of Consultants; and
5. Losses and Special Payments

#### 1. Delegated Authority for the Purchase of Goods, Services and works Economic Appraisal

AFBI are required to apply the principles of economic appraisal in all cases where expenditure is proposed, whether the proposal involves capital or current expenditure, or both. The effort put into economic appraisal should be commensurate with the size or importance of the needs or resources under consideration. However, AFBI must complete a comprehensive business case for all projects involving expenditure of £250,000 and over.

Thresholds	Number/Type of Tender Required
Up to £5,000	<ul style="list-style-type: none"> <li>• AFBI must demonstrate that value for money has been secured (i.e. provide two price 'checks' – e.g. internet page, brochure).</li> </ul>

Thresholds	Number/Type of Tender Required
<b>£5,000 to £30,000</b>	<ul style="list-style-type: none"> <li>• A minimum of two tenders invited by the person(s) authorised to procure for their organisations in accordance with a Service Level Agreement (SLA) with a CoPE (i.e. authorised AFBI Accounting system users in line with AFBI policy and delegated limits); <b>or</b></li> <li>• a tender process undertaken by a CoPE.</li> </ul>
<b>£30,000 to EU Thresholds</b>	<ul style="list-style-type: none"> <li>• Advertise on eSourcingNI</li> <li>• Tender process must be conducted in line with PGN 05/12 – Procurement of Goods, Works and Services Over £30,000 and below EU Thresholds.</li> </ul>
<b>Above EU Thresholds</b>	<ul style="list-style-type: none"> <li>• Advertise on eSourcingNI.</li> <li>• EU Directives apply –advertise in OJEU.</li> <li>• AFBI EU Threshold - £111,676</li> </ul>

## 2. Capital Projects

The AFBI Chief Executive may authorise capital expenditure on discrete capital projects of up to £500,000. Currently Capital projects over this amount require the approval of DAERA, and may be subject to quality assurance by DoF if requested.

Any novel and/or potentially contentious, and/or potentially repercussive proposals, regardless of the amount of expenditure, require the approvals of DAERA and DoF.

## 3. Disposal of Surplus Equipment

The AFBI Chief Executive can authorise the disposal of obsolete and surplus equipment/assets owned by AFBI with an original cost of greater than £50k.

AFBI Heads of Division may authorise the disposal of obsolete and surplus equipment/assets owned by AFBI with an original cost of less than £50k.

AFBI must maintain and retain a Schedule of Disposal for scrutiny by DAERA and DAERA Internal Audit as required.

#### 4. Engagement of Consultants

All proposals, to appoint external consultants must be submitted to DAERA's AFBI Sponsor Branch accompanied by an appropriate and proportionate business case. Ultimately, DAERA Ministerial approval will be required for such proposals.

There are a number of additional delegations set out relating to Losses and Special Payments which are included at appendix 1 of this report.

#### 5. Losses and Special Payments

DAERA has delegated authority to the Chief Executive to write off losses and make special payments up to:

- a. Cash losses – up to £500 per case/incident
- b. Stores/Equipment losses – up to £1,000 per case/incident
- c. Constructive losses and fruitless payments – up to £1,000 per case
- d. Compensation payments:
  - (i) made under legal obligation, e.g. by Court Order – up to £20,000 per case plus reasonable expenses
  - (ii) for damage to personal property of staff – up to £1,000 per cash
  - (iii) where written legal advice is that AFBI should not fight a court action because it is unlikely that it would win – up to £20,000 per case.
- e. Claims abandoned or waiver of claim – up to £1,000 per case
- f. Extra contractual payments – up to £1,000 per case
- g. Ex gratia payments – up to £1,000 per case (Pension payments are not covered by this threshold)
- h. Extra statutory and extra regulatory payments – no delegation, all proposals must be submitted to DAERA for approval.

The prior approval of DAERA must be obtained for amounts above these values. Where total losses exceed £100,000 in any financial year an explanatory note should be included in AFBI's accounts. Details of all losses and special payments should be recorded in a Losses and Special Payments Register, which will be available to auditors. The register should be kept up-to-date and should show evidence of the approval by the Chief Executive and, where appropriate, DAERA.



## 6. AFBI's Financial Procedures

The delegated limits set out above have been also been built into AFBI's internal Financial Procedures Manual. This also set out operational delegated limits for Accounts Payable and Accounts Receivable. Appendix 1 summarises the delegated authorities by grade.

In terms of **Accounts Payable** the following delegated limits apply:

Limit	Grade
Up to £1k	HSO/SO
Up to £5k	SSO/DP
Up to £10k	Grade 7
Up to £50k	Head of Branch (Grade 6/7 as relevant)
Up to £250k	Head of Division
Above £250k	CEO

In terms of **Accounts Receivable** the following delegated limits apply:

Limit	Grade
Up to £10k	HSO/SO
Up to £25k	SSO/DP
Up to £50k	Grade 7
Up to £100k	Head of Branch (Grade 6/7 as relevant)
Over £100k	Head of Division

### Appendix 1 – Delegated Authorities by Grade from MSFM

Grade	Transactions			
	Capital Projects	Disposal of Obsolete / surplus Equipment	Accounts Payable	Accounts Receivable
HSO/SO			Up to £1k	Up to £10k
SSO/DP			Up to £5k	Up to £25k
Grade 7			Up to £10k	Up to £50k
Head of Branch (Grade 6/7)			Up to £50k	Up to £100k
Head of Division			Up to £50k	Up to £250k
CEO	Up to £500k	Over £50k	Over £250k	
DAERA	Over £500k			

<sup>1</sup> Refers to original cost of asset<sup>13</sup>