



**Minutes of the Meeting of the Agri-Food and Biosciences Institute
(AFBI) Board
held at
AFBI (HQ) Newforge
on Tuesday 23 November 2010 at 10.00 am**

Present – Board Members

Mr Sean Hogan, Chairperson
Prof David McDowell, Deputy
Chairperson
Mr Kieran Campbell
Dr Michael Hollywood
Mr James Noble
Mr Alan McKeown
Prof Stewart McNulty
Mr Seamus McCaffrey
Mrs Hilda Stewart
Mr Michael Walker

In Attendance - AFBI Executive

Dr Seamus Kennedy, CEO (Acting)
Dr Arthur Gilmour, DCEO (Acting)
Mr Joel Ferguson, Head of Corporate Services Division (Acting)
Mr Venkat Deshpande, Head of Finance
Mr Paul Brennan, Head of Human Resources
Mr Stephen Cousins, AFBI Secretariat

1. Welcome and Introduction

Action

The Chair opened the meeting with a welcome to all present.

2. Apologies

Apologies were received on behalf of Mr John Rankin, Mr Trevor Hinds and Prof Grace Mulcahy.

The Executive also submitted apologies on behalf of Dr Michael Camlin, DCEO and Dr David Bryson, DCEO (Acting).

3. Conflict of Interests Declaration

There were no “*Conflict of Interests*” declared.

4. Draft Minutes of the Previous Board Meeting held on 27 October 2010

On a proposal from Mr Walker, seconded by Mrs Stewart, the AFBI Board approved the draft minutes from the previous Board meeting held on 27 October 2010 subject to the following amendment:

Item 8.3 – Request for Additional Financial Information

Action

Second Para, first sentence, insert the word “*not*” before “....*be content to report...*”.

5. Matters Arising/Action Points from Previous Board Meeting held on 27 October 2010

The Chair proceeded on the basis that any Matters Arising or Action Points from the previous AFBI Board meeting held on 27 October 2010 have been resolved or would be addressed during the course of the meeting except for the following items:

5.1 Update on Strategic Actions to Meet Savings in the DARD Grant-in-Aid/Proposed AFBI Board “Away Day” – (Item 5.3 – Mins 27 10 10)

The Board acknowledged receipt of an e-mail from the Chair proposing that this event be postponed until early in the New Year. The Board accepted the Chair’s proposal and will consider the matter at a future meeting. The Secretary to remind the Board at a later date in the New Year.

Sec

5.2 Equal Pay Deal – (Item 5.4 – Mins 27 10 10)

The Executive reported that there had been no further developments since the previous AFBI Board meeting and the matter currently resides with Trade Union Side (TUS). However, the Executive confirmed that it would be contacting TUS later in the week to ascertain the TUS position as this will need to be stated in the AFBI Business Case being submitted to the Department of Finance and Personnel (DFP).

5.3 Request for Additional Financial Information – (Item 8.3 Mins 27 10 10)

The Board and the Executive acknowledged that this matter was progressing and the Chair acknowledged having received a copy of HM Treasury document from Dr Hollywood.

5.4 AFBI Visit to China – (Item 13 – Mins 27 10 10)

A note of the Acting CEO’s visit to China is still in draft. If this note is finalised before the date of the next meeting (15 December 2010), the Executive agreed that it would e-mail a copy to the Board in advance.

Exec

6. Governance Issues – Standing Items

6.1 AFBI Risk Management

The Executive reported that there were no new risks to declare and the new risk relating to accreditation had been drafted.

In response to a request for an update on the accreditation issue, the Executive informed the Board that an ISO 17025 inspection had been carried out at AFBI Stormont last week and the Executive were pleased to note that early indications would point to a positive outcome.

The Agri-Food and Environmental Science Division has requested clarification from DARD on the tests (used for official control purposes) which require ISO17025 accreditation. Overall the Executive were pleased to report that progress against a work plan agreed with DARD is on target and were content for the Chair to inform the DARD Minister that matters are progressing satisfactorily.

6.2 Whistleblowing and Fraud

There were no cases of whistleblowing or fraud to report.

The Executive advised the Board that it was developing an AFBI Counter Fraud Service Level Agreement (SLA) with DARD Central Investigation Service that would provide a fraud investigation service to AFBI and fraud awareness training for all AFBI staff.

The Executive were hopeful that the SLA could be approved within the next two weeks and the Board were content to note.

6.3 Health and Safety

There were no Health and Safety incidents or near misses to report.

7. Chairman's Business

7.1 Closed Session

The Chair informed the Board that there were some business issues that he would wish to bring to the Board's attention and asked the Executive to retire following the close of business in order that the Board could meet for a short period in closed session.

7.2 Pensions Issue

The Chair informed the Board of the latest developments in the pensions issue including a demand from the Northern Ireland Local Government Officers Superannuation Committee (NILGOSC) for full and final payment.

The Chair informed the Board that he had spoken to the DARD Minister and was assured by the Minister that she would do all in her power to have the matter brought to a conclusion. However, other than notify the Minister, the Chair acknowledged that there is little more that the Board or Executive can do as the matter is in DARD's hands. He stated it was very disappointing that after four years this matter had still not been resolved.

Action

The Chair also informed the Board that he had been made aware by the Executive that, due to the uncertainties surrounding the pensions issue, the Northern Ireland Audit Office (NIAO) had indicated that there was a possibility that AFBI's accounts for 2009/10 could be qualified. The Chair of the Audit Committee, Dr Hollywood said that there had been no previous indication from the NIAO that this was an action that they were considering.

In terms of further action, the Acting CEO advised the Board that he had written to the DARD Permanent Secretary to request an urgent meeting.

A further update will be provided at the next AFBI Board meeting on 15 December 2010.

Exec

8. Personnel

The Executive provided the Board with a report on AFBI staff in post at 23 November 2010.

The Board noted the report and asked the Executive to provide this report on a monthly basis going forward. The Board also asked the Executive to add a further column to the report detailing the overall staffing level for the previous month so that trends could be identified. The Executive said that this would not be a problem as it was already monitoring staff numbers on a monthly basis.

**Exec/
Sec**

9. Finance

9.1 Update on Northern Ireland Audit Office Review of 2009/10 AFBI Accounts

The pensions issue appeared to be the only major unresolved issue relating to the NIAO audit of AFBI's accounts for 2009/10.

Following further discussion, the Board signified that it was content for the AFBI Audit Committee to take whatever action it feels is necessary to clarify the position, before the review of the 2009/10 AFBI Accounts is formally closed.

**Chair
Audit
Cmt**

9.2 Financial Reporting

9.2.1 *AFBI Budget Monitoring Report as at 31 October 2010*

The Executive presented the monthly Budget Monitoring Report for the period ending 31 October 2010 in both the current and the new revised format.

Having noted the detail, the Board signified that it was content to proceed on the basis of the new format, subject to the Executive inserting

Exec

additional columns showing the breakdown for previous months.

Action

In considering the details provided in the reports, the Board queried the figures in respect of salaries and wages. In response the Executive confirmed that it was still having problems obtaining accurate information and reports from HR Connect in respect of payroll.

In the discussion that followed the Executive informed the Board that it had met recently with Mr Paul Wickens, Chief Executive Officer, Enterprise Shared Services during which the Executive had highlighted the continuing problems it was experiencing with the system. A further meeting involving the AFBI Chair is due to take place in early December.

The Executive also confirmed that an upgrade to an existing commercial accounting system for which AFBI already had a licence in place could provide a cost-effective solution. The Executive asked for Board approval to proceed with acquisition of the upgrade as an alternative to Account NI. In response the Board signified that it was willing to approve in principle subject to the Executive producing an options paper. Given the short timeframe for implementation, the Board asked if the paper could be e-mailed to the Board in advance of the next meeting.

Exec

The Board again expressed its concern and dissatisfaction with the performance of both HR Connect and Account NI.

9.2.2 *Cashflow Report*

The Executive also presented a Cashflow Report and made comment on a number of figures. Overall, based on the trends to date, the Executive forecast that AFBI would break even at the end of the financial year.

Commenting on the report, the Board stated that it was very useful and thanked the Executive for the information it had provided. In terms of the detail the Board requested the Executive to show a breakdown in respect of “Cash Out”.

Exec

9.3 Establishment of an AFBI Finance Committee – Terms of Reference

On a proposal by Mr Campbell, seconded by Mr McCaffrey, the Board approved the draft Terms of Reference in respect of an AFBI Finance Sub-Committee.

In commenting on the membership of the Finance Sub-Committee, the Chair advised that the appointments process for two new members to the AFBI Board was nearing completion. The Board should then be in a position to decide which Sub-Committees the new members will serve on; bearing in mind that recommended best practice states that Board members should not be members of both the Audit Committee and the Finance Committee.

10. Update on Strategic Actions to Meet Savings in the DARD Action Grant-in-Aid

The Executive informed the Board that it had held a recent meeting with DARD to commence the formal business planning process in respect of the 2011/12 AFBI Business Plan.

The Executive reported that during the course of the meeting DARD had advised that AFBI should base the draft 2011/12 Business Plan on the reduced work programme and associated savings that had been identified by DARD earlier in the year even though no decisions had yet been made on the budget that would be available for 2011/12. The draft plan could be amended when the budget and final DARD work programme became known.

DARD had also advised that there is likely to be a further delay regarding decisions on the research and development “*legacy*” project applications as new evidence gaps had been identified at a recent stakeholder event held at Loughry College. DARD wished to ensure that these gaps were considered when reviewing the legacy project applications.

In the discussion that followed, the Executive advised the Board that the continuing absence of decisions by DARD on its future R&D requirements, makes it difficult for AFBI to plan the allocation of its resources and stated that redeployment of AFBI staff across several work areas would have to take place soon, even if that meant that future R&D capacity in particular areas would no longer be available.

In response the Board acknowledged the difficult position that the Executive finds itself in and expressed its total support for the Executive in its attempts to deal with the situation including the introduction of a redeployment programme.

The Executive also advised the Board that it had again made it known to DARD that, in light of the magnitude of the potential savings that AFBI would have to make, it would have no option but to continue with the development of a redundancy scheme.

The Board again acknowledged the Executive’s position and asked for sight of a paper outlining the workings of a redundancy scheme. The Executive agreed to provide a paper and will aim to have this available in time for the December Board meeting (15 December 2010).

Exec

11. Strategic Item – Business and Development Marketing Strategy

The Executive presented the Board with a final report from IP Pragmatics and Mulcahy Browne entitled “*A Business Development and Marketing Strategy for the Agri-Food and Biosciences Institute*”.

In response the Board acknowledged that the report represented a

comprehensive piece of work and the implementation of the recommendations are fundamental to the future success and sustainability of AFBI. The Board also acknowledged that there will be barriers to implementation but, where identified, the Board would be keen to help overcome them. **Action**

The Executive thanked the Board for their support in particular the work carried out by the Board Sub-Group of Dr Hollywood, Mr McKeown and Mr Noble.

The Board signified that it was content for the Executive to proceed with the implementation process during which the Executive will keep the Board updated on progress. **Exec**

12. Any Other Business

12.1 Rolling Database of Issues Raised at Previous Board Meetings

The Board noted the changes made to the Rolling Database.

12.2 Proposed Calendar of Board and Sub-Committee Meetings 2011

The Board noted the proposed meeting dates for 2011.

The Secretary advised that the 2011 calendar had still to be finalised but should be available in time for the next Board meeting. **Sec**

12.3 Minutes of DARD Departmental Board Meetings

The Board suggested that the Executive should maintain sight of the minutes from DARD Departmental Board (DB) meetings and note any issues that may be relevant to AFBI. The Executive agreed that the Secretariat would monitor the DARD website for publication of the DARD DB minutes or obtain a copy from AFBI Sponsor Branch. **Sec**

12.4 AFBI Visitation

The Acting CEO informed the Board that AFBI had received a recent Ministerial delegation from the Kyrgyz Republic. The delegation visited AFBI Stormont and AFBI Hillsborough and expressed a keen interest in building a collaborative relationship with AFBI to assist in the development of agriculture in their country. The visit had been organised by NI-CO.

12.5 George Scott Robertson Memorial Lecture (GSRML)

Board members were reminded of the GSRML to be held on Monday 6 December 2010. The Lecture will be delivered by HM Government's Chief Scientific Adviser, Sir John Beddington and is entitled "*Food Security and Sustainability: Tough Decisions in a Changing World*".

13. Date of Next Meeting

Action

The next meeting of the AFBI Board will be held on Wednesday, 15 December 2010 at AFBI (HQ) Newforge.

**Presentation
Pig Grading Information System (PiGIS)**

Following the conclusion of the Board business, Ms Erica Chisholm and Mr Mark Browne, Applied Plant Science and Biometrics Division gave the Board a presentation on the multi-award winning computer software programme known as PiGIS.

The Board were given details of the background to the project and the development of the system as well as a demonstration on how the system works, the benefits to the pig producers and the prospects for commercialisation. The Board thanked Ms Chisholm and Mr Browne for the presentation and stated how impressed they were by the project and its potential to bring in future revenue for AFBI.

Signed: _____
(Chairperson)

Date: _____