



**Minutes of the Meeting of the Agri-Food and Biosciences Institute
(AFBI) Board
held at
AFBI Hillsborough
on Wednesday 24 February 2010 at 9.30 am**

Present – Board Members

Mr Sean Hogan, Chairperson
Prof David McDowell, Deputy
Chairperson
Mr James Noble
Dr Michael Hollywood
Dr Christine Kennedy
Mr John McKinley
Prof Stewart McNulty
Mr John Rankin
Mr Michael Walker
Prof Grace Mulcahy
Mr Kieran Campbell
Mr Nicholas Mack

In Attendance - AFBI Executive

Dr Seamus Kennedy, CEO (Acting)
Dr Michael Camlin, DCEO
Dr Arthur Gilmour, DCEO (Acting)
Dr David Bryson, DCEO (Acting)
Mr Joel Ferguson, Head of Corporate Services Division (Acting)
Mr Venkat Deshpande, Head of Finance
Mr Stephen Cousins, AFBI Secretariat

1. Welcome and Introduction

Action

The Chair welcomed all present and made reference to the Open Meeting that would take place immediately after the Board meeting. The Chair advised the Board that there had been a good response to the invitations and the notices placed in the local press and he was looking forward to an enjoyable meeting.

2. Apologies

An apology was received on behalf of Mr Paul Brennan, Head of AFBI Human Resources (HR).

3. Draft Minutes of the Previous Board Meeting held on 27 January 2010

On a proposal from Dr C Kennedy, seconded by Prof McNulty, the draft minutes of the previous Board meeting were approved without amendment.

4. Matters Arising from the Minutes of the Previous Board Meeting held on 27 January 2010 **Action**

The Chair proceeded on the basis that any matters arising or action points from the previous meeting had been resolved or would be addressed during the course of the meeting except for the following items:

4.1 HR Connect (Item 4.2)

The Executive advised that AFBI was still waiting on a response from Mr Paul Wickens, Director of the Shared Services Organisation (SSO) regarding a lack of AFBI representation at Directorate level at SSO meetings. The Executive will keep the Board informed of progress. **Exec**

The Executive also reported that during a recent meeting with representatives of HR Connect, AFBI had received confirmation that there would be no charge for the “*change management*” required to the HR Connect system in order to accommodate the implementation of the Equal Pay Deal. The Board were delighted to learn of this development.

However, the Board were notified that a Business Case will still be required by DFP before AFBI can proceed with the implementation of the Equal Pay Deal.

4.2 Budget 2009/10 (Item 6.1)

Payments to the Institute of Agri-Food and Land Use (IAFLU)

The Executive advised that it would pursue this matter of payments to IAFLU with AFBI Sponsor Branch and should have an update in time for the next Board meeting on 24 March 2010. **Exec**

4.3 HR Strategy (Item 9.1)

Review of Morale and Motivation of AFBI Staff

The Executive informed the Board that the report on the Review of Morale and Motivation of AFBI Staff had been forwarded to the HR Strategy teams for consideration. Comments have now been received from the HR Strategy teams and these are currently under consideration. The Executive agreed that as soon as the report is finalised a copy will be issued to Board members. **Exec**

4.4 Business and Science Strategy (Item 9.2) – *Displaying Corporate Objectives*

The Executive advised that it would consider the most appropriate and effective way to openly display AFBI’s 5 corporate objectives in the AFBI Boardroom and seek comments/approval from the Board before making final arrangements. **Exec**

4.5	<u>Assets Strategy (Item 9.3)</u>	Action
	The Executive confirmed that a final draft of the AFBI Property Assets Strategy document would be available for the March Board meeting and the Secretary was asked to place this on the agenda for discussion and approval.	Exec/ Sec
4.6	<u>AFBI Board Effectiveness Review (Item 11)</u>	
	The Chair asked that this item be included on the agenda for the March Board meeting.	Sec
5.	Chairman's Business	
	The Chair informed the Board that he would be adding an item " <i>Chairman's Business</i> " to the usual monthly agenda for Board meetings.	Sec
	The Chair advised that this item would provide him with the opportunity to bring the Board up to speed on matters that he had addressed since the previous meeting and matters that he would be dealing with in the month ahead.	
	The Chair informed the Board that since the date of the last meeting all interviews for appointments to the AFBI Board had been concluded and a recommendation was now with the Department of Agriculture and Rural Development (DARD) Minister, Michelle Gildernew MP, MLA for her consideration.	
	The Chair also advised that he is in correspondence with AFBI Sponsor Branch (ASB) concerning proposed changes to the Terms and Conditions governing the remuneration of AFBI Board members and he had submitted a paper to ASB for DARD consideration and was currently waiting on a response.	
	Prior to the next Board meeting the Chair and the Deputy Chair, Prof McDowell will be holding discussions with various parties concerning the appointment of a new Chief Executive Officer. The Chair gave the Board an assurance that the comments and proposals made by the Board in relation to this matter would be included in the discussions.	Chair
6.	Corporate Issues	
6.1	<u>AFBI Risk Management - (AFBI Corporate Risk Register (February 2010))</u>	
	The Executive confirmed that the copy of the AFBI Corporate Risk Register dated February 2010 being presented at today's meeting had been updated to reflect the comments of the AFBI Board and AFBI Senior Management Team during previous meetings.	
	In the discussion that followed the Executive highlighted a number of issues for the Board to note.	

Risk No 13 “Failure to resolve former ARINI pensions issue”

Action

This risk has been increased to reflect the ongoing legal issues surrounding a cessation payment and the stated intention of NILGOSC to invoice AFBI in respect of this. However, in terms of the thirty-seven members of staff who have decided to transfer their pension accrual benefits from NILGOSC to the PCSPS(NI), an alternative option to the bulk transfer has been presented and staff have until the 31 March 2010 to decide if they wish to avail of this alternative option. If all of the members accept the alternative option the only outstanding issues remaining will be those relating to the legalities of a cessation clause.

The Board accepted an increase to the Risk Rating from 3:1 to 3:2 but were pleased to learn that an alternative option had been provided and staff will suffer no adverse effect if they chose to proceed with the option.

Risk No 15 “Failure of new accounting system (Account NI) and its inability to deliver value for money services for AFBI”

The Risk Rating associated with this risk has been raised from 3:2 to 3:3 on the basis of the increased costs and the lack of financial information provided by the system. In the discussions that followed the Executive confirmed that AFBI was conducting an evaluation exercise in respect of the options and alternative systems that may be available and the contractual responsibilities under which AFBI is currently operating. The Board welcomed this action.

6.2 Whistleblowing and Fraud

The Executive advised that there were no new cases of whistleblowing or fraud to report.

With regard to the two cases currently ongoing, the Executive advised that investigations have been completed in both and that one whistleblower had been informed of the outcome. In relation to the remaining case, the results of the investigation were under consideration by the CEO.

6.3 Health and Safety

The Executive advised that there were no major health and safety incidents to report.

7. Finance

7.1 Budget 2009/10

The Executive presented the Board with the monthly budget monitoring report for the period ending 31 January 2010 and highlighted a number of key figures.

In the discussion that followed the Executive informed the Board that

during recent meetings with Account NI, Account NI had been made fully aware of the importance to AFBI in having invoices processed in a timely manner and following this meeting AFBI had noted that the numbers of invoices being processed had increased.

Action

The Executive also advised that Heads of Division have been proactive in encouraging staff to raise invoices promptly for the work that had been carried out.

In relation to Capital Expenditure, the Executive is content that the amount allocated for this current financial year 2009/10, will be expended before the end of the current financial year, 31 March 2010.

7.2 Budget 2010/11

The Executive asked the Board to note that a provisional allocation of the 2010/11 budget was currently under consideration by the DCEOs and the Executive would provide the Board with an update at the next Board meeting on 24 March 2010. The reduced grant-in-aid from DARD could mean a reduced DARD work programme in 2010/11 and this was under discussion with DARD.

Exec

In response to a query from the Board, the Executive stated that it was hopeful that AFBI will increase its income in accordance with the figures quoted in the AFBI Corporate Plan and although there are no guarantees, the AFBI figures quoted were more than an aspirational target.

The Executive also advised the Board that it was organising an “*Away Day*” to consider a number of strategic issues and finance would be one of the main items listed for discussion.

8. Personnel

8.1 Pensions Issue

The Board were reminded of the report given earlier in the meeting under “*Item 6.1 - AFBI Risk Management*”. In addition to the earlier comments/report, the Board were advised that the thirty-seven staff who have decided to transfer their individual pension accrual benefits from NILGOSC to PCSPS(NI) were content with this alternative option. This option will result in the individual seeking a transfer of their pension accrual benefits rather than a bulk pension transfer, but the Board were assured that this will not result in any detrimental effect to their pension.

8.2 Workforce Planning

Preparatory work is continuing on the creation of a workforce plan to accompany the monthly budget report and the Executive are hopeful that it will be ready in time for the next meeting (24 March 2010).

Exec

9. AFBI Innovations

A progress report on the recent activities undertaken by AFBI Innovations

was presented to the Board and the Board signified that they were content to note.

Action

The Board offered congratulations to the staff involved in the Pig Grading and Information System (PiGIS) on gaining further awards and increasing the profile of AFBI as highlighted in a number of local publications.

Mr John McKinley entered the meeting.

10. Report from Audit Committee – meeting held on 2 February 2010

A report from the Audit Committee was submitted to the Board for noting.

The Board acknowledged that the report was comprehensive and again provides the Board with the assurance that AFBI is conducting its business in accordance with the standards and principles of good governance.

The attention of the Board was drawn to two items of particular note:

- *Appointment of New Internal Auditors* – AFBI has appointed new internal auditors, ASM Horwath and representatives from the Company had attended the recent Audit Committee meeting.
- *Conflict of Interests* - the Board recommended that, following the example of the Audit Committee, agenda for Board meetings, including sub-committee meetings, should include an explicit item to remind members to declare any relevant conflict of interest.

Sec

11. Draft AFBI Business Plan 2010/11

The Board acknowledged receipt of the draft AFBI Business Plan for 2010/11 that had been circulated to members prior to the meeting.

In commenting, the Board acknowledged that it was a very valuable and well written document but the Board did raise a question over the “*style*” of the document as well as questioning the ownership of specific targets.

In response, the Executive confirmed that it was in agreement with the Board concerning the “*style*” of the document but due to the time pressures involved had decided against making any format changes this year. However, the Executive gave a commitment to undertake a review of the document in advance of next year’s plan.

Overall, the Board signified that it was content for the Executive to submit the plan to DARD subject to final comments from Board members being received by the Secretary before noon on Friday 26 February 2010.

**Board/
Exec**

The Board also agreed that there was no need for the Executive to delay matters by resubmitting a revised document for the Board’s consideration and/or approval.

12. Policies

Action

The Board acknowledged receipt of a draft AFBI Business Continuity Management Policy that was submitted for approval.

In presenting the document the Executive paid tribute to Dr Bryson and Dr Stewart for the work that they had carried out in developing an AFBI policy.

On a proposal from Dr C Kennedy, seconded by Prof McNulty, the Board approved the policy subject to an Equality Impact Assessment being completed and asked the Executive to make the necessary arrangements.

Exec

13. Any Other Business

13.1 Rolling Database of Issues Raised at Board Meetings

The Board noted the changes to the Rolling Database following the reports and comments made during the previous meeting and signified that they were content.

13.2 Draft Calendar of Strategic Items for 2010

The Board accepted the draft calendar of strategic items to be discussed or presented to the Board during 2010 as an excellent idea and were content to approve the calendar on the basis that it is flexible.

14. Open Meeting

As stated in the welcome and introduction the Chair acknowledged that there had been an excellent response to the invitations issued in respect of the AFBI Open Meeting and he was looking forward to the meeting.

With regard to the agenda, the Board were informed that there would be a slight change to the running order of the presentations but other than this there was nothing further to note.

With there being no further business, the Board meeting closed at 10.30 am and members retired to the Conference Hall in preparation for the Open Meeting commencing at 10.45 am.

15. Date of Next Meeting

The next meeting of the AFBI Board will be held on Wednesday 24 March 2010 at AFBI HQ, Newforge.

Signed: _____
(Chairperson)

Date: _____