

## MINUTES

### **MINUTES OF A MEETING OF THE COMMISSION HELD ON THURSDAY 20 JANUARY 2011 AT 1.30 PM AT LOUGHRY COLLEGE**

**Present:**

Mr P O'Rourke (Chairman)  
Mr P O'Neill  
Mr K Sharkey  
Mr J McGaughey  
Mrs M McCormack

**In attendance:**

Mr D Rutledge  
Miss S Blain

**2011/1/1      Announcement by Michelle Gildernew, DARD Minister**

The Board Members met the Minister at 1.30pm. Dr J Speers, Dr M Brown and Ms S Mulgrew accompanied the Minister.

The Minister recognised the commitment of LMC during the long review process and the subsequent business case. She realised that it had been a period of uncertainty for staff, as well as a difficult environment for LMC to operate in.

The Minister announced that she has decided that LMC (which is an NDPB of her Department), will be reformed to enable it to deliver future services to support the expansion of the red meat industry. She went on to say that all information concludes that, putting affordability issues aside, a commercial organisation remains the preferred solution to many of LMC's current problems. However, she could not ignore the financial consequences of implementing this recommendation; particularly the likely resource pressure of £5 million on her Department, due to the anticipated pension cessation liability that would be due on dissolving LMC.

LMC's assets fall short of the implementation cost, and it is not possible for her Department, in the current economic environment to provide the necessary resource cover.

The Minister said that she fully understood that her decision fell short of the industry's expectations, but in the current circumstances she believed it was the most practical and affordable approach.

*The Chairman gave apologies on behalf of C Tweedie and J Noble, who were unable to attend the rescheduled meeting due to prior commitments.*

In response to the Minister's announcement, the Chairman expressed the Board's and the red meat industry's extreme disappointment. The decision, at the end of the day, came down to money, and LMC was now in something of a half-way house.

The individual Board Members reiterated the Chairman's comments, and encouraged the Minister and her Officials to work towards finding a way forward for LMC within the constraints of NDPB status. The Minister agreed that an Implementation Group be set up to consider how governance and operational aspects of LMC could be reformed. Dr J Speers advised that DARD had re-engaged with DFP to seek an AME status for LMC operations. The Minister was reluctant to give either a timescale or an assurance to the resolution of these issues, but advised the Board of her political and personal commitment to deal with the matter as a priority.

*The Minister and her Officials left the meeting at 2.40pm*

The Board Members discussed their response to the Minister's decision, and the contents of a subsequent LMC press release.

**Action Point:** The Chief Executive and Chairman will draft a press release for publication at lunchtime on 21 January 2011. Board Members will be emailed the finalised LMC press release for information only, prior to the publication.

**Action Point:** The Board agreed that LMC's representatives on the Implementation Group will be P O'Neill, K Sharkey, the Chairman and the Chief Executive.

## **2011/1/2 Minutes**

The minutes of a meeting held on 15 December 2010, taken as read, were approved by the Commission and signed by the Chairman

Proposed: Mr P O'Neill  
Seconded: Mrs M McCormack

## **2011/1/3 Matters Arising**

*Withheld – Commercially Sensitive*

### **Meeting with Dr J Speers – 13 January 2011**

The Chief Executive confirmed that this was the case under current procurement guidelines, but repeated that he felt it would be unlikely that a valid business case could be prepared to approve such expenditure.

**2011/1/4 Chairman's Report**

The Chairman updated the Board on meetings and discussions he had been involved in since the last Board meeting.

**Industry Feed Assurance Group Report**

The Chairman commented on the well attended launch event on 18 January 2011 for the IFAG report. This was an excellent example of the work of LMC in facilitating agri-food industry initiatives.

**2011/1/5 Chief Executive's Report**

**FSA Meat Hygiene Consultation – Draft Response**

**Action Point:** The Board approved the draft response document. The Chief Executive will forward the response to FSA NI.

**CAP Consultation – Draft Response**

A draft response had been circulated to the Board. Some amendments and clarification were proposed by the Board Members.

**Action Point:** The Chief Executive will revise the draft response to incorporate the Board's suggestions before submitting to DARD before the end of January 2011.

**2011/1/6 Marketing Report**

The report was noted.

The Chief Executive advised the Board that the Marketing Director had returned from maternity leave; initially on a part-time basis.

**Action Point:** The Board asked the Chief Executive to convey to the Education Services Manager its appreciation for her contribution to LMC during recent staff absences in the Marketing Department.

**2011/1/7 Classification Services Report**

The report was noted.

**VIA**

Mr P O'Neill advised the Board that VIA machines were expected to be operational in meat plants at the end of January 2011.

**2011/1/8 Date of Next Meeting**

It was confirmed that the date of the next meeting would be 16<sup>th</sup> February 2011 at 10.00am at Lissue House

**2011/1/9 Any Other Business**

**(i) FQAS**

Mr P O'Neill declared a conflict of interest – this was noted by the Chairman.

The Chief Executive circulated a letter received on 19 January 2011 from the FQAS Industry Board.

**Action Point:** The Board needed time to consider the letter, and agreed to discuss the contents at the February 2011 Board Meeting.

**(ii) LMC Business Plan/Budget 2010/11**

The Chief Executive informed the Board that LMC had been advised by DARD on 19 January 2011 that DFP had approved the 2010/11 Business Plan/Budget.

**(iii) Meeting with the Chairman of the Agriculture Committee**

*Withheld – Commercially Sensitive*

**(iv) LMC Business Plan/Budget 2011/12**

The Chief Executive advised the Board that a draft budget was being developed by the Executive Team. The Board would need to consider the options available in order to achieve a balanced budget.

**(v) LMC Staff Re-organisation**

*Withheld – Commercially Sensitive*

**(vi) Board Special Meeting**

**Action Point:** The Board agreed to hold a special meeting of the Board on 28 January 2011 at an outside location (to be confirmed). The Chairman will confirm details with Board Members.

*The meeting ended at 5.15pm*