

AgResearch restructure sparks call for independent review

Jamie Ball

An independent review into AgResearch's controversial \$100 million Future Footprints plan is being called for to assess any potential conflicts of interests among directors.

AgResearch, however, says its board's judgment is that there have not been any conflicts of interest at play in the plan.

Last year AgResearch announced plans to restructure and upgrade its facilities across its four research centres nationwide.

The divisive four-year plan involves the relocation of about 280 permanent AgResearch staff from its Ruakura (Hamilton) and Invermay (Dunedin) campuses to its Grasslands (Massey University) and Lincoln University campuses.

Critics have highlighted certain external roles held by AgResearch directors that may need scrutiny.

"The problem in a small country with limited availability of expertise

is that the same people appear in different places," Waikato University agribusiness professor Jacqueline Rowarth says.

"When you have several 'might be conflicted' people on a board, an independent review is required."

Prof Rowarth says that in the case of the AgResearch move, it is very difficult for the decision makers to be seen to be independent as there are so many people on the board with interests that could conflict.

For example, AgResearch director Andrew Macfarlane is a member of the Lincoln University Council and chairman of Deer Industry NZ. The effective downgrading of AgResearch's Invermay centre sees much of its current deer research being relocated to Lincoln.

AgResearch chairman Sam Robinson was a board member of AssureQuality, a food safety and biosecurity service that has one of its two New Zealand-based Pest-Labs based in Lincoln: a lab that is

understood to benefit significantly from the AgResearch plan.

While Mr Robinson stood down from the AssureQuality board in October 2013, AgResearch's Footprints plan was completed in October 2012. The 101-page plan does not highlight these associations and it is unclear how they were accounted for at meetings where

website.

"AgResearch follows Institute of Directors guidelines with regard to conflict of interest. For example, all interests are disclosed at the start of each board meeting and any potential conflicts of interest are assessed."

Lincoln University vice-chancellor Andy West was also a board

between them.

"I don't see how the interests are particularly relevant and I certainly don't see any conflicts there," Mr West says.

In recent months Mr West has been regularly quoted in the media discussing Lincoln's financial woes and has been critical of government for its lack of funding for the university, post-earthquake. It is understood that AgResearch staff relocations will enhance the struggling university's balance sheet.

"The AgResearch board has people on levy body organisations [for example, Deer Industry NZ and Dairy NZ] and Lincoln University council," Prof Rowarth says. "The organisations aren't making negative statements about the footprint plan, despite the fact that the farmer levy payers clearly are – while Lincoln University stands to benefit.

"These board members are now in a predicament; an independent review is required."

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AgResearch made presentations on its Footprints plan, as well as in its releases to media.

AgResearch spokeswoman Sarah Fraser says directors' other board roles are published in the organisation's annual report and on its

member of Deer Industry NZ and is the former AgResearch chief executive, stepping down in 2010.

He says he sees little or no connection between any of the boards on which he sits, and says he is not aware of any money flowing directly

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