

## Business Plan 2007-08



## **Agri-Food and Biosciences Institute**

### **BUSINESS PLAN**

**2007-2008**

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## 1. About AFBI

1.1 The Agri-food and Biosciences Institute (AFBI) was established under the Agriculture (Northern Ireland) Order, 2004. It is empowered to undertake assigned work programmes on behalf of DARD and other public bodies. It is also empowered to undertake commercial activities for other customers and be paid accordingly.

1.2 AFBI is governed by an independent Board comprising

- a Chair;
- a deputy chair; and
- 11 other members appointed by DARD.

The Chief Executive (CE) has operational responsibility for AFBI. He is also the AFBI Accounting Officer. The CE is assisted by a Senior Management Team made up of

- three Deputies;
- a Head of Chief Executive's Office (HCEO); and
- a Head of Business Support Unit (HBSU).

The three deputies have responsibility for the delivery and quality of the science programmes. Their operational Divisions are:

- Agriculture, Food and Environmental Sciences Division (AFESD);
- Applied Plant Sciences Division (APSD); and
- Veterinary Science Division (VSD).

Agricultural and Food Economics Branch (AFEB) provides specialist socio-economic R&D to external clients including DARD. It reports directly to the CE.

1.3 AFBI has over 800 staff in post and an annual turnover of around £50 million. Further details of AFBI resources are set out in Section 5. AFBI occupies 7 specialised sites across Northern Ireland (see over).

## Agri-Food and Biosciences Institute (AFBI)



## 2 Context for AFBI's Business Plan 2007-2008

- 2.1** DARD is the sponsoring Department for AFBI. It has given commitments to maintain the value of its assigned work programme (subject to any over riding Public Expenditure constraints) for at least the period 2006-07 to 2008-09. In its most recent Strategic Plan DARD states "Our vision for Northern Ireland is a thriving and sustainable rural community". DARD's aims include "to see significant improvement in the competitiveness of the Northern Ireland agri-food industry".
- 2.2** As AFBI's major customer, DARD's Public Service Agreement, Corporate and Business Plans, R&D strategy and strategic objectives and goals set the context for the corporate and business objectives of AFBI. This work for DARD is delivered through an assigned work programme and a grant-in-aid package which are agreed annually with DARD. DARD may also commission work outside the assigned work programme especially in response to an emergency, for example, a major animal disease outbreak. AFBI is required to maintain an emergency response capability to be able to respond to such emergencies.
- 2.3** AFBI also provides a wide range of scientific support services to other public/private sector customers. These include DCAL, FSA, DEFRA, EU bodies and commercial companies. These services are provided either through service level agreements or individual contracts. This Business Plan includes a number of objectives for improving AFBI's commercial relationships with all its customers. It recognises AFBI's increasing customer base and the need to become more commercial across all its business operations.
- 2.4** AFBI's overall aims are :
- to underpin DARD's objectives for the local agri-food sector through scientific programmes designed to:
    - Ø improve performance in the market;
    - Ø safeguard animal and plant health;
    - Ø maintain and invest in the environment;
    - Ø build a successful rural economy and society;
    - Ø ensure that AFBI's resources are adequately equipped to meet the challenges of change; and
    - Ø provide high quality cost-effective services;
  - to develop the science base in Northern Ireland to contribute to local, national and international work where appropriate; and
  - to provide specialist expertise and facilities for both industry and public sector bodies for contracted scientific services.

- 2.5** AFBI's Corporate Plan 2006/7-2010/11 sets out the broad strategy and business activities that AFBI will be engaged in over that period, and the estimated public expenditure resource that will be available. The Corporate Plan enables the Board and the Department to influence our long term strategy. The 2008 Comprehensive Spending Review (CSR) proposes significant reductions in the budgets of all NICS departments. AFBI is similarly challenged with significant public expenditure resource reductions over the period 2008 to 2011. In response to this significant change in our operating environment we will review our corporate plan and produce a revised plan that charts the strategic direction of AFBI over the three year period 2008-2011.
- 2.6** This Business Plan specifies the activities and actions that will be performed during the 2007-08 financial year in pursuit of the existing corporate plan. It includes the assigned work programme, objectives and key targets for the year ahead. It is structured to facilitate performance monitoring at a corporate level, including regular reporting to DARD as required under the Management Statement and Financial Memorandum. It is underpinned by detailed divisional and branch business plans which include targets for each business area. These enable Divisional and Branch heads to monitor and report on performance.

### **3 Business Objectives 2007–08**

**3.1** The following are the key business objectives of AFBI during 2007-08:

- a. to carry out the assigned work programme in accordance with DARD's requirements;
- b. to develop a Corporate Plan to align with the 2008 CSR period 2008–11;
- c. to generate external income of at least £6.3 million;
- d. to identify and prioritise key areas of the business with growth potential;
- e. to increase awareness of AFBI within scientific and business communities;
- f. to develop a robust system to measure customer satisfaction with the services provided by AFBI;
- g. to develop further the Institute's Human Resource strategy;
- h. to analyse and quantify overheads within scientific activities;
- i. to develop further the internal management information systems which support decision making processes in operational divisions;
- j. to agree with DARD their minimum requirements for an emergency response capability in line with the Agriculture Order 2004;
- k. to agree with other relevant clients their minimum requirements for an emergency response capability in line with their needs;
- l. to review Health and Safety policies and procedures to ensure they are fit for purpose and up to date;
- m. to achieve all necessary science accreditation for and quality assure the processes which deliver customer services;
- n. to review Risk Management policies and procedures to ensure they are fit for purpose and up to date.

## **4 Workforce Planning**

- 4.1** Workforce planning is of necessity largely dictated by budgetary constraints. The overall grant in aid from DARD for 2007–08 is essentially the same as for 2006–07. This means that any pay awards in 2007–08 for staff have to be absorbed within a flat baseline. Also any Workforce plans implemented in 2007–08 must take account of the reduced baseline arising from the CSR outcome and from the closure of the School of Agriculture and Food Science.
- 4.2** AFBI has 806 staff (762 Full Time Equivalent (FTE) staff) in post at 1 April 2007. The overall salaries and wages budget for 2007–08 has been set at £24.3 million and the estimated cost of the 1 April FTEs is £23.9m for the full year.
- 4.3** A current recruitment competition to fill 8 senior management posts and 15 other posts will be completed by September 2007. 16 non-industrial and industrial staff will reach retirement age during the course of the year and 15 staff will leave the organisation. The resultant vacancies will be reviewed in the light of resources released from other business areas. We are employing temporary staff in a number of support areas and our aim is to release these resources to employ full time staff. There is an indicative budget of £1.1 million for recruitment, promotion and replacement of staff.



## 5 Financial Budget

**5.1** In 2007-2008 AFBI has a gross resources budget of £50 million and receipts of c£6.3 million from external sources. The balance of funding comprises grant-in-aid.

**5.2** The financial budgets can be summarised as follows:

<b>Expenditure:</b>	<b>£'000</b>
Assigned Work Programme (DARD) Resource	28,959
Capital	1,869
Assigned Work Programme (Other IN Depts)	1,110
Assigned Work programme (GB Depts)	683
Special Projects	1,024
Commercial contracts/advice	6,187
Lease of land and buildings	6,720
Corporate Services	3,580
<b>Total</b>	<b>50,132</b>
<b>Income</b>	<b>£'000</b>
Grant in Aid (DARD) Resource	31,923
Capital	1,869
Grant in Aid (Other NI Depts)	1,300
Grant in Aid (GB Depts)	800
Special projects	1,200
Commercial contracts/Advice	5,320
Research Vessel charters	230
Lease of land and buildings (AFBI transfer)	6,720
Other Income	770
<b>Total</b>	<b>50,132</b>
<b>Non-cash costs</b>	
Cost of Capital/Depreciation	2,400

## 5.3 Divisional Budgets

Division	Staff Costs £'000	Other Resource £'000	Capital £'000	Total £'000
AFESD	8,550	4,720	740	14,010
APSD/BD	5,265	1,835	390	7,490
VSD	8,620	4,250	689	13,559
AFED	460	60	Nil	520
Corp Ser.	1,905	12,598	50	14,553
<b>Total</b>	<b>24,800</b>	<b>23,463</b>	<b>1,869</b>	<b>50,132</b>

Divisional budgets exclude non cash costs.

## 5.4 DARD Assigned Work Programme - Resource

	AFESD £'000	APSD £'000	VSD £'000	AFED £'000	Total £'000
Stat Testing	2,640	950	7,500	Nil	11,090
Diag. Testing	Nil	Nil	2,750	Nil	2,750
R&D projects	5,139	3,490	2,240	370	11,239
Advice/Support	600	1,700	1,430	150	3,880
<b>Total</b>	<b>8,379</b>	<b>6,140</b>	<b>13,920</b>	<b>520</b>	<b>28,959</b>

## 6 Business Plan Targets 2007- 08

- 1 Obj: To conduct a programme of scientific testing in accordance with accredited standards as follows:

No. tests <sup>1</sup>	DARD		Other GB/NI Depts	Private
	Statutory	Diagnostic	Statutory	
AFESD	7,000 to 7,500	-	1,200 to 1,500	10,000 to 11,000
APSD	3,500 to 4,000	-	400 to 500	500 to 600
VSD	1,600,000 to 1,900,000	140,000 to 170,000	3,400 to 4,000	250,000 to 300,000
<b>Total</b>	<b>1,610,500 to 1,911,500</b>	<b>140,000 to 170,000</b>	<b>5,000 to 6,000</b>	<b>260,500 to 311,600</b>

Target: To complete all received tests within the performance framework agreed with individual clients. The performance frameworks will define percentage completion rates, turnaround times and quality indicators.

- 2 Obj: To carry out work on commissioned R&D projects in accordance with accredited standards as follows.

No. Projects	DARD	Other NI/GB Departs	Commercial
AFESD	72	10	43
APSD	35	1	18
VSD	9		12
AFEB	7		3
<b>Total</b>	<b>122</b>	<b>4</b>	<b>87</b>

**3. Obj: To develop a Corporate Plan to align with the 2008 CSR period 2008–11).**

**Target:**

To have a near final Corporate Plan 2008–11 drafted for approval by the AFBI Board for submission to DARD by January 2008.

**4. Obj: To increase income by 10% from all non-DARD sources compared to 2006-07 target.**

**Target:**

To carry out work on 81 externally funded contracts, 2 non-DARD SLAs and accrue income of at least £6.3 million from all non-DARD sources by 31 March 2008.

**5. Obj: To identify and prioritise key areas of the business with growth potential.**

**Targets:**

To identify a key area in each Division with potential for business growth by 31/3/08.

To establish business development processes within AFBI by 31/12/07.

To conduct a comprehensive Business Impact Analysis by 31/3/08.

**6. Obj: To increase awareness of AFBI within scientific and business communities.**

**Targets:**

To display at 5 major exhibitions (including the National Ploughing Championships and the Balmoral Show) relevant to AFBI's work during 2007-08.

To enable 70 members of staff to represent AFBI (DARD where appropriate) on 300 national/international committees, editorial boards, professional organisations and development groups.

To publish 100 refereed papers in scientific journals during 2007– 08.

To publish 100 popular articles during 2007 – 08.

**7. (a) Obj: To develop a robust system to measure customer satisfaction with AFBI services.**

**Targets:**

To establish baselines for stakeholder awareness and customer satisfaction by 31 March 2008.

To identify appropriate measures and processes to record customer satisfaction levels by 31 March 2008.

7. (b) **Obj: To communicate the value of AFBI's R&D programme to a wider audience of stakeholders.**

Target:

To draft a communications strategy for AFBI focusing on raising stakeholder awareness of AFBI's R&D programme by 31 March 2008.

8. **Obj: To develop further the Institute's Human Resource strategy.**

Targets:

To develop a succession plan by 31 March 2008.

To develop an age discrimination policy by 31 March 2008.

To develop a Workforce plan taking account of the 2008 CSR outcome, external income projections and pending retirements by 31 March 2008.

To implement an agreed Rewards to Staff scheme by 31 March 2008.

To develop a Training and Development Strategy by 31 March 2008.

9. **Obj: To analyse and quantify overheads within scientific activities.**

Targets:

To identify and prioritise work areas and practices where efficiencies could be realised by 31 March 2008.

To map all AFBI activities to a specific customer and agree terms of business by 31 March 2008.

To review procurement procedures and set procurement savings targets by 31 March 2008.

10. **Obj: To develop further the internal management information systems which support decision making processes in operational divisions.**

Targets:

To have in place a fully functioning activity costing system by 31 March 2008.

To provide regular management information reports to budget holders within 6 working days of the month end. System to be fully operational by 31 March 2008.

11. **Obj: To agree with DARD their minimum requirements for an emergency response capability in line with the Agriculture Order 2004.**

Target:

To have in place an MoU between AFBI and DARD on working together in emergency situations by 31st October 2007.

To draft a Business Continuity plan supporting the continued delivery of AFBI's high priority work by March 2008.

- 12. Obj: To agree with other relevant clients their minimum requirements for an emergency response capability in line with their needs.**

Target:

To update the AFBI Corporate Contingency Plan defining the emergency response requirements of DARD and other clients by 31 March 2008.

- 13. Obj: To review Health and Safety policies and procedures to ensure they are fit for purpose and up to date.**

Targets:

To review and publish revised Health and Safety policies and procedures for AFBI by 31 March 2008.

To implement an AFBI H&S advisory group which will thereafter provide bi-annual updates to the AFBI Board and SMT by October 2007.

- 14. Obj: To achieve all necessary science accreditation for the delivery of customer services.**

Target:

To complete all outstanding accreditation and create an assurance framework evidencing all relevant science accreditation by 31 March 2008.

- 15. Obj: To review Risk Management policies and procedures to ensure they are fit for purpose and up to date.**

Targets:

To review and publish revised Risk Management policies and procedures by 31 March 2008.

To publish a Risk Register and report quarterly to the Board on the movement and management of risks.

## Annex A: Performance Framework for Testing Programme

### Veterinary Science Division

#### Chemical Surveillance Branch

To complete analytical testing for veterinary drug residues and report within 5 working days of submission, 95% of samples submitted under the Meat Inspection Scheme that have correct submission information. (Indicative range: 1600-2000 samples per year).

#### Disease Surveillance Investigation Branch

To complete post-mortem examinations on carcasses submitted for diagnostic surveillance and issue initial report on 90% within 5 working days of submission. (Indicative range: 3400-3800 PM examinations per year).

#### IDB

To complete brucellosis serology and report to APHIS within 3 (negatives) or 5 working days (non-negatives) of submission, 95% of all samples that have correct submission information. (Indicative range: 1,100,000 – 1,300,000 sample per year).

#### Bacteriology

To complete bacteriological investigations for Brucella abortus and issue reports on 90% of samples within 3 weeks of submission. (Indicative range 600-900 sample per year).

#### Virology

To complete testing of cattle and sheep TSE surveillance samples and report 95% within 24 hours of submission. (Indicative range 120,000 – 140,000 sample per year).

### Agriculture Food and Environmental Science Division

#### Agriculture Branch

Sample type

Sample No.

Animal feedstuffs

500-600

## Agri-Environment Branch

Sample type	Sample No.
Fertiliser/ Limes	120-150

## Fisheries and Aquatic Ecosystems Branch

Sample type	Sample No.
Water from aquaculture sites	750-800

## Food Chemistry Branch

Sample type	Sample No.
Various food sources/products/feedstuffs	4700-4900

## Food Microbiology Branch

Sample type	Sample No.
Carcass swabs/Plant hygiene swabs	290-300
Live cultures	195-210
Processed animal protein.	165-175
Egg/poultry	250-300
Dairy 6600	

## Applied Plant Science and Biometrics Division

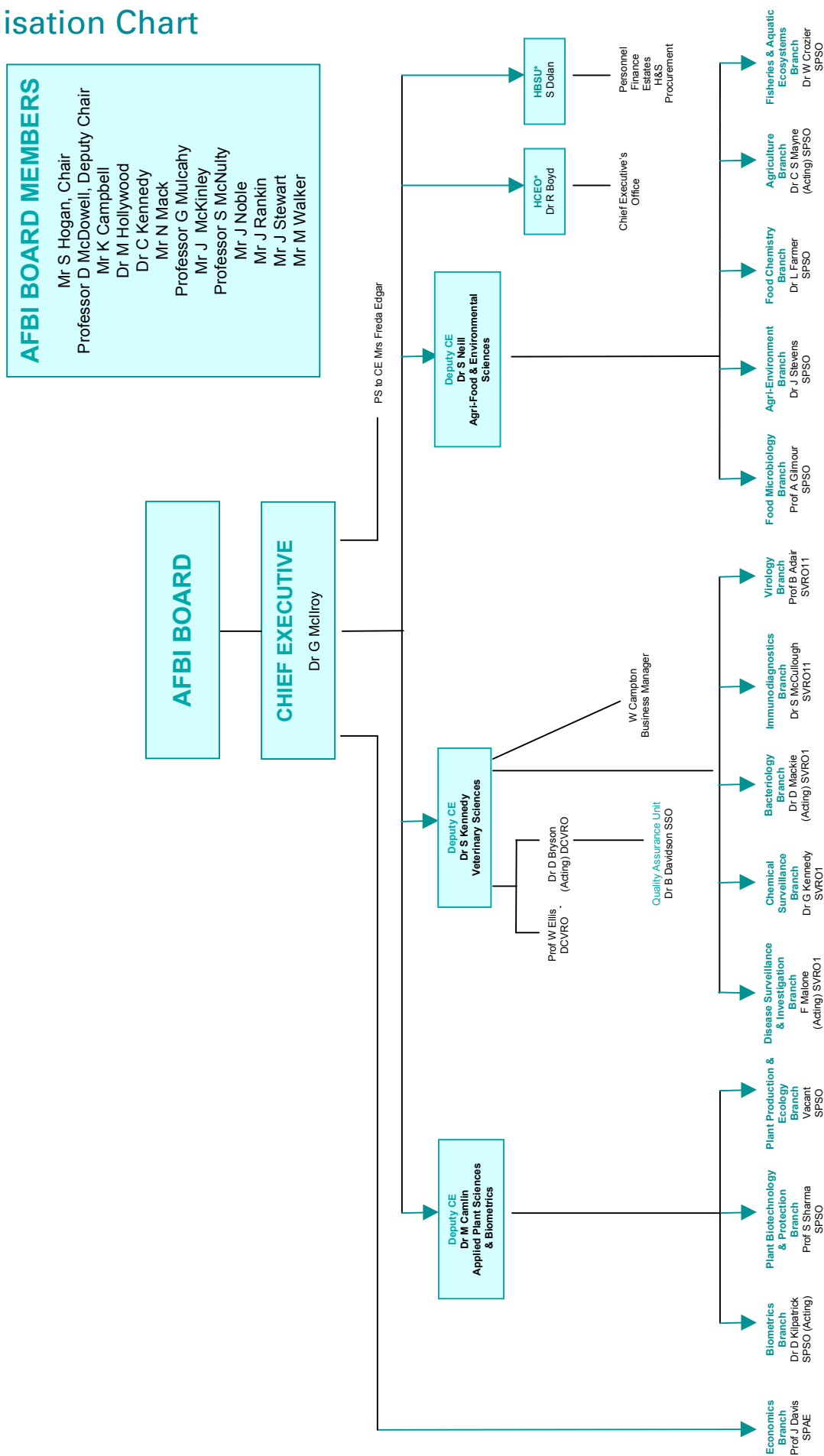
Sample type	Sample No.
Statutory testing of plant varieties and seeds	4,000-4,250

Ensure that 95% of testing programme is completed and technical reports produced within the agreed timescales.

1 The number of tests is indicative. Targets are set to complete an agreed percentage of the received samples within agreed turn-round times. Selected performance indicators are given in Annexe A.



## Organisation Chart



\*HCEO - Head of Chief Executive's Office

\*HBSU - Head of Business Support Unit