

Business Plan 2008-09



AFBI BUSINESS PLAN**2008-2009****CONTENTS**

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1. About AFBI

1.1 AFBI is a leading provider of specialist research and development, scientific testing services, scientific advice and scientific surveys and to a range of public bodies and commercial organisations. Our 806 staff and annual turnover of around £50 million are used to deliver services under the six main themes:

- Sustainable Food and Farming
- Competitiveness in the Agri-Food Industry
- Management and Protection of Natural resources
- Climate Change and Renewable Energy
- Scientific Preparedness for Emergencies
- Agri-Food Economics and Rural Development

Within the context of these work themes AFBI supports the NI Agri-Food industry with a wide range of statutory testing and an emergency response capability. AFBI's Research and Development programme includes major projects for regional and national public sector bodies, commercial companies and an increasing portfolio of international clients. Whilst AFBI is committed to supporting Agri-Food and Biosciences in Northern Ireland its vision is to enhance its international reputation and expand international business, particularly through involvement in collaborative work with European partners. We are also building links with high-level partners in Asia.

AFBI's Vision:

Our vision is to be an internationally recognised and successful centre of excellence for scientific research and services within the sphere of agri-food and biosciences.

AFBI's Mission

AFBI's mission is to deliver effective, high quality scientific services in the bio-sciences field to local, national and international public and private sector customers.

1.2 AFBI's Corporate Objectives

- We will sustain and grow our business spectrum;
- We will strive to deliver high quality, cost-effective scientific and economic services to our customers;
- We will seek to be the preferred partner or contractor in our delivery of local, national and international scientific services;
- We will maintain the necessary skills and resources to be able to provide services, including an emergency response, that meet agreed requirements of customers;
- We will seek to continually improve the management of our business and deliver services that are value for money.

1.3 AFBI is governed by an independent Board comprising:

- a Chair;
- a deputy chair; and
- 11 other non-executive directors.

The AFBI Board appoints the Chief Executive Officer (CEO) who is responsible for operational management of AFBI and reports to the AFBI Board. The CEO is also the AFBI Accounting Officer reporting to the Northern Ireland Assembly. The AFBI Senior Management Team includes the CEO, and

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

The organisational structure and a map showing the locations of AFBI's sites can be found in Annex A.

2 Business Priorities 2008-2009

2.1 Organisation development

AFBI's main business priorities in 2008-2009 are to secure its existing customer base, fully exploit the local market and identify opportunities for international work. During 2007-2008 AFBI undertook a major review of its business processes and resources aimed at improving its delivery of science (AFBI's business), its people management and its infrastructure (AFBI's resources). During 2008-2009 AFBI will use the findings of these reviews to complete strategies covering business development, people management and estates usage. Following that a series of discrete projects to implement the strategies will commence during 2008 and continue over the next three years. The outcome will be an organisation that demonstrates its investment in its people, commitment to its customers and continuing development of its infrastructure.

2.2 Research and Development

AFBI is seeking to maximise its Research and Development funding from the European Framework FP7 by developing a specialist in-house resource to manage the development, submission and monitoring of proposals. In 2008/09 we will use the Invest NI/Enterprise Ireland Innovation Voucher Scheme to expand R&D work with SMEs across the island of Ireland. The simplicity of this scheme and consequent low overheads make the programme attractive to smaller companies that previously did not have access to AFBI's research and development facilities'. AFBI and DARD have agreed a three year funding baseline that in conjunction with increasing non DARD funding supports the continuation of AFBI's current R&D programme.

2.3 Commercial development

Having secured significant funding from the Public Sector Research Exploitation fund AFBI will now expand its business development unit to

further enhance our commercial development opportunities. The expansion of this unit will allow AFBI to continue the work of maximising all Intellectual Property Rights (IPR) opportunities, providing a structured and signposted route for AFBI staff to identify commercial opportunities, innovative applications and increased revenue. In tandem with this AFBI will implement improved reward and recognition schemes that incentivise staff and modernise AFBI's people policies.

2.4 Customer development

AFBI seeks to agree contracts or Service Level Agreements (SLA) with its customers to ensure that there is a common understanding about the services being provided in terms of giving the required level of detail on the agreed services that are both required and delivered. Such agreements identify the nature and scale of the work being undertaken, the cost and a range of performance measures governing the delivery of the service. The SLA with DARD which specifies the work programme should be finalised during 2008-09. The work programme will be monitored and revised annually. The SLA is supported by detailed full cost data for all R&D projects and specific activities within the work programme. AFBI also provides a wide range of research and development services to other public/private sector customers. These include Department Culture Arts and Leisure (DCAL), Northern Ireland Environment Agency (NIEA), Food Standards Agency (FSA), Department for Environment Food and Rural Affairs (DEFRA), Scottish Parliament and Welsh Assembly, European Union (EU) bodies and commercial companies. These services are provided either through SLAs 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 of its business operations.

2.5 Workforce Planning

AFBI's workforce and succession planning aims to maintain a skills base that can fulfil customer requirements, within budgetary constraints. Grant in aid from DARD for 2008-09 is essentially the same as for 2007-08 in nominal terms, therefore representing a reduction in real terms of 2 to 3%. Staff pay awards in 2008-09 and efficiency saving arising from the Comprehensive Spending Review are to be absorbed within this budget. This must be viewed against a backdrop where it is anticipated that income from non-DARD sources in 2008-2009 will reach £9 million 18% of AFBI's total resources. AFBI has 806 staff (763 Full Time Equivalent (FTE) staff) in post at 1 April 2008 and the overall salaries and wages budget for 2008-09 is set at £23.7 million to maintain this workforce. A Service Level Agreement with HRConnect will be finalised in year – completing the transfer of personnel services to the shared service centre. All vacancies are reviewed against business priorities and, when appropriate, temporary staff are used until vacancies are filled.

2.6 Corporate Planning

AFBI's Corporate Plan 2008/09-2010/11 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 sets the AFBI Board's three-year strategy and the framework for the business plan. The recent 2008 Comprehensive Spending Review (CSR) established the three-year baseline for public spending in Northern Ireland. Despite increasing pressure on the budgets of government departments AFBI grant-in aid shows a marginal increase during the CSR period. AFBI recognises the need to continue to sustain and grow its business.

3 Targets and milestones for 2008- 09

Corporate Objective 1: We will sustain and grow our business spectrum.

Target 1.1: To generate income of over £8.5 million from non-DARD sources by 31 March 2009.

Milestones

- To carry out work on externally funded contracts and accrue income of over £8.5 million from all non-DARD sources by 31 March 2009.
- To gain equal recognition with the NI Universities as a knowledge provider through Invest NI and Enterprise "Innovation Voucher Schemes" by 31 March 2009.
- To take part in at least one trade mission to raise awareness of AFBI's work and form relationships with commercial companies by 31 March 2009 such that increased commercial business is secured in the longer term.

Target 1.2: To communicate the value of AFBI's work to a wider audience of stakeholders.

Milestones

- To draft a communications strategy for AFBI focusing on increasing customer awareness of AFBI's service provision, by 31 March 2009.
- To recruit a Marketing Consultancy (via the CPD Framework system) for a specified time period to address specific marketing objectives.
- To publicise AFBI's EU recognition with a launch event during December 2008.

Target 1.3: To develop a Business Strategy by 31 March 2009 that seeks to ensure that existing business is sustained and to expand non-government funded contracts and partnerships.

Milestones

- To identify 3 potential new areas of scientific business by 31 January 2009.
- To develop a commercial development plan for at least 1 new area of business by 31 March 2009.

Target 1.4: We will use Public Sector Research Exploitation funding to develop and implement a strategy for identifying, evaluating, protecting AFBI's Intellectual Property (IP) to enable us to realise a commercial advantage.

Milestones

- To update AFBI IP Policy by 31 March 2009 and develop a commercialisation strategy by 31 March 2009.
- To identify 3 current AFBI scientific technologies with potential for commercialisation by 31 March 2009.
- To develop commercial development plans for at least 2 of the above AFBI technologies by 31 March 2009.

Corporate Objective 2: We will strive to maintain the necessary skills and resources to be able to provide services, including an emergency response, which meets the agreed requirements of customers.

Target 2.1: To improve AFBI's customer relationship management through SLAs and implementation of customer satisfaction measures.

Milestones

- By agreeing a Service Level Agreement (SLA) with DARD covering the period 2008 – 2011 by 31 March 2009 delivering the work programme to agreed metrics and within a budget of £30.359 million.
- By agreeing a SLA with the Northern Ireland Environment Agency by 31 March 2009.

Target 2.2: To conduct a programme of scientific testing in accordance with accredited standards as follows:

VSD	Completion Rate	Turnaround Time
Chemical Surveillance Branch Meat Inspection	95%	5 working days
Disease Surveillance Investigation Branch. PMs	90%	5 working days
IDB Brucellosis serology Negatives	95%	3 working days
IDB Non-negatives	95%	5 working days
Bacteriology Brucella testing	90%	3 weeks
Virology TSE testing	95%	24 hours
AFESD all tests	95%	Customer agreed
APSBD all tests	95%	Customer agreed

The indicative numbers of each category of tests are given in Annex C. Note these figures are indicative and may vary in-year, by agreement with customers to reflect their changing priorities.

Target 2.3: To ensure staff have the skills and training to be able to deliver an effective emergency response to meet agreed customer standards/requirements.

Milestones

- To review and update the AFBI Corporate Contingency Plan defining the emergency response requirements of specific customers by 31 March 2009.
- To ensure at least 75% of the appropriate staff undertake the necessary training by 31 March 2009.

Target 2.4: To establish a Business Continuity Management (BCM) system within AFBI

Milestones

- to establish a BCM Project Team and provide appropriate training by 31 March 2009;
- to commence development of an AFBI BCM Policy by 31 March 2009;
- to undertake a thorough Business Impact Analysis and Risk Analysis by 31 March 2009;
- produce Crisis/Incident Management Plans, Business Continuity Plans and Business Unit Resumption Plans for targeted work areas within AFBI by 31 March 2009.

Corporate Objective 3: We will seek to be the preferred partner or contractor in our delivery of local, national and international scientific services;

Target 3.1: To carry out work on customer agreed R&D projects in accordance with accredited standards as follows.

Estimated No. Projects	DARD	Other NI/GB Departs	Commercial
AFESD	65	7	40
APSBD	29	2	24
VSD	9		12
AFEB	7		3
Total	123	12	79

Target 3.2: To develop the BioRefining of Grass for Business growth

Milestone:

To complete a preliminary "Bench study" by 31st December 2008, to help identify the research opportunities for Grass Bio-refining Project under the Chancellor's Innovation Fund.

Target 3.3: To retain ISO for AFBI R&D

Milestone:

To continue to lead through Biometrics and Information Systems Branch the ISO accreditation of AFBI R&D up to 31st March 2009.

Target 3.4: To increase awareness of AFBI in business and scientific communities.

Milestones

- To participate in 5 major exhibitions (like the National Ploughing Championships and the Balmoral Show) in 2008-09, that are relevant to AFBI's work.
- To deliver a conference on renewable energy by 31st October 2008.
- To publish 100 refereed papers in scientific journals during 2008-09.

Corporate Objective 4: We will maintain the necessary skills and resources to be able to provide services, including an emergency response, that meet agreed requirements of customers.

Target 4.1: To prepare a People Strategy by 31 March 2009;

Milestones

- To implement the HR Connect model for personnel support service and disengagement from the Department's personnel support service by 31 March 2009.
- To implement the HRConnect business partnership model by 31 March 2009.
- To review the centralization of the staff welfare function within the civil service and therefore the need for AFBI to establish either a service provider or its own in-house service, by 31 March 2009.
- To establish an Equal Opportunities function by 31 March 2009.
- To manage absenteeism to achieve less than 8.5 days per annum per whole time equivalent by 31 March 2009.
- By 31 March 2009 agree a new structure for ICT and Economics branches with the aim of increasing career development opportunities.
- To agree a Rewards to Staff scheme with DARD by 31 March 2009.
- To continue to develop our approach to manpower planning and the effective management of resources to enable continued service delivery.

Corporate Objective 5: We will seek to continually improve the management of our business and deliver services that are value for money.

Target 5.1: To manage resources in an effective and efficient manner to enable us to provide services that are competitive and represent value for money.

Milestones

- To introduce a detailed costing system by 31 March 2009 which enables us to establish a benchmark of current unit costs for each category of tests.
- To deliver the CSR efficiency savings of £720k by 31 March 2009, through the review of work schedules.
- To continue to assess AFBI systems and procedures to ensure they are capable of meeting the requirements of Account NI.
- To further develop and enhance the process of manpower planning.

Target 5.2: To further develop Risk Management in the Institute by embedding risk management and planning processes.

Milestones

- To introduce divisional risk assurance statements and an annual validation review by 31 January 2009.
- Undertake at least 1 self-assessment of the robustness of data security by 31 January 2009 and implement the recommendations from that self-assessment within 3 months.

4 Financial Budget

4.1 In 2008-2009 AFBI has a gross resources budget of about £50 million and anticipates receipts of £8.5 million (17% of total resources) from a variety of public and private customers. The DARD work programme is the balance of expenditure funded through grant-in-aid.

4.2 The financial budgets can be summarised as follows:

	2008/09
Expenditure*	£'000
Opening Grant in Aid	30,685
DARD Work Programme	29,599
Capital	1,322
SLA (Other public bodies)	1,040
Special Projects	480
Commercial work	5,560
Amounts anticipated from in-year bidding for Lease of land and buildings and DARD	
Services Charges	7,441
Corporate Services	2,700
Total	48,142
Income	£'000
DARD SLA	30,685
Capital	1,322
SLAs (Other public bodies, FSA and DCAL)	1,300
Special projects	600
Contract and Consultancy Work	6,060
Research Vessel charters	230
Other Income	830
Lease of land and buildings and DARD Services Charges	7,441
Total	48,468
Non-cash costs	
Cost of Capital/Depreciation	2,391

* The figures provided are accurate at 01 April 2008.

4.3 Divisional Budgets

Division	Staff Costs	Other Resource	Capital	Total '000
AFESD	8,550	4,610	490	13,650
APSD/BD	5,150	1,800	322	7,272
VSD	8,500	4,120	460	13,080
AFED	460	60		520
Corp Ser.	1,800	12,061	50	13,911
Total	24,460	22,651	1,322	48,433

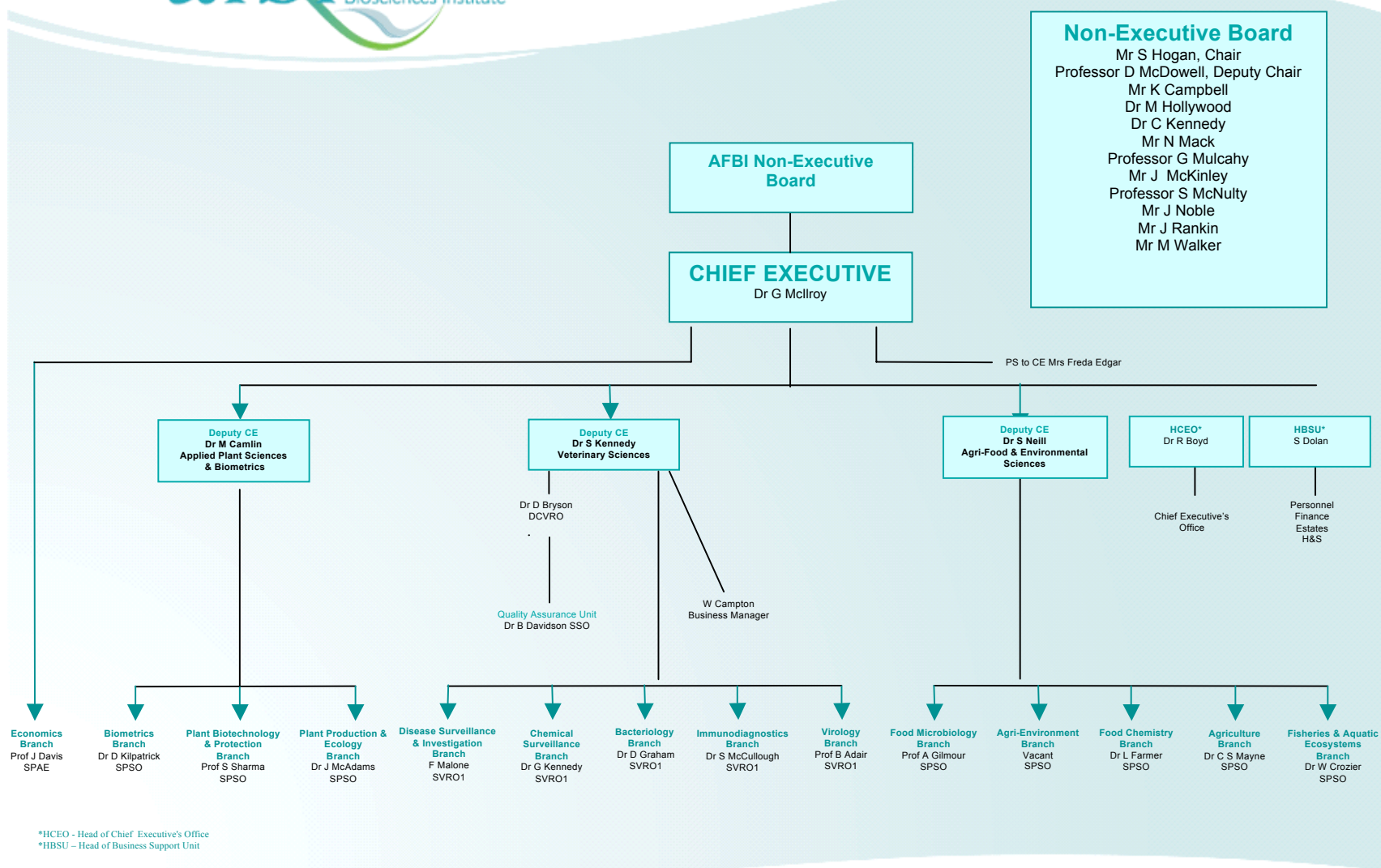
Divisional budgets exclude non-cash costs.

4.4 DARD Assigned Work Programme - Resource

Work Programme	AFESD	APSD	VSD	AFED	Total
	£'000	£'000	£'000	£'000	£'000
Stat Testing	3,000	980	8,300		12,280
Diag. Testing			2,900		2,900
R&D projects	4,850	3,200	2,100	390	10,540
Advice/Support	781	1,700	1,353	150	3,984
Total	8,631	5,880	14,653	540	29,704

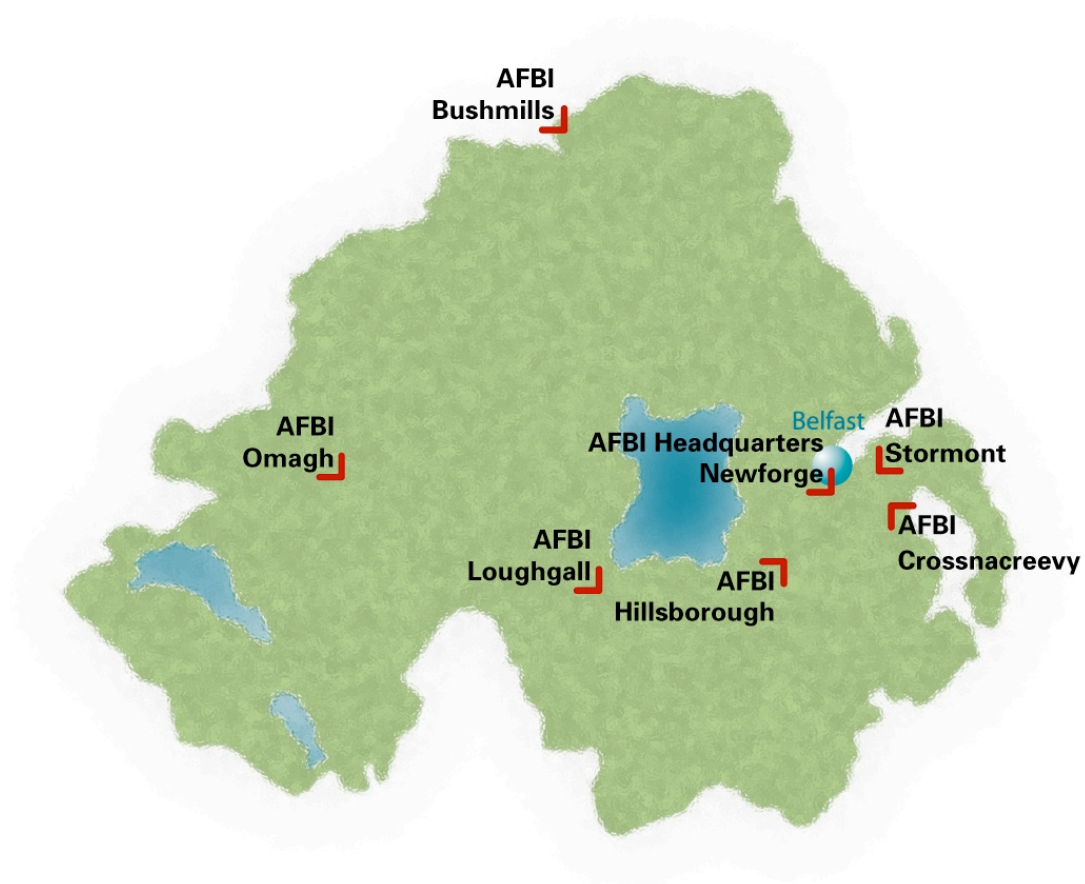


ORGANISATION CHART



Agri-Food and Biosciences Institute (AFBI)**Contact Details and Site Locations**

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AFBI Crossnacreevy 50 Houston Road Crossnacreevy Castlereagh Belfast BT6 9SH Tel: 02890 548000 Fax: 02890 540001	AFBI Loughgall Manor House Loughgall Armagh BT61 8JA Tel: 02838 892300 Fax: 02838 892333
AFBI Hillsborough Large Park Hillsborough Co. Down BT26 6DR Tel: 02892 682484 Fax: 02892 689594	AFBI Bushmills River Bush Salmon Station Church Street Bushmills BT57 8QJ Tel: 02820 731435 Fax: 02820 732130



Indicative Sample Numbers 2008-2009 - Testing Programme

No. tests ¹	DARD		Other GB/NI Depts	Private
	Statutory	Surveillance/ Diagnostic	Statutory	
AFESD	6,000 to 7,000	-	1,000 to 1,500	11,000 to 11,500
APSBD	3,500 to 4,000	-	1,000 to 1,500	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
Total	1,609,500 to 1,911,000	140,000 to 170,000	5,400 to 7,000	261,250 to 312,100

¹ The number of tests is not a target: it is indicative. Targets are set to complete an agreed percentage of the received samples within agreed turn-round times.

Agriculture Food and Environmental Science Division

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

Agriculture Branch

Sample type	Sample Range
Animal feedstuffs	500 – 550
Forage analysis	10,000-10,500

Agri-Environment Branch

Sample type	Sample Range
Fertiliser/ Limes	100 – 150
Plant / Soil	25-50

Fisheries and Aquatic Ecosystems Branch

Sample type	Sample Range
Water from aquaculture sites	750 - 800

Food Chemistry Branch

Sample type	Sample Range
Various food sources/products /feedstuffs	1,750 – 2,000

Food Microbiology Branch

Sample type	Sample Range
Carcass swabs/Plant hygiene swabs	250 - 300
Live cultures	150 - 200
Processed animal protein.	200 - 250
Egg/poultry	250 - 200
Dairy	1,250 – 1,500

Applied Plant Science and Biometrics Division

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

Sample type	Sample Range
Statutory testing of plant varieties and seeds	4,000 - 4,250

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 samples 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).