



**Agri-Food and Biosciences Institute
4-Year Corporate Strategy 2011/12 – 2014/15**

CONTENTS

1.	Introduction	3
2.	Corporate Planning Context	4
3.	Strategy 2011-2015	5
4.	Implementation of AFBI's 2011-2015 Corporate Strategy	8
4.1	AFBI Budget	8
4.2	Staff Complement	8
4.3	Staff Training and Development	8
4.4	Monitoring and Evaluation (Performance Measurement)	9
4.5	Communication and Promotion	9
4.6	Corporate Governance	9
4.7	Systems and Processes	10
Appendix 1:	Summary of Budget Cuts to be Delivered under Budget 2010 Programme	11
Appendix 2:	Summary of Projected Income and Expenditure 2011/12 to 2014/15	11
Appendix 3:	AFBI Core Values and Associated Behaviours	12

1. INTRODUCTION

The Agri-Food and Biosciences Institute (AFBI) is a Non-Departmental Public Body (NDPB) that was established under the Agriculture (Northern Ireland) Order, 2004, which empowers it to undertake assigned work programmes on behalf of DARD. These programmes include statutory, analytical, surveillance and R&D activities.

AFBI may also carry out scientific work for any person (including the Department or any other government department) on such terms and conditions as may be agreed between the institute and that person. The Order refers to this scientific work as commercial activities. Revenue from commercial activity (including income from royalties) is expected to account for 25% of AFBI's budget over the next 4-years. This revenue makes a very significant contribution to the Institute's operating overheads, reducing the overall cost of delivering services to the Department.

As well as underpinning the delivery of DARD's policy priorities, the activities of AFBI, through its assigned work programme and commercial activities, make a significant contribution to innovation in the agri-food and rural sector. This contribution is vital to maintaining and promoting productivity and sustainability across the sector in Northern Ireland.

Public sector funding for AFBI will reduce in the years ahead as government responds to the reductions in the Northern Ireland Block Grant. AFBI must therefore explore and exploit other opportunities to widen its funding base and extend the spectrum of its customers. If AFBI is to be sustainable over the long term, it must continue with its efforts to develop a more business-like culture, while continuing to meet the needs of DARD and other public sector bodies.

In this document, AFBI sets out its 4-year corporate strategy for meeting these challenges.

Vision

AFBI's vision is "Scientific excellence in Northern Ireland . . . serving the world".

Mission

AFBI's mission is "Supporting government policy and industry innovation across the agri-food and rural sector through the provision of high quality scientific services, advice and expertise".

Values

AFBI's core values are:

- Customer First
- Scientific Excellence and Integrity
- Respecting People
- Honesty and Trust
- Innovative and Forward Looking

The behaviours associated with each core value are described in Appendix 3.

2. CORPORATE PLANNING CONTEXT

AFBI's raison d'être is specified in The Agriculture (Northern Ireland) Order 2004. Under the Order, AFBI's function is defined as to undertake 'scientific work' in the fields of "agriculture, animal health and welfare, food, fisheries, forestry, the natural environment and rural development and enterprise.

This work includes, "research and development, the testing and analysis of any matter, the provision of advice and information on scientific matters and the dissemination or application of the results of scientific research".

DARD is AFBI's largest customer and the work undertaken for DARD (known as the "assigned work programme") accounts for approximately 75% of AFBI's turnover. DARD's vision is "A thriving and sustainable rural community and environment in Northern Ireland". To assist DARD in delivering its mission, it commissions a broad spectrum of scientific services from AFBI which are set out in a detailed Memorandum of Understanding. This includes research and development in support of the DARD Evidence and Innovation Strategy 2011-2013.

In developing its 4-year strategy, AFBI has also considered the wider environmental factors that are likely to influence the organisation during this period.

The government's requirement to reduce public spending will have funding implications for AFBI. AFBI must therefore continue to manage its cost base efficiently and work with DARD to prioritise its work programme based on available funds. The pressures on public spending will also affect the revenue AFBI receives from other public sector customers. Therefore, AFBI will need to work hard to seek new business opportunities in order to sustain and grow its critical mass of scientific expertise and the contribution that this commercial work makes to AFBI's operating efficiency. AFBI will pursue research funding opportunities and partners outside Northern Ireland, including in the EU and USA.

AFBI's science base is a significant source of innovation in new product and process development for the agri-food and rural sector and can be used to support the government's drive to grow the private sector in Northern Ireland. AFBI must continue to engage with the local private sector. In providing support to these businesses, AFBI can both secure revenue and ensure that its Intellectual Property is capitalised for the benefit of the agri-food and rural sector, the Institute and the economy.

It is particularly important at a time of pressures on public sector budgets for AFBI to set a clear strategy for maintaining its science base. This strategy must prioritise and articulate the skills and infrastructure needed to deliver the assigned work programme for DARD as well as to enable AFBI to maximise commercial opportunities. This science strategy must also define those areas in which AFBI must now invest in order to build the knowledge base that will support DARD and other customers beyond 2015. A Science Strategy Committee comprising members of the AFBI Board and the Senior Management Team has been set up to address these issues.

AFBI will work with DARD to secure a Strategic Investment Fund that AFBI will use to invest in steering its strategic scientific direction. This fund will be critical to enabling AFBI to re-invest a proportion of its commercial income into sustaining new business development.

Over the 4-year period ahead, if AFBI is to adapt to a changing environment and respond positively, the institute must develop its use of management information so that informed decisions about budget allocation can be made across the organisation. In parallel, AFBI must increase the level of flexibility in its cost base so that resources, particularly staff, can be deployed to meet immediate and strategic needs.

During the first year of this Strategy, AFBI will undertake an organisational review with the support of the Strategic Investment Board (SIB). This review will look beyond this Corporate Plan to clarify AFBI's vision for 2012 and beyond.

This review will recommend the target operating model for AFBI in the medium to longer term as well as the executive leadership structure that will ensure that AFBI can meet the medium to long term challenges that will present if AFBI is to fully realise its ambitions.

3. STRATEGY 2011-2015

AFBI's second Corporate Plan (2011-2015) reflects its ambition and current position. It envisages a future which builds on and maximises the potential of AFBI's wide-ranging scientific expertise.

It seeks to deliver an organisation that will provide inspiration to its staff and peer organisations through demonstrable successes, an organisation built on strong scientific capability, resourced from a financially sustainable position and an organisation that will inspire pride amongst its staff, and within DARD and amongst our other customers and stakeholders.

It prioritises its responsibilities as mandated in the Agriculture (Northern Ireland) Order 2004 and responds to the challenges associated with the current financial pressures.

The strategic direction of AFBI over the period 2011-2015 is focused on 6 themes:

- Delivery of scientific work assigned by the Department of Agriculture and Rural Development
- Helping government and industry to protect the NI economy and environment through AFBI's emergency response capability
- Actively managing the AFBI commercial portfolio
- Building AFBI's Knowledge Base
- Investing in our organisation's people, systems and processes
- Strengthening our financial base

AFBI's 4-year Corporate Plan centres on these themes which are articulated through its Goals, Priorities and Impact Indicators. These are presented in the pages that follow.

Strategic Themes, Strategic Goals and Impact Indicators

#	Strategic Theme	Goal	Impact Indicators
1	Delivery of scientific work assigned by the Department of Agriculture and Rural Development	Successfully deliver the assigned work programme to the Department of Agriculture and Rural Development (DARD) and in so doing support DARD in achieving its goals	High customer satisfaction achieved with DARD policy customers Clear evidence of AFBI's influence and support in developing and delivering government policy Clear evidence of AFBI's influence and support in protecting the integrity of and improving the competitiveness of the NI agri-food sector and rural economy Operate to required quality and service delivery standards in providing scientific, diagnostic and analytical services
2	Helping to protect the NI economy and environment through AFBI's emergency response capability	Provision of scientific support to DARD and other government departments and agencies in managing the impact of animal and plant health, food and environmental emergencies	Maintenance of organisational resilience as specified by DARD and other government departments to ensure AFBI has the capability to respond to an emergency and that key services can be sustained through disruption, or restore them in a timely manner following disruption Compliance to the Northern Ireland Civil Contingencies Framework 2004 [as revised 2005] obligations
3	Actively managing the AFBI commercial portfolio	Actively manage and grow AFBI's commercial portfolio and in so doing build our reputation as a customer-first organisation	Consolidated and expanded customer base in strategically important markets. Growth in profitable business Enhanced reputation as a provider of high quality commercial scientific services High customer satisfaction achieved
4	Building AFBI's Knowledge Base	Sustain and develop AFBI's knowledge base and position AFBI as a leader in the delivery of innovation and scientific support to the agri-food sector	Sustained ability to meet our customers' needs Provision of an outstanding scientific resource to customers Enhanced reputation and profile as leaders in the delivery of world-class R&D and other scientific services Targeted capital investment (within budget constraints) in leading edge technology, to align with AFBI's short-, medium- and long- term Science Strategy Targeted protection and development of AFBI's intellectual property
5	Investing in our organisation's people, systems and processes	Invest in our people and ensure that the best systems and processes are in place to manage our organisation efficiently and effectively	Raised levels of staff morale and job satisfaction Appropriate staff complement and structure in place Enhanced level of skills and expertise Achievement of AFBI's vision through the delivery of strategic plans Robust corporate governance procedures in place Improved HR systems and processes Maintenance of a high level of organisational resilience across business critical operations
6	Strengthening our financial base	Ensure the long-term financial sustainability of AFBI	Accountability, regularity and propriety demonstrated Robust management information systems support operational and strategic decision-making Financial sustainability at all levels of the organisation Budget allocations based on workloads and investment following strategic opportunity Growth in profitable income A flexible and reduced cost base and overheads

AFBI's 4-Year Priorities

#	4-year Goals	4-year Priorities
1	Successfully deliver the assigned work programme to the Department of Agriculture and Rural Development (DARD) and in so doing support DARD in achieving its goals	1.1 Base the annual negotiation of the Assigned Work Programme on a mutually agreed Strategic Cost Model (SCM) 1.2 Deliver statutory testing, surveillance, scientific advice and R&D in relation to animal and plant health, varieties and seeds, pesticides, food, fisheries, environment and economics 1.3 Manage DARD as AFBI's priority customer by implementing the DARD Customer Account Plan (AFBI's 3-Year Business Development and Marketing Strategy)
2	Provision of scientific support to DARD and other government departments and agencies in managing the impact of animal and plant health, food and environmental emergencies	2.1 Maintain preparedness for responding to food safety, animal and plant health and environmental emergencies and plan for the ongoing delivery of key services and products in the event of an interruption to normal business 2.2 Plan (to the extent possible) for different types of less predictable emergency situations 2.3 Ensure an appropriate regime of exercise, maintenance and review is developed for all AFBI contingency plans over the 4 years of the Corporate Plan
3	Actively manage AFBI's commercial portfolio and in so doing build our reputation as a customer-first organisation	3.1 Successfully implement AFBI's 3-Year Business Development and Marketing Strategy
4	Sustain and develop AFBI's knowledge base and position AFBI as a leader in the delivery of innovation and scientific support to the agri-food sector	4.1 Prioritise AFBI's strategically important core science 4.1 Maintain capability in strategically important areas of science 4.2 Align AFBI's infrastructure (estates, facilities, structures) to its medium- and long-term strategic needs 4.4 Rigorously pursue innovation through knowledge transfer and commercialisation of AFBI's intellectual assets for the benefit of AFBI, DARD, the agri-food sector and wider economy
5	Invest in our people and ensure that the best systems and processes are in place to manage our organisation efficiently and effectively	5.1 Operational and strategic HR activities implemented based on an AFBI HR Strategy to ensure the right people are in the right place at the right time 5.2 Ensure AFBI maintains highest standards of Corporate Governance 5.3 Embed strategic planning based on the balanced scorecard approach at corporate and divisional levels 5.4 Embed Business Continuity Management (BCM) within AFBI in accordance with BS25999
6	Ensure the long-term financial sustainability of AFBI	6.1 Embed efficiency, financial sustainability and flexibility in AFBI's cost base at all levels of the organisation 6.2 Ensure AFBI has appropriate financial management systems in place to effectively support business needs 6.3 Decision-making and planning based on appropriate management information

4. IMPLEMENTATION OF AFBI'S 2011-2015 CORPORATE STRATEGY

AFBI will implement its 2011-2015 Corporate Strategy through the preparation and delivery of annual Corporate Business Plans. AFBI's Annual Corporate Business Plans will contain measurable objectives and targets that will cascade to those Divisions responsible for delivery. Beyond Divisional level, the objectives and targets will flow to Branches and to individual staff through Personal Performance Agreements. The Divisional and Branch Business Plans will therefore follow the strategic direction articulated in this Corporate Strategy. Implementation of the Corporate Strategy through Divisional and Branch Plans is critical if AFBI is to achieve the ambitious goals, priorities and impacts set out in this document. Risk management will be an integral component of the business planning process.

Fundamental to this success is our capacity and capability to deliver this strategy.

4.1 AFBI BUDGET

AFBI's budget for the 4 years from 2011/12 to 2014/15 is presented in detail in each Annual Business Plan; the figures presented will be updated annually to reflect the most up-to-date position.

A number of savings proposals have been agreed with DARD for the planning period; the projected savings will be accounted for in the figures presented. The quantum of savings and areas affected are detailed in Appendices 1 and 2.

It is anticipated that AFBI will face significant budgetary pressures during each year of the Corporate Strategy. A contingency plan for meeting the projected budgetary pressures in each year will be presented in the Business Plan for that year.

4.2 STAFF COMPLEMENT

At a time of restricted budget, it is critical that AFBI continues with its protocol of screening all proposed posts and vacancies to assess their criticality to the organisation. Primary consideration will be given to filling approved business-critical posts internally.

External recruitment will only be considered where the required skills and expertise cannot be identified within the organisation and where there is no scope for development needs to be established internally within an acceptable timeframe, or when required for equal opportunity reasons.

Fixed-term appointments will be used when funding is time-limited or otherwise appropriate. AFBI will redeploy staff to assist with rebalancing resources toward priority work areas.

4.3 STAFF TRAINING AND DEVELOPMENT

Staff training and development will continue to be managed through the organisation's Performance Management System to ensure that all staff have the training and development required to assist them in delivering their agreed performance objectives. Timely completion of Personal Performance Agreements (PPA) and Personal Development Plans (PDP) will support the identification and delivery of staff training needs.

The findings and outcomes from AFBI's People Strategy Teams, which will influence AFBI's corporate development, will be implemented within agreed timeframes through AFBI's HR Strategy. These outcomes include the introduction of Leadership and Management development and the Corporate Balanced Scorecard which will be cascaded to Divisions and Branches.

AFBI will continue to promote and support the development of its staff through its Assistance to Study programme where staff will have the opportunity to gain externally accredited qualifications that are appropriate to the needs of the organisation.

4.4 MONITORING AND EVALUATION (PERFORMANCE MEASUREMENT)

AFBI annual Corporate Business Plan targets will be formally monitored and reviewed by the Chief Executive and Senior Management Team on a quarterly basis. Performance against these targets will also be communicated to DARD on a quarterly basis. The Chief Executive and the Senior Management Team will also review Divisional targets quarterly.

AFBI will implement the Balanced Scorecard as a performance management tool during the first year of this Corporate Strategy. This will be used to monitor operational performance on a Branch, Divisional and Corporate basis.

AFBI staff will have Personal Performance Agreements (PPAs) that will link the delivery of Business Plan targets to individuals.

4.5 COMMUNICATION AND PROMOTION

AFBI has developed a 3-year Business Development and Marketing Strategy that will run alongside this Corporate Strategy. The primary focus of that Strategy is to put AFBI's customers first. AFBI will prioritise communications with its customers in DARD as well as in other government departments and the private sector. A number of priority sectors have been identified for new business development, along with priority territories and key accounts.

AFBI will enhance its internal communications through the implementation of a formal internal communication strategy. The outcome from this strategy will be a consistent approach across the organisation to the delivery of timely and relevant information through the use of team briefings, staff newsletter and corporate briefs. It will ensure that all staff have the opportunity to positively influence the organisation's direction and contribute to its future successes.

The Senior Management Team and AFBI Board will continue to contribute to internal communications through an enhanced engagement with staff through site visits.

4.6 CORPORATE GOVERNANCE

AFBI's governance structures are described below.

AFBI is governed by a non-executive Board comprising the Chair, Deputy Chair and eleven members. The Board meets on a monthly basis.

Members of AFBI's Executive Senior Management Team also attend the monthly meetings. The Executive currently comprises:

- Chief Executive Officer
- Three Deputy Chief Executive Officers
- The Head of AFBI Corporate Services Division
- The Head of AFBI Finance
- The Head of AFBI HR

The Chief Executive and Accounting Officer is responsible to the AFBI Board, and accountable to the Northern Ireland Assembly, for the institute's use of resources in carrying out its functions as set out in the Financial Memorandum. He must also provide assurance to the DARD Permanent Secretary, as Principal Accounting Officer, that the institute has adequate financial systems and procedures in place to promote the efficient and effective conduct of its business and to safeguard financial propriety and regularity.

Three sub-committees currently support the work of the AFBI Board with a fourth* due to commence operation in 2011/12.

- [Audit Committee](#)
- [Remuneration Committee](#)
- [Strategy Committee](#)
- [Finance Committee*](#)

AFBI has a Management Statement and Financial Memorandum with DARD that describes the governance arrangements under which AFBI operates. These take account of The Agriculture (Northern Ireland) Order 2004 as well as the Managing Public Money (DFP, NI) guidance. DARD and AFBI have also developed a Memorandum of Understanding (MoU) that details the work assigned to AFBI by DARD.

As a Non-Departmental Public Body (NDPB) AFBI is sponsored by the Department of Agriculture and Rural Development (DARD) and the Chief Executive Officer as Accounting Officer is duly obliged to provide the DARD Permanent Secretary and the DARD Minister with an annual Statement of Internal Control (SIC) and Stewardship Report.

AFBI has appointed its own internal auditors. These auditors undertake a number of internal audit reviews according to an agreed operational plan which is approved by the AFBI Audit Committee. Following each review, AFBI's internal auditors provide the Audit Committee with a report that indicates a level of assurance commensurate with their findings.

AFBI is also subject to external scrutiny by DARD Internal Audit and the Northern Ireland Audit Office (NIAO). DARD internal audit provides AFBI with an Annual Statement of Assurance while the NIAO undertakes an annual review of the AFBI Accounts and may carry out other reviews from time-to-time.

AFBI is governed by and subject to a number of policies and procedures. In the majority of cases AFBI follows Northern Ireland Civil Service (NICS) policies. However, where NICS policy is not appropriate for AFBI or does not exist, AFBI will develop and implement its own policies and procedures, subject to Executive and Board approval.

AFBI has a corporate responsibility to comply with the requirements of the Health and Safety at Work (Northern Ireland) Order 1978 and Regulations made under this Order, and to consider guidance to the Regulations. AFBI is resolved to ensure as far as is reasonably practicable, the health, safety and welfare of its employees at work, and of others who may be affected by its operations. The discharge of these responsibilities shall be an integral part of the duties and objectives of AFBI.

The risk management process within AFBI is an integral part of AFBI's internal control processes and governance arrangements. The AFBI Board has ultimate responsibility for ensuring that an effective risk management process is in place. The AFBI Senior Management Team will ensure that effective and efficient systems are being operated.

4.7 SYSTEMS AND PROCESSES

AFBI will prioritise the further development of its management systems and procedures and the development of improved management information. This information will be used to support decision making, supported by existing strategies and a Science Strategy that will be developed in 2011/12.

AFBI will continue to test its systems and processes by asking its internal auditors to carry out appropriate reviews.

Appendix 1: Summary of budget cuts to be delivered under Budget 2010 programme

The savings proposed in table 1 at line 2 are further detailed in table 2 below.

Savings proposal	2011/12 (£k)	2012/13 (£k)	2013/14 (£k)	2014/15 (£k)	Total (£k)
DARD Identified Savings - lower risk*	443	449	465	467	1,824
R. V. Corystes Cost Reductions & additional income	363	376	376	376	1,491
Non-Recoverable VAT	450	490	530	570	2,040
Procurement Savings	100	200	300	400	1,000
Bioremediation/INTERREG Substitution	30	35	35	40	140
TOTAL PROPOSED SAVINGS	1,386	1,550	1,706	1,853	6,495

*The options outlined above were identified by DARD after a critical review of work being undertaken on its behalf by AFBI. The areas listed above were considered of relatively low risk to the department were they to be ceased.

Appendix 2: Summary of Projected Income and Expenditure 2011/12 to 2014/15

	Budget (£k) 2011/12	Budget (£k) 2012/13	Budget (£k) 2013/14	Budget (£k) 2014/15
Grant in Aid	36,545	35,312	35,150	35,009
Non DARD Income	13,280	13,280	13,280	13,280
Virement from Capital	500			
Total Income	50,325	48,592	48,437	48,289
Forecasted expenditure	50,325	51,178	52,037	52,921
Budget pressure		-2,586	-3,600	-4,632
Depreciation	2,900	2,900	2,900	2,900
Available	2,615	2,615	2,615	2,615
Budget pressure	-285	-285	-285	-285

Appendix 3: AFBI Core Values and Associated Behaviours

Customer First

- Seeks to understand and deliver to our customers needs
- Provides a professional service at all times
- Demonstrates integrity and independence to customers
- Promotes a genuine customer care ethos
- Provides value-for-money services
- Communicates science to meet our customers' needs

Scientific Excellence and Integrity

- Invests in the generation and acquisition of knowledge and technology
- Fosters creativity
- Maximizes the potential of science and technology
- Demonstrates scientific excellence through quality assurance and external accreditation
- Ensures the integrity of scientific data
- Creates confidence through scientific excellence

Respecting People

- Values the work and contribution of others
- Respects and values diversity
- Shows acceptance and understanding by being open, courteous, and considerate
- Speaks about concerns with the appropriate person; does not engage in communications that diminish others
- Is generous with recognition and acknowledgment

Honesty and Trust

- Is fully accountable for our dealings
- Demonstrates openness and transparency
- Respects and honours confidentiality
- Empowers staff to take ownership
- Demonstrates consistency in dealing with others

Innovative and Forward Looking

- Develops new channels of science
- Is receptive to new ideas
- Adopts thinking and approaches that are flexible
- Welcomes solutions that are different
- Demonstrates the ability to think beyond the norm