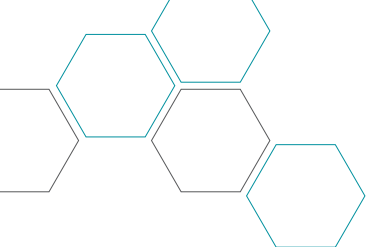
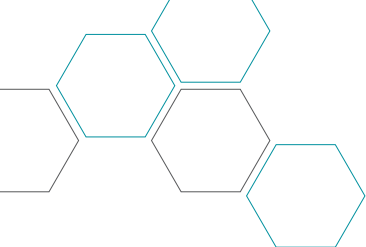


BUSINESS PLAN 2018 - 2019



Contents

SECTION	CONTENT	PAGE
1.0	Preface from the Chief Executive	3
2.0	Who we are	4
3.0	AFBI's Vision, Mission and Outcomes	6
4.	AFBI Business Targets for 2018/19	8
5.0	AFBI Budget 2018/19	17
5.1	Financial Context	17
5.2	Budget 2018-19	18
5.3	Non-GIA revenue streams	18



PREFACE FROM THE CHIEF EXECUTIVE

Advancing the local and global agri food sectors through scientific excellence



I AM PLEASED TO PRESENT AFBI'S BUSINESS PLAN FOR 2018/19 WHICH SETS OUT OUR KEY WORK PRIORITIES FOR THE YEAR TO DELIVER THE FIRST YEAR OF OUR AMBITIOUS CORPORATE PLAN FOR 2018-22.

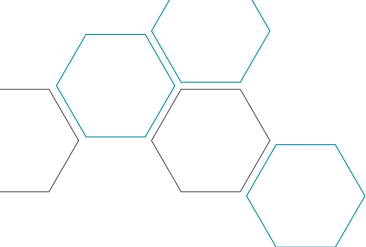
AFBI is Northern Ireland's largest multidisciplinary science and technology organisation. In line with our Vision of "Advancing the local and global agri-food sectors through scientific excellence", AFBI plays a crucial role in providing the evidence base for policy development by DAERA. This is particularly important given the need for the UK and Northern Ireland to develop new innovative, locally focused and evidence-based agricultural policies following the UK's exit from the European Union in 2019. In addition AFBI provide scientific solutions to the global challenges of climate change, food security and environmental protection.

AFBI's Corporate Plan for 2018-2022 sets out an ambitious future which builds on and maximises the potential of AFBI's wide-ranging scientific expertise to deliver key outcomes for DAERA and the local agri food and biosciences sectors. It is focused on addressing shared future challenges, ever greater alignment with industry, strategic partnering with the University sector, closer relationships with key stakeholders and winning new customers. This plan sets out the key outcomes for year one of the corporate plan and the measures to allow us to monitor progress.

AFBI operates in an increasingly uncertain and competitive environment. Uncertainty over future public funding and the growth in the diversity and complexity of scientific knowledge and technologies fast pace of change means that AFBI will have to innovate and explore opportunities to form new partnerships/alliances.

In order to deal with the major global challenges of increased food demand, climate change and pressure on land use, fundamental changes in global food production are required, with sustainable intensification or producing more from less being just one example of this new approach. Whilst there are undoubtedly opportunities for the local agri food sector to respond by producing healthy, versatile and safe food, this will require increased investment in science to generate new knowledge, drive innovation and improve competitiveness relative to our major competitors. AFBI is ideally placed to support government and industry in this context.

Dr Stanley McDowell
Chief Executive Officer, AFBI



2.0 Who we are

As a Non-Departmental Public Body (NDPB) established under the Agriculture (Northern Ireland) Order, 2004, AFBI also undertakes an assigned work programme on behalf of the Department of Agriculture, Environment and Rural Affairs (DAERA). AFBI science underpins DAERA policy by providing specialist advice across the range of agri-food and biosciences disciplines. Many other government departments and agencies also depend on AFBI scientific services to fulfil their responsibilities.

Since its inception AFBI has contributed to the achievement of the Northern Ireland Executive's strategic goals by successfully delivering DAERA's assigned programme of statutory and diagnostic/surveillance testing, R&D, emergency response and specialist advice. The commissioning of DAERA-funded R&D is essential to the maintenance and development of scientific capability and scientific excellence across the range of work undertaken by AFBI, including AFBI's emergency response capability.

AFBI also delivers a portfolio of scientific work to a wide range of local, national and international customers. AFBI collaborates closely with DAERA's (CAFRE) and the industry levy bodies, in transferring science and technology to the local agri-food industry.

As Northern Ireland's largest multidisciplinary science and technology organisation, AFBI is engaged with the international research community in providing scientific solutions to the global challenges of disease control, climate change, food security, and environmental protection. Globalisation, potential reductions in subsidy support and a new generation of consumers with very diverse and conflicting demands will continue to drive changes in how we produce food. The opportunities for the local agri-food sector to respond by producing healthy, versatile and safe food, will require investment in science to generate new knowledge, drive innovation and improve competitiveness relative to our major competitors.

Our success as a leading international agri-food centre of excellence has been built on the globally and locally recognised expertise of AFBI staff, leading on several key areas of excellent translational research and diagnostics for the industry, and in providing a scientific evidence base for government policy development.

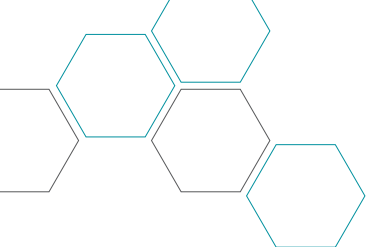
WHAT WE DO

AFBI provides an animal disease surveillance and diagnostic service for government, private veterinary practitioners and farmers. This surveillance underpins the development of DAERA policy on disease control, and helps to protect the high health status of Northern Ireland livestock.

The Institute also helps fulfil UK obligations under EU animal health directives and maintains the strength of Northern Ireland dairy, beef, poultry, pork and fish industries.

What AFBI does:

- Veterinary Record** (Cover image)
- Research & Development**
- Emergency Response**
- Specialist Advice**
- Diagnostic & Analytical**
- Food Standards Agency National Reference Lab**
- Cattle Health Scheme**
- GrassCheck** (Graph showing methane emissions)
- Research Paper Abstract:** Comparison of the sulfur hexafluoride tracer and respiration chamber techniques for estimating methane emissions and correction for rectum methane output from dairy cows.



Our capabilities include emergency responses to major animal disease outbreaks and threats to the food chain. The Institute also contributes to improved animal health and welfare and public protection through its internationally acclaimed research and development into animal diseases and food-borne pathogens.

In seeking to protect both the consumer and Northern Ireland's trade in food and animals, AFBI carries out a large volume of analytical work in detecting chemical residues, microbiological pathogens and toxins that pose a potential risk to human health. It encompasses international reference laboratories in several of these key areas.

AFBI also provides cutting-edge expertise in food quality research and novel food processing procedures. Our extensive food sensory evaluation facilities and knowledge base, benefit Northern Ireland producers and assist in product development and in enhancing consumer choice.

The high plant health status of Northern Ireland is underpinned by AFBI's plant scientists. They support the Northern Ireland agri-food sector by providing statutory testing, breeding and specialist advice in pasture, horticultural and agricultural crops.

In the rapidly changing agricultural environment, AFBI scientists are focusing research on sustainable farming systems by enhancing quality and efficiency in livestock systems through superior grassland and precision agriculture.

AFBI's marine science program is concentrated on the Irish Sea and its extensive fish stocks. Management of fish stocks involves close collaboration between all the EU countries engaged in the Irish Sea area. Our research vessel is an excellent platform to study fisheries and the wider marine ecosystem.

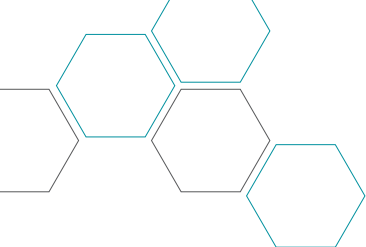
AFBI also undertake research on Northern Ireland's rivers and lakes, freshwater fisheries and scientific food surveillance services. AFBI's integrated work programmes are underpinned by expert economists and statisticians. These programmes provide critical support to ensure that Northern Ireland's agri-food and biosciences industry remains highly competitive.

The Institute underpins DAERA policy by providing specialist advice across the range of agri-food and biosciences disciplines. Many government departments and agencies depend on AFBI scientific services to fulfil their responsibilities.

UNITED KINGDOM'S (UK) EXIT FROM THE EUROPEAN UNION (EU)

The UK's exit from the EU, on 29 March 2019, happens during the period covered by this business plan. Strategically this presents Northern Ireland with both its most significant challenge for a generation and also a major opportunity. AFBI is ideally placed to provide the science and expertise to enable farmers and agri-food businesses and organisations achieve the necessary increases in efficiency which will be needed to develop an ever increasingly sustainable and resilient Agri-food industry. However, it is also important that AFBI are considering the implications





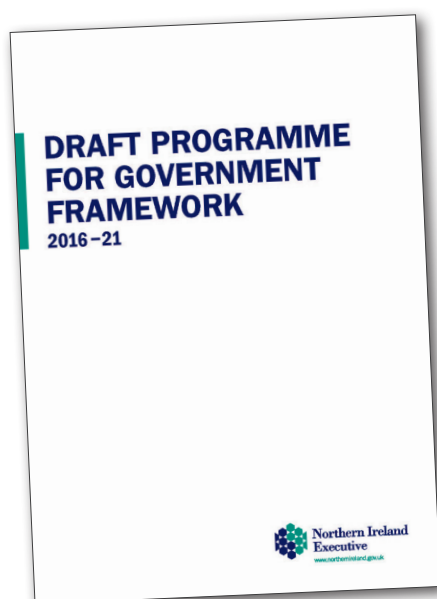
of the UK's exit from the EU. During this year AFBI will continue to take forward its own preparations to ensure there is no immediate impact to service delivery to customers and stakeholders as well as progressing our wider non-EU collaborative links.

AFBI has already led the UK's devolved administrations in analysing the potential impacts of exiting the EU on UK Agriculture and in 2018/19 AFBI expertise will continue to assist local food businesses to secure inward investment through trade facilitation in terms of food quality and safety.

3.0 AFBI's Vision, Mission and Outcomes

AFBI's Corporate Plan for 2018-2022 sets out an ambitious future which builds on and maximises the potential of AFBI's wide-ranging scientific expertise to deliver key outcomes for DAERA and the local agri food and biosciences sectors. It is focused on addressing shared future challenges, ever greater alignment with industry, strategic partnering with the University sector, closer relationships with key stakeholders and winning new customers.

AFBI's vision, mission and 3 strategic outcomes for the period 2018-22 are set out in figure 1 overleaf and are underpinned by AFBI's values and associated behaviours set out at Appendix 2. This annual business plan sets out the targets and activities that will be undertaken in year one (2018/19) of this delivery period, to move AFBI towards the achievement of these strategic outcomes. This plan also sets out how performance and progress against these targets will be measured and reported through a series of Key Performance Indicators.



As a key customer and as AFBI's sponsor department AFBI's strategic direction is aligned with that of DAERA and the NI Executive's overall draft Programme for Government. AFBI's outcomes are therefore aligned to the Department's 4 draft strategic outcomes for the period 2016-2020.

Through its broad range of scientific work, AFBI will support the delivery of DAERA's draft outcomes. AFBI will in turn assist in progress towards the Northern Ireland Economic Strategy, the Northern Ireland Executive's draft Programme for Government targets, and in implementing the Agri-Food Strategy Board's 'Going for Growth' recommendations and the Sustainable Agricultural Land Management Strategy for Northern Ireland.

Good business planning is at the heart of strong governance, effective management and financial viability and requires understanding and ownership by all staff across AFBI. As such, AFBI's Strategic Outcomes and business targets are effectively cascaded down through the organisation. Cascading represents translating and aligning AFBI's Outcomes and Key Performance Indicators (KPIs) from the Corporate level down to Divisional and Branch level and finally, to the individual level through the Performance Management and Appraisal Process.

Good plans need in turn to be supported by effective monitoring and reporting of performance at each level of the organisation and this is assisting in the development of a strong performance culture where everyone understands where they fit into helping to achieve AFBI's objectives.

Figure 1 – AFBI Vision, Mission and Strategic Outcomes (overleaf)

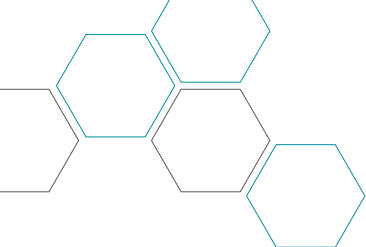
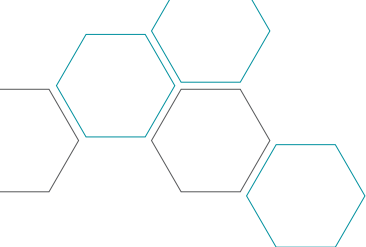


Figure 1 – AFBI Vision, Mission and Strategic Outcomes





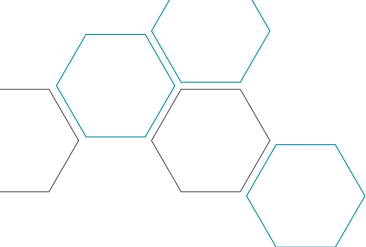
4. AFBI Business Targets for 2018/19

To deliver AFBI's strategic outcomes for 2018-22, annual business plans are produced setting out in detail the business targets for each year of the delivery period and in turn the key performance indicators to measure AFBI's progress towards these goals, as illustrated below:

Figure 2 - Linking Strategic Outcomes in Corporate Plan to Annual KPI's



The following pages set out the key business targets and KPI's for 2018/19 and these are summarised at Appendix 2 to illustrate alignment with DAERA's Strategic Outcomes.



Strategic Outcome 1– Society, Economy & Environment

AFBI will lead in the delivery of scientific innovation and evidence to improve the economic and environmental performance and sustainability of the agri-food and marine sectors

QUANTIFYING AND COMMUNICATING THE IMPACT OF AFBI SCIENCE

In order to identify and evaluate the outcomes of AFBI science, it is fundamental that the Institute can demonstrate to stakeholders the value and impact of the science delivered by AFBI, in terms of the benefits to the agri-food industry and policy makers both locally and globally. It is also key that AFBI effectively communicates and show cases these impacts to sustain and grow the Institute. In 2018/19, AFBI will identify and communicate the impact of AFBI's science on societal well-being to potential investors and industry, both locally and globally. More specifically, AFBI will publish an annual impact report, based on the evidence of uptake of AFBI research and the benefits thereof, whether these be monetary or non-monetary.

Measuring impact directly will not be easy as the improvements that AFBI's science brings to the industry needs to be assessed over a prolonged time period (benefits may accrue for up to 20 years in some instances). This focus on outcomes aligns with that of the draft Programme for Government which also includes many 'generational' outcome measures.

AFBI will continue to seek enhanced uptake of innovation, by industry and processors improving efficiency and resilience and in 2018/19 will establish mechanisms and baseline measures for increased adoption of innovation and technology by 31 March 2019.

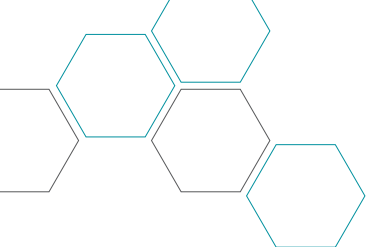
SCIENTIFIC PROGRAMMES TO DRIVE INDUSTRY IMPROVEMENT

AFBI aim to support industry by providing a "one stop shop" for specialist advice and facilities in agri-food and biosciences research and analytics. In 2018/19 AFBI will progress its programme-based approach to science to maximise opportunities, for both AFBI and its stakeholders, from its multi and inter disciplinary make up.

A programme-based approach will provide AFBI with a greater ability to develop a co-ordinated response to address global challenges both current and future and maximise the benefits of multi-disciplinary synergies within AFBI. This will also achieve better alignment of AFBI's science with stakeholder priorities and ensure that AFBI has sufficient 'critical mass' to make an impact. In order to retain the Northern Ireland Agri-Food industry as an economically strategic sector, the generation and analysis of economic data and impact will underpin all three programmes.

PROGRESSING STRATEGIC ALLIANCES

AFBI recognises the need for formal strategic alliances with local universities to develop enhanced interdisciplinary science programmes. Alliances between a research institute and an academic university have been shown to greatly enhance the capacity and capability of both parties and has resulted in highly competitive organisations. In order to harness this opportunity AFBI aim to create globally competitive alliances in Northern Ireland to support solutions to the complex problem of delivering safe, nutritious, sustainable, authentic food supplies to the world's growing population against a backdrop of climate change. Development of these alliances will enable AFBI and local universities to reconnect the research and innovation pipeline from basic discovery science through to applied and translational research. As an important step towards this delivery approach, AFBI are targeting the establishment of a Strategic Alliance agreement with Queens University Belfast during 2018/19. In addition, AFBI will work closely with DAERA and CAFRE to establish an AFBI/CAFRE Strategic overview group to maximise the potential synergies and effectiveness of closer and more planned approach to partnership and collaboration.



Strategic Outcome 1- Society, Economy & Environment

AFBI will lead in the delivery of scientific innovation and evidence to improve the economic and environmental performance and sustainability of the agri-food and marine sectors

Delivering Outcomes- What we will do in year 2018/2019

Outcome 1

Through scientific innovation and development of new technologies AFBI will improve the economic and environmental performance of the agri-food and marine sectors, thereby informing and protecting society.

Outcome 2

Strategic alliances providing interdisciplinary response and maximising impact of NI science on local and global challenges.

Outcome 3

Enhanced uptake of innovation by industry and processors improving efficiency and resilience.

KPI 1

AFBI will publish a report on the impact of AFBI science and the benefits thereof, whether these be monetary or non-monetary.

KPI 2

AFBI will establish operational model and launch AFBI science programmes to include Industry Advisory Group by March 2019.

KPI 3

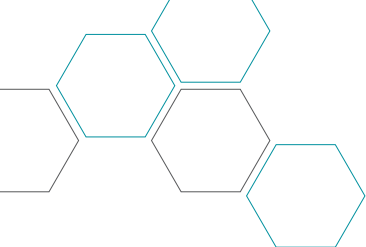
In seeking to establish a potential strategic alliance with QUB, the optimum governance arrangements and KPI's to underpin an alliance will be identified.

KPI 4

Establish an AFBI/CAFRE Strategic overview group to ensure greater planned approach to organisational collaboration.

KPI 5

Establish baseline measures to enable assessment of the adoption of innovation and technology by 31 March 2019.



AFBI Strategic Outcome 2 - Customers and Partners

AFBI will further enhance its status as a trusted partner and provider of choice in relation to science supporting the agri food and marine sectors

DELIVERING FOR OUR CUSTOMERS INCLUDING DAERA AS PRINCIPAL CUSTOMER

AFBI Scientists have long standing experience and internationally recognised standards of providing evidence-based scientific advice to Government policy makers. AFBI is the partner/ contractor of choice for many local, national and international bodies. A major aim is to support industry by providing a "one stop shop" for diverse specialist advice and facilities in agri-food

AFBI will continue to give high priority to the delivery of the assigned work programme for DAERA in accordance with agreed budget, time and quality standards. Performance indicators have been set and agreed for the delivery of statutory, diagnostic/surveillance and analytical testing, as well as E&I projects. AFBI will also monitor the level of customer satisfaction expressed by the relevant DAERA policy areas and respond where required improvements to service delivery are identified.

AFBI will also maintain agreed emergency response capability and respond to emergency situations in support of DAERA and other government departments with which it has service level agreements, ensuring that its contingency plans are up to date and tested.

GROWING AFBI'S PROFILE LOCALLY AND GLOBALLY

In 2018/19 AFBI will continue its engagement with senior industry representatives to both seek industry views and establish the ongoing and emerging needs of industry. In addition AFBI will continue to develop more regular engagement with industry at operational levels to ensure that AFBI delivers innovation and scientific support to the agri-food and biosciences and rural sectors through sustainable intensification.

AFBI will maintain its profile as a world-leading provider of scientific research through sustained participation in international research consortia and collaborative partnerships with research organisations in many countries and a high output of internationally recognised peer-reviewed scientific publications.

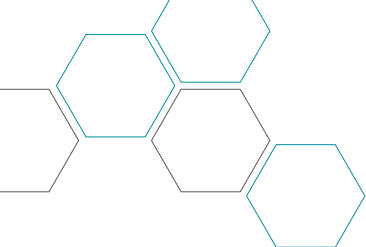
The adoption of a programme-based approach to science will increase AFBI's market visibility and has the potential to attract national and international collaborations and revenue. To raise the profile of AFBI's scientists, the Institute will externally publish AFBI staff involvement and recognition in international committees on a quarterly basis.

During 2018/19 AFBI will continue to build on the positive results achieved from the peer review process to date and implement the recommendations made by the peer review panel. Quality is also key to AFBI science and to maintaining our standing. We will continue to actively manage this through our Quality Management Systems to retain our ISO BS17025 and ISO 9001 accreditation.

STRENGTHENING THE IMAGE AND REPUTATION OF NI PRODUCED FOOD

In seeking to protect both the consumer and Northern Ireland's trade in food and animals, AFBI carries out a large volume of analytical work in detecting chemical residues, microbiological pathogens and toxins that pose a potential risk to human health. It encompasses international reference laboratories in several of these key areas. In 2018/19 AFBI will target successful outcomes from all international audits carried out to facilitate new market opportunities for NI Industry.

AFBI will continue to provide cutting-edge expertise in food quality research and novel food processing procedures. Our extensive food sensory evaluation facilities and knowledge base benefit Northern Ireland producers and assists in product development and in enhancing consumer choices. In 2018/19 AFBI will deliver collaborative research with at least 4 exporting NI Food companies to enhance product quality in 2018/19.



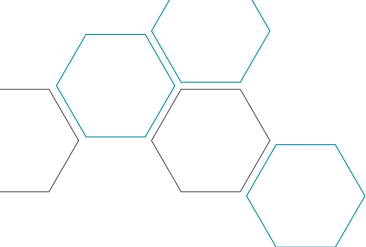
INCREASING RESEARCH CONTRACT AND COMMERCIAL INCOME PORTFOLIO

In 2018/19, AFBI will continue to develop a commercially and customer-focused culture and operating environment within AFBI. AFBI will also continue to actively manage its commercial portfolio, meeting the needs of its local, national and international customers and aims to continuously improve its service by seeking customer feedback on its performance.

The implementation of cross cutting science programmes will open up potential new scientific and research avenues for AFBI, making the Institute more attractive for new collaboration and access to funding and revenue. This will be enhanced through greater clarity of AFBI's alignment with customer needs.

In 2017/18 AFBI generated £15.4¹m in non-GIA income (excluding royalty income). It is important that AFBI continues to grow this proportion of income due to the long term pressures on public finances. AFBI is therefore targeting a further growth in non-GIA income in 2018/19. This will be achieved through a variety of sources including INTERREG, the EU Horizon 2020 Programme, UK Strategy for Agricultural Technologies, other R&D funding organisations and a range of public sector and commercial customers.

¹ NB Provisional as at submission of Business Plan



AFBI Strategic Outcome 2 - Customers and Partners

AFBI will further enhance its status as a trusted partner and provider of choice in relation to science supporting the agri food and marine sectors

Delivering Outcomes- What we will do in year 2018/2019

Outcome 4

Enhanced relationships with customers and partners based on reputation of AFBI science.

Outcome 5

Strengthen image (reputation) of NI produced food based on AFBI science

Outcome 6

Grow AFBI science profile and brand both locally and globally.

Outcome 7

Increase research contract and commercial income portfolio.

KPI 6

At least 95% of tests delivered to all customers within agreed timescales and quality standards

KPI 7

At least 90% of research projects completed for all customers on time and within budget

KPI 9

Satisfactory outcomes from all international audits carried out in 2018/19 to facilitate new market opportunities

KPI 10

Participate in AHWNI and AHI technical working and implementation groups on endemic diseases

KPI 11

Enhance the profile of AFBI by publishing and commencing implementation of a marketing and communications strategy by 31 January 2018. Participate in 30 leading national & 20 international committees.

KPI 12

Maintain AFBI's international standing by publishing a minimum of 100 peer reviewed scientific papers.

KPI 8 Contribute to Emergency Response Capability (ERC) requirements specification from DAERA. Contingency plans reviewed, updated and tested in-year

KPI 13

We will increase the number of AFBI collaborative contracts with national and international organisations.

KPI 14

Increase non GIA income in line with agreed budget.

AFBI Outcome 3 - People & Infrastructure

AFBI will invest in and develop its people and infrastructure to provide innovative, efficient and effective service delivery

PEOPLE

Excellence in its people is fundamental to delivering AFBI's objectives and AFBI will continue to invest in staff as the future of the organisation. AFBI will continue to develop a strong business culture for its scientists so that they are better equipped to manage the financial and governance aspects of science. AFBI's continued success is dependent on retaining and attracting the best scientists and staff in an increasingly competitive environment. This aspiration is fostered by developing individuals' careers through regular appraisal, the provision of development opportunities, excellent terms and conditions and a range of work/life balance practices. In 2017/18 AFBI undertook an employee survey and a series of focus groups aimed at identifying an action plan to increase staff engagement and in 2018/19 AFBI will implement this plan.

The development of a cross disciplinary programme approach to science within AFBI will also bring fundamental benefits to AFBI and our people. This will allow the organisation to build more flexible teams, driving staff development and engagement and sense of 'AFBI'. This will maximise the opportunities to share scientific knowledge across AFBI and in turn enhance staff opportunities for professional development and career progression. Successful implementation and embedding of this new approach will require the effective engagement and input from staff across the Institute.

As a result of the significant levels of organisational change and the loss of a large number of staff through voluntary exit in recent years, AFBI did not achieve its targeted improvement in absenteeism in 2017/18. AFBI will continue its enhanced programme of employee engagement and robust implementation of performance and absence management in 2018/19 in order to drive further reductions in absenteeism.

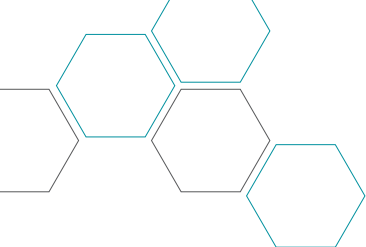
DELIVERING EFFICIENCY

In an increasingly competitive environment it is important that AFBI uses technology, systems and benchmarking to ensure that it is not only providing leading edge science but also value for money services to its customers. As set out within AFBI's Corporate Plan terms of an efficiency strategy, AFBI will continue to benchmark itself against other organisations delivering a report on unit costs and the benchmarking of corporate costs to DAERA in line with the agreed timelines.

In 2018/19 an AFBI efficiency plan will also be developed with a range of targets set and monitored and reported to ensure previous efficiencies are achieved, maintained and future efficiencies identified. As part of this process, AFBI will continue to monitor commercial project costing and variance to ensure fee setting is appropriate.
Corporate and Management Information systems

AFBI also face significant digital challenges in ensuring that we provide a technology platform that supports the scientific and corporate functions efficiently and effectively. It is also vital that AFBI has effective and fit for purpose management information systems in place to support corporate and project management within AFBI. In 2018/19 AFBI will progress implementation of its 4 year IT strategy aligned to the organisation's overall corporate goals.

Specifically in 2018/19 AFBI will develop a business case for a new AFBI Management Information System and a new integrated Laboratory Information system (LIMs) which are critical in helping to support service delivery within AFBI. This will consolidate the progress made in strengthening AFBI's financial management systems and processes over recent years.



ESTATES AND INFRASTRUCTURE

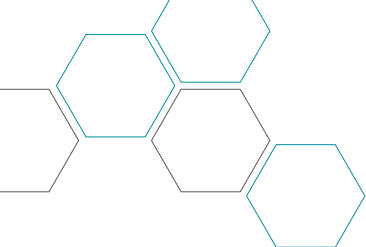
AFBI continues to pursue an ambitious programme of capital investment, with plans for a new Veterinary Science building and significant investment in upgrading research facilities across its estate. These proposed large-scale capital investments will provide fit for purpose estate and ancillary research platform and improve AFBI's competitiveness. In 2018/19 and in conjunction with DAERA, AFBI will take forward the projects for the replacement of the main building at VSD the development of new beef research and other farm research accommodation facilities at Hillsborough, a strategic outline case for the Loughgall estate and the replacement of the Research Vessel Corystes.

ADDITIONAL PERFORMANCE MEASURES

As a NDPB, funded by Grant-in-Aid, it is also important for AFBI to measure and report outturn performance in relation to budget allocations to its sponsor department DAERA. AFBI will therefore continue to report annually to DAERA using the following established performance measures:

PM1 – AFBI's provisional resource outturn to be between 99% and 100% of the final budget allocation.

PM2 – AFBI's provisional capital outturn to be between 99% and 100% of final budget allocation.



Strategic Outcome 3 – People & Infrastructure

AFBI will invest in and develop its people and infrastructure to provide innovative, efficient and effective service delivery

Delivering Outcomes- What we will do in year 2018/2019

Outcome 8
Motivated, flexible and engaged staff with the skills to support delivery of AFBI’s goals.

Outcome 9
Enhanced IT systems in place meeting the needs of the business.

Outcome 10
Refined benchmarking processes and efficiency targets in place and monitored

Outcome 11
Clear and agreed AFBI Estates Strategy to provide fit-for-purpose facilities.

KPI 15
Complete relevant actions from the action plan resulting from staff survey and focus groups

KPI 16
Achieve combined industrial and non-industrial absenteeism of 7.5 working days or less per Whole Time Equivalent (WTE).

KPI 18
Business Case for new Business management system submitted and specification developed by March 2019.

KPI 19
Business Case for new LIMS submitted for approval and specification agreed by March 2019.

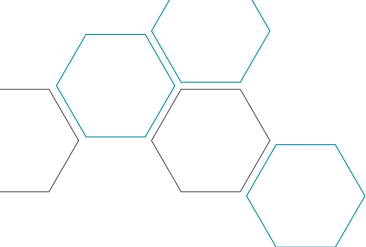
KPI 21 –
Annual Unit Costing and Corporate benchmarking reports provided to DAERA by August 2018

KPI 22 –
Develop an AFBI efficiency improvement plan for implementation by 31 March 2019

KPI 17
Achieve 95% completion of performance appraisals by June 2018.

KPI 20– Produce 3 year plan by March 2019 to enable the further development of appropriate data storage and processing infrastructure.

KPI 23 - In conjunction with DAERA we will continue to:
Progress the VSD main building project, in line with project plan milestones;
Produce SOC for farm research accommodation at Hillsborough by 31 March 2019;
Produce SOC for AFBI Loughgall estate by 31 March 2019;
Submit OBC for beef facilities for approval by 31 March 2019; and
Advance procurement process with CPD for replacement research vessel by 31 March 2019



5.0 AFBI Budget 2018/19

AFBI's Business Plan for 2018-19 is based on a total investment of £50m. This includes £27.8m in Exchequer resources allocated by DAERA and self-generated income of £22.4m (commercial income of £14.8 and royalty income of £7.6m). Investment will be directly aligned to our strategic objectives.

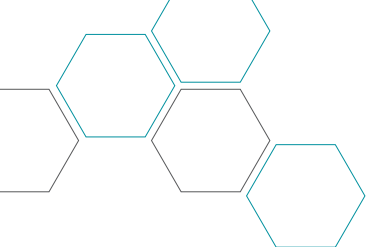
AFBI's budget for 2018-19 is summarised in Table 1, including the DAERA GIA budget allocation.

	2018/19 BUDGET
EXPENDITURE	£000s
Employment Costs	29,516
Overheads (GAE)	11,967
Programme (operating) costs	12,236
Lease	6,345
Capital	5,200
Depreciation	3,000
Total Expenditure	68,264
INCOME	
Resource	22,392
Capital: Research and Development	8,958
Capital: Recurrent	5,200
Lease	6,345
Depreciation	3,000
Total funding from DAERA	45,895
Commercial income	14,769
Vaccine royalties	7,600
Total Income from other sources	22,369
Total Income	68,264
Surplus	0

5.1 Financial Context

AFBI supports DAERA by providing underpinning scientific evidence which will shape policy direction for the agri-food sector in Northern Ireland, and in the provision of statutory testing and emergency response. To that end, AFBI is funded by a grant in aid budget from the Department.

In order to supplement that income, and to ensure that AFBI's scientists continue to be exposed to as wide a range of new and emerging science as possible, DAERA supports AFBI in using this experience to pursue funding from other sources.



As well as providing other income, this maintains our standing with the international scientific community, which will become increasingly important as the implications of the UK's exit from the EU start to crystallise. This mutually beneficial arrangement is to the advantage of Northern Ireland. This further strengthens our ability to provide strong scientific support to policy development and helps to ensure that any emergency response that is needed will be up to date and effective. This also provides innovation in the agri-food sector to improve production and efficiency, which has both environmental and economic benefits.

We have been successful in growing external income sources, as our financial results will show. In 2017/18, we committed to commencing a number of EU funded projects. AFBI have a number of major projects which have now started, with more likely to follow in 2018/19. Along with the obvious financial benefits, these projects bring with them opportunities to further strengthen and nurture mutually beneficial partnerships with other public and private sector organisations.

Uncertainty at a local, national and European level continues, along with the financial implications of the UK's exit from the EU necessitates that AFBI keep a close watch on the developments to adjust its financial forecasts.

5.2 Budget 2018-19

The AFBI executive continues to pursue income generation plans which will see an increase in non-royalty income.

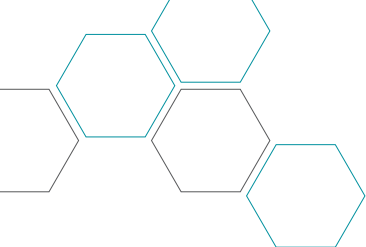
We are also committed to an efficient use of the resources available to us. During 2018/19 we will continue to work with DAERA to advance the planning for the redevelopment and reduction in the AFBI estate. This will not lead to savings in estate costs this year due to the long lead time involved in the development of major capital projects.

However, AFBI is conscious of its responsibilities towards the taxpayer in the current difficult financial climate and is committed to continuing to seek to become ever more efficient.

5.3 Non-GIA revenue streams

During 2018-19 AFBI will seek R&D funding from a variety of local, national and international research funding bodies and commercial organisations. This will include maximising drawdown of EU Horizon 2020 funding through the submission of innovative scientific research proposals.

Forecasted animal vaccine royalty income accounts for £7.6m of AFBI's external income target. This value is based on a number of assumptions and will be closely monitored as it is subject to the vagaries of exchange rate movements and is dependent on the international sales performance of the vaccines marketed by several commercial companies, both of which are outside AFBI's control.



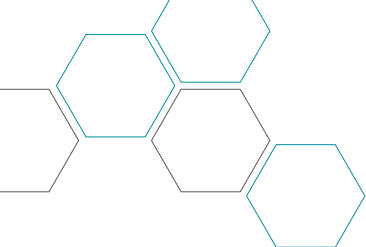
Annex 1: Summary of AFBI Business Targets & Key Performance Indicators 2018/19

STRATEGIC OUTCOME 1 – SOCIETY, ECONOMY & ENVIRONMENT

AFBI WILL LEAD IN THE DELIVERY OF SCIENTIFIC INNOVATION AND EVIDENCE TO IMPROVE THE ECONOMIC AND ENVIRONMENTAL PERFORMANCE AND SUSTAINABILITY OF THE AGRI-FOOD AND MARINE SECTORS

ALIGNED DAERA OUTCOME	AFBI OUTCOMES	ASSOCIATED OUTCOME MEASURES	KPI FOR 2018/19
<p>DAERA Strategic Outcome 1 Sustainable agri-food, fisheries, forestry and industrial sectors</p> <p>DAERA Strategic Outcome 2 A clean, healthy environment, benefitting people, nature and the economy</p> <p>DAERA Strategic Outcome 3 A thriving rural economy, contributing to prosperity and wellbeing</p>	<ul style="list-style-type: none"> Outcome 1 – Through scientific innovation and development of new technologies AFBI will improve the economic and environmental performance of the agri-food and marine sectors, thereby informing and protecting society. Outcome 2 – Strategic alliances providing interdisciplinary response and maximising impact of NI science on local and global challenges. Outcome 3 – Enhanced uptake of innovation by industry and processors improving efficiency and resilience. 	<ul style="list-style-type: none"> OM 1 – Established measures in place to demonstrate impact of AFBI Science. OM 2 Established science programmes which aim to define: <ul style="list-style-type: none"> Improved societal benefits Enhanced local environment Develop sustainable livestock systems OM 3 – Development of strategic partnerships / alliances. OM 4 – Increased adoption of innovation and technology by industry. 	<ul style="list-style-type: none"> KPI 1 AFBI will publish a report on the impact of AFBI science and the benefits thereof, whether these be monetary or non-monetary. KPI 2 Establish operational model and launch AFBI science programmes to include Industry Advisory Group by March 2019. KPI 3 – In seeking to establish a potential strategic alliance with QUB, the optimum governance arrangements and KPI's to underpin an alliance will be identified. KPI 4 – Establish an AFBI/CAFRE Strategic overview group to ensure greater planned approach to organisational collaboration. KPI 5 – Establish baseline measures to enable assessment of the adoption of innovation and technology by 31 March 2019.

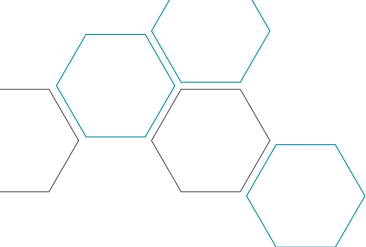
SO1



STRATEGIC OUTCOME 2 – CUSTOMERS AND PARTNERS

AFBI WILL FURTHER ENHANCE ITS STATUS AS A TRUSTED PARTNER AND PROVIDER OF CHOICE IN RELATION TO SCIENCE SUPPORTING THE AGRI FOOD AND MARINE SECTORS

ALIGNED DAERA OUTCOME	AFBI OUTCOMES	ASSOCIATED OUTCOME MEASURES	KPI FOR 2018/19
<p>DAERA Strategic Outcome 2 A clean, healthy environment, benefitting people, nature and the economy</p> <p>DAERA Strategic Outcome 3 A thriving rural economy, contributing to prosperity and wellbeing</p>	<ul style="list-style-type: none"> Outcome 4 – Enhanced relationships with customers and partners based on reputation of AFBI science. Outcome 5 – Strengthen image (reputation) of NI produced food based on AFBI science 	<ul style="list-style-type: none"> OM 5 - AFBI will deliver on commitments to DAERA as principal customer in terms of tests delivered within agreed timescales and quality standards, Evidence & Innovation project completion and satisfaction with AWP and E&I delivery. OM 6 – High levels of customer satisfaction through delivering a quality and timely service. OM 7 - Improved animal, fish and plant health and food safety and quality status for NI. 	<ul style="list-style-type: none"> KPI 6 - at least 95% of tests delivered to all customers within agreed timescales and quality standards. KPI 7 - at least 90% of research projects completed for all customers on time and within agreed budgets. KPI 8 - Contribute to Emergency Response Capability (ERC) requirements specification from DAERA. Contingency plans reviewed, updated and tested in-year. KPI 9 – Satisfactory outcomes from all international audits carried out in 2018/19 to facilitate new market opportunities. KPI 10 – Participate in AHWNI and AHI technical working and implementation groups on endemic diseases.

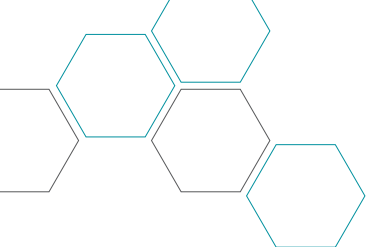


STRATEGIC OUTCOME 2 – CUSTOMERS AND PARTNERS

cont'd

AFBI WILL FURTHER ENHANCE ITS STATUS AS A TRUSTED PARTNER AND PROVIDER OF CHOICE IN RELATION TO SCIENCE SUPPORTING THE AGRI FOOD AND MARINE SECTORS

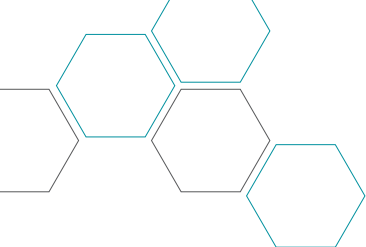
ALIGNED DAERA OUTCOME	AFBI OUTCOMES	ASSOCIATED OUTCOME MEASURES	KPI FOR 2018/19
	<ul style="list-style-type: none"> Outcome 6 – Grow AFBI science profile / brand both locally and globally. 	<ul style="list-style-type: none"> OM 8 - Increased staff involvement, influence and recognition in national and international committees and networks of excellence. OM 9 – Increased numbers of peer reviewed scientific papers in journals within the top 25% for their subject area. OM 10 – Increased collaboration with other national and international scientific organisations including exchange of PhD and Post Doctoral scientists. 	<ul style="list-style-type: none"> KPI 11 – Enhance the profile of AFBI by publishing and commencing implementation of a marketing and communications strategy by 31 January 2018. Participate in 30 leading national and 20 international committees. KPI 12 – Maintain AFBI’s international standing by publishing a minimum of 100 peer reviewed scientific papers
	<ul style="list-style-type: none"> Outcome 7 – Increase research contract and commercial income portfolio. 	<ul style="list-style-type: none"> OM 11 – Increased levels of collaboration evidenced through national and international research contracts. OM 12 – Annual increases in non GIA income. (excluding royalties) 	<ul style="list-style-type: none"> KPI 13 – We will increase the number of AFBI collaborative contracts with national and international organisations. KPI 14 – Increase the rolling average 4 year non GIA income (excluding royalties)



STRATEGIC OUTCOME 3 – PEOPLE & INFRASTRUCTURE

AFBI WILL INVEST IN AND DEVELOP ITS PEOPLE AND INFRASTRUCTURE TO PROVIDE INNOVATIVE, EFFICIENT AND EFFECTIVE SERVICE DELIVERY

ALIGNED DAERA OUTCOME	AFBI OUTCOMES	ASSOCIATED OUTCOME MEASURES	KPI FOR 2018/19
<p>DAERA Strategic Outcome 1 Sustainable agri-food, fisheries, forestry and industrial sectors</p> <p>DAERA Strategic Outcome 2 A clean, healthy environment, benefitting people, nature and the economy</p> <p>DAERA Strategic Outcome 3 A thriving rural economy, contributing to prosperity and wellbeing</p>	<ul style="list-style-type: none"> Outcome 8 – Motivated, flexible and engaged staff with the skills to support delivery of AFBI’s goals. Outcome 9 – Enhanced IT systems in place meeting the needs of the business. 	<ul style="list-style-type: none"> OM 13- Increased levels of staff engagement and motivation evidenced through results of staff survey and reduced levels of absenteeism. OM 14– Achieve and maintain relevant HR accreditation. OM 15 – Appropriate IT platform in place to deliver improved management and monitoring of AFBI science programmes. OM 16– Implementing and extending data management and data analytics capability to harness opportunities from Big Data and new technologies. 	<ul style="list-style-type: none"> KPI 15 - Complete actions within the action plan resulting from staff survey and focus groups. KPI 16 - Achieve combined industrial and non-industrial absenteeism of 7.5 working days or less per Whole Time Equivalent (WTE). KPI 17 – Achieve 95% completion of performance appraisals by June 2018. KPI 18 - Business Case for new Business management system submitted and specification developed by March 2019. KPI 19- Business Case for new LIMS submitted for approval and specification agreed by March 2019. KPI 20– Produce 3 year plan by March 2019 to enable the further development of appropriate data storage and processing infrastructure.



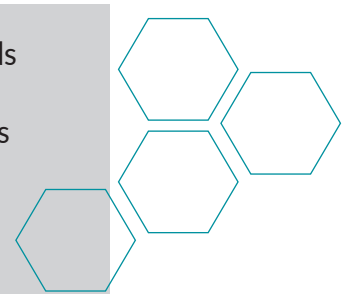
STRATEGIC OUTCOME 3 – PEOPLE & INFRASTRUCTURE

AFBI WILL INVEST IN AND DEVELOP ITS PEOPLE AND INFRASTRUCTURE TO PROVIDE INNOVATIVE, EFFICIENT AND EFFECTIVE SERVICE DELIVERY

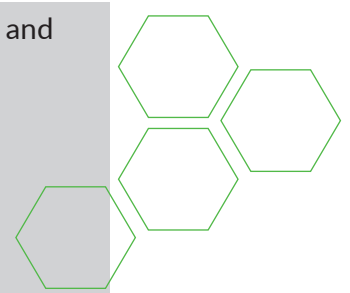
ALIGNED DAERA OUTCOME	AFBI OUTCOMES	ASSOCIATED OUTCOME MEASURES	KPI FOR 2018/19
	<ul style="list-style-type: none"> • Outcome 10 – Refined benchmarking processes and efficiency targets in place and monitored. • Outcome 11 – Clear and agreed AFBI Estates Strategy to provide fit-for-purpose facilities. 	<ul style="list-style-type: none"> • OM 17 – Annual Corporate benchmarking and Unit Costing reports provided to DAERA. • OM 18 – AFBI will develop a series of efficiency measures and targets each year, in agreement with DAERA, as part of its Annual Business Planning Process. • OM 19 – Delivery of fit for purpose facilities as an outcome of an agreed Estates Strategy 	<ul style="list-style-type: none"> • KPI 21 – Annual Unit Costing and Corporate benchmarking reports provided to DAERA by August 2018. • KPI 22 – Develop an AFBI efficiency improvement plan for implementation by 31 March 2019. • KPI 23 - In conjunction with DAERA we will: <ul style="list-style-type: none"> • Progress the VSD main building project, in line with project plan milestones; • Produce SOC for farm research accommodation at Hillsborough by 31 March 2019; • Produce SOC for AFBI Loughgall estate by 31 March 2019; • Submit OBC for beef facilities for approval by 31 March 2019; and • Advance procurement process with CPD for replacement research vessel by 31 March 2019.



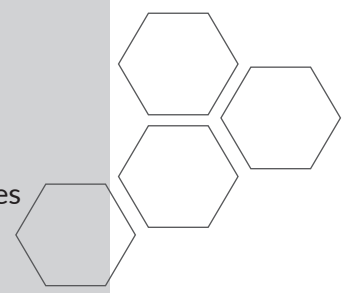
Customer First

- 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
- 

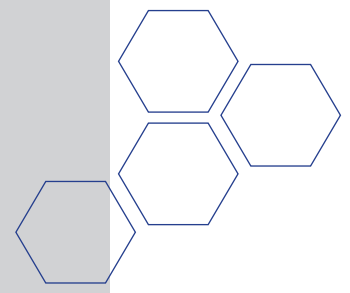
Scientific Excellence and Integrity

- 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
- 

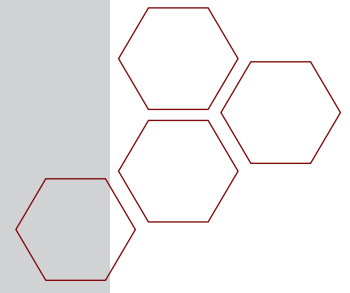
Respecting People

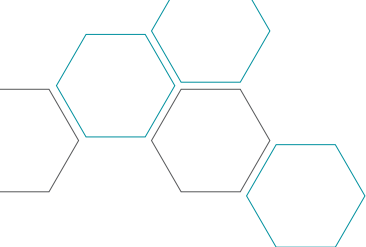
- Values the work and contribution of others
 - Respects and values diversity
 - Shows acceptance and understanding by being open, courteous, and considerate
 - Speaks about concerns with the appropriate person; does not engage in communications that diminish others
 - Is generous with recognition and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

Honesty and Trust

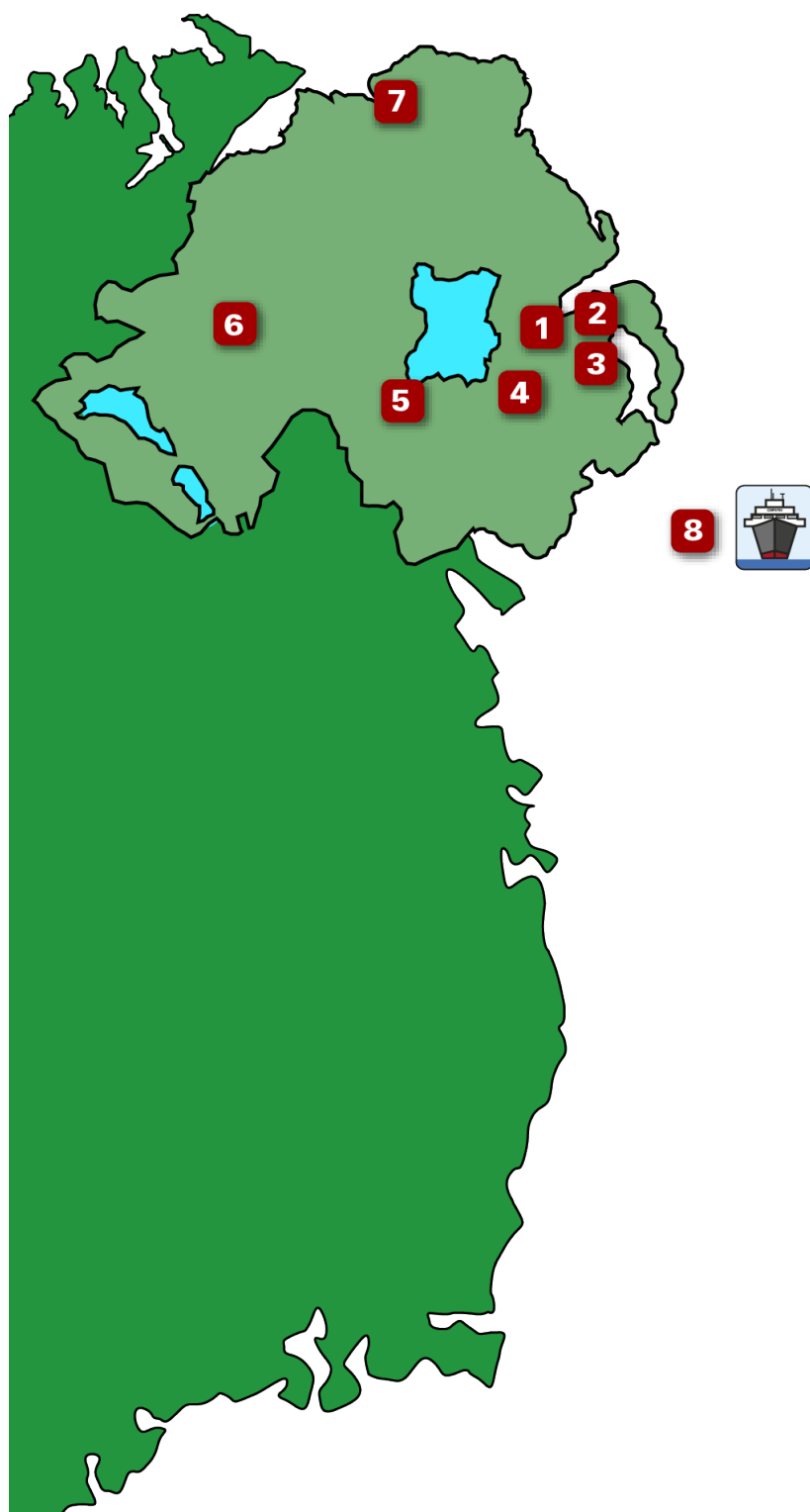
- Is fully accountable for our dealings
 - Demonstrates openness and transparency
 - Respects and honours confidentiality
 - Empowers staff to take ownership
 - Demonstrates consistency in dealing with others
- 

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
- 



**AFBI IS BASED AT SEVEN SITES IN NORTHERN IRELAND
AND IN ADDITION OPERATES A MARINE RESEARCH VESSEL AS FOLLOWS**



1. Newforge Lane, Belfast; corporate headquarters, food science, agricultural and food economics, freshwater and marine fisheries, environment, agricultural and rural economics, biometrics and information systems, and plant science (including plant pathology).
2. Stormont, Belfast; animal health diagnostic laboratory and research, and food safety (chemical and microbiological), modern laboratory accommodation incorporating animal biocontainment category 3 laboratories.
3. Crossnacreevy, Co. Down; plant variety trials, herbage distinctiveness and uniformity testing and official seed certification, on a 46 ha land platform.
4. Hillsborough, Co. Down; sustainable livestock systems (dairy, heifer rearing, beef, sheep, pigs and poultry research), modern dairy and anaerobic digestion units, biomass production, long term environmental monitoring sites, environment and renewable energy centre, 315 ha farm platform.
5. Loughgall, Co. Armagh; grass breeding, mushroom, apple, and agro-forestry research and biomass production on a total land area of 120 ha.
6. Omagh, Co. Tyrone; animal health diagnostic laboratory.
7. Bushmills, Co. Antrim; salmon population research, fish river trap and rearing tanks.
8. Research Vessel *Corystes*; AFBI also operates a 53m marine research vessel which is used to carry out a comprehensive programme of fish stock assessment, ecosystem research and commercial contract work, including seabed mapping, in the Irish Sea.

