



# Cefas Plan

## 2009-10

WITH FINANCIAL PROJECTIONS TO 2011-12

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# Foreword

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Cefas makes an important contribution to securing healthy marine and freshwater environments, and the sustainable use of associated resources, that will enable current and future generations to prosper. This includes providing leadership in understanding the challenges presented by climate change, and options for mitigation and adaptation.

Established for over 100 years, and with a turnover exceeding £50m, we employ over 500 people - primarily in Lowestoft and Weymouth. As the UK's largest and most diverse applied marine science laboratory, we provide leadership in many areas. We help to shape and implement policy through our internationally renowned science and through our collaborative relationships that span UK Government, EU, NGOs, research centres and industry. .

Our core remit is to provide advice and support to UK Government and its agencies. Our work takes us from freshwater to the open ocean, and includes both wild and farmed fish. Our influence and leadership spans the full spectrum of issues, including:

- marine spatial planning and environmental licensing
- sustainable fisheries management
- marine biodiversity and habitats
- fish and shellfish health & hygiene
- climate change impacts and adaptation
- emergency response

This is supported by leading edge capabilities to collect, manage and interpret a breadth of environmental, biodiversity and fisheries data.

To deliver our remit, and consistent with our vision of “making a difference for society”, our ability to integrate a broad capability is becoming increasingly important. This includes going beyond traditional scientific and policy boundaries, through alliances and partnerships, to draw in socio-economic and industry perspectives. We facilitate collaborative action.

As a net running cost Executive Agency, all of our work is delivered through contracts. By being commercially strong, with a clear business orientation in its delivery and a remit to exploit growing wider markets opportunity alongside its work for Government, Cefas builds the skills that underpin its sustainable future. The margins generated from contracts allows Cefas to reinvest in our business and science, and so maximise the value to the taxpayer of our unique knowledge and facilities.

This Plan sets targets for the Chief Executive and Directors. It fits within the overall context set by the Corporate Strategy. Its operation is supported by the Cefas Risk Management Plan and it will be executed in accordance with the Cefas Framework Document.

# Executive Summary

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This plan describes Cefas' business activity and priorities for 2009-10.

Our seas provide food, jobs and energy. They influence politics, affect how we travel and offer recreation opportunities. They are a source of rich biodiversity and beauty. They play a key role in regulating our climate. They both influence and are influenced by our land based activities. In short, our seas affect our lives, our society and our politics in many different ways. Given many competing demands, the effective and sustainable management of our seas becomes highly complex. It relies on robust applied science and evidence.

For over a century Cefas has played a central role in government's management of the seas, by providing this applied science and evidence. We have helped to shape and deliver policy. Like the seas, we have adapted and responded to changing pressures and opportunities. We have extended our skills to address broader aquatic related issues and to work in new markets. We continue to prioritise investment in the science, infrastructure and relationships that sustain our leadership position. Recent investments have made us more effective, flexible and business-orientated, and our greater external focus is enabling us to respond to growth opportunities offered by the Marine Bill and forthcoming European Directives.

Our plan builds on this healthy base to ensure a strong future for Cefas and achievement of our overall goal of "making a difference for society". In the year ahead, we place emphasis and urgency on preparing for an increasingly challenging economic climate. We will focus on activities that give us greater resilience and/ or take future costs out of the business:

- Continuing to strengthen relationships across the Defra Network, working with other agencies to assess options and take actions that improve overall delivery effectiveness through closer collaboration. A critical element of this is establishing and implementing the intended partnership agreement with the new Marine Management Organisation.
- Targeting growth in non-Defra income, which mitigates pressures on Defra funding going forwards. We give priority to developing long term relationships and contracts that underpin our financial stability. We will continue to reinforce our customer focus across Cefas, and introduce more proactive account management for our key customers.
- Implementing new systems, together with a focus improved project management and strengthened procurement, to enable delivery of savings in future years.

We aim to break-even in 2009/10 and in subsequent years of this plan.

Our Ministerial Targets reflect a continued commitment to our existing strategy in the face of challenging trading conditions, and a recognition of the need to add even greater value to our customers and the taxpayer. We have introduced an "effectiveness" target, with the aim of delivering £0.5m annualised gains in each of the next three year through a combination of non-core Defra income growth and efficiency savings. We have also introduced a specific target relating to Sustainability, reflecting our aspiration to be an exemplar in this area.

# Ministerial Targets

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## SERVICE DELIVERY

- **Customer satisfaction to exceed 82%**  
To provide high standard of services to the satisfaction of customers. Measured through weighted average of customer response to post-contract survey that covers seven aspects of service quality. Incorporates project delivery metrics.
- **Science quality indicators to exceed 75%**  
To enhance scientific capability and reputation, using indicators grouped around research, wider dissemination and use of our science, and scientific capability. Measures include customer surveys, numbers of peer reviewed scientific papers and investment in new science.

## VALUE FOR PUBLIC MONEY

- **Recover the full cost of our services**  
To demonstrate financial sustainability through sound operational financial management and appropriate investment in Cefas' future, including the delivery of Cefas' transformation plan. Measured through achieving an audited break-even result in 2009/10.
- **Effectiveness gains**  
To deliver £0.5m of effectiveness gains, generated through a combination of non-Defra income growth, improvements in project effectiveness and reduced overhead costs.

## CAPACITY AND CAPABILITY

- **Sustainability indicators to exceed 75%**  
To demonstrate a healthy and safe working environment, together with progress towards being an exemplar for sustainable development, through a range of indicators.
- **Staff satisfaction survey to exceed 65%**  
To respect and help the agency's people to develop. Measured by an annual questionnaire to staff, using a weighted scale for the eight survey categories.

## Strategic Context

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At the heart of Cefas' strategy is our vision to "make a difference for society as recognised leaders in marine and aquatic science". By working in partnership with others across the Defra network we help to secure healthy marine and freshwater environments and to ensure sustainable use of associated resources. We support a broad sustainability agenda that enables current and future generations to prosper.

Supporting Defra through a strong, open and strategic partnership will continue to be an important aspect of Cefas' activities, with our work contributing to many of Defra's strategic objectives (Annex 1). Although reducing in relative terms, we expect this to account for over 60% of Cefas income for the foreseeable future.

EU directives and the Marine Bill are driving action across the sectors in which we operate. By contrast with this growing demand, a volatile economic climate creates complexity. The "transformation agenda" that Cefas has pursued since 2006 prepares us well for the challenges ahead. We continued to strengthen our relationship with Defra and its agencies, consolidated sites, achieved significant effectiveness gains and increased income from non-Defra sources. Whilst much has already been achieved, we will continue to strengthen Cefas, through our strategy. This is described in terms of three inter-related themes:

- **Business:** a growing emphasis on partnerships, will provide Cefas with important financial stability. This includes establishing a long term agreement with the MMO. We will continue to drive efficiency improvements, particularly relating to contract delivery, alongside growing income. We will enhance our customer focus and introduce proactive account management, alongside raising our profile more generally.
- **Science:** we will invest to ensure that Cefas science and technology remains leading edge, and that we develop those capabilities that allow us to harness this science to best effect. QuEST (Quality and Excellence in Science and Technology) provides an overall framework to realise our ambition.
- **People:** our high level aspiration is to attract, develop and enthuse exceptional people. We will achieve this through actions that promote high levels of staff engagement, by effective resource planning to meet both short and long term customer needs in flexible ways, and by providing personal growth and development opportunities for our staff.

We will, through our actions, ensure that Cefas remains resilient in a tough economic climate and that we continue to deliver value to our partners and customers through our high quality and relevant scientific capability. We aspire to be an integral part of delivering the UK government's sustainability and marine agendas, and thereby make a difference for society. Above all, we will continue to be a place where exceptional people want to work.

# Corporate Plan

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## CORPORATE PRIORITIES FOR 2009/10

### Business

- Taking action to deliver annualised effectiveness gains of £0.5m over the three years of this plan. These include embedding new ways of working through our new management information systems, enhancing project delivery and strengthening procurement practices.
- Developing a partnership agreement with the Marine Management Organisation.
- Continuing our drive for new sources of income, together with a greater emphasis on partnerships and improved customer focus/ account management.

### Science

- Raising Cefas profile to ensure widespread recognition of the breadth of our marine and aquatic science capabilities. This includes increasing Cefas visibility on topical issues.
- Consolidating our position for management of data linked to marine spatial planning and habitat mapping.
- Building on existing capabilities to ensure implications of our advice are explained in socio-economic terms as well as environment.
- Establishing QuEST as an internal brand that provides focus for the energy and passion that exists for science and technology across Cefas.

### People

- Taking action to improve levels of staff engagement, with a particular focus on communications and enhancing “dialogue” through the line management chain. We will also establish additional mechanisms for celebrating local successes.
- Developing resource plans within Divisions to bring a more systematic approach to planning our future requirements and increase resilience in a rapidly changing economic organisation. This includes actions to enhance flexibility, adaptability and better leverage skills across Cefas in future years.
- Improving performance management, building on the recently developed competence framework, strengthening appraisal mechanisms and implementing updated performance management processes.

## SELF-INVESTMENT

### Seedcorn

Through our “seedcorn” funds and other sources of investment we maintain and develop capability and long-term business growth that fully exploits our technology, knowledge and information. This budget is broadly split between research, to support long term capability, and development focussed on nearer term market opportunities.

### Cefas Development Projects

Cefas corporate development is controlled and focussed on investments to support our strategy. These include invest to save projects that can deliver benefits starting in 2010/11 in preparation for tighter economic conditions.

### Cefas Exceptional Costs

Cefas exceptional costs relate to major transformation actions agreed in the 2006 Lab Strategy Review. This now relates primarily to the Waveney Campus Project and exit from the Lowestoft site.

### Capital

The Capital investment budget is principally focused on scientific equipment and business systems.

## FINANCIAL SCHEDULE

	<b>07/08 Actuals</b>	<b>08/09 Forecast</b>	<b>09/ 10 Plan</b>	<b>10/11</b>	<b>11/12</b>
<b>Total turnover</b>	47,533	55,999	55,036	54,716	54,158
<b>Cost of sales</b>					
Salary (fully loaded)	19,159	19,795	20,230	20,218	20,712
External costs	28,338	36,204	34,806	34,498	33,446
<b>Net surplus (Deficit)</b>	36	0	0	0	0

## Annex 1: Cefas and Defra Strategic Objectives

The following table maps the linkage between Cefas capabilities and Defra Strategic Objectives.

Departmental Strategic Objective	Intermediate Outcome	AHH	E&E	Fish	M & PM
A society that is adapting to the effects of climate change	Society and ecosystems adapted to climate change	XX	XX	XX	XX
A healthy, resilient, productive & diverse natural environment	Biodiversity valued, safeguarded and enhanced	X	XX	X	X
	Clean, healthy, safe, productive and biologically diverse oceans and seas	XX	XX	XX	XX
	People enjoy, understand and care for the natural environment	X	X	X	X
	Sustainable water use, aiming to achieve a balance between water quality, environment, supply and demand	X	X	X	
	Improved local environmental quality		X	X	
	Sustainable living landscapes with best features preserved		X		X
Sustainable, low carbon and resource efficient patterns of consumption and production	Better products and services, which reduce environmental impact across their lifecycle while boosting prosperity and competitiveness				X
An economy and a society that are resilient to environmental risk	Risk from flooding and coastal erosion managed sustainably		X		XX
	Protection of the economy, human health and ecosystems from environmental risks and emergencies	XX	XX	XX	XX
	Public health and the economy protected from animal diseases	XX			
Championing sustainable development	Sustainable development successfully championed across government	X	X	X	X
A thriving farming and food sector, with an improving net environmental impact	Farming has an improving net environmental impact	X			
	Improved welfare of kept animals	X			
A sustainable, secure and healthy food supply	Reduced global impact of UK food production and consumption	X		X	
Strong rural communities	The evidenced needs of rural people and communities are addressed through mainstream public policy and delivery			X	
A respected department delivering efficient and high quality services and outcomes.	Defra shaped to deliver effectively, with resources flexibly deployed and aligned to: <ul style="list-style-type: none"> <li>skills, capabilities and resources aligned to priorities</li> <li>delivering effectively through partners; and,</li> <li>effective and well evidenced policy development and implementation.</li> </ul>	XX	XX	XX	XX

	Defra prepared to deal swiftly and efficiently with emergencies in all its areas of responsibility	XX	XX	X	XX
	Stakeholders, partners and customers have a clear understanding of what the Department is seeking to achieve.	X	X	X	X

XX – Strong involvement

X – Some involvement