



AHDB Beef & Lamb Business Plan 2016-2019

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Outlook for English beef and lamb

Key joint issues

- The impact of animal health and disease
- Opportunities for genetic improvement
- Maintaining the image of beef and lamb for their nutritional benefits
- CAP dependency
- Effectively differentiating quality assured English beef and lamb at point of purchase

Beef Issues

Against the background of a challenging economic climate, future reductions in agricultural support and increasing concerns about the environment, the beef sector needs to achieve a competitive value for product that can sustain production in the UK to maintain both the production base and the supply chain. Farmgate prices have experienced significant volatility in the last year. There are some signs that input prices are falling and these have slowly fed through to the producer.

For most of the last 10 years, the breeding herd in the UK had been steadily declining, reflecting the on-going concerns over profitability in both the dairy and beef sectors. However, with this issue still a real concern in the suckler and beef finishing sectors and a more optimistic dairy sector in the long term, the component parts of the UK breeding herd started to move in opposite directions in more recent times. Provisional figures for the UK cattle herd, as at June 2015, show a small increase in total cattle numbers, compared with a year earlier. With last year also bucking the trend, the breeding herd was reported to have increased for the second consecutive year to be around 3.46 million head. Most of this increase can be attributed to another increase in the dairy herd, which has grown 2% this year.

The horse meat issue in early 2013 provided a window of opportunity to encourage consumers and retailers to focus on the provenance of the product and also the quality. However, the availability of cheaper imports and the increased competition among the major retailers negated this opportunity during 2014. The world supplies of beef continue to tighten, which suggests that the downward pressure on prices during 2014 was a trough in the cycle rather than a long-term trend and the cycle continued to move steadily upwards.

Provenance remains a concern to the consumer, but it has to be matched by affordability, appearance and price.

The changes in household size, lifestyle choices and buying behaviour mean that meat has to be prepared and presented in a way that meets the needs of customers, especially in smaller, more user-friendly forms to drive consumption, while remaining affordable.

The increasing world demand for beef, especially in countries outside Europe, has generated a demand for offals and fifth quarter products, provided that they can be supplied in the required form and quality.

In the UK, it will be important to exploit to the maximum the ability to grow grass economically and to utilise grass and other forage crops accordingly. Research and development, and knowledge transfer focus should be primarily based upon exploiting the natural advantages of the UK climate and our ability to produce beef sustainably using natural resources with low additional inputs.

Sheep meat issues

In the first nine months of 2015, sheep slaughterings have been at a high level, partly due to a high carry-over from the 2014 lamb crop. Another large lamb crop has been produced in 2015 and seasonal conditions have once again been good. As a result high supplies are expected to continue for the rest of 2015 and into the first half of 2016. An expected smaller breeding flock this year is expected to lead

to a smaller lamb crop next year, assuming average seasonal conditions and, therefore, tightening supplies in the second half of 2016.

Export markets are extremely important for the sheep meat sector and are expected to increase in 2016 but the strength of the pound may mean prices will be under pressure, while import volumes are expected to decline. This may mitigate some of the growth in production but overall supplies for consumption in 2016 are forecast to remain high.

The sheep sector suffers against a background of a challenging economic climate, future reductions in agricultural support and increasing concerns about the environment, which, along with extremely volatile farmgate prices, have undermined the confidence to invest.

The exchange rate, fifth quarter prices and difficult export conditions have highlighted the importance of the home market, although household penetration has dropped from 56.5% to 52% over the last ten years. However there are some signs that consumption is stabilising and understanding these trends and ensuring lamb meets the modern consumers' requirements is essential. Widening markets for sheep products will help reduce the volatility, leaving English producers less exposed to exchange rate fluctuations. Maximising the benefit of a strong demand for Halal meat at home will also be important and should continue to be a high priority.

Emphasis on producing lambs that meet the needs of customers consistently and affordably are priorities for research and development and knowledge exchange.

Laura Ryan

Strategy Director
AHDB Beef & Lamb

Key achievements in the last year



Export growth delivers better carcass utilisation

Our export development work, in partnership with Defra, UK Trade & Investment and the Foreign and Commonwealth Office, has led to a 76% increase in beef exports to non-EU countries and a 160% increase in the value of beef and sheep meat offal exports. As a direct result, beef and sheep carcass utilisation has improved by around 10% in recent years, also bringing down the carbon footprint per kilo of meat produced.

Developing new cuts

In 2014, the cuts development work carried out by our trade team delivered added value to the carcass worth £1.1 million to the beef sector, and £2.3 million to the lamb sector, the lamb leg category being the biggest beneficiary. In 2015, our combined growth target across beef and lamb for added value is around £8.7 million.



Promoting quality assured English beef and lamb

Our cuts development work was complemented by a range of consumer-facing activity, including our 'Mini-roast. Why wait 'til Sunday?' campaign. In addition to the headline television advertising, the supporting digital activity engaged over 100,000 people to visit www.simplybeefandlamb.co.uk for recipe ideas and product advice, while 22% of those targeted by mobile advertising purchased or intended to purchase, mini-roasts.

Beef and sheep genetics progress

We embarked on a four-year, £1.8 million research project in partnership with Defra, Scotland's Rural College (SRUC) and a wider industry consortium, to deliver a programme of selection for feed efficiency traits in beef cattle. This work is estimated to be worth a potential increase in farm level profit of 39%. Overall, the value of genetic improvement delivered to the UK beef and sheep sectors is estimated to be over £20 million a year.





Providing information on the go

With continued growth in the use of our website from mobile devices – over 40% of traffic comes from smartphones or tablets – an app was developed to offer streamlined access to the most commonly used sections of the site. This allows farmers to view content, from technical manuals to video updates, while offline or out of network coverage in rural locations.

Since its launch in mid-2014, the app has been downloaded nearly 1,900 times, with around 600 active users monthly. Flock calendar – 2,000 producers have registered. An online flock health calendar aids the timely delivery of management tasks.

Agriculture and Horticulture Development Board priorities

Introduction

The Agriculture and Horticulture Development Board (AHDB) is a Non-Departmental Public Body, funded by farmers, growers and others in the supply chain through statutory levies. These levies are ring-fenced to be used for the benefit of levy payers in the sector from where they are collected.

This AHDB Beef & Lamb Business Plan, while addressing the specific needs of the English beef and lamb sector, forms a constituent part of the wider AHDB Strategic Plan. Our sector advisory boards determine which strategies are most appropriate for levy funding to address the specific priorities in each sector.

The AHDB Strategic Plan and the six business plans can all be downloaded from www.ahdb.org.uk/publications

AHDB Purpose

AHDB Purpose

- To equip levy payers with the information and tools to grow and become more competitive and sustainable

AHDB Vision of Success

In order to help in determining which activities are best placed to meet this ambitious purpose our six sector boards met at conference at the end of June 2015. They determined what they thought success looked like for the UK agriculture and horticulture industry. The key descriptors were:

AHDB Vision

- The industry is economically and environmentally sustainable
- The UK's share of domestic and international markets is growing in terms of volume and value
- Our farm level costs of production are competitive with our main competitors, especially in the EU
- The industry has a good understanding of market and consumer requirements

AHDB Priorities

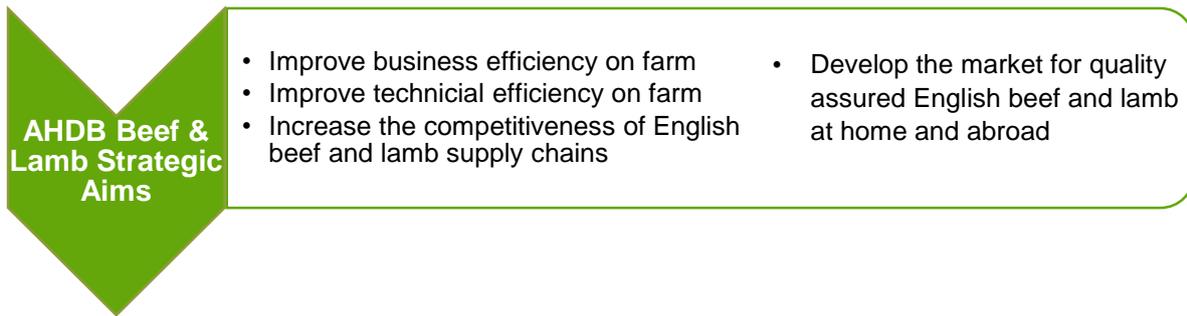
AHDB's levies fund activities which contribute to the industry achieving this vision. The work in each sector varies depending on the specific priorities of the sector, however all strategic activity across AHDB is delivered against two overarching priorities:

AHDB Priorities

- Boost competitiveness and sustainability
- Grow market opportunities

This business plan sets out the strategy for Beef and Lamb levy-funded activity under one of these two priorities.

Overview of AHDB Beef & Lamb strategy



AHDB Beef & Lamb – key activities	
Business efficiency	<ul style="list-style-type: none"> • Innovative ideas and tools communicated to farmers • Market intelligence developed for the supply chain
Technical efficiency	<ul style="list-style-type: none"> • Innovative ideas, tools and techniques developed for farm production
Industry competitiveness	<ul style="list-style-type: none"> • Improving efficiency in the supply chain • Adding value through supply chain innovation
Develop the market for quality assured English beef and lamb at home and abroad	<ul style="list-style-type: none"> • Stimulate trade and consumer demand for quality assured English beef and lamb by positioning them as a convenient, nutritious, versatile and quality products • Engage effectively with customers, particularly retailers and food service companies to improve uptake and presentation of quality assured English beef and lamb • Develop export markets for quality assured English beef and lamb

What's new?



Increasing range of resources for the Halal market. Driving sales at key calendar periods with bespoke material aimed specifically at Muslim consumers to promote sheep meat consumption.



Beef feed efficiency project. £1.75m selected breeding project collecting robust measurements of feed efficiency in beef cattle, which can be incorporated into future breeding programmes.



Progressive group as part of BRP+ activity. Inviting farmers to apply to join for the next three years. The programme will involve twice yearly sessions using Stocktake data for each business involved, as well as looking at specific technical areas and professional business skills.



Delivering integrated programmes of research and knowledge exchange through engagement with the newly formed Agri-Tech centres, to maximise the impact of our R&D and KE budget in delivering increased technical efficiency.



Maximising the impact of genetic improvement in beef cattle and sheep through delivery of the Beef Efficiency and RamCompare projects, and the implementation of the outcomes of recently completed research projects in both species.

Strategic themes for 2016/17 and beyond

AHDB Beef & Lamb has four strategic themes that fall under AHDB's two priorities:

Boost competitiveness and sustainability

- Improve business efficiency
- Improve technical efficiency
- Increase the competitiveness of English beef and lamb supply chains

Grow market opportunities

- Develop the market for quality assured English beef and lamb at home and abroad

Delivery of this plan is underpinned by communications and a continued focus on improving internal efficiency and providing the best possible value for money to levy payers.

Improve business efficiency

Beef and lamb farmers have become more knowledgeable in recent years of market requirements and improvements have been made in efficiency, but industry still has significant opportunity to further improve.

The regional team performs a business development function, encouraging the uptake of ideas and tools through a variety of events and on-farm activity, which may be run independently or in conjunction with others. They also play a key role in identifying and accessing additional funding streams, as well as identifying regional opportunities for specific projects, especially in conjunction with partner organisations.

Market Intelligence (MI) also supports business development through a regular flow of reliable market information and analysis to the industry across a range of platforms to enable levy payers to make informed choices about their business. It sets the context of changes in the industry, providing essential benchmarking data and expert interpretation, and tracks trends, prices and fluctuations for slaughtering, exports, imports, sales, prices and consumption.

Key outcome	Key Performance Indicator
Improve understanding among producers of the need to improve selection of animals for slaughter	Develop a targeted programme which results in 70% of producers adopting at least one idea to better market their stock
AHDB's Market Intelligence (beef & lamb) to disseminate market information as widely as possible in a timely and cost-effective fashion	Increased circulation/downloads of the Cattle & Sheep Weekly, with a target of 2,500
Key stakeholders are informed about our activities	Results from annual communications survey, taking place in early 2016
Raise awareness and confidence in AHDB Beef & Lamb as a trusted source of timely and evidenced based information which benefits the industry and helps foster good working relationships with key stakeholders	Achieve at least 1,500,000 page views in market section of the AHDB Beef & Lamb corporate website in 12 months At least 85% of media coverage mentioning AHDB Beef & Lamb assessed as being positive for the industry, through independent evaluation
AHDB Priority 1: Boost competitiveness and sustainability	

Improve technical efficiency

Innovative ideas, tools and techniques developed for farm production.

AHDB Beef & Lamb undertakes a programme of research and development to provide tools for a more efficient beef and sheep industry. This work supports and reinforces the knowledge transfer activity and work in the supply chain to improve the quality of meat or improve efficiency.

Following the receipt of the AHDB commissioned review “Review of the Genetic Improvement of cattle and sheep in the UK with Special Reference to the Potential for Genomics” and a report prepared by Defra’s Farm Animal Genetic Resources Committee (FAnGR) “Report on how beef genetics can help increase the profitability of UK beef farmers” in 2015, AHDB has convened a group to oversee the progression of the recommendations made in these reports on how better use of genetic information and data could help improve the productivity of beef farmers. A parallel group has been established by AHDB to undertake the same activity for sheep.

The findings are communicated to producers through a range of methods, in particular the Better Returns Programme, which is focused on breeding, selection, fertility and health, feeding and forage, management systems and costing. A wide variety of formats are utilised, including on-farm workshops, open meetings, leaflets, press articles and technical manuals.

Key outcome	Key Performance Indicator
Increased weaned weight of suckled calves per hectare and increased forage and feed use efficiency in growing and finishing beef cattle	Monitored through the Stocktake sample of 200 enterprises, with an aim for a sustained increase year-on-year
Increased weaning weight of lambs per hectare and to increased forage and feed use efficiency in growing and finishing lambs	Monitored through the Stocktake sample of 200 enterprises, with an aim for a sustained increase year-on-year
The outcomes of AHDB funded research projects are disseminated to levy payers and the businesses who support them	Delivery of six technical workshops, targeting advisers and consultants, and four targeting academics. Plus the publishing of an R&D review document that would be circulated to key stakeholders
Deliver a targeted and effective annual BRP programme	Three bulletins plus technical inserts per year to be sent to around 28,000 BRP sign-ups. Post-event feedback of at least 66% of producers adopting a management improvement as a result of attending
AHDB Priority 1: Boost competitiveness and sustainability	

Improve the competitiveness of English beef and lamb supply chains

The trade marketing team works with the red meat supply chain to ensure a robust demand for quality beef and lamb. This includes interaction with abattoirs, cutting plants, processors, wholesalers, foodservice operators and retailers. It works on Halal-specific projects and the trade team also promotes assured supply chains for both QSM and RT licensed businesses.

A dedicated team has been created within AHDB to focus on the beef and lamb supply chain, with a particular, but not exclusive, emphasis on the processing sector. This work involves working closely with abattoirs and meat processors to raise product quality to improve value and consumer satisfaction.

Key outcome	Key Performance Indicator
Deliver effective technical information for the processing sector, including Halal sector	Deliver three meat science masterclass events per year with a minimum of 45 delegates successfully trained per annum from the wider supply chain Host one advanced technical seminar and one halal seminar per annum to update key stakeholders on the latest developments and create a forum for exchange and identification of new opportunities.
Improve the provision of post-mortem animal health data back to farm of origin	Improved working relationship with FSA on FCI project and productivity on farm through clear disease information, eg liver fluke
Explore opportunities for cost reduction, particularly through increased carcass utilisation and improved waste management	Undertake a 5% increase of plant reviews
AHDB Priority 1: Boost competitiveness and sustainability	

Develop the market for English quality assured beef and lamb at home and abroad

AHDB Beef & Lamb works to stimulate profitable markets for beef and lamb. We also deliver positive health and image messages in all our PR-led campaigns, with the aim to address the commonly held myths about beef and lamb, with social media playing a key role in this delivery.

Exports development is at the core of the AHDB Beef & Lamb activity. Our export teams will continue to work to develop access to as many markets as possible and identify for the trade the best opportunities to maximise carcass value. Trade with France will continue to be a key market and there will be an increasing emphasis on using assurance to promote product. Funding from the European Union will enable us to develop markets in countries previously untapped in Europe. The funding will be used to demonstrate the appeal of lamb to the younger generation.

Key outcome	Key Performance Indicator
Increase global market access and export markets through partnership working	20% increase in fifth quarter exports to non-EU markets. Key objective is to agree a lifting of the BSE ban with China as a first key step to securing market access. Additional targets are Canada and US
Extend markets for undervalued cuts and cut development	Growth target across beef and lamb for added value is £10 million. Increased supplier (by 4%) and independent butcher membership (by 5%) of QSM scheme, measured against a base of March 2015. Increase the volume of beef and lamb products marked as Quality Standard Mark by 5%
Stimulate trade and consumer demand by positioning English quality assured beef and lamb as a convenient, nutritious, versatile and quality product	Grow the mid-week consumption of beef and lamb mini roasting joints

<p>Improve the uptake of English beef and lamb by the supply chain through NPD and delivery of effective training materials</p>	<p>Improved steak lines for multiple accounts, NPD with at least two processors, launch of Meat Education Programme and penetration increase of QSM lamb at foodservice from 14% to 24% by June 2016</p>
<p>Provide unbranded education/consumer marketing materials for stakeholders that are unable to use branded materials, eg Halal sector</p>	<p>Twice per fiscal year (summer/winter) distributed to 1,000 businesses. Halal sector will receive bespoke marketing activity for Ramadan/Eid to circa 300 halal retailers</p>
<p>Improve industry positioning in Europe and in particular to continue to stimulate demand in the French market</p>	<p>Sustain current level of lamb exports at 30% of production. Increase the usage of QSM logo for lamb and beef by 5%, measured by increased orders of QSM lamb stickers and associated POS material Increase the awareness of St George brand in France, measured by T2 survey with professionals (T1 in 2014 and T0 in 2013)</p>
<p>Effective engagement in the EU, in particular on the co-promotion of lamb and beef and in ensuring timely communication with key influencers</p>	<p>Maximising potential EU funding</p>
<p>AHDB Priority 2: Grow market opportunities</p>	

Improving AHDB performance

Providing an efficient and value for money service to levy payers is key to AHDB Beef & Lamb delivery. This is achieved through a programme of staff development and succession planning, increased cross-sector working and rigorous project evaluation and performance management.

AHDB is targeting generating cost efficiencies from its restructuring and functional ways of working of £1m pa, using the 2014/15 financial year as a base. These savings will be generated over the coming months and will be realised over time as the changes gain traction. The purpose is to deliver more services for the same cost, which means that money will be invested into new services for the benefit of levy payers.

Activity plan

AHDB Priority 1: Boost competitiveness and sustainability

Principal activities	Desired outcome(s)	Measurement method(s)	Key risks	Key controls
Improve technical efficiency on farm				
Deliver a programme of R&D projects	Effective spend of R&D budget to deliver new tools and knowledge.	Successful delivery of R&D projects to time and on budget through project management process.	Failure of research contractors to deliver.	Ongoing milestones and contracts.
Deliver an effective breed improvement programme to Signet clients	Genetic evaluations delivered on time for all participating breeds.	Records of data processing and runs produced.	Failure of BASCO or EGENES to deliver services required.	Contracts and ongoing communication.
Improve business efficiency on farm				
Deliver an extensive KE programme	150 KE events.	Post event feedback survey – 66% of attendees adopt an idea as a result of attending the event.	Poor farmer engagement Disease outbreak prevents farmer gatherings.	Creative and innovation delivery. Consider alternatives to on farm events, eg webinar, teleconf, etc.
Provide new Stocktake tools (including Stocktake Lite, Stocktake Compare and Stocktake What if). Develop relevant theoretical target enterprises.	Producers have an improved understanding of their own economic performance and manage their business more effectively. Wider learning from aggregated data feed in to AHDB Beef and Lamb strategy development.	Complete data entry for 400 beef cattle or sheep enterprises per year. Annual production of Stocktake report.	Lack of farmers wanting to take part. Lack of experienced staff. System too complex leading to poor uptake and criticism.	Work with Regional Managers and Better Returns Programme team to publicise the importance of knowing costs of production. System simplified in conjunction with AHDB Beef & Lamb staff.
Provision of consumer insight and analysis for marketing teams and the industry.	Improved marketing in the industry to help profitability and customer awareness.	Number of subscribers to AHDB Beef & Lamb category report increases.	Lack of experienced staff.	Maintenance of Analyst Development Scheme and introduction of CPD system.

Principal activities	Desired outcome(s)	Measurement method(s)	Key risks	Key controls
In 2016/17 we will redesign and relaunch our consumer category report with support from the AHDB Beef & Lamb marketing team		Market Research projects completed. Thorough evaluations conducted on all AHDB marketing campaigns.		
Provision of MI services - wider dissemination of the information we gather to better inform all players in the industry, allowing them to make more informed business decisions.	AHDB Beef & Lamb are seen as the knowledge house for the beef and lamb sector and the sector has the knowledge and data it needs to fulfil its other objectives.	Circulation of Market Weekly increases to 2,500 <i>(or 3,280 if this is a genuinely shared with comms/regional teams)</i> (2,280 in Oct 2015). Website usage maintained at 1.5 million page views per annum (currently looking at 1.6m+). Beef and lamb supply forecasts in February are within 5% of actuals.	Lack of experienced staff. Lack of quality assured systems and processes.	Maintenance of Analyst Development Scheme and introduction of CPD system. Our systems become quality assured.
Increase the competitiveness of English beef and lamb supply chains				
Market Access and exports	Progress China, Canada and US approval and continued growth in exports.	Formalised date for approval. Increase non-EU exports by 15% compared to 2014/15.	Animal disease, diplomatic barriers.	Ongoing milestones.

AHDB Priority 2: Grow market opportunities

Principal activities	Desired outcome(s)	Measurement method(s)	Key risks	Key controls
Develop the market for English quality assured beef and lamb at home and abroad				
Deliver integrated strategic marketing programmes positioning beef and lamb as modern, versatile meal solutions that are healthy and nutritious, while driving awareness of Red Tractor and Quality Standard beef and lamb to influence consumer choice.	<p>Grow the mid-week consumption of beef and lamb mini roasting joints.</p> <p>Increase the volume of beef and lamb products marked as Quality Standard Mark by 5%.</p>	<p>Kantar data.</p> <p>ESA facings survey.</p>	<p>Key processors unable to maintain specification.</p> <p>Marketing teams lack of scheme understanding.</p>	Ongoing milestones.
Increase carcass utilisation	New product development initiatives in three major retailers.	Increase carcass value.	Product sign off, viability in mass production, customer knowledge.	Ongoing milestones.
Upskilling of butchery sector	Launch of Meat education January 2016.	Implementation of programme to four leading processors, two regional colleges, two multiple retailers two training providers.	Low uptake.	Ongoing milestones.

Delivery

Principal activities	Desired outcome(s)	Measurement method(s)	Key risks	Key controls
Communications				
Technical publications, knowledge exchange and supply chain events	Increase uptake and use of AHDB Beef & Lamb research information. Improve efficiency and productivity across the supply chain.	Increased uptake of key website downloads.	Staff resources and time Appropriate IT platforms and web development.	Investment in website, IT and social media platforms. Fully resourced communications team. Robust evaluation using Net Promoter Score criteria.
Crisis management services	Major issues effecting the industry are dealt with in a coordinated way through the communication of robust objective information.	Media monitoring for inclusion of industry messaging on issues as they arise.	Lack of awareness and support in the sector. Issues arise with insufficient time to prepare a response.	Regular dialogue with representative organisations. Horizon scanning and media monitor of emerging issues. Maintain up to date position statements.
Effective communications with supply chain and levy payers	Delivery of 2015/18 communications strategy, focusing on digital delivery, events, publications and press activity.	Increased levy payer satisfaction, as measured by annual survey and Net Promoter Score.	Loss of experienced staff. Review is inadequate or incomplete.	Evidence base from updated market research. Consultation with Board and stakeholders. Continued CPD and training for staff.
Improving performance				
Staff development and succession planning	Ensure work is adequately resourced and staff have the necessary skills and expertise to deliver their roles.	Number of training events per staff member Staff feedback.	Staff turnover.	Ensure succession planning in place for business-critical roles.
Project evaluation	Projects undertaken are relevant and provide value for money.	Evaluation of return on levy investment or cost benefit analysis conducted for all major activities.	Staff resources and time taken to evaluate projects. Methodologies not fully developed.	Adequate staff resources are in place to evaluate projects. Evaluation embedded into all activities.

Principal activities	Desired outcome(s)	Measurement method(s)	Key risks	Key controls
Cross-sector working	Provide more cost-effective services to levy payers through collaborative working where relevant.	Evaluation of return on levy investment or cost benefit analysis conducted for all major activities.	Collective sector resources available to implement and fund cross-sector projects.	Identify financing and staff resources for such projects in Business Plan.

Funding the plan

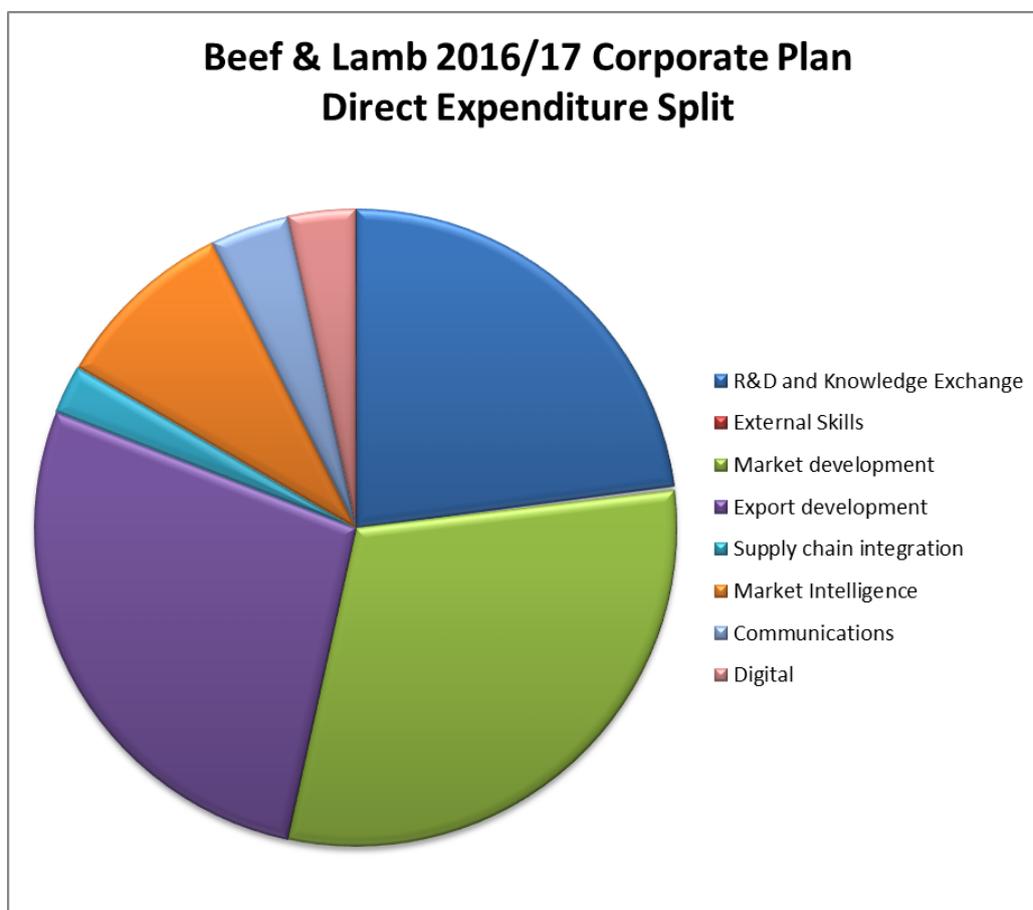
Levy rates

Levy rates are reviewed annually by the AHDB Beef & Lamb Board.

AHDB will not pursue a levy rate rise for 2016/17; however, as part of good corporate governance, the AHDB Beef & Lamb Board will review levy rates annually and decide if there is a business case for proceeding to a formal industry consultation on revised rates.

Beef and Lamb (England)	Levy rate 2015/16	Levy rate 2016/17	Higher rate for late payment
	£ per head	£ per head	£ per head
Cattle (excluding calves)			
Producer	4.05	4.05	4.05
Slaughterer/exporter of live cattle	1.35	1.35	1.35
Calves			
Producer	0.08	0.08	0.08
Slaughterer/exporter of live calves	0.08	0.08	0.08
Sheep			
Producer	0.60	0.60	0.60
Slaughterer/exporter of live sheep	0.20	0.20	0.20

Summary of expenditure



Beef & Lamb

	FULL YEAR £'000					
	14/15	15/16	16/17	17/18	18/19	16/17 vs
	Actual	Forecast	Budget	Budget	Budget	15/16
INCOME						
Gross levy	15,773	16,053	15,766	15,791	15,791	-287
Direct levy collection costs	-230	-236	-230	-230	-230	6
Net levy income	15,543	15,816	15,536	15,561	15,561	-280
Fee and grant income	1,362	2,061	1,813	1,813	1,813	-247
External skills	732	0	0	0	0	0
Commercial Services	0	0	0	0	0	0
Non-levy income	2,094	2,061	1,813	1,813	1,813	-247
Bad debt	89	-234	0	0	0	234
TOTAL NET INCOME	17,727	17,643	17,349	17,374	17,374	-294
EXPENDITURE						
DIRECT						
R&D and Knowledge Exchange	-2,901	-3,244	-3,513	-3,513	-3,513	-269
External skills	-732	0	-33	-33	-33	-33
Market development	-5,388	-5,333	-4,653	-4,653	-4,953	680
Export development	-3,468	-4,114	-4,222	-4,222	-4,222	-108
Supply chain integration	-881	-859	-379	-379	-379	480
Market Intelligence	-1,689	-1,757	-1,416	-1,416	-1,416	341
Communications	-600	-690	-609	-609	-609	82
Digital Services	0	0	-522	-522	-522	-522
Commercial Services	0	0	0	0	0	0
TOTAL DIRECT EXPENDITURE	-15,659	-15,997	-15,346	-15,346	-15,646	651
SUPPORT						
Sector specific administration	-436	-449	-424	-424	-424	25
Human resources	-78	-84	-106	-106	-97	-22
Facilities	-215	-204	-343	-343	-343	-139
Finance and payroll	-208	-207	-162	-162	-162	45
Levy collection	-51	-53	-53	-53	-53	0
Procurement	-51	-50	-57	-57	-57	-7
Information systems	-164	-176	-234	-234	-234	-58
Main board/advisory	-156	-112	-109	-109	-109	3
Corporate communications and legal	-58	-65	-64	-64	-64	1
R&D	-7	0	0	0	0	0
Central support	-988	-951	-1,128	-1,128	-1,119	-177
TOTAL SUPPORT EXPENDITURE	-1,424	-1,400	-1,552	-1,552	-1,543	-152
TOTAL EXPENDITURE	-17,083	-17,397	-16,898	-16,898	-17,189	499
Operating surplus/(deficit)	644	246	451	476	185	205
NON-OPERATING ITEMS						
Interest receivable	2	4	7	7	7	3
Taxation	0	0	0	0	0	0
Exceptional reorganisation expenditure	0	-10	0	0	0	10
Other non-operating costs	-40	-45	-7	0	0	38
Net FRS17 entries (HGCA pension)	0	0	0	0	0	0
TOTAL NON OPERATING ITEMS	-38	-52	0	7	7	52
Retained surplus/(deficit)	606	194	451	483	192	257
Opening reserves	2,896	3,502	3,696	4,147	4,630	
Retained surplus/(deficit)	606	194	451	483	192	
Closing reserves	3,502	3,696	4,147	4,630	4,822	
Opening pension reserves	6,467	5,067	5,067	5,067	5,067	
Pension movement	-1,400					
Closing pension reserves	5,067	5,067	5,067	5,067	5,067	

Please note variances in budget this year may be attributable to a change in categorisation rather than a change in activity. Consistency of categorisation allows easier comparison across sectors.

AHDB Beef & Lamb sector board members

The main AHDB Board has delegated the responsibility to the sector board to develop the most appropriate strategies to meet the challenges of the sector; to ensure the relevant levy rate is recommended in order to provide adequate funding for the required work; to monitor strategy implementation and to approve remedies where performance deviates from plan.

The AHDB Beef & Lamb sector board is comprised of levy payers, other stakeholders from the sector and independent members. The sector board members are appointed by AHDB.

Name	Role	Additional detail	Date appointed
Philip Abbott	Board Member	Farmer	01.04.14
Mark Allan	Board Member	Processor	01.04.13
Peter Baber	Board Member	Farmer	01.04.14
Howard Bates	Board Member	Farmer	01.04.12
Steve Conisbee	Board Member	Farmer	01.04.14
James Evans	Board Member	Farmer	01.04.14
Gill Fine	Board member	Independent	01.04.14
Andy Foot	Board Member	Farmer	01.04.12
Ed Green	Board Member	Farmer	01.04.14
Rizvan Khalid	Finance Group Chairman	Processor	01.04.13
Duncan Nelless	Board Member	Farmer	01.04.14
Richard Phelps	Board Member	Producer/Processor	01.04.11
Adam Quinney	Chairman	Farmer	23.11.15
Ros Turner	Signet Steering Group Chairwoman	Farmer	01.04.13
Paul Westaway	R&D Chairman	Farmer	01.04.12