

DARD Business Strategy 2004



Department of
**Agriculture and
Rural Development**

www.dardni.gov.uk

Preface

by the Permanent Secretary
for Agriculture and Rural Development



I am very pleased to present the DARD Business Strategy for 2004/2005.

The CAP Reform Agreement of 26 June 2003 has set the broad policy context for agriculture for the next few years. Central to this is the 'decoupling' of subsidies from production whereby farmers, subject to meeting certain conditions, will receive a single farm payment each year. As this payment will not be linked to production, farmers will, for the first time in decades, be free to produce in response only to market demand.

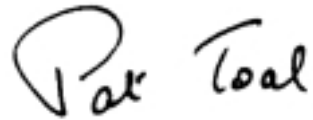
We can now give a much clearer focus to the pressures and challenges for the industry which were defined in the Vision report on the future of the agri-food sector. The Early Initiatives announced on 11 March 2002 are being implemented and most other recommendations are being addressed.

Taken together with other considerations such as globalisation and food safety, it will be essential for the agri-food industry, rural organisations and Government to work together to achieve a sustainable industry, a sustainable rural environment and a sustainable rural society. DARD's four Strategic Priorities reflect the four main themes within the concept of sustainability, namely, competitiveness of the agri-food sector; animal, fish and plant health; environmentally sustainable activity and development of the rural economy and society.

Existing DARD strategies are being reviewed, and new ones developed in pursuit of the goal of sustainability. Specific actions being taken are defined in more detail in the body of this document but examples include the development of a Food Strategy, an All-Island Animal Health Strategy and a Review of Rural Development Policy. A New Entrants Scheme has also been launched, to encourage innovative investment by young farmers, along with an Entry Level Countryside Management Scheme.

The Department itself continues to apply a programme of reform and modernisation which includes new arrangements for Research & Development, technology transfer and agri-food higher education in response to the O'Hare review. We have also embarked on an independent survey of our customers.

I am looking forward to facing the challenges of the year ahead and am confident that we can continue to make good progress in reaching our objectives.

A handwritten signature in black ink that reads "Pat Toal". The letters are cursive and fluid, with the first letter of each word being capitalized and larger than the others.

PAT TOAL
Permanent Secretary

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The Northern Ireland Agri-Food Industry



Agriculture

In Northern Ireland, the agricultural industry (including forestry and fishing) accounts for 2.5% of Gross Value Added (GVA) and 4.5% of employment.

Northern Ireland agriculture is largely a grass-based industry with over 90% of farms owning some grazing livestock. Beef cattle, milk and sheep account for 63% of gross agricultural output, with intensive enterprises such as pigs, eggs and poultry accounting for just 19%. However, given the high level of usage of feedstuffs by the intensive enterprises, their contribution to the industry's added value is more modest, accounting for around 9% of aggregate gross margin.

Northern Ireland agriculture is characterised by owner-occupied family farms, with 70% of the agricultural area in Less Favoured Areas (LFA) and 70% of farms having all or most of their area in an LFA. Although the average area of farms in the LFA is broadly the same as that in lowland farms, the average business size (in terms of European Size Units) is less than two-thirds of that of lowland farms, with over half of LFA farms not large enough to provide full-time employment for one person.

For the main agricultural commodities, the market is regulated under the Common Agricultural Policy (CAP) and expenditure is incurred primarily by the Rural Payments Agency with DARD acting as a paying agent. Measures operated under the CAP are partly or fully funded from the EU budget.

Agriculture and, to a lesser degree, its ancillary industries have been going through a period of considerable pressure in recent years because of an often unfavourable exchange rate between sterling and the euro, a downturn in international agricultural commodity market prices and the onset of the BSE crisis in March 1996 and the resulting export ban on United Kingdom beef.

These factors combined to produce a sharp reduction of over 70% in real terms in aggregate agricultural income between 1995 and 1999, taking it to its lowest real level since 1986. Income improved from 1999 to 2001 but fell again in 2002, largely as a result of poor milk prices and the effects of adverse weather. However, there was a substantial



improvement in income in 2003, with a more favourable £/ exchange rate and a return to much better weather. Total income from farming increased by 41%, or by 37% in real terms, but this was still 27% below the real terms average of the last 33 years.

The low level of income had the knock-on effect of restricting the capacity of the farming sector to invest capital in its businesses directly or through part funding of grant-aided capital investment.

The Food Processing Sector

The food and drinks processing sector accounts for 2.5% of GVA and a similar proportion of employment. It provides a valuable source of employment in rural areas and accounts for some 19,000 jobs throughout the region. In 2001, the sector's turnover totalled £2.2 billion, with a total value added of £436 million. Sales to external (i.e. outside Northern Ireland) markets totalled £1.2 billion, representing 17% of total manufacturing sales in 2001. Almost 46% of the sector's total turnover is generated by two sub-sectors, beef/sheep and dairy, reflecting the predominance of these enterprises in the Northern Ireland agricultural industry.

While progress has been made in improving the economic performance of the food-processing sector, there remains an over-reliance on commodity type products. This type of production will continue to be significant but progress along the value-added chain requires to be accelerated. The sector continues to suffer from scale-related difficulties which have inhibited cost competitiveness and access to markets. This has

also been a barrier to investment in product and processing innovation and in the development of human resources. The sector also faces increasing demands to attain the highest standards of quality and food safety. The essential issue is whether the industry is able to meet the challenges and exploit the opportunities that lie ahead.



The Agri-food Sector

If the output from agriculture, food and timber processing and input supply to the agricultural industry are taken together, the combined agri-food and forestry sector accounts for approximately 5% of GVA and 8% of employment. However, in common with other developed and developing countries, the contribution of agriculture and its related industries to the regional economy has been gradually declining in relative terms.

Disadvantaged rural areas exhibit more serious problems. Economic activity rates in disadvantaged rural areas are lower than the Northern Ireland average and this difference is particularly marked for women in rural areas. Relatively few people working in the agri-food industry have vocational qualifications appropriate to their responsibilities in employment. The problem is particularly acute at the higher levels associated with management. This deficiency restricts the ability of owners, managers and workers to respond to changing demands, including policy changes.

The Rural Stakeholder Forum is now bringing together the full range of those with an interest in rural affairs, providing them with an opportunity to contribute to policy formulation.



Forestry



Forests cover 6% (84,000 hectares) of the total land area of Northern Ireland. This is relatively low compared with the European Union average of 35%. Forests are mainly publicly owned comprising mostly coniferous plantations established in the latter half of the last century. Privately owned woodlands tend to be small, averaging less than 5 hectares and have a close association with farming. As well as producing 400,000 cubic metres of timber each year, forests provide environmental and social benefits with 2 million visits made to our public forests each year. NI forests supply 60% of the timber processed in local mills. The estimated value added by the forestry and timber processing sector in Northern Ireland is £18.5million.

In the decade from the "Earth Summit" in Rio de Janeiro in 1992 through to the "World Summit" in Johannesburg in 2002, sustainable development has been an international commitment. In relation to forestry, this means the sensitive and balanced management of forests to protect their health, vigour, productive and regenerative capacity, and their ability to produce a variety of economic, environmental and social benefits for present and future generations. Sustainability in management and development will therefore be the one strategic goal that underpins the work of the Forest Service for the foreseeable future. The Service places the highest value on retaining the certified status it has achieved for its state forests under the UK Woodland Assurance Standard.

A review of forestry policy in Northern Ireland is in progress and an economic appraisal of future policy options has been prepared. The appraisal takes account of preferences expressed in responses to the earlier consultation paper "Forestry in Northern Ireland", published in June 2002. A further round of consultation is planned for 2004 leading to a new statement of forest policy.



Fisheries



Most sea fish landings take place at the three fishing ports of Ardglass, Kilkeel, and Portavogie. The Northern Ireland Fishery Harbour Authority (NIFHA) provides harbour services at these ports.

At the end of 2003 the Northern Ireland fishing fleet comprised some 145 fishing vessels over 10 meters in length and 173 vessels 10 meters and under in length. The fleet depends mainly on fishing opportunities in the Irish Sea and North Channel – it is the main UK fishery interest in the Irish Sea.

The estimated total value of fish landed by Northern Ireland vessels in 2003 was £24.8 million, which is around 4% of the total landings of the UK fleet.

The industry employs 1,553 people, both full-time and part-time, 498 in the catching sector, 879 in processing and marketing, and 176 in other fisheries related activities, including harbour services, boat repairs and chandlery supply.

There are some 36 companies in the processing and marketing sector in Northern Ireland with an estimated turnover of £82.3 million.

Great Britain is the main market outlet accounting for about 40% of the production. The home market accounts for about 22% of sales with the remainder in other EU countries some 36% and further afield 2%.

Consistent with recent trends, the December 2003 European Agriculture and Fisheries Council set low quotas for many Irish Sea and other fish stocks of local importance. Council also, for the fifth year, closed areas of the Irish Sea to whitefish fishing from 14 February to 30 April, to allow cod spawning to take place without the traditional



associated fishing of mature cod stocks. For the first time during 2004 there will be restrictions on the number of days vessels may fish the Irish Sea - in general, 17 days per month for whitefish vessels and 22 days per month for nephrops vessels. To assist the industry to adjust to the new restrictions and to encourage cessation of effort during cod closure, it is the intention to have in place, by the start of the springtime closure, a voluntary Transitional Aid Scheme, to compensate whitefish vessels who choose to cease all fishing during the cod closure, and to help them adjust to the new restrictions on access to fisheries.

The Department will draw up an action plan for the future of the Northern Ireland fisheries communities based on the recommendations emanating from the South Down Task Force and the Prime Minister's Strategy Unit reports.

The South Down Taskforce, appointed by the Minister, Ian Pearson MP, to examine the socio economic implications of European Fisheries Council decisions for the Northern Ireland fishing community, reported at the end of 2003. The Taskforce, which comprises government, local authority and fisheries representatives, will seek funding from the Integrated Development Fund to deliver a multi-annual plan of targeted actions to support fisheries communities. The No. 10 Strategy Unit report was published at the end of March 2004.

Consistent with its duties under the European Habitats Directive, and as a result of emerging scientific evidence, in December 2003 the Department temporarily banned all fishing with mobile gear in Strangford Lough, which is a designated Area of Special Scientific Interest. The status of the ban is being urgently examined, as is the case for compensation for those who have as a consequence suffered loss of income.

The Department also provides support for the sustainable development of the aquaculture sector, which continues to realise its potential to increase production and to contribute to the overall value and volume of fish and shellfish landings.



Latest production figures from licensed farms show that around 1,100 tonnes of trout and salmon valued at about £2.3 million are produced annually. The shellfish aquaculture sector is currently valued at some £3 million and includes production of nearly 335 tonnes of Pacific oysters valued at £685k, 25 tonnes of native oysters valued at £103k and 4,770 tonnes of mussels valued at £2.2 million.

Work on the development of an aquaculture strategy for Northern Ireland is ongoing. The strategy will encompass and take forward recommendations contained in the communication from the Commission of the European Communities on a strategy for the Sustainable Development of European aquaculture. In addition it will identify an action plan which will attempt to secure the development of a stable

aquaculture industry in terms of products and employment, encourage economic viability, encourage economic viability, guarantee food safety, animal health and welfare and address environmental effects. The strategy will also identify any potential risks to the maintenance of Northern Ireland's high fish health status. If required an action plan will be developed to address these risks.



Rural Development



At the 2001 census, just under 658,000 people (i.e. 39% of the population) lived in the rural* areas of Northern Ireland. Rural communities are very important to the overall economy and society of Northern Ireland, and it is important that their development is supported.

The rural areas have a very similar population structure to the Northern Ireland population. For example, the rural areas have a relatively young population with nearly 25% under 16 years compared with nearly 24% for Northern Ireland.

Overall economic activity rates in rural areas are slightly lower than the Northern Ireland average. The difference is more marked for rural women, due to fewer women in rural areas taking jobs outside the home than in urban areas.

The tourism industry in Northern Ireland's rural areas is underdeveloped as a consequence of the conflict in the region. The industry contributes only around 1% of GDP in Northern Ireland compared to between 6% and 7% in Scotland, Wales and the Republic of Ireland which are comparable in terms of landscape, climate and culture.

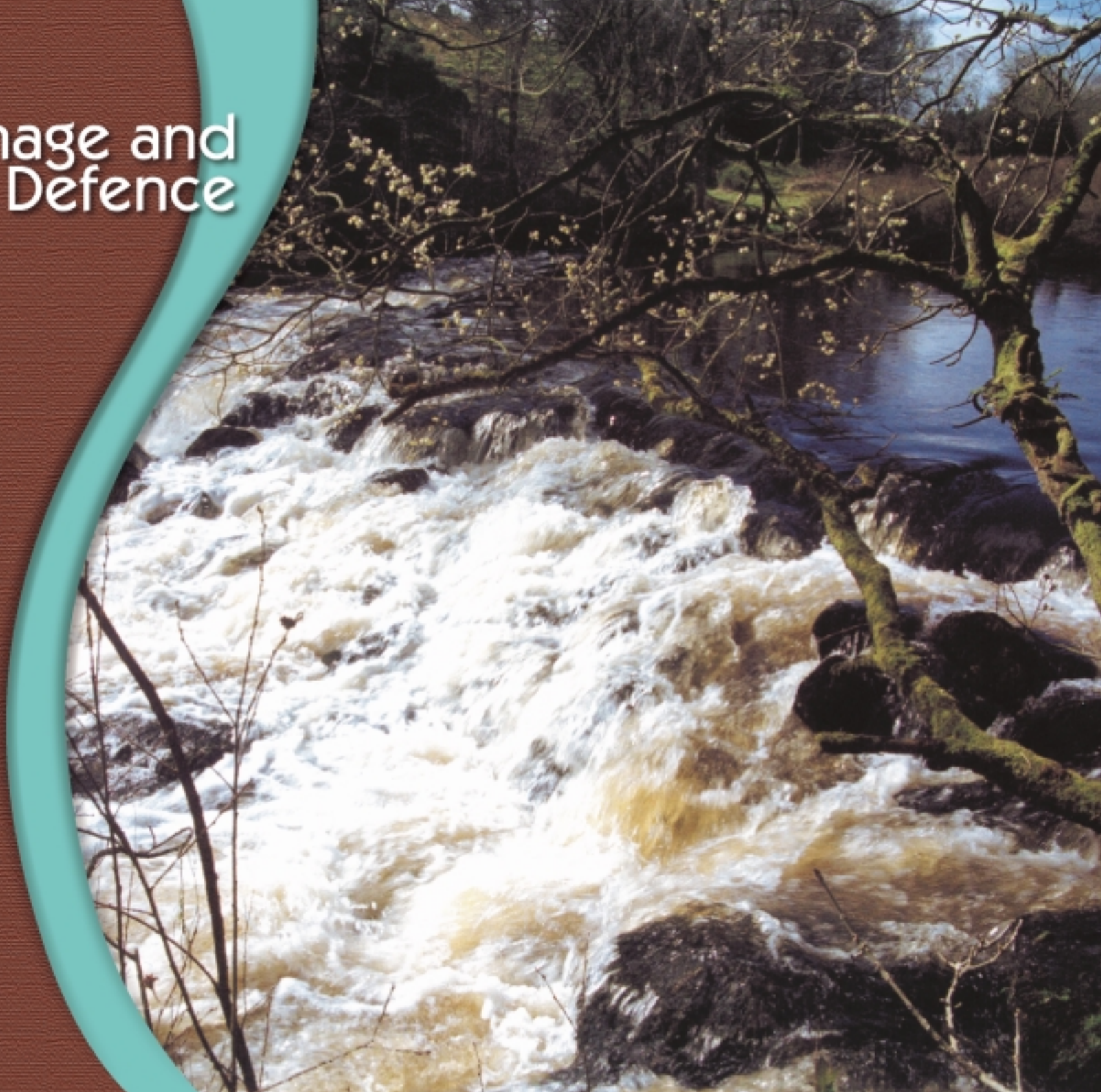
The Government's Priorities and Budget Document recognises the distinctive needs of our rural areas. Rural development has been playing a major role in helping rural areas adapt to the changes which they have been facing over the last decade. There is little doubt that this pressure for change will continue. Rural development is about rural people and rural

communities and the positive change that rural communities can bring about by working together. A multi-faceted approach to rural development will continue to be offered through the economic, environmental, social and cultural development of rural areas, under the Rural Development Programme, which has a focus on disadvantage.

** For the purposes of the Northern Ireland Rural Development Programme, rural areas are defined as all parts of Northern Ireland outside the Belfast metropolitan area, the city of Derry/Londonderry and towns of populations greater than 5,000.*



Drainage and Flood Defence



Northern Ireland is intersected by an extensive network of rivers and loughs. It has relatively high rainfall and soils of low permeability and poor drainage. Effective river management and arterial drainage are essential to support the economic development of Northern Ireland, both in rural areas and the urban environment.

With the exception of emergency works, drainage works can only be carried out at public expense on watercourses designated by the Northern Ireland Drainage Council under the Drainage (Northern Ireland) Order 1973. The criteria for designation are that the benefits to society as a whole from any improvement works should exceed the cost of the works and that the required works cannot reasonably be undertaken by riparians.

The Department is not charged with responsibility for prevention of flooding. However, in designing schemes, the Rivers Agency seeks to incorporate standards of flood protection appropriate to the property/facilities being protected. New capital schemes in urban areas are designed to provide protection against a flood return period of at least 100 years for works undertaken on major watercourses. Works undertaken on minor watercourses are completed to a similar standard where it is economically viable to do so and the aim is to provide for protection against a flood return period of 50 years as a minimum.

The Agency has responsibility for a very substantial network of underground culverts throughout Northern Ireland, which have to be maintained in serviceable condition. This is addressed by means of a comprehensive inspection and survey programme to assess the structural condition of the culvert network.

The Agency has ongoing liaison with DOE Planning Service in relation to the drainage implications arising from the zoning of new land for housing or industrial development. Where necessary it carries out an analysis of the hydraulic capacity of existing watercourses to determine if they can cope with increased run-off from development. The necessary drainage infrastructure works to facilitate development will be provided where they meet financial criteria agreed

with the Department of Finance and Personnel. The Agency also provides technical advice to Planning Service on the drainage aspects of Development Plan proposals and individual planning applications.



The way forward for the Agri-Food Industry

The broad policy context for the agricultural sector, for the next 3 or 4 years at least, is set by the agreement reached in Luxembourg on 26 June 2003 on reform of the Common Agricultural Policy (CAP). Central to these reforms is agreement to “de-couple” subsidies from production. In other words, subject to maintaining land in good agricultural and environmental condition, abiding by a set of (existing) statutory management rules and maintaining at least the same number of hectares as that on which their entitlement is based, farmers will receive a single farm payment each year. This payment will not be linked to livestock or crop production and farmers will, for the first time in decades, be free to produce in response only to market demand.

Other elements of the agreement of most relevance to Northern Ireland are:-

- compulsory modulation (switching money from production subsidies to farm-based rural development activities). Member States will receive back at least 80% of the modulation monies raised;
- a new financial discipline mechanism under which subsidies will be reduced if the budget ceiling is threatened;
- extension of dairy quotas to 2014/15 but dairy support prices cut from 2004, with compensation in the form of a new Dairy Premium.

The pressures and challenges for the industry identified in the Vision Report on the future of the agri-food sector can now be given a much clearer focus. Not only is exposure to market forces probably greater than was foreseen but society's concerns about the environment and animal welfare have been translated into cross-compliance pre-conditions for receiving the single farm payment.

Taken together with other pressures such as globalisation, concerns about food safety and changing consumer tastes and preferences, and any further CAP changes made necessary by a future WTO agreement, these developments suggest that the agri-food industry, rural organisations and Government must work together to achieve a sustainable industry, a sustainable rural environment and a sustainable rural society.

Within this concept of **sustainability** there are four main themes i.e.

- **COMPETITIVENESS OF THE AGRI-FOOD SECTOR;**
- **ANIMAL, FISH AND PLANT HEALTH;**
- **ENVIRONMENTALLY SUSTAINABLE ACTIVITY;**
- **DEVELOPMENT OF THE RURAL ECONOMY AND SOCIETY.**



The DARD Strategy

Aim, Strategic Priorities and Desired Outcomes

The Department's Aim is:

To promote sustainable economic growth and the development of the countryside in Northern Ireland by assisting the competitive development of the agri-food, fishing and forestry sectors, being both proactive and responsive to the needs of consumers for safe and wholesome food, the welfare of animals and the conservation and enhancement of the environment.

In pursuit of this Aim, and in line with the four themes underlying the concept of sustainability, the Department's Strategic Priorities and Desired Outcomes are:

Priority 1: To improve the economic performance of the agri-food, fishing and forestry sectors.

Desired Outcomes:

- Adaptation of the agri-food, fishing and forestry sectors to cope with greater exposure to market forces;
- Improvements in efficiency and quality in the agri-food, fishing and forestry sectors.

Priority 2: To protect the public, animals and property.

Desired Outcomes:

- The food chain within DARD's remit is as safe as possible;
- The welfare of animals is safeguarded;
- The risk of flooding is reduced.

Priority 3: To conserve and enhance the rural environment.

Desired Outcomes:

- Damage to the rural and marine environments is reduced;
- The amenity value of the rural and marine environments is increased.

Priority 4: To strengthen the economy and social infrastructure of disadvantaged rural areas.

Desired Outcomes:

- The differential in economic performance between disadvantaged rural areas and other rural areas is reduced;
- Social disadvantage is reduced compared with other rural areas.

Internal Management Priority: To make efficient use of all resources available to the Department.

Desired Outcomes:

The Department exhibits business excellence in pursuing its goals.

Delivery of the DARD Aim

The Department's remit is essentially an economic one, concerned with the success of all sectors of the NI agri-food industry, Forestry and Sea Fisheries. However, economic activity must also take full account of the wider interests of the community. There is a need to balance an efficient and sustainable agri-food industry with the conservation and enhancement of the countryside and the marine environment and to stimulate and react to consumer demands for safe and wholesome food produced in an ethical manner, with proper regard for animal welfare.

The delivery of the DARD Aim is not entirely within the Department's gift. Factors such as the response of the agri-food industry, climate and, most importantly, exchange rates circumscribe the Department's opportunities. The main policy framework is set in Brussels or London and can be the source of radical change to, or departure from, established corporate goals.

A further factor which affects the Department's business is the extent to which full delivery of its Aim depends on collaboration and co-operation with other Departments and agencies. DARD has responsibility, for example, for ensuring that the rural proofing initiative is effectively developed and that all Departments have adequate guidance. However, each Department must apply the process of rural proofing to its own policies advised and guided, as appropriate, by DARD.

The Department also works in partnership with businesses and rural communities to regenerate the rural economy.



Existing strategies are being reviewed, and new ones developed, under each of the four Strategic Priorities in pursuit of the goal of sustainability. The main strategic activities currently taking place are:

- development of a food strategy for NI through the Food Strategy Group to identify key opportunities and objectives to support the short-term and long-term development of the agri-food sector;
- development of an all-island animal health strategy;

- development of a forward agri-environment strategy appropriate to Northern Ireland's countryside;
- development of a strategy for the implementation of the EU Nitrates Directive;
- the review of rural development policy in light of the Luxembourg CAP Reform agreement and other changes since the policy was first introduced in the early 1990s;
- the development of new policies on equine issues and renewable energy.

DARD Key Challenges/Actions

The main things which DARD will do to support the four main themes of sustainability (i.e. the Department's Strategic Priorities) are as follows:

- implement the CAP Reform agreement using the option best suited to the long-term interests of Northern Ireland society;
- continue to implement the main recommendations of the Vision Report, including those on developing competitiveness and enhancing the environment;
- in support of improving competitiveness, seek to develop the competences of people within the industry, establish a network of focus farms and develop a Food Strategy in partnership with DETI/INI;
- increase production and processing efficiency and improve marketing;
- change the emphasis in animal disease control away from reaction to problems as they arise towards a more proactive, integrated and strategic approach;
- adopt a more integrated and strategic approach to animal health in an all-island context and work towards an all-island strategy to achieve as free movement as possible (within EU rules) of animals and animal products;
- encourage environmental good practice and discourage bad practice;
- ensure that rural development policy, and actions in support of it, remain relevant to the real needs of rural society;



- encourage innovative investment by younger farmers through a New Entrants Scheme;
- introduce a new Entry Level Countryside Management Scheme;
- encourage the expansion of organic production;
- introduce necessary changes within DARD itself, including new arrangements for R&D, technology transfer and agri-food higher education in response to the O'Hare Review.



DARD's Structure and Organisation

Organisational Structure

The Head of the Department is its Permanent Secretary. Reporting to him directly are the Principal Establishment and Finance Officer (PEFO), two Deputy Secretaries with responsibility for Policy and Service Delivery respectively, the Chief Scientific Officer and Chief Veterinary Officer. Each of these senior officials, who together with the Permanent Secretary form the Departmental Management Board, is responsible for a number of Divisions headed at Grade 5 level within which there are Branches headed at Grade 6 or 7 level. The Chief Executives of the Rivers Agency and Forest Service also report to the Permanent Secretary. The Department is seeking to appoint an independent member to the Management Board.

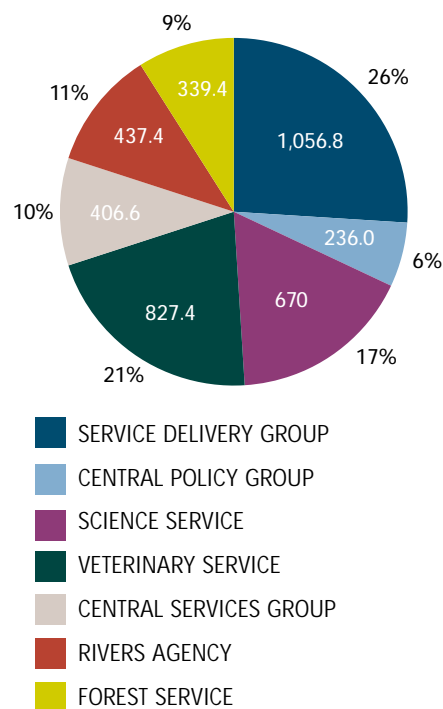
An organisation chart for the Department is shown at the Appendix.

Resources

The Department's resources are managed in 2 blocks – agriculture & rural development and forestry, rivers & fisheries. Under Resource Accounting conventions, each block gives rise to a resource requirement and each budget is managed to deliver an objective and associated targets (see the Public Service Agreement and Service Delivery Agreement later in this document).

The Table on page 58 details the Department's Resource and Capital Budget allocations for 2004/05. The allocations are in line with the 2003 Budget Settlement. The PSA and SDA also reflect the allocation of resources in line with 2003 Budget allocations.

The estimated Departmental Running Costs for 2004/05, including the Department's education function, are £133.3 million. Some 85% of this relates to staff salaries and wages. Staff numbers, excluding casual employees, have reduced from 5,179 in 1980 to 3,974 at March 2004, a similar level to that pertaining in 1990. Staff distribution, including staff engaged in agency services, according to main business areas under the revised Departmental structure is indicated in the chart below:



Our Staff

In employing over 3,970 staff across a broad range of disciplines, engaged in the delivery of a broad-range of services and business objectives, the Department recognises that its staff is a vital asset. To utilise fully its human resources the Department must develop fully and implement a range of effective people management policies and practices, which directly derive from, and support, the organisation's strategic priorities.

Consequently, a Human Resources Strategy and associated rolling action plan has been developed for implementation across all grades and disciplines over the next five years. It aims to facilitate the provision of a motivated workforce with the skills and abilities to make a full and relevant contribution to the Department's business objectives in an ever-changing environment.

The Departmental Human Resources Strategy is closely aligned to the NICS Corporate HR Strategy which concentrates on four key themes: Resourcing, Learning, Inclusion and Leadership. Underpinning the Strategy is a reform agenda which is designed to ensure the Department delivers an enhanced service to the full range of its customers.

In line with the NICS-wide Strategy, resourcing and workforce planning will be a major action area. Training and development will focus on management training, career development, the equality agenda and the competencies and performance management system needed to adopt a customer focus. The Department will also seek to maintain its status as an accredited Investor in People.

Organisational Development

The Department continues to pursue a culture of continuous improvement through structured improvement activities. The continuous improvement approach has been used in the Department

since the mid-1990s. The Department also endorses the principles of 'Excellence' and best practice laid down by the European Foundation for Quality Management (EFQM).

A cross Departmental Excellence Council is chaired by the PEFO who reports progress on improvement regularly to the Departmental Management Board. The Council are supported by a Quality Managers' Forum. These networks provide a shared learning environment, a channel of communication and a means for ensuring cross cutting issues are addressed through structured corporate improvement activity.

Business Units are encouraged to use appropriate structured improvement interventions, for example the EFQM Excellence Model and the Balanced Scorecard to help them deliver on their business objectives.

Self assessment, for example, may be carried out every 2 or 3 years using the EFQM Excellence Model. This ensures a 'review, plan, do, check' cycle. The process is managed locally by Quality Managers. Use of the Model facilitates comparison against best practice and identification of areas for improvement.

Business Unit Heads are required to develop and implement Improvement Action Plans and incorporate these into their annual business plans. Progress is reported directly to the Excellence Council and a report on business improvement is collated annually. The Quality Managers' Forum also provides for structured internal benchmarking opportunities. The Excellence Council continue to endorse the NI public sector award scheme, 'STEPS to Excellence' as a means of achieving enhanced validation/recognition.

DARD Modernisation

DARD remains committed to improving efficiency and effectiveness and has embarked on a Modernisation Programme which has already resulted in a significant restructuring of the Department to provide a clearer customer focus and to introduce a clear separation between policy development and service delivery.

The Programme covers the Department's response to a number of issues, including the O'Hare Review of education and R&D, the Vision Action Plan, the review of the CAP and a number of other policy reviews. The Department has also conducted an independent review of its Veterinary Service and has embarked on an independent survey of customers. A full list of DARD's Reform and Modernisation Programmes and Actions for 2004/05 is at pages 54 - 57.

DARD is committed to the ongoing development of New Targeting Social Need (TSN) into the Northern Ireland Anti-Poverty Strategy to improve income and living conditions of the most

disadvantaged and in implementing its Modernisation Programme the Department is committed to increasing transparency, promoting equality of opportunity and good community relations, protecting human rights and improving efficiency and effectiveness. Work already underway which will help achieve these objectives while delivering the Modernisation Programme includes:

- Appointment of a Non-Executive Director to the Departmental Management Board (DMB). The appointee will provide an independent challenge function, bringing a fresh perspective, and specific skills and experience to the process of managing a large department;

- Undertaking a competitive process between the two Northern Ireland universities to identify successor arrangements for agri-food higher education currently provided in the School of Agriculture and Food Science at The Queen's University of Belfast. The new arrangements are expected to improve transparency and customer focus in DARD's arrangements for agri-food higher education;
- Creating a new science Non Departmental Public Body (NDPB) to carry out R&D and associated analytical and diagnostic work. In the event of future animal health emergencies, this Body will work in close co-operation with DARD to provide an appropriate response. The new Body will also create a clearer customer-contractor relationship between DARD and the organisations which deliver agri-food R&D;

- Progressing the legislative changes necessary to create the NDPB and implement the changes resulting from the university choice process;
- Setting up an Independent Expert Advisory Board (IEAB) to provide expert, external and independent advice to the Department and the Minister on DARD's R&D, Education and Technology Transfer Strategy;
- Setting up a College Management Advisory Committee (CMAC) to advise on the delivery of DARD's education and training programme at its College of Agriculture, Food & Rural Enterprise (CAFRE);
- Completing, and implementing the recommendations from, the Customer Service Review to improve customer interface and meet customer needs in line with their expectations of future service; and
- Considering and implementing the recommendations from the recent Veterinary Service Review, commissioned to consider the role of the Service and its

relationship with the rest of DARD, as part of the wider Modernisation programme.

E-Business

The wider e-government modernisation initiative to improve access to our services by all rural customers is being implemented in the Department through our e-business strategy.

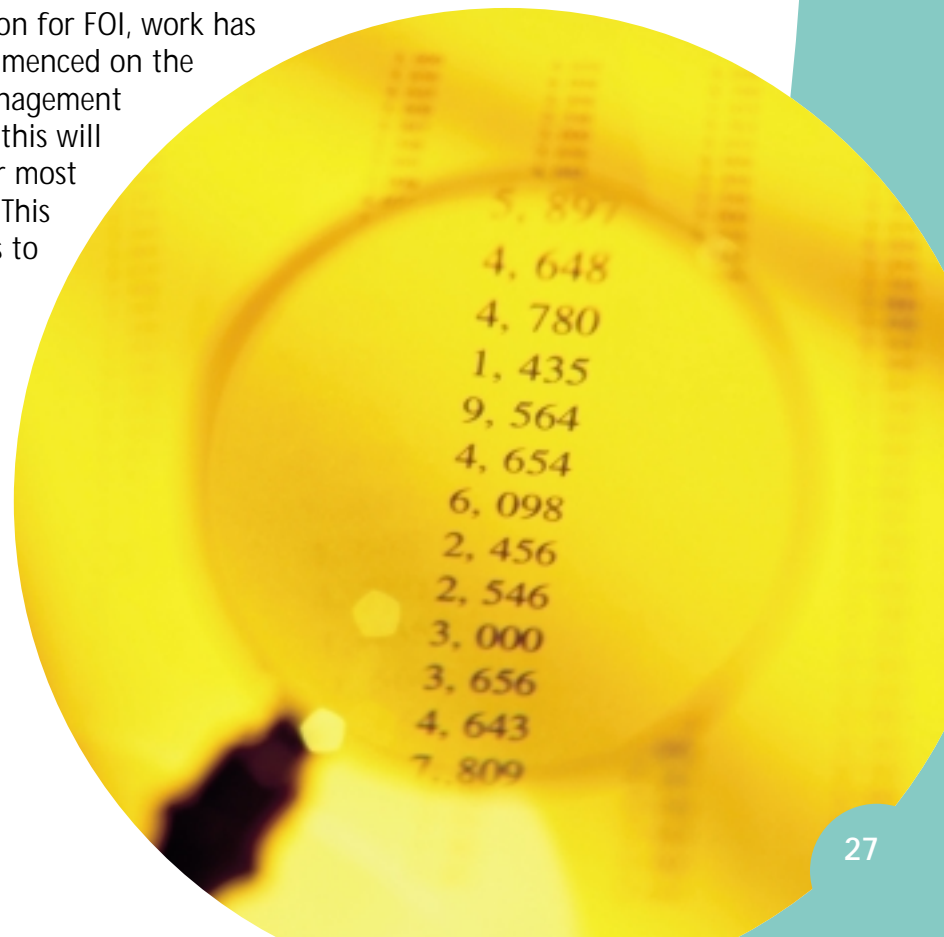
DARD continued developing eBusiness services during 2003 and in its return to the NI E-government Unit at 31 December 2003 reported 75% progress towards the 2005 target of 100%. Of the 4 initial prototypes, 2 were completed and 2 others were incorporated into existing key projects. Outside of the key services, the Department is also developing other outward facing customer systems and in 2003 the Timber Permit Management System won first place in the Government to Business category of the Government Computing Syntegra Awards for Innovation. Further progress on key and other eBusiness services will continue in 2004.

Freedom of Information

The Freedom of Information (FOI) Act 2000 comes into operation in January 2005. The FOI Act is part of the Government's commitment to greater openness in the public sector, a commitment supported by DARD. The Act will further this aim by helping to transform the culture of the Department to one of greater openness and transparency.

In preparation for FOI, work has already commenced on the Records Management Project and this will continue for most of the year. This project aims to ensure that

staff throughout the Department are able to find information, which will allow them to respond to FOI requests within 20 working days.



Public Service Agreement

Introduction

This Public Service Agreement (PSA) sets out the main outcomes and targets that the Department will achieve within the resources allocated in the Priorities and Budget document.

The PSA format has changed slightly from previous years and now includes a greater focus on improving service delivery across the range of Departmental activities. It sets out the Department's Strategic Aim and overall Objectives and identifies the key outcomes that the Department is in the business of delivering. The PSA also reflects the Department's plans for reforming its services – the targets are designed to show the improvements that will be delivered through a challenging programme of reform and modernisation. In particular, the PSA is designed to show not just how the Department will drive up standards and service quality, but also how it will work to reduce the gaps in achievement that exist between different sectors, geographical areas or disadvantaged groups.

In delivering its Aim and Objectives, and in pursuing the targets presented below, the Department is committed to promoting equality of opportunity and good community relations, protecting human rights and meeting the objectives of the New Targeting Social Need policy. In particular, the Department will implement its Equality Scheme as approved by the Equality Commission and its New TSN Action Plan, and these form an integral part of this PSA. In discharging its responsibilities, the Department will work in partnership with others in the public, private and voluntary and community sectors, as appropriate.

Aim

To promote sustainable economic growth and the development of the countryside in Northern Ireland by assisting the competitive development of the agri-food, fishing and forestry sectors and being both proactive and responsive to the needs of consumers for safe and wholesome food, the welfare of animals and the conservation and enhancement of the environment.

Objective	Budget £m 2004/05 - 2005/06	Planned Outcome for citizen	Key service	Targets
<p>Objective 1 To promote sustainable development of the agri-food industry and the countryside and stimulate the economic and social revitalisation of disadvantaged rural areas.</p>	<p><u>2004/05</u> Resource 213.9 Capital 13.8</p> <p><u>2005/06</u> Resource 217.8 Capital 28.6</p>	<p>Competitive Agri-Food Industry</p> <p>Improved Animal Health</p>	<p>DARD Central Policy Group</p> <p>DARD Service Delivery Group</p> <p>DARD Central Policy Group DARD Veterinary Service DARD Science Service</p>	<p>1.1 To create conditions (including by implementing Vision) for the agricultural industry to achieve a 9% improvement in Total Factor Productivity (TFP) between calendar years 2001 and 2007, reaching 6% by 2005 and 7.5% 2006. The increase would be from a 2001 index figure of 114.64. ①</p> <p>1.2 Using the regional discretion available, implement the Luxembourg CAP Reform Agreement in the best interests of the agri-food sector as a whole, taking account of the need to ensure that farming is undertaken in an environmentally sustainable way.</p> <p>1.3 Create conditions to increase agricultural gross value added per full-time worker equivalent (measured as Annual Work Units) from £14,900 to £18,900 by 2007 ②</p> <p>1.4 Create conditions to increase value added per full-time employee equivalent in the NI Food and Drinks processing sector from £22,400 to £31,500 by 2007 ③</p> <p>1.5 Reduce the level of serious animal disease by a reduction in Brucellosis outbreaks to less than 75 per year, the level of TB reactors to less than 12,000 per year by 31 March 2008. ④</p> <p>1.6 By 31 March 2007, reduce the gap between the levels of Brucellosis and TB in the Divisional Veterinary area with the highest level of these diseases and the NI average: Brucellosis – In the 12 months 1/10/2002 to 30/9/2003 there were 43 seropositive herds in both the Enniskillen and Newry Veterinary Divisions compared with an NI Divisional average of 17.3 for the same period; TB - In the 12 months 1/10/2002 to 30/9/2003 there were 3,400 reactors in the Enniskillen Veterinary Division compared with an NI Divisional average of 1,700 for the same period.</p>

Objective	Budget £m 2004/05 - 2005/06	Planned Outcome for citizen	Key service	Targets
<p>Objective 2 To reduce the risk to life and property from flooding, promote sustainable development of the sea fishing industry and maintain, protect and expand forests in a sustainable way.</p>	<p><u>2004/05</u> Resource 37.7 Capital 7.4</p> <p><u>2005/06</u> Resource 38.0 Capital 8.0</p>	<p>Sustainable Rural Economy</p> <p>Improved water quality of NI rivers and lakes.</p> <p>Protection from flooding.</p> <p>Viable sea fishing and aquaculture sector.</p> <p>More sustainable forests.</p>	<p>DARD Service Delivery Group</p> <p>Central Policy Group Service Delivery Group</p> <p>DARD Rivers Agency</p> <p>DARD Fisheries Division NI Fisheries Harbour Authority</p> <p>DARD Forest Service.</p>	<p>1.7 By 31 March 2008, create a net increase of 1,000 Full Time Equivalent jobs in disadvantaged rural areas under the Rural Development Programme 2001-2006. Milestones: 406 by 31 March 2005, 624 by 31 March 2006, 803 by 31 March 2007.</p> <p>1.8 Of the 1,000 FTE jobs to be created in disadvantaged rural areas by 31 March 2008, create 300 in the tourism sector.</p> <p>1.9 By 31 December 2005, reduce nitrate levels in surface and ground water to within the maximum limit of 50mg NO3/L.</p> <p>1.10 Increase the number of Housing Equivalents benefiting from a reduced risk of flooding from 17,574 at 31 March 2004 to 18,112 at 31 March 2007 reaching 17,812 at 31 March 2005 and 17,962 at 31 March 2006 ⑤.</p> <p>1.11 Increase the value of fish landed (value over tonnage landed) from £1,024 per tonne to £1,189 per tonne by 2007, reaching £1,120 by 2005 and £1,154 by 2006 ⑥.</p> <p>1.12 Sustain the annual supply of timber, recreation and environmental services from existing forests at 2002/03 levels and secure a modest increase in combined public and private forest area by 1,500ha by 2007 at a rate of 500ha per year ⑦.</p>

Technical Notes

① Total Factor Productivity is effectively a volume measure which removes, as far as possible, price effects. The target improvement in Total Factor Productivity is 0.25 percentage points per annum above trend. The trend from 1991 to 2001 was 1.2% per annum. (The length of the base period has been extended from 4 to 10 years to minimise the effect of volatility in the series).

② This equates to +4%/year; the 3-year moving average for 1997/1999 – 2000/2002 was +3.65%.

③ This equates to +5%/year; the 3-year moving average for 1996/1998 – 1999/2001 was +4.43%/year.

④ The target assumes that the Department has been successful in preventing a return of Food and Mouth Disease to NI.

Controls to eliminate BSE in bovines have been fully in place since 1st August 1996. The majority of cases currently detected were exposed to the infective agent prior to this date. DARD will continue to ensure these controls are enforced. Active surveillance will continue, in line with EU requirements, to monitor disease levels.

Milestones for Brucellosis/TB/TSE are as follows:

- Number of Brucellosis outbreaks to be less than 200 per year by 31 March 2005, 150 per year by 31 March 2006 and 105 per year by 31 March 2007;

- Number of TB Reactors to be less than 16,000 per year by 31 March 2005,

15,000 per year by 31 March 2006 and 13,000 per year by 31 March 2007;

The TB and Brucellosis figures are based on the assumption that the Veterinary Service will be able to recruit Veterinary Officers in the numbers required and that the recommendations in the TB and Brucellosis Policy Reviews will be fully implemented.

⑤ Outturn against this target may be significantly affected by a number of external factors outside the Department's control such as weather, environmental and public consultation issues, as well as individual scheme Gateway Approvals. The concept of Housing Equivalentents (HEs) provides a common base for the measurement of the improved level of flood protection

provided as a result of flood defence schemes undertaken by the Agency. The method uses conversion factors to express various elements of land use in terms of Housing Equivalentents and is compatible with methodology developed and used by the Environment Agency which undertakes flood defence work in England and Wales. The number of HEs which benefit from reduced risk of flooding in any particular year depends on the types of schemes undertaken and will not necessarily show a year-on-year increase. However, there will be a cumulative increase over time as indicated by the years 1996/97 to 2003/04:

YEAR	ANNUAL TOTAL (HE)	CUM TOTAL
1996/97	2266	2266
1997/98	1785	4051
1998/99	3329	7380
1999/00	2950	10330
2000/01	4163	14493
2001/02	1495	15988
2002/03	1268	17256
2003/04	318	17574

⑥ Performance against this target may be subject to other factors over which the Department has no control such as the level of quotas, fish stocks, market forces etc.

⑦ At 31 March 2003 there were 61,375 ha afforested land managed by the Department. The total area of woodland, including the private sector, is approximately 83,000ha.

Service Delivery Agreement 2004/05

Introduction

This document sets out the Department of Agriculture and Rural Development's Service Delivery Agreement (SDA) for the 2004/05 year.

The Department's Public Service Agreement (PSA) is contained in the Priorities and Budget document published in January 2004. This SDA sets out how the Department will deliver the objectives and targets set out in the PSA. While our PSA established what this Department is working to achieve, the SDA sets out how we will achieve the objectives and outcomes we have identified as important.

Content

The SDA sets out the Department's main objectives and targets as published in the PSA, provides detailed information on the actions that the Department will take in the course of 2004/05 to ensure that these objectives and targets are achieved and contains performance targets to support those actions. The aim of the SDA is to show clearly how the Department's activities will contribute to the achievement of each of its PSA targets and to highlight the improvements in service delivery and performance that the Department intends to deliver.

The actions and targets set out in the SDA are designed to reflect our commitment to promoting equality of opportunity and good relations, protecting human rights and targeting social need.

The SDA is, of course, a working document. It may change during the course of the year in response to changing political, social or economic circumstances.

Link with Detailed Operational Business Plans

SDA targets, along with more detailed activity targets, are incorporated within detailed Operational Business Plans produced for each of the following DARD Business Areas:

- Central Policy Group
- Service Delivery Group
- Veterinary Service
- Science Service
- Forest Service
- Rivers Agency
- Change Division
- Corporate Policy Division
- Personnel Division
- Finance Division

Success in delivering progress on objectives and targets requires a focus not just on the specific actions that are needed in any particular area but on a broader range of issues such as:

- improving the service we provide to our customers;
- securing effectiveness and value for money in our policies and programmes; and
- improving policy effectiveness and business performance.

To this end, detailed Operational Business Plans within the Department incorporate performance targets on issues such as customer service, business improvement, quality and cost-effectiveness of services (including the tackling of fraud and error) and e-government.

Business Planning within the Department also addresses policy effectiveness and the need to conduct policy reviews within an established review cycle. There is a need to consider in policy development commitments on promoting equality of opportunity and good relations, tackling social need and social exclusion. Actions will include implementation of the findings of various Equality Impact Assessments and there is an ongoing requirement to ensure that, where possible, DARD resources are targeted to people, groups and areas in greatest social need. Impact assessments of new policies include health, environmental and rural proofing.

Reform and Modernisation Programmes and Actions

The SDA includes a small number of targets in respect of the Department's Modernisation Programme. However, complementing this at pages 54 - 57 is a comprehensive list of Reform and Modernisation Programmes and Actions to be undertaken by the Department in 2004/05.



Objective 1

To promote sustainable development of the agri-food industry and the countryside and stimulate the economic and social revitalisation of disadvantaged rural areas.

Central Policy Group

Resource DEL £15.4m
Capital DEL £0.2m
Total DEL £15.6m

Planned Citizen Outcomes

1. Competitive Agri-Food Industry

PSA TARGETS

1.1, 1.2, 1.3, 1.4

PSA target 1.1

To create conditions (including by implementing Vision) for the agricultural industry to achieve a 9% improvement in Total Factor Productivity (TFP) between calendar years 2001 and 2007, reaching 6% by 2005 and 7.5% by 2006. The increase would be from a 2001 index figure of 114.64.

PSA target 1.2

Using the regional discretion available, implement the Luxembourg CAP Reform Agreement in the best interests of the agri-food sector as a whole, taking account of the need to ensure that farming is undertaken in an environmentally sustainable way.

ACTIONS

During 2004/05, continue the process of implementation of recommendations from the Vision Action Plan with special emphasis on facilitating the industry to implement those recommendations that relate directly to it.

Develop and administer policies to maintain or improve the sustainable economic performance of the agri-food industry.

SDA TARGETS

The Food Strategy Group to provide their Strategy Report by 31 October 2004.

Put in place the New Entrants Scheme by 31 December 2004.

By 31 December 2004, develop a policy framework post CAP reform based on the market, animal health, the environment and the rural economy.

By 31 July 2004 appoint Organic Lead Group to co-ordinate the strategic development of the local organic sector.

Planned Citizen Outcomes	PSA TARGETS	ACTIONS (CPG cont.)	SDA TARGETS (CPG cont.)
1. Competitive Agri-Food Industry	<p>PSA targets 1.1, 1.2, 1.3, 1.4</p> <p>PSA target 1.3 Create conditions to increase agricultural gross value added per full-time worker equivalent (measured as Annual Work Units) from £14,900 to £18,900 by 2007.</p> <p>PSA target 1.4 Create conditions to increase value added per full-time employee equivalent in the NI Food and Drinks processing sector from £22,400 to £31,500 by 2007</p>	Develop and administer policies to maintain or improve the sustainable economic performance of the agri-food industry (cont)	<p>During 2004/05, review existing support arrangements and consider additional measures in light of the Horticulture Review.</p> <p>By 30 November 2004 introduce and administer a scheme for the collection and disposal of Fallen Animals.</p>

Objective 1

To promote sustainable development of the agri-food industry and the countryside and stimulate the economic and social revitalisation of disadvantaged rural areas.

Service Delivery Group

Resource DEL £63.9m

Resource AME £203.6m

Capital DEL £2.1m

Total DEL £66.0m

Total AME £203.6m

Planned Citizen Outcomes

PSA TARGETS

ACTIONS

SDA TARGETS

1. Competitive Agri-Food Industry PSA targets

1.1, 1.2, 1.3, 1.4

Process grant and subsidy applications and process claims in line with scheme regulations.

During 2004/05, process all eligible livestock subsidy and other grant payments to farmers within published timescales.

If sufficient eligible projects are received, support 15 projects leading to the protection of 400 existing jobs and the creation of 150 new jobs within a budget of £3.5m for Processing and Marketing Grants.

Have a Global Information System (GIS) in place to meet EU requirements by 31/12/04.

Conduct targeted on-farm inspections.

Conduct at least the minimum number of farm inspections in compliance with EC Regulation 2419/01 Article 24.

Planned Citizen Outcomes	PSA TARGETS	ACTIONS (SDG cont.)	SDA TARGETS (SDG cont.)
1. Competitive Agri-Food Industry PSA targets	PSA targets 1.1, 1.2, 1.3, 1.4	Develop the competences and values of people through their participation on Lifelong Learning programmes (including Higher and Further Education programmes) to facilitate their contribution to the sustainable development of the agri-food industry and rural communities as identified in the Vision for the Future of the Agri-Food Industry.	<p>By 31/3/05, 21,000 people (20,000 at 31/3/04) entering or working in the agri-food sector to have completed or be participating in Lifelong Learning people development programmes (including further and higher education, Challenges, short courses, benchmarking, Innovative ICT linkages and technology adoption initiatives) aimed at enhancing their capability of contributing to the competitiveness and sustainability of the sector.</p> <p>By 31/03/05, specifically from above have:- 6,000 people participating in or completing training programmes related to new environmental legislation and/or on-farm pollution controls to promote an increase in compliance with legislation and codes of practice and this facilitate compliance with support requirements; and to promote farming in an environmentally sensitive way.</p>

Planned Citizen Outcomes

1. Competitive Agri-Food Industry

PSA TARGETS

PSA targets 1.1, 1.2, 1.3, 1.4

ACTIONS (SDG cont.)

SDA TARGETS (SDG cont.)

During 2004/05, have 2,200 people achieving nationally recognised vocational qualifications at NVQ II, III and IV through participation in Lifelong Learning programmes. (1,860 in 2003/04)².

By 31/3/05, specifically from the total number of people participating in or completing training, 5,000 people working in the agri-food industry will have completed or be participating in Lifelong learning people development programmes, including Challenge programmes, benchmarking, technology adoption and quality initiatives within the agricultural sector.

By 31/3/05, specifically from the total number of people participating in or completing training, 400 people working in the food sector will have completed or be participating in Lifelong learning people development programmes, including Short industry training programmes and workshops and Challenge programmes.

260 Businesses within the food sector to participate in technology adoption initiatives during 2004/05.

Planned Citizen Outcomes	PSA TARGETS	ACTIONS (SDG cont.)	SDA TARGETS (SDG cont.)
1. Competitive Agri-Food Industry	PSA targets 1.1, 1.2, 1.3, 1.4	<p>Implement Government policy through inspection, enforcement, licensing, certification and guidance relating to agriculture, horticulture and food.</p> <p>Operate a Less Favoured Area (LFA) support scheme and make payments accordingly; approve environmental scheme applications and process claims in line with regulations.</p>	<p>Conduct at least the minimum number of inspections required for implementation of EU legislation pertaining to food/feed safety, plant health, product certification, marketing standards and market support.</p> <p>Process 2005 Less Favoured Area Compensatory Allowances (LFACA) payments in accordance with timetable to be published in Spring 2004 ③</p> <p>During 2004/05 develop, within agreed timescales, the operational arrangements for the introduction / implementation of the Single Farm Payment.</p>

Objective 1

To promote sustainable development of the agri-food industry and the countryside and stimulate the economic and social revitalisation of disadvantaged rural areas.

Science Service

Resource DEL £12.3m
Capital DEL £1.8m
Total DEL £14.1m

Planned Citizen Outcomes

1. Competitive Agri-Food Industry

PSA TARGETS

PSA targets 1.1, 1.2, 1.3, 1.4

ACTIONS

Conduct targeted research and development to meet DARD Policy requirements by underpinning Departmental objectives in agri-food and the environment.

Conduct analytical and diagnostic work to meet statutory requirements in plant and animal surveillance regimes.

Provide teaching and support for the School of Agriculture and Food Science of the Queen's University of Belfast (QUB).

SDA TARGETS

95% of the 54 DARD-funded research projects scheduled for completion in 2004/05 to be finalised.^④

95% of the 14 plant statutory tests covering approximately 4,800 entries to be completed within agreed timescales^⑤.

During 2004/05, have 34 students achieving Primary Degrees and make 62 post-graduate awards.

Objective 1

To promote sustainable development of the agri-food industry and the countryside and stimulate the economic and social revitalisation of disadvantaged rural areas.

Modernisation Unit

Resource DEL £1.4m
Total DEL £1.4m

Planned Citizen Outcomes

1. Competitive Agri-Food Industry

PSA TARGETS

PSA targets 1.1

PSA target 1.1

To create conditions (including by implementing Vision) for the agricultural industry to achieve a 9% improvement in Total Factor Productivity (TFP) between calendar years 2001 and 2007, reaching 6% by 2005 and 7.5% by 2006. The increase would be from a 2001 index figure of 114.64.

ACTIONS

Continue implementation of DARD's modernisation programme, improving customer focus, transparency and ease of access to DARD's services.

SDA TARGETS

Develop an action plan in response to the Customer Service Review (CSR) within 3 months of receipt of the consultant's report.

Commence implementation of CSR recommendations by 31 March 2005.

Develop successor arrangements for agri-food higher education currently provided at the School of Agriculture and Food Science (SAFS) with direct DARD involvement in delivery - in particular, ensure that the 'University Choice Process' results in a recommendation to the Minister by April 2004 and a shadow Chief Executive for the new NDPB is appointed by March 2005.

Objective 1

To promote sustainable development of the agri-food industry and the countryside and stimulate the economic and social revitalisation of disadvantaged rural areas.

Central Policy Group

Resource DEL £42.3m
Total DEL £42.3m

Planned Citizen Outcomes

Improved Animal Health

PSA TARGETS

PSA targets 1.5 and 1.6
PSA Target 1.5
Reduce the level of serious animal disease by a reduction in Brucellosis outbreaks to less than 75 per year, the level of TB reactors to less than 12,000 per year by 31 March 2008.

ACTIONS

Develop and administer policies to protect public and animal health and welfare.

SDA TARGETS

By 30 September 2004, have in place the subordinate legislation needed to implement the first phase of recommendations arising from the Brucellosis and TB policy reviews.

By 31 March 2005, develop policies to take forward implementation of the further phase of recommendations of the Brucellosis and TB Policy Reviews.

By 31 March 2005 have in place new arrangements for animal disease compensation.

By 31 October 2004 publish NI and All-Island Animal Health and Welfare Strategies.

Planned Citizen Outcomes

PSA TARGETS

ACTIONS
(CPG cont.)

SDA TARGETS
(CPG cont.)

2 *Improved Animal Health*

PSA targets 1.5 and 1.6

PSA target 1.6

By 31 March 2007, reduce the gap between the levels of Brucellosis and TB in the Divisional Veterinary area with the highest level of these diseases and the NI average: Brucellosis – In the 12 months 1/10/2002 to 30/9/2003 there were 43 seropositive herds in both the Enniskillen and Newry Veterinary Divisions compared with an NI Divisional average of 17.3 for the same period. TB – In the 12 months 1/10/2002 to 30/9/2003 there were 3,400 reactors in the Enniskillen Veterinary Division compared with an NI Divisional average of 1,700 for the same period.

By 31 March 2005, in consultation with the industry, create the conditions (i.e. policy, legislative etc) to enable implementation of the agreed proposals from the FSA's review of the OTM rule.

By 30 June 2004, have agreed a system which enables NI Scrapie Plan (NISP) members to purchase sheep from ROI National Genotyping Programme (NGP) members without the need to re-genotype and vice versa.

Objective 1

To promote sustainable development of the agri-food industry and the countryside and stimulate the economic and social revitalisation of disadvantaged rural areas.

Veterinary Service

Resource DEL £30.9m
Capital DEL £0.2m
Total DEL £31.1m

Planned Citizen Outcomes

PSA TARGETS

ACTIONS

SDA TARGETS

2 *Improved Animal Health*

PSA targets 1.5 and 1.6

Prevent /control /eradicate epizootic /enzootic /zoonotic diseases by applying and enforcing public health, animal health and welfare legislation through conducting animal inspections/tests.

Carry out meat inspection in compliance with national and international standards and in accordance with a Service Level Agreement with the Food Standards Agency.

Implement a programme of inspection, sampling, enforcement, licensing and guidance in relation to food safety.

Implement animal registration, identification and movement controls.

Promote and maintain acceptable welfare standards through inspection. By 30 June 2004 undertake a real time Foot and Mouth Disease exercise.

By 31 December 2004 achieve Maintenance Status for Foot and Mouth Disease and Avian Influenza Contingency Plans.

By 31 March 2005 no routine brucellosis tests to be more than 2 months overdue and no at risk or individual animal tests to be more than 1 month overdue or enforcement action will be instituted.

By 31 March 2005 all TB reactor tests to be completed within one month of the due date or enforcement action will be taken.

Objective 1

To promote sustainable development of the agri-food industry and the countryside and stimulate the economic and social revitalisation of disadvantaged rural areas.

Science Service

Resource DEL £28.6m
Capital DEL £4.3m
Total DEL £32.9m

Planned Citizen Outcomes

PSA TARGETS

ACTIONS

SDA TARGETS

2 *Improved Animal Health*

PSA targets 1.5 and 1.6

Conduct analytical and diagnostic work to meet statutory requirements in animal surveillance regimes.

Achieve 95% of planned analyses and tests in the following animal surveillance statutory programmes in 2004/05©:

Brucella serology testing 1,100,000

Residue testing 24,000

TSE testing 70,000

Objective 1

To promote sustainable development of the agri-food industry and the countryside and stimulate the economic and social revitalisation of disadvantaged rural areas.

Service Delivery Group Resource DEL £19.1m
Total DEL £19.1m

Planned Citizen Outcomes

PSA TARGETS

ACTIONS

SDA TARGETS

3 *Sustainable Rural Economy*

PSA targets 1.7 and 1.8

Continue implementation of all aspects of the Rural Development Programme 2001-2006 and promote comprehensive and integrated action towards the sustainable and equitable development of disadvantaged rural areas (in line with New TSN).

Complete RDP mid-term evaluation by 31 March 2005.

PSA target 1.7
By 31 March 2008, create a net increase of 1,000 Full Time Equivalent (FTE) jobs in disadvantaged rural areas under the Rural Development Programme 2001-2006. Milestones: 406 by 31 March 2005, 624 by 31 March 2006, 803 by 31 March 2007.

During 2004, promote a partnership approach to the development of rural areas with local people through support for Rural Support Networks, Leader+ Local Action Groups and Natural Resources Rural Tourism Partnerships.

Complete allocations to Leader + Action 2 by 30 June 2004.

PSA target 1.8
Of the 1,000 FTE jobs to be created in disadvantaged rural areas by 31 March 2008, create 300 in the tourism sector.

Manage the implementation of PEACE II Programme measures.

Commit all available Peace II funding by 31 December 2004.

By 31 March 2005, have 2,500 farmers or members of farming families securing alternative income or business benefits from Peace II measures.

Objective 1

To promote sustainable development of the agri-food industry and the countryside and stimulate the economic and social revitalisation of disadvantaged rural areas.

Central Policy Group

Capital DEL £5.1m
Total DEL £5.1m

Planned Citizen Outcomes

PSA TARGETS

ACTIONS

SDA TARGETS

4. *Improved Water Quality of Rivers and Lakes*

PSA target 1.9
By 31 December 2005, reduce nitrate levels in surface and ground water to within the maximum limit of 50mg NO3/L.

Develop and administer policies in relation to the adherence to the Nitrates Directive.

By 30th June 2004, introduce a Farm Waste Management Scheme to reduce point source pollution and address the Nitrates Directive.

During 2004/05 develop appropriate policy/measures to address Nutrient Management requirements in the context of the Nitrates Directive.

By Autumn 2004, jointly with DOE, designate further Nitrate Vulnerable Zones (NVZs) to address nitrate pollution and eutrophication.

By 31 March 2005, jointly with DOE, implement an Action Programme to accompany this further NVZ designation.

Total Budget for Objective 1

Resource DEL £213.9m
Capital DEL £13.7m
Total DEL £227.6m
Total AME £203.6m

Objective 2

To reduce the risk of life and property from flooding, promote sustainable development of the sea fishing industry and maintain, protect and expand forests in a sustainable way.

Rivers Agency

Resource DEL £14.7m

Capital DEL £6.9m

Total DEL £21.6m

Resource AME £32.7m

Total AME £32.7m

Planned Citizen Outcomes

5. Protection from Flooding

PSA TARGETS

PSA target 1.10
Increase the number of Housing Equivalents benefiting from a reduced risk of flooding from 17,574 at 31 March 2004 to 18,112 at 31 March 2007 reaching 17,812 at 31 March 2005 and 17,962 at 31 March 2006.

ACTIONS

Identify and assess flooding risks.
Implement a programme of prioritised works to minimise flooding risks.
Carry out maintenance works on both urban and rural open watercourses (the majority being rural therefore impacting on agricultural land).

SDA TARGETS

By 31 March 2005 construct or refurbish 612m of urban flood defences (980m completed in 2003/04 against a target of 562m).
By 31 March 2005, replace or refurbish 653m of dangerous culverts (225m completed in 2003/04 against a target of 225m).
By 31 March 2005, complete identified maintenance works on 1,235 of the 1,585 designated open watercourses included in the Notice of Annual Maintenance as part of a 6 year scheduled maintenance programme (1,447 completed in 2003/04 against a target of 1,225).

Objective 2

To reduce the risk of life and property from flooding, promote sustainable development of the sea fishing industry and maintain, protect and expand forests in a sustainable way.

Fisheries Division
Resource DEL £8.3m
Capital DEL £0.2m
Total DEL £8.5m

Planned Citizen Outcomes	PSA TARGETS	ACTIONS	SDA TARGETS
6. <i>Viable sea fishing and aquaculture sector</i>	PSA target 1.11 Increase the value of fish landed (value over tonnage landed) from £1,024 per tonne to £1,189 per tonne by 2007, reaching £1,120 by 2005 and £1,154 by 2006.	<p>During 2004 work in conjunction with other GB Fisheries Departments to actively examine the key themes of the Strategy Unit report with a view to responding to the report of the Prime Minister's Strategy Unit on the medium to long-term proposals for UK fisheries</p> <p>Commence implementation of the action plan produced by the South Down taskforce with a view to ensuring sustainable development of a viable fishing industry, identifying diversification opportunities for fishermen and develop an over arching Strategy Plan for the industry.</p> <p>By June 2004 complete implementation of the 2003 Fishing Vessel Decommissioning Scheme by verifying the dismantling of vessels and issuing grant aid payments.</p>	<p>By 31 March 2005, prepare a programme for radical change to create an industry which can thrive through the sustainable exploitation of fish stocks.</p> <p>By 31 August 2004, appoint a DARD Co-ordinator to work in conjunction with other Departments, Agencies and the Taskforce Steering Committee to commence implementation of the action plan.</p> <p>By June 2004, reduce the Northern Ireland fishing fleet by 24 vessels, paying grant aid totalling £5m.</p>

Planned Citizen Outcomes

PSA TARGETS

ACTIONS
(Fisheries cont.)

SDA TARGETS
(Fisheries cont.)

Viable sea fishing and aquaculture sector

PSA target 1.11

By mid 2004, complete implementation of a Transitional Aid scheme to address the reduction in fishing opportunities resulting from the December 2003 Fisheries Council.

Provide an effective inspection and enforcement regime.

Develop and commence implementation of NI Strategy for development of Aquaculture .

Develop and commence implementation of the fish health element of the Northern Ireland Aquaculture Strategy.

By 31 July 2004, have compensated eligible vessel owners who have voluntarily tied up during the period 14 February – 30 April 2004 to allow cod-spawning to take place by removing 15% of the fishing capacity over the closed period.

During 2004/05, carry out 90 patrol days at sea, including 120 boardings of >10m fishing vessels to ensure compliance with the conservation and control regulations at sea.

By 31 December 2004, consult with key stakeholders to identify measures/actions to support the medium to long-term sustainable development of the aquaculture industry.

By 31 December 2004, consult with key stakeholders to identify measures/actions to support and maintain Northern Ireland's high fish health status.

Objective 2

To reduce the risk of life and property from flooding, promote sustainable development of the sea fishing industry and maintain, protect and expand forests in a sustainable way.

Forest Service

Resource DEL £14.7m

Resource AME £1.0m

Capital DEL £0.3m

Total DEL £15.0m

Total AME £1.0m

Planned Citizen Outcomes

PSA TARGETS

ACTIONS

SDA TARGETS

7. More sustainable forests

PSA target 1.12

Sustain the annual supply of timber, recreation and environmental services from existing forests at 2002/03 levels and secure a modest increase in combined public and private forest area by 1,500ha by 2007 at a rate of 500ha per year.

Consult further on the forest Policy Review and prepare implementation strategy.

Extend the area of woodland in NI through encouragement of the private sector, and acquisition of public land for planting.

Improve service delivery to timber customers by managing newly implemented long term contracts for timber supply.

Ensure that woodlands are managed sustainably.

Publish a strategy for the delivery of Forest Policy by 31 December 2004.

During 2004/05, establish 500ha of new plantations. (503ha established in 2003/04 against a target of 500ha.)

During 2004/05 produce 400,000m³ of timber for sale to the wood processing sector (2003/04 423,000m³ produced against a target of 400,000m³).

During 2004/05, retain certification under the UK Woodland Assurance Standard.

During 2004/05, replant 750ha of land following harvesting (979ha planted in 2003/04 against a target of 750ha.)

Planned Citizen Outcomes

More sustainable forests

PSA TARGETS

PSA target 1.12

**ACTIONS
(Forest Service cont.)**

Promote the use of forests for public access.

**SDA TARGETS
(Forest Service cont.)**

During 2004/05 achieve 400,000 paying visitors to forests (In 2003/04 estimated 450,000 paying visitors against a target of 400,000).

Total Budget for Objective 2

Resource DEL £37.7m
Capital DEL £7.4m
Total DEL £45.1m
Total AME £33.7m

Technical Notes

- ① Budget allocations against Spending Areas include an appropriate element for Central Services costs.
- ② The 2003/04 figure reflects the number of people achieving nationally recognised qualifications through further and higher education and industry training programmes.
- ③ Total agricultural labour force in the Less Favoured Area (LFA):
 - June 1998 39,910
 - June 1999 38,840
 - June 2000 37,917
 - June 2001 37,083
 - June 2002 35,692 (while the numbers were down this still represented 66% of the total labour force as in 2001)
 - June 2003 35,991 (this still represented 66% of the total labour force)
- ④ Of the 230 DARD-funded R&D projects currently progressing, 54 are scheduled to complete their practical/field work by mid 2004. Past experience is that unforeseen factors such as extreme weather and emergencies in other works areas, can delay previously planned completion times. Thus this target is set at 95%, rather than 100%.
- ⑤ The Science Service is engaged in a wide range of plant statutory analytical testing and the example here is representative of a wider range of such tests.
- ⑥ The Science Service is engaged in a wide range of animal statutory analytical testing and the examples here are representative of a wider range of such tests.

DARD Reform and Modernisation Programmes and Actions

Objective	Planned Outcome	Reform and Modernisation Programmes	2004/05 Reform and Modernisation Actions
<p>Objective 1 To promote sustainable development of the agri-food industry and the countryside and stimulate the economic and social revitalisation of disadvantaged rural areas.</p>	<p>Competitive Agri-Food Industry</p>	<p>Vision – Strengthening the Food Chain and Improving Agricultural Efficiency and Sustainability</p> <p>Environmental sustainability - providing advice and support on environmental measures and compliance with environmental legislation.</p>	<ul style="list-style-type: none"> • Deliver reform of CAP (including the decoupling of support from production) • Deliver the outcome of the FSA review of the Over Thirty Month Scheme and secure relaxation of beef export rules • Respond to the outcome of the Horticulture Review • Respond to the recommendations of the Food Strategy Group • Launch the New Entrants Scheme • Develop an Equine Strategy • Continue the implementation of the agri-environment schemes, including the new Entry Level Countryside Management Scheme(ELCMS) • Ensure cross compliance with the CAP single farm payment • Provide environmental advice and training through Vision e.g. Nitrates Directive • Develop and implement the Farm Waste Management Scheme

DARD Reform and Modernisation Programmes and Actions

Objective	Planned Outcome	Reform and Modernisation Programmes	2004/05 Reform and Modernisation Actions
<p>Objective 1 To promote sustainable development of the agri-food industry and the countryside and stimulate the economic and social revitalisation of disadvantaged rural areas. (cont.)</p>	<p>Competitive Agri-Food Industry (Cont.)</p>	<p>DARD Modernisation – internal restructuring to improve customer service delivery</p>	<ul style="list-style-type: none">• Undertake preparatory drafting work for the legislation needed to facilitate the modernisation programme• Develop arrangements for agri-food education, R&D and technology transfer including the appointment of an independent expert advisory board;• Ensure that the 'University Choice Process' results in a recommendation to the Minister by April 2004• Appoint a shadow Chief Executive for the new NDPB by March 2005• Agree a wider reform programme by September '04• Appoint a non-Executive Director to DMB by May 2004• Publish a DARD Strategic Plan for 2005/10 by February 2005• Assume responsibility for and ensure Corporate & Business Plans for 2005/06 are finalised by February 2005• Prepare a draft Annual Departmental Report by January 2005• Implement Customer Services Review recommendations

DARD Reform and Modernisation Programmes and Actions

Objective	Planned Outcome	Reform and Modernisation Programmes	2004/05 Reform and Modernisation Actions
<p>Objective 1 <i>To promote sustainable development of the agri-food industry and the countryside and stimulate the economic and social revitalisation of disadvantaged rural areas. (cont.)</i></p>	Control of Animal Disease	Animal Health – Development of strategies leading to the reduction/eradication of animal diseases	<ul style="list-style-type: none"> • Develop and begin implementation of the Northern Ireland and All Island Animal Health Strategies • Implement recommendations of the TB and Brucellosis Policy Reviews • Implement new arrangements for animal disease compensation
	Sustainable Rural Economy	DARD Modernisation – internal restructuring to improve customer service delivery	<ul style="list-style-type: none"> • Publish & commence implementation of the outcome of the Veterinary Service Review
	Sustainable Rural Economy	Rural Stakeholder Forum – To consider strategic issues evolving in line with changing circumstances	<ul style="list-style-type: none"> • Review the Rural Development Regulation Plan • Implement PEACE II • Publish the outcome of the Review of Rural Development Policy • Publish a DARD Renewable Energy Policy • Commence implementation of the outcome of the Review of the Rural Development Council • Utilise the Ulster Community Investment Trust (UCIT) in the provision of advice and financial assistance (loans) to community based projects
	Sustainable Rural Economy	DARD Modernisation – internal restructuring to improve customer service delivery	
	Sustainable Rural Economy	DARD Modernisation – internal restructuring to improve customer service delivery	
	Sustainable Rural Economy	DARD Modernisation – internal restructuring to improve customer service delivery	

DARD Reform and Modernisation Programmes and Actions

Objective	Planned Outcome	Reform and Modernisation Programmes	2004/05 Reform and Modernisation Actions
<p>Objective 2 <i>To reduce the risk to life and property from flooding, promote sustainable development of the sea fishing industry and maintain, protect and expand forests in a sustainable way.</i></p>	<p>Viable Sea Fishing and Aquaculture Sector</p> <p>More Sustainable Forests</p>		<ul style="list-style-type: none">• Respond to the outcome of the South Down Taskforce and the Prime Minister's Strategy Unit Reports• Develop a Northern Ireland Aquaculture Strategy• Consult with relevant Departments/public groupings on future functional responsibility for delivery of forests recreation and servicing of roads immediately affected by forest traffic

Public Expenditure Plans 2004/05

Spending Area	Resource Budget	Capital Budget	Total
Service Delivery Group	59.0	2.1	61.1
Rural Development	7.2	0.0	7.2
Science Service	39.3	6.0	45.3
Veterinary Service	30.9	0.2	31.1
Central Policy Group	57.0	5.3	62.3
Fisheries	6.3	0.0	6.3
Foyle, Carlingford & Irish Lights Commission	1.7	0.0	1.7
EU Structural Funds	4.1	0.0	4.1
Executive Programme Funds	8.6	0.4	9.0
Rivers Agency	14.7	6.9	21.6
Forest Service	14.7	0.3	15.0
TOTAL DEPARTMENTAL DEL	243.5	21.2	264.7
Peace Programme	8.1	0.0	8.1

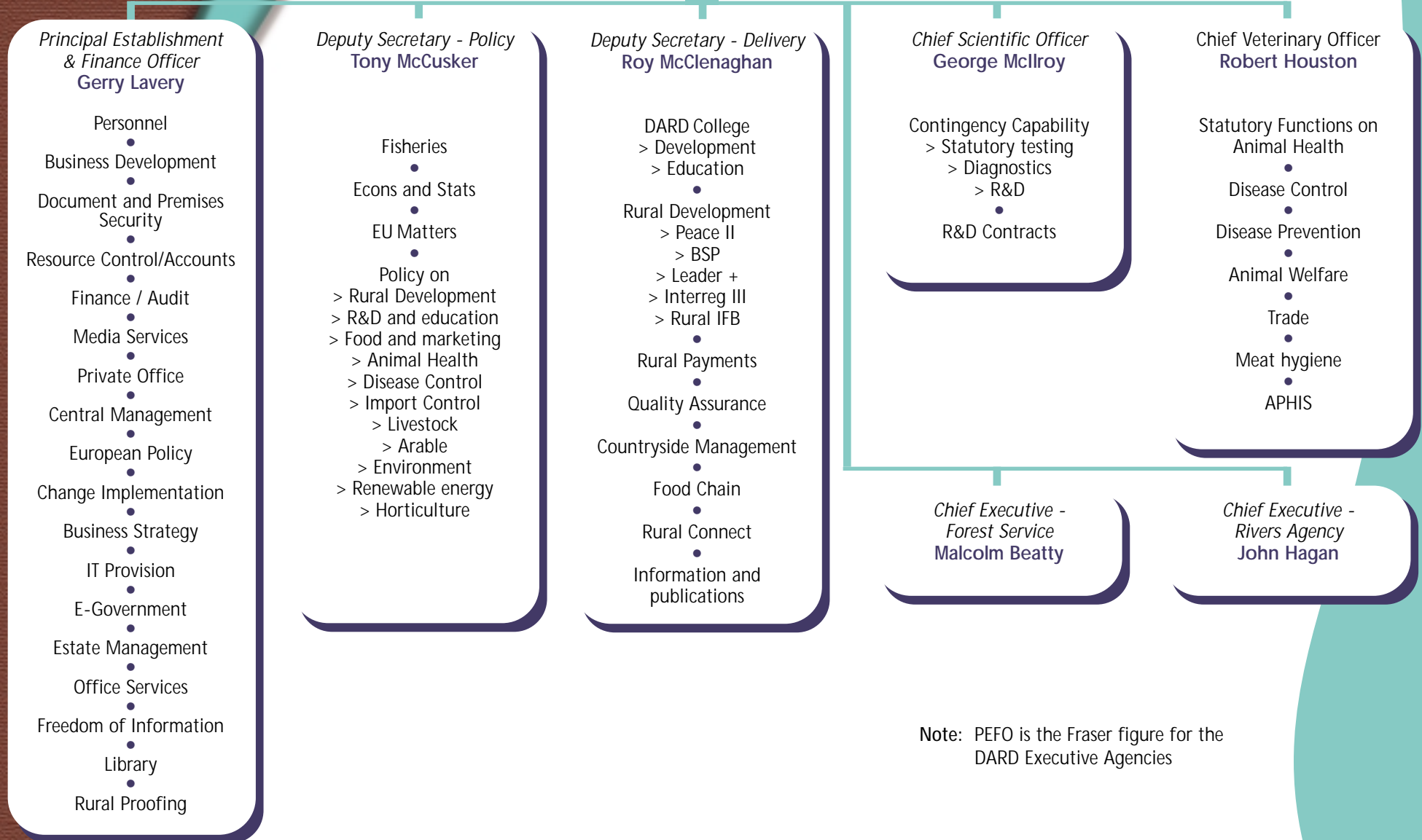
* Allocations reflect the 2003 Budget Settlement

Appendix

Organisation Chart

Minister of Agriculture and Rural Development

Permanent Secretary
Pat Toal



Note: PEFO is the Fraser figure for the DARD Executive Agencies



Department of
**Agriculture and
Rural Development**

www.dardni.gov.uk

AN ROINN

**Talmhaíochta agus
Forbartha Tuaithe**

MÁNNYSTRIE O

**Fairms an
Kintra Fordèrin**



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