

DARD Business Strategy 2003



Preface

by the Permanent Secretary
for Agriculture and Rural Development



I am delighted to have this opportunity to introduce the Department's Business Strategy for 2003/04. This will be my first year as Permanent Secretary, and I look forward to taking on the challenges of the post with commitment and enthusiasm.

Already we have made a good start on the agenda set out in the Business Strategy. In the first quarter of the year, Ian Pearson has been closely engaged with his counterparts in London, Edinburgh and Cardiff in establishing an agreed UK negotiating position for the mid-term Review of the Common Agricultural Policy. We now have the outturn of that Review, and are in a position to begin to reshape our programmes and policies to implement measures in the best interests of Northern Ireland.

We have also taken forward the development of a Northern Ireland Animal Health and Welfare Strategy, set in the context of an All Island Strategy and with strong links to what is happening elsewhere in the United Kingdom. Ian Pearson has announced the first phase of measures in revised control programmes for Bovine Tuberculosis and Brucellosis, responding to the policy evaluations carried out last year. The new programmes are intended to lead to a substantial reduction in disease incidence and to the eventual eradication of Brucellosis and the effective long-term control of TB.

A public consultation has also been launched on a New Entrant Scheme, designed to support those with the imagination and determination to build a future within the agriculture industry. This was one of the recommendations coming out of the Vision initiative, and we are also taking forward a broad programme of other measures flowing directly from that exercise.

We continue to be engaged on our comprehensive modernisation programme. We introduced our new structure in April to bring greater focus and transparency to policy development and to service delivery. Further changes resulting from the Government's response to the O'Hare Report will take place over the next few years, particularly in relation to DARD's arrangements for the delivery of research and development, higher level education and technology transfer.

We have put a lot of effort in the first quarter of the year into developing the organisational capability to deliver real change for both the agricultural industry and within the Department. The Minister, the rest of the Board and I have a very clear view of our top priorities – principally Vision and modernisation, and we can expect to be judged by the public on how effectively we deliver those priorities. We need, however, to ensure that all our programmes are delivered efficiently and effectively.

I am delighted to be Permanent Secretary at a time of exciting changes in the agriculture industry and in the Department, and I wish all of my colleagues well in their endeavours.

A handwritten signature in black ink, appearing to read 'Pat Toal'.

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 approximately 3% of Gross Value Added (GVA) and 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 accounts for approximately 65% of gross agricultural output, with intensive enterprises such as pigs, eggs and poultry accounting for just 16%. 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 8% 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.

The Food Processing Sector

The food and drinks processing sector accounts for 2% of GVA and almost 3% of employment. It provides a valuable source of employment in rural areas and accounts for some 19,000 jobs throughout the region. In 2000, the sector's turnover totalled £2.1 billion, with a total value added of £423 million. Sales to external (i.e. outside Northern Ireland) markets totalled £1.1 billion, representing 14% of total manufacturing sales in 2000. Almost half 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.

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 over 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 declining in relative terms.



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. The forestry and timber processing sector in Northern Ireland has a turnover of some £38m per year, £24m of which is attributable to the value of home grown timber. Forests provide both environmental and social benefits and 2 million visits are made to our public forests each year.

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 forest policy is underway. In June 2002, the then DARD Minister published a consultation paper which indicated that forestry can:

- support sustainable development of the economy through timber production; tourism and energy generation;
- encourage access to and use of forests to improve health-enhancing physical activity as well as for educational use and for sporting purposes;
- protect and enhance the environment.

The views of respondents are being evaluated and a new statement of forest policy is planned for early summer 2003.



Sea Fisheries



The Northern Ireland Sea Fisheries Industry is based mainly in the three fishing ports of Ardglass, Kilkeel, and Portavogie. Harbour services at these ports are provided by the Northern Ireland Fishery Harbour Authority (NIFHA).

At the end of 2002 the fishing fleet comprised some 155 fishing vessels over 10 meters in length and 170 vessels 10 meters and under in length.

The Northern Ireland fishing fleet depends mainly on fishing opportunities in the Irish Sea and North Channel and is the main UK fishery interest in the Irish Sea. The estimated value of fish landed by Northern Ireland vessels in Northern Ireland and ports elsewhere in 2002 was £25.6 million, which is around 4.5% of the total landings of the UK fleet of £574.4 million.

The industry employs 1,846 people, both full time and part-time, 798 in the catching sector, 878 in processing and marketing, and 170 in other areas including harbours services, boat repairs and chandlery supply.

There are around 34 companies in the processing and marketing sector with an estimated gross turnover of £75 million. Great Britain is the main market outlet accounting for about 50% of the production. The home market accounts for about 20% of sales with the remainder sold in other EU countries and further afield.

The Aquaculture sector employs around 170 people, both full-time and part-time. Trout and salmon production from licensed farms is valued at around £2.5 million per annum and shellfish production is valued at over £1.6 million per annum.

Decisions in relation to the review of the Common Fisheries Policy were taken in late 2002 and others are expected throughout 2003. These are intended to secure sustainable fisheries by matching fishing effort and stock availability, balanced with the socio economic impact of stock recovery and management measures.

In light of these decisions the Department proposes to embark upon a major review of the sea fisheries and aquaculture industries with a view to developing a long term strategy for the Northern Ireland fisheries industry. A Quinquennial Review of the Northern Ireland Fishery Harbour Authority has also been initiated and the outcome will be available in 2003.



Rural Development



At the 1991 census, just under 688,000 people (i.e. 43.6% 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 population is younger than the Northern Ireland average and also there are fewer people in the over 65 age bracket. Because the rural population is younger and growing comparatively more quickly, the demand for jobs will increase more quickly in rural areas.

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 Northern Ireland Executive Committee's Programme for Government 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.*



Land Drainage and Flood Protection



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 economic development, both in rural areas and the urban environment.

Drainage and flood protection works are carried out at public expense on those watercourses that are designated by the independent Drainage Council for Northern Ireland under the provisions of the Drainage (NI) Order 1973. The criteria for designation are that the benefits to society from any improvement works must exceed the cost of the works and that the necessary works cannot reasonably be undertaken by riparian landowners.

The design of flood defence schemes incorporates standards of flood protection appropriate to the property and facilities to be protected. Such schemes in urban areas are designed to provide protection against a flood return period of at least 100 years where works relate to 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.

There is also a very substantive network of underground culverts throughout Northern Ireland, some of which are aged and in need of attention. This is addressed by means of a comprehensive inspection and survey programme to assess structural condition and an associated programme of culvert refurbishment and replacement.

There are well-established liaison arrangements with DOE Planning Service in relation to the drainage implications arising from zoning of land for housing or industrial development. Where necessary, analysis of the hydraulic capacity of watercourses is undertaken to determine if they can cope with increased run-off from development. Drainage works necessary to facilitate development will be provided where financial criteria agreed with the Department of Finance and Personnel are met.

Technical advice is also provided to Planning Service on the drainage aspects of Area Plan proposals and, where necessary, on individual planning applications.



The way forward for the Agri-Food Industry

The EU is currently conducting a Mid Term Review of the CAP, in part to accommodate (i) further reform within the budget ceiling set at the Brussels summit, (ii) eastward enlargement of the EU and (iii) a new WTO agreement. The changes proposed by the EU Commission as part of the Mid Term Review, if implemented in part or in full, will cause a significant change to the support structure. The adjustments needed to meet the challenges of further reform will require a response from the agri-food industry. There will be an increased emphasis on environmental, food safety and animal welfare concerns which are now high on the public agenda. The sector will come under increasing pressure to find an appropriate balance between the need to retain and improve its global competitiveness and the wider demand for increased standards of animal welfare and conservation and enhancement of the region's rich natural heritage. In this context, it will need to address the issue of the link between a "clean green" image and agricultural production practices.

In recognising the role of farmers as custodians of our countryside, a number of actions and targets have been set in the Rural Development Regulation Plan (RDRP). It is planned to increase the number of places on environmental training courses for farmers and to increase significantly the number of farmers participating in the Countryside Management Scheme as well as to extend the area of woodland and the coverage of the organic conversion scheme. In response to the problems of farm pollution, regulations are being prepared by DOE covering the storage of silage, slurry and agriculture fuel oils on farms as well as regulations that will require work to be undertaken to prevent or deal with pollution. It is also hoped to introduce programmes to reduce farm source pollution and to encourage agriculture to make further positive contributions to the environment.

Recent food scares have highlighted the importance of building confidence in the safety of local food products. There is a need to work in partnership through education, advice and enforcement to ensure that all involved in the supply chain are strongly focused on the production, processing and

marketing of safe food and that sound science, where available, underpins our decisions. There is also a need to ensure that animal diseases that have human health implications are dealt with effectively.

An increased appreciation of the benefits of working together across the community divide within Northern Ireland and on a North – South basis on the island of Ireland has the potential to be translated into positive action. There is now a window of opportunity and the challenge is to exploit this for the benefit of rural communities and the agri-food industry.

The Information Age provides a further opportunity to reduce isolation of rural communities and to assist the rural economy to become more competitive. Information and Communications Technology is particularly suited to supporting the development of the skills of people in small and medium-sized businesses and strengthening the economies of the more remote rural areas which have traditionally experienced disadvantage because of their physical location.

Against this background, the main challenges can be summarised as the need to:

- implement the plans described in the Vision Action Plan, the response to the Vision Report on the future of the Agri-Food industry;
- respond, as appropriate, to the EU Commission's proposals under the Mid Term Reviews of the Common Agricultural Policy (CAP) and Common Fisheries Policy (CFP);
- implement actions contained in the all-island animal health strategy;
- implement recommendations flowing from the Tuberculosis and Brucellosis policy reviews;
- ensure that meat from Northern Ireland is of the highest food safety standard;
- take forward the lessons learned from the outbreak of Foot and Mouth Disease (FMD) in 2001 as part of a work programme arising from the independent review of the outbreak;
- support farmers and farm workers in developing their business and management skills and to increase the

employability of those who want to pursue full or part-time off-farm employment;

- maintain and develop the infrastructure and regulatory framework to support a sustainable sea fishing industry;
- develop the marketing of products by encouraging co-operation and collaboration along the whole food chain and by improving the structure and efficiency of the processing sector;
- maintain a balance between the drive for increasing competitiveness and the demand for conservation and enhancement of the region's natural resources and heritage, including maintaining the family farm structure of the Less Favoured Areas;
- tackle the problem of farm source pollution;
- develop the capacity of those in rural areas to take advantage of changing employment needs and opportunities and to provide rural people with the skills, advice and financial assistance they need to plan a full role in the development of their areas;

- increase employment opportunities for those living in rural areas;
- improve economic, environmental and social conditions in some rural communities;
- diversify, develop and strengthen new or alternative sectors of the rural economy and to increase the contribution which tourism makes to the rural economy; and
- continue to respond positively to the new structures of Government, developing positive North/South and East/West relationships
- implement the changes required in response to the O'Hare Report on the arrangements for the provision of agri-food education and R&D in Northern Ireland.

Challenges faced by The Rural Economy and Rural Society

Agriculture and, to a lesser degree, its ancillary industries have been going through a period of considerable pressure in recent years because of:

- the impact of sterling's appreciation against the euro which led to a significant fall in producer returns in the late 1990s;
- a downturn in international agricultural commodity market prices over the same period;
- the onset of the BSE crisis in March 1996, which still adversely affects producer returns despite the limited lifting of the export ban on United Kingdom beef; and

These factors combined to produce a sharp reduction in aggregate agricultural income in the late 1990s, albeit from the historically high level reached in 1995. Total income from farming fell by 70% in real terms between 1995 and 1999, taking it to its lowest real level since 1986. Income has since improved by 7% in real terms in 2000 and by 61% in 2001, taking it back to its average real level in the early 1990s but still below its 20 year average.

The reduction in incomes in the second half of the 1990s affected virtually all of the farming enterprises in Northern Ireland. On average, lowland cattle and sheep farms returned negative net farm incomes in each of the past five years, and LFA cattle and sheep, general cropping, pigs and poultry and mixed farms incurred losses in 1999/00. In 2000/01, net farm incomes have improved on all farm types other than cereals, though for both cereals and lowland cattle and sheep farms incomes were negative. The low level of income has 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.

While progress has been made in improving the economic performance of the food-processing sector, the essential issue is whether the industry is able to meet the challenges and exploit the opportunities that lie ahead. 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.

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. Against this background, disadvantaged rural areas exhibit more extreme 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.

Community divisions have a considerable impact on economic and social activity in rural areas and a high percentage of the rural population lives in single identity communities. Studies on the impact of 30 years of violence have revealed increasing polarisation in the composition of and relationships within rural communities. This has led to a strengthening of the perceptions of isolation and vulnerability and an

entrenchment of attitudes, which has promoted segregation in commerce, leisure and friendships. Prior to the emergence of more peaceful conditions, avoidance had become a key characteristic in community relations, attitudes and patterns of behaviour. However, 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.

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 fishing industry continues to go through a difficult period. The review of the Common Fishery Policy may well lead to further restrictions on fishing effort, there are particular problems on the status of the stocks, especially cod, both in the Irish Sea and elsewhere. Measures arising from these concerns are likely to impact adversely not only on fishing patterns but also on the income of fishermen and the local communities in Portavogie, Ardglass and Kilkeel which have a dependence on fishing.

The DARD Role

Aim, Strategic Priorities and 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, 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 changing market forces;
- Improvement 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:

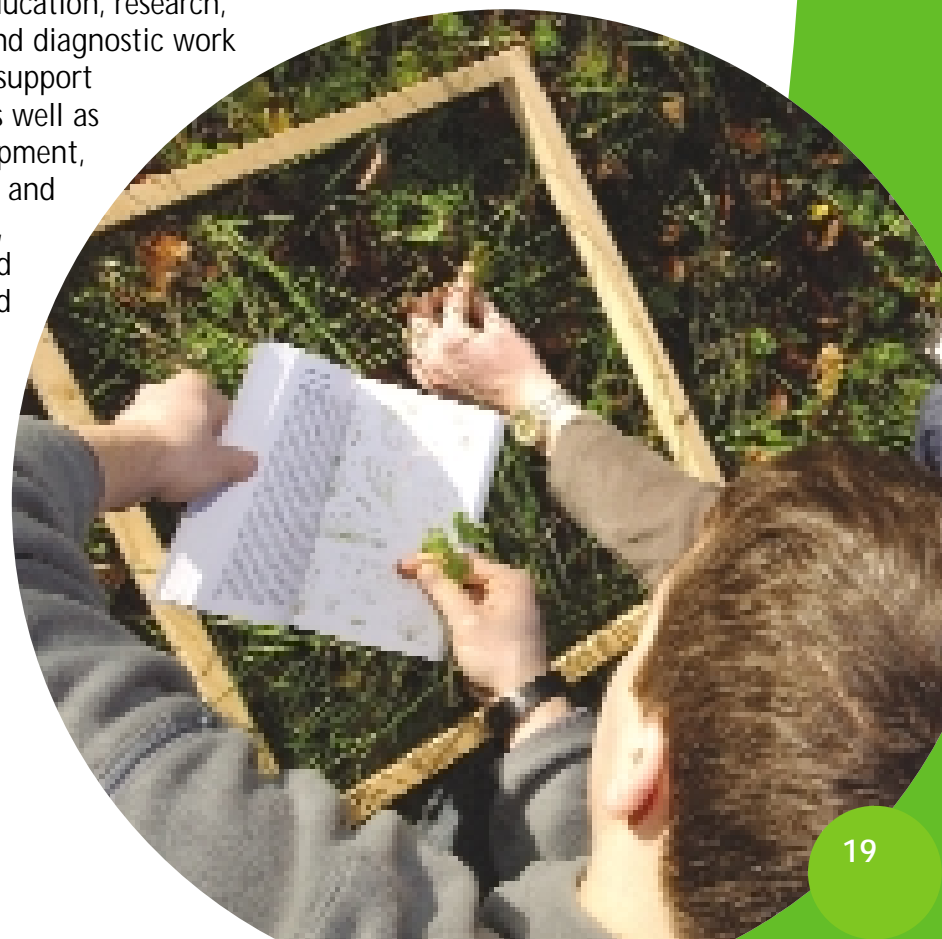
The Department exhibits business excellence in pursuing its goals.

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 Department will continue to identify and address the impact policies might have on rural areas or communities. Rural proofing is a process which ensures that all our significant policies, particularly those flowing from Programme for Government 3, are examined carefully and objectively to determine whether they have an unjustified different impact in rural areas.

DARD is responsible for the administration of the National economic support for the agriculture industry in Northern Ireland and the implementation of EU policies, including price support and the payment of production subsidies to farmers.

In addition, DARD is responsible for all other aspects of the development of agriculture including education, research, analytical and diagnostic work and special support measures, as well as rural development, sea fisheries and aquaculture, forestry, land drainage and flood defences.

The Department's role includes helping to ensure the economic and social well-being of rural communities.



The DARD Strategy

The Department of Agriculture and Rural Development is not only concerned with those engaged in the agri-food industry – it has a broader remit to strengthen the economy and social infrastructure of rural areas with a particular emphasis on disadvantage. It also has a responsibility to conserve and enhance the rural environment through the promotion of environmentally responsible management of agri-food, fishing, forestry and drainage activities. The Department has a diverse portfolio. The agri-food sector includes farming, fishing and food processing and the rural economy embraces all these and forestry.

The Department works co-operatively with a wide range of partners. It is committed to strengthening its relationship with the Irish authorities through the Foyle Carlingford and Irish Lights Commission. It has regular contact with the United Kingdom government and the devolved administrations in Scotland and Wales at Ministerial and official level.

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, image, remoteness etc. circumscribe the Department's opportunities. The policy framework is set in Brussels or London and is often 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 Aims depends on collaboration and co-operation with other Departments and agencies. Examples can be seen in the close work with DHSSPS on food safety and zoonotic diseases; with DETI and its Agencies on support to the agri-food industry; with DOE on pollution control and environmental matters; with the Department of Employment and Learning and the universities on education and research and development.

The Department works in partnership with others across Government, in businesses and in rural communities to regenerate the rural economy. The Department has embarked on a Modernisation Programme which is currently underway. The Programme involves a significant restructuring within the Department which is expected to achieve an improved interface with all of its rural stakeholders. The Programme covers the Department's response to a number of issues including:

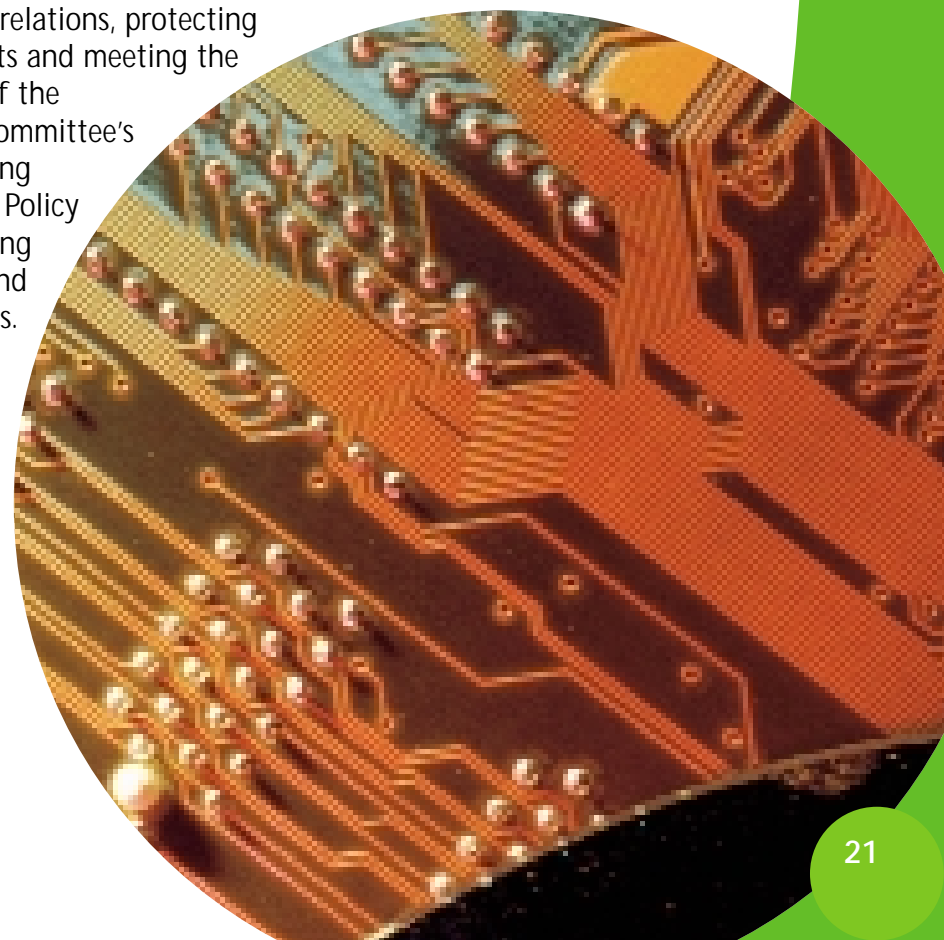
- The Vision for the Future of the Agri-Food Industry;
- The O'Hare Report on the Department's structures for the delivery of agri-food education and R&D;
- The need to develop the electronic delivery of our services;
- The need to improve access to our services for all rural customers.

The Vision Group report, *Vision for the Future of the Agri-Food Industry*, which was published in October 2001, contains over 200 recommendations grouped under 10 themes. The Vision Action Plan, published in November 2002, describes the proposed way forward on these recommendations. Over 30 of them are for the industry themselves to implement. Implementation of these recommendations is being progressed through a sub-group of the Rural Stakeholder Forum. The recommendations focus on challenges such as:

- creating a more competitive agri-food sector;
- better integration and co-operation within the food chain;
- a better trained and educated workforce;
- a more balanced age structure among farmers;
- improved protection against disease risk;
- developing the rural economy;

- an increased environmental focus in farming;
- making better use of R&D and ICT; and
- improving the representation of Northern Ireland interests.

In the implementation of its Modernisation Programme, the Department is committed to increasing transparency, promoting equality of opportunity and good community relations, protecting human rights and meeting the objectives of the Executive Committee's New Targeting Social Need Policy and improving efficiency and effectiveness.



Delivering the Strategy

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.

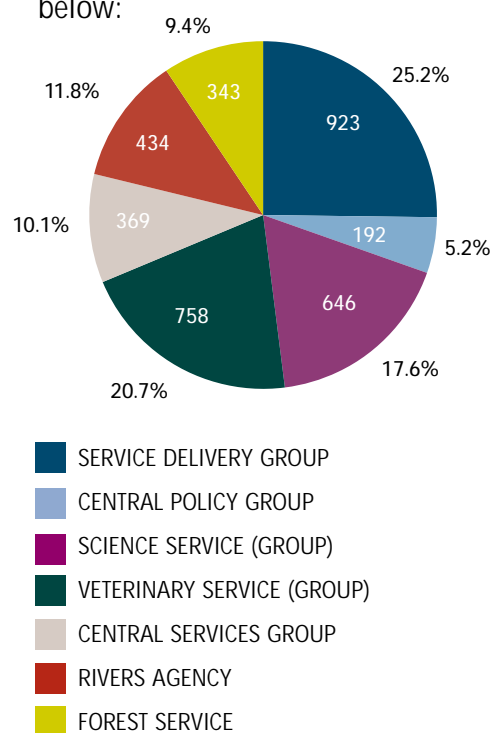
An organisation chart for the Department is shown at the Appendix.

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 68 details the Department's Resource and Capital Budget allocations for 2003/04. The allocations are listed in line with the Spending Areas as identified in the 2002 Budget Settlement rather than against the main business areas as identified in the recent internal restructuring. The PSA and SDA also reflect the allocation of resources in line with 2002 Budget allocations.

The estimated Departmental Running Costs for 2003/04, including the Department's education function, are £125.8 million. Some 84.2% of this relates to staff salaries and wages. Staff numbers, excluding casual employees, have been reduced from 5,179 in 1980 to 3,962 in 1990 to 3665 at 1 April 2003. Staff distribution, including staff engaged in agency services, according to main business areas under the revised Departmental structure is indicated in the chart below:



Human Resource Strategy

The Department's Human Resources Strategy is currently being reviewed and a new strategy produced. This follows on from the implementation of a new NICS wide Human Resources Strategy.

The former NICS Strategy was reviewed to ensure that it facilitates the provision of motivated staff with the skills and abilities to make a full and relevant contribution in a fast changing environment. The NICS Human Resources Strategy covers the period 2002-05 and concentrates on the four key themes of Resourcing, Learning, Inclusion/Diversity and Leadership. It is supported by a detailed Human Resources Action Plan which sets targets to ensure HR policies and practices are taken forward in a coherent and detailed way across all Departments in the NICS.

Using this as a base, the Department is re-examining its Strategy to ensure that it is aligned with the corporate NICS Strategy and, in particular, that it enables the Department to deliver its specific business objectives. Underpinning these objectives is the modernisation programme which is designed to ensure that DARD delivers an enhanced service to the full range of its customers. The review of the Strategy is also being informed by both a recent survey of the Department's staff and public sector best practice.

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 deliver the Department's business. All training will, whenever possible, also adopt a customer focus. The Department will be seeking re-accreditation of its Investors in People standard and is committed to maintaining this.

Through the DARD Excellence Council, the Department will ensure best practice, from across the public sector and internally within DARD, is adopted across all business areas and that structured benchmarking is used to continuously improve our practice and procedures. The Department's diversity agenda is to be further progressed and action will be taken to further reduce absenteeism to enable the Department and the NICS to meet recently set targets in these areas.

Continuous Improvement

The Department continues to pursue a culture of continuous improvement through a structured improvement programme – the DARD Excellence Programme. The approach is based on principles of 'Excellence' laid down by the European Foundation for Quality Management (EFQM) and has been used in DARD since the mid 1990s. The approach is widely used across the public, private and voluntary sectors and is in use in all NICS Departments.

The DARD Excellence Programme is managed by an Excellence Council who report progress on improvement regularly to the Departmental Management Board (DMB). The Council are supported by a Quality Managers' Forum. This network provides both a shared learning environment and a channel of communication for Business Units. The Council and Forum together ensure cross cutting issues are addressed through structured corporate improvement activity. Business Units undergo self

assessment on a two year cycle using the EFQM Excellence Model. The process is managed locally by Quality Managers. The latest cycle reflects methodology used in an external validation process. Use of the Model facilitates comparison against best practice and identification of areas for improvement. Business Unit Heads are required to develop and implement an Improvement Action Plan, incorporate improvement into annual business plans and account for progress directly to the Excellence Council. The Excellence Programme also provides for structured benchmarking and an internal comparison exercise is underway. The Excellence Council have also endorsed the NI public sector award scheme, 'STEPS to Excellence' as a means of achieving enhanced validation/recognition.

E-Business

In 2001 NICS Departments, including DARD, engaged E-Business consultants to develop E-Business strategies and implementation plans. DARD, from this and earlier work, has since identified 23 outward facing customer systems, 10 of which provide key information. In a recent review report for the Central IT Unit (NI), these services are assessed to have achieved 60% electronic service delivery against the 2002 target of 25%. Work on 4 prototype projects which will enhance the 2002 performance position are currently under development.



Public Service Agreement

Introduction

The Public Service Agreement (PSA) covers all the Department's main programmes and sets out how the Department will carry out its responsibilities to deliver public services within the resources allocated in the budget.

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.

The Department is also committed to playing its part in the Reform Agenda and will work to modernise the provision of services and to improve efficiency and effectiveness. It has identified a number of areas which will be the focus of its first set of reform plans.

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 2002/03	Targets	PfG References
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.	Resource 197.5 Capital 7.7 Total 205.2	1.1 To create conditions (including by implementing Vision) for the agricultural industry to achieve a 6% improvement in total factor productivity between 2001 and 2005①. 1.2 By June 2003, put in place a restructuring plan to improve customer service delivery and to ensure all key services are capable of electronic delivery by 2005②. 1.3 To continue the expansion of the agri-environment programme to ensure that there are 10,000 farms with 330,000ha under management agreement by 2006③. 1.4 To continue to encourage (through education) and to ensure (by surveillance, regulation, analyses and diagnostics) that farmers produce only animals which are safe to eat and meet market and welfare standards④. 1.5 To create 1,000 Full Time Equivalent jobs in rural areas by 2008 under the Rural Development Programme.	Chapter 7 Sub Priority 6 Chapter 3 Chapter 7 Sub Priority 8 Chapter 5 Sub Priority 2 Chapter 4 Sub Priority 7 Chapter 7 Sub Priority 8
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.	Resource 43.4 Capital 12.4 Total 55.8	2.1 During 2003/04, begin to implement a strategy that delivers the outcome of the review of forest policy, whilst continuing to deliver the same levels of benefits in terms of timber produced for sale, public access and environmental enhancement. 2.2 During 2003/04, secure a reduced risk of flooding by 318 Housing Equivalents⑤. 2.3 During 2003/4, and beyond, enhance the viability of the NI Sea Fishing Industry and Aquaculture sector as measured by increases in Irish Sea Commercial fish stocks, value of landings by NI vessels, employment, Value added processing and productivity in aquaculture, particularly shellfish⑥.	Chapter 7 Sub Priority 8 Chapter 7 Sub Priority 8 Chapter 7 Sub Priority 8

Technical Notes

- ① 6% improvement is calculated as 1 percentage point above trend over a 4 year period.

Trend from 1997-2001 was 4.9%.
Total Factor Productivity is effectively a volume measure which removes, as far as possible, price effects.

- ② Restructuring proposals were announced in November 2002, followed by a period of consultation. An implementation plan will follow. SDA targets may include finite outcome measures when the details of the implementation plans become clear.

- ③ This target does not take account of the Mid-Term Review of CAP and/or decisions on modulation which may have the effect of increasing the agri-environment profile/uptake. At 30 June 2002 there were 5,690 farmers, farming a total of 194,130 hectares, participating in DARD's agri-environment schemes.

- ④ During 2001/02 104 cases of BSE were identified and 24 carcasses which were presented as under 30 months animals and fit for human consumption were prevented from reaching the food chain because they were shown to be over 30 months. There were 2 cases successfully prosecuted involving the welfare of animals and 5 other cases resulted in formal warnings and cautions.

- ⑤ The concept of Housing Equivalents (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 Equivalents 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 in respect of the years 1996/97 to 2001/02:

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

- ⑥ Comparison, over a period of time, of historic trends on the composition of stocks and landings, weight and value of landings, fulltime employee equivalents etc. The data will be sourced from DARD Fisheries Inspectorate, DARD Agricultural & Environmental Sciences Division and the International Council for the Exploration of the Sea (ICES).

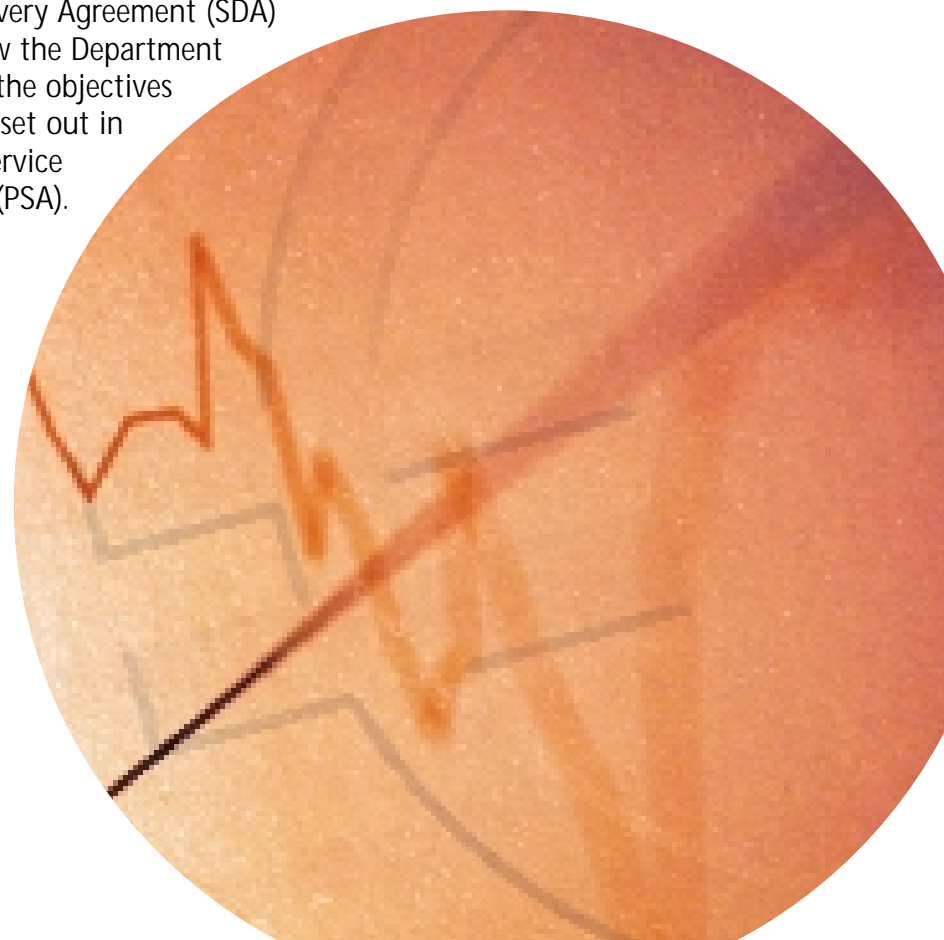
Service Delivery Agreement

Introduction

This document sets out the Department of Agriculture and Rural Development's Service Delivery Agreement for the 2003/04 financial year.

The Department's Public Service Agreement is contained in the document: **Building on Progress: Priorities and Plans 2003-2006** published in December 2002. This Service Delivery Agreement (SDA) sets out how the Department will deliver the objectives and targets set out in its Public Service Agreement (PSA).

While our PSA establishes what this Department is working to achieve, the SDA sets out how we will achieve the objectives and outcomes we have identified as important.



Structure

The SDA is divided into three main sections. The first section, **Delivering targets – achieving results**, sets out the Department's main objectives and targets as published in the PSA for 2003/04. It also provides detailed information on the actions that the Department will take in the course of 2003/04 to ensure that these objectives and targets are achieved and contains performance targets to support those actions. The aim of this section is to show clearly how the Department's activities will contribute to the achievement of each of its PSA targets and highlight the improvements in service delivery and performance that the Department intends to deliver.

The second section, **Raising Service Standards**, recognises that 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. These are:

- 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.

The third section, **Reforming our Services**, contains information on the reform programme we will be following during 2003/04 and beyond (See DARD Reform Plan, page 56). It focuses on the reforms we will be undertaking to improve service delivery across a range of programmes.

The actions and targets set out in this 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.



Service Delivery Agreement

Section 1 Delivering targets-achieving results

Objective A

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

DARD Objective and PSA Target	Spending Area and Actions	Budget £m	Performance Targets
PSA Target 1 To create conditions (including by implementing Vision) for the agricultural industry to achieve a 6% improvement in total factor productivity ¹ between 2001 and 2005.	Food, Farming & Environmental Policy Group (FFEPG): During 2003/04, 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.	DEL Resource 23.8 AME 185.7	Ensure that decisions on the Food Body Proposal are made by 31 March 2004. Complete consultation on the draft legislation equality impact assessment, risk assessment and (if required) State Aids application for Farmers New Entrants Scheme by 30 June 2003. During 2003/04 introduce a nutrient management scheme to control nutrient application in designated catchments. During 2003/04 introduce a farm waste management scheme to reduce point source pollution in designated catchments. During 2003/04 introduce capital enhancement (E-plans) for the Countryside Management Scheme /Environmentally Sensitive Areas/ New Environmentally Sensitive Areas. During 2003/04 introduce a biodiversity scheme to enhance on farm biodiversity within NI.

Section 1 Delivering targets-achieving results

DARD Objective and PSA Target	Spending Area and Actions	Budget £m	Performance Targets
PSA Target 1 (cont.) To create conditions (including by implementing Vision) for the agricultural industry to achieve a 6% improvement in total factor productivity ¹ between 2001 and 2005.			<p>During 2003/04 establish an organic lead group with the aim of Establishing an Organic Business Centre to enhance the provision of specialist services to all producers.</p> <p>During 2003/04, implement the recommendations of the Horticulture Review and the Seed Potato Review.</p> <p>During 2003/04, agree contingency planning arrangements for the handling of plant disease outbreaks.</p>
	<hr/> Approve grant and subsidy applications and process claims in line with scheme regulations.		<hr/> During 2003/04, process all eligible livestock subsidy and other grant payments to farmers within published timescales.
	<hr/> Conduct on-farm inspections.		<hr/> 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.
			<hr/> Conduct at least the minimum number of on farm inspections in compliance with EC Regulation 2419/01 Article 24.

Section 1 Delivering targets-achieving results

DARD Objective and PSA Target	Spending Area and Actions	Budget £m	Performance Targets
PSA Target 1 (cont.) To create conditions (including by implementing Vision) for the agricultural industry to achieve a 6% improvement in total factor productivity ¹ between 2001 and 2005.	<p>Provide economic and physical data on agriculture to meet DARD, UK and EU requirements.</p> <hr/> <p>Undertake analyses of the impact of Mid Term Review proposals on Northern Ireland and provide input into UK response to EU.</p>		<p>By 31 March 2004, publish the Statistical Review of NI Agriculture and Farm Incomes in NI.</p> <hr/> <p>During 2003/04, participate in UK Working Groups and support Minister's attendance at UK Ministers and EU Agriculture Council meetings.</p>

Section 1 Delivering targets-achieving results

DARD Objective and PSA Target	Spending Area and Actions	Budget £m	Performance Targets
PSA Target 1 (cont.) To create conditions (including by implementing Vision) for the agricultural industry to achieve a 6% improvement in total factor productivity ¹ between 2001 and 2005.	Agri-Food Development Service: 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. Implement the Beef Quality Initiative via: <ul style="list-style-type: none"> • The development of competences of producers in animal breeding and husbandry issues affecting beef quality. • Preparation and implementation of herd breeding and management plans. • Adoption and implementation of herd recording and assessment programmes. 	DEL Resource 34.6 DEL Capital 3.2 Peace Prog 2.4 (Res.)	By 31/3/04, 20,000 people 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. Specifically from above: <ul style="list-style-type: none"> • 2,500 people will have completed or be participating in 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 thus facilitate compliance with support requirements • 2,400 beef producers will have completed or be participating in competence development programmes as part of the Beef Quality Initiative. During 2003/04, have 2,700 people achieving nationally recognised vocational qualifications at NVQ II, III and IV through participation in Lifelong Learning programmes (including further and higher education - 2,250 in 2002/03) ²

Section 1 Delivering targets-achieving results

DARD Objective and PSA Target	Spending Area and Actions	Budget £m	Performance Targets
PSA Target 1 (cont.) To create conditions (including by implementing Vision) for the agricultural industry to achieve a 6% improvement in total factor productivity ¹ between 2001 and 2005.	Manage the implementation of agri-food PEACE II Programme measures. Implement Government Policy through inspection, enforcement, licensing, certification and guidance relating to agriculture, horticulture and food.		By 31 March 2004, have 1,100 farmers or members of farming families securing alternative income or business benefits from Peace II measures. 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.

Section 1 Delivering targets-achieving results

DARD Objective and PSA Target	Spending Area and Actions	Budget £m	Performance Targets
PSA Target 1 (cont.) To create conditions (including by implementing Vision) for the agricultural industry to achieve a 6% improvement in total factor productivity ¹ between 2001 and 2005.	Science Service: Conduct research and development	DEL Resource 13.3 DEL Capital 0.4	During 2003/04 have 143 papers accepted for publication in refereed journals. By 31 March 2004, complete a review of existing Plant Research Programmes with reference to Modernisation and make recommendations to the Chief Scientific Officer.
	Provide teaching and support for the School of Agriculture and Food Science of the Queen's University of Belfast (QUB)		During 2003/04, have 35 students achieving Primary Degrees thus maintaining the same proportion of enrolled students qualifying in 2001/02 (48) and 2002/03 (anticipated at 41). During 2003/04, make 23 Post Graduate awards.

Section 1 Delivering targets-achieving results

DARD Objective and PSA Target	Spending Area and Actions	Budget £m	Performance Targets
PSA Target 2 By June 2003, put in place a restructuring plan to improve customer service delivery and to ensure all key services are capable of electronic delivery by 2005.	Central Services (Modernisation Unit): Progress the recommendations and public consultation responses arising from the review of Higher Education and Research and Development in agriculture and food science.	DEL Resource 2.0	<p>By 30 April 2003, ensure that most of the Department's internal restructuring is in place.</p> <p>Ensure an independent panel of consultants is established to undertake the review of Veterinary Service and to monitor progress of the review with a view to completion by October 2003.</p> <p>Ensure final decisions on the Government's response to the O'Hare report are announced by 30 April 2003.</p> <p>Agree the appointment process for a Research & Development Advisory Group by December 2003.</p> <p>Ensure that the decision on a future University provider is made by 30 March 2004</p> <p>Scope the legislative change required by modernisation and begin implementation by March 2004.</p>
	Central Services (Information Systems): Deliver a £2m programme in 2003/04 as part of the 2003-2005 electronic service delivery targets.	DEL Capital 2.0	41 projects in the DARD E-Business Strategy to be delivered by 31 December 2005.

Section 1 Delivering targets-achieving results

DARD Objective and PSA Target	Spending Area and Actions	Budget £m	Performance Targets
PSA Target 3 To continue the expansion of the agri-environment programme to ensure that there are 10,000 farms with 330,000ha under management agreement by 2006. [SEE ALSO TARGET 1 RE VISION ENVIRONMENTAL MEASURES]	FFEPG: Develop and administer policies to conserve and enhance the rural environment, including biodiversity. Operate a Less Favoured Area (LFA) support scheme and make payments accordingly; approve environmental scheme applications and process claims in line with regulations. Introduce New Targeting Social Need (TSN) considerations into the development of environmental schemes.	DEL Resource 26.0	By 31 March 2004, have 100 participants (75 at 31/3/03) in the Organic Farming Scheme farming 5,500 hectares. By 31 March 2004, have 875 new participants (1,300 at 31/3/03) in the Countryside Management Scheme, bringing the total farmed to 91,500 hectares. By 31 March 2004, have 600 participants in the New Environmentally Sensitive Areas Scheme farming 21,000 hectares (200 at 31/3/03). Process 2004 Less Favoured Area Compensatory Allowances (LFACA) payments in accordance with timetable to be published in Autumn 2003. Process Environmentally Sensitive Area (ESA) payments within 12 weeks of receipt of a valid claim. During 2003/04, develop an Organic Farming (Conversion of animal housing scheme) to support the organic sector.

Section 1 Delivering targets-achieving results

DARD Objective and PSA Target	Spending Area and Actions	Budget £m	Performance Targets
PSA Target 4 To continue to encourage (through education) and to ensure (by surveillance, regulation, analyses and diagnostics) that farmers produce only animals which are safe to eat and meet market and welfare standards.	Veterinary Service: Apply and enforce public health, animal health and welfare legislation through the prevention/control/ eradication of epizootic/enzootic/ zoonotic diseases by conducting animal inspections/tests. Carry out meat inspection in compliance with national and international standards. 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.	DEL Resource 27.7	<p>During 2003/04, sample an estimated 70k bovines for BSE and 5,500 sheep for Scrapie in line with current Commission targets, subject to contractual arrangements.</p> <p>During 2003/04, sample an estimated 350 cattle aged 24-30 months for BSE subject to emergency slaughter and release only those showing a negative result into the human food chain.</p> <p>During 2003/04, take an estimated 900,000 individual blood samples to test for Brucellosis with the objective of reducing the number of herd outbreaks to 150 per annum by 31 March 2006 (current incidence 270 per annum).</p> <p>During 2003/04, ensure that an estimated 2,200,000 cattle are tested for Tuberculosis with the objective of reducing the number of reactors to less than 13,000 per annum by 31 March 2007.</p> <p>During 2003/04, meet food safety inspection targets agreed with the Food Standards Agency, as set out in the SLA.</p>

Section 1 Delivering targets-achieving results

DARD Objective and PSA Target	Spending Area and Actions	Budget £m	Performance Targets
PSA Target 4 (cont.) To continue to encourage (through education) and to ensure (by surveillance, regulation, analyses and diagnostics) that farmers produce only animals which are safe to eat and meet market and welfare standards.			<p>During 2003/04, meet all animal registration, identification and movement requirements in accordance with Council Regulation 1760/2000.</p> <p>During 2003/04 investigate all welfare complaints (estimated at 200).</p> <p>In 2003/04 during transport, conduct animal welfare checks on all vehicles at ports (estimated at 3,000), and 300 elsewhere; in abattoir lairages (all animals inspected at ante-mortem); during stunning/slaughter in abattoirs (5,000 daily checks).</p>
	Science Service: Conduct analytical and diagnostic testing.	DEL Resource 27.4 DEL Capital 2.1	<p>Complete at least 90% of statutory plant, animal and animal products tests within published timescales.</p> <p>By 31 March 2004, produce draft Codes of Practice for lab and field-based plant experimentation ready for piloting.</p> <p>Sample for BSE and Scrapie those cattle and sheep that are required to be tested under TSE legislation (currently estimated at 70,000 samples required in 2003/04).</p>

Section 1 Delivering targets-achieving results

DARD Objective and PSA Target	Spending Area and Actions	Budget £m	Performance Targets
PSA Target 4 (cont.) To continue to encourage (through education) and to ensure (by surveillance, regulation, analyses and diagnostics) that farmers produce only animals which are safe to eat and meet market and welfare standards.	FFEPG: Develop and administer policies to protect public and animal health and welfare.	DEL Resource 32.0	<p>By 31 March 2004, have in place the subordinate legislation needed to implement the recommendations of the Brucellosis and TB policy reviews.</p> <p>By 31 March 2004, develop and agree a NI animal disease surveillance strategy.</p> <p>By 31 March 2004, have implemented at least 50% of the actions contained in the All Island Animal Health Strategy.</p> <p>By 31 March 2004, review progress on the implementation of the All Island Animal Health Strategy.</p> <p>By 31 March 2004, implement recommendations from the Food Standard Agency's Over Thirty Month Scheme Review.</p> <p>By 31 December 2003, have at least 33% of NI purebred sheep farmers registered in the voluntary NI Genotyping Scheme.</p> <p>By 31 March 2004, have 50% of known Scrapie infected flocks participating in the eradication scheme.</p>

Section 1 Delivering targets-achieving results

DARD Objective and PSA Target	Spending Area and Actions	Budget £m	Performance Targets
PSA Target 4 (cont.) To continue to encourage (through education) and to ensure (by surveillance, regulation, analyses and diagnostics) that farmers produce only animals which are safe to eat and meet market and welfare standards.	Monitor incidence of BSE in NI with a view to progressing the NI case for moderate BSE risk status.		If incidence levels meet BSE moderate risk level by 31 December 2003, submit case to DEFRA by 31 March 2004 for NI moderate BSE risk status.
	Develop and administer policies that will achieve further relaxation of Date Based Export Scheme requirements.		By 31 March 2004, secure the necessary relaxations to facilitate the industry to meet its target of exporting 1,500 tons of beef per year.
	Implement the recommendations of the PWC independent review of the 2001 FMD outbreak.		By 31 March 2004, implement the recommendations of the PWC independent review of the 2001 FMD outbreak.
	Review the compensation arrangements for animal disease in parallel with GB.		By 31 March 2004, review animal disease compensation arrangements, subject to developments at UK level.
	Process compensation payments in respect of Brucellosis and Tuberculosis.		Ensure that all non-query payments are processed within 12 working days of date of kill.

Section 1 Delivering targets-achieving results

DARD Objective and PSA Target	Spending Area and Actions	Budget £m	Performance Targets
PSA Target 5 To create 1,000 Full Time Equivalent jobs in rural areas by 2008 under the Rural Development Programme.	Rural Development Division: 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). During 2003, 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. Manage the implementation of PEACE II Programme measures. Undertake an Equality Impact Assessment of the Rural Development Programme.	DEL Resource 10.7 Peace Prog. 2.3 (Res.)	By 31 December 2003, implement the 5 sustainable tourism development strategies under the Natural Resource Rural Tourism Initiative. By 30 June 2003, introduce a cross border co-operation programme in conjunction with the Department of Community, Rural and Gaeltacht Affairs. By 31 December 2003 complete an Equality Impact Assessment of the Rural Development Programme.

Total Objective A Budget:

DEL RESOURCE	£197.5m
DEL CAPITAL	£7.7m
PEACE PROG.	£4.7m
AME*	£185.7m

* Common Agricultural Policy (CAP) funding only.

Section 1 Delivering targets-achieving results

Objective B

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.

DARD Objective and PSA Target	Spending Area and Actions	Budget £m	Performance Targets
PSA Target 6 During 2003/04, begin to implement a strategy that delivers the outcome of the review of forest policy, whilst continuing to deliver the same levels of benefits in terms of timber produced for sale, public access and environmental enhancement.	The Forest Service: Implement the outcomes of the Forest policy review.	DEL Resource 19.4 DEL Capital 1.1 AME 1.2	Publish a statement on forest policy and from that develop a strategy for implementing the policy.
	Extend the area of woodland in NI.		During 2003/04, establish 500ha ¹ of new plantations ² (2002/03 – 546ha established against a target of 650ha). During 2003/04, replant 750ha of land following harvesting (2002/03 – 710ha planted against a target of 700ha).
	Encourage the extension of the area of woodland by the private sector.		Pay out grants of £1.8m to encourage the extension of the area of private woodland (2002/03 – £1.8m spent against a target of £2.1m).
	Process applications and claims for assistance under the planting schemes.		During 2003/04, pay 90% of Woodland Grant Scheme and Farm Woodland Premium Scheme claims within 8 weeks of receipt of a properly completed claim form (2002/03 – 87% performance against a target of 90%).

Section 1 Delivering targets-achieving results

DARD Objective and PSA Target	Spending Area and Actions	Budget £m	Performance Targets
PSA Target 6 (cont.) During 2003/04, begin to implement a strategy that delivers the outcome of the review of forest policy, whilst continuing to deliver the same levels of benefits in terms of timber produced for sale, public access and environmental enhancement.	Continue to manage woodlands sustainably.		During 2003/04, retain certification under the UK Woodland Assurance Scheme (2002/03 – retention target met). During 2003/04, produce 400,000m ³ of timber for sale to the wood processing sector (2002/03 – outturn of 408,000m ³ against a target of 380,000m ³).
	Promote access to and use of forests for recreational purposes.		During 2003/04, achieve 400,000 paying visitors to forests (2002/03 – 440,100 paying visitors against target of 440,000).

Section 1 Delivering targets-achieving results

DARD Objective and PSA Target	Spending Area and Actions	Budget £m	Performance Targets
PSA Target 7 During 2003/04, secure a reduced risk of flooding by 318 Housing Equivalents.	The Rivers Agency: Identify and assess flooding risks.	DEL Resource 14.9 DEL Capital 9.1 AME 18.2	By 31 March 2003, construct or refurbish 562m of urban flood defences (540m completed in 2002/03);
	Implement a programme of prioritised works to minimise flooding risks.		By 31 March 2004, replace or refurbish 225m of dangerous culverts (1.5km completed in 2002/03);
	Carry out maintenance works on both urban and rural open watercourses (the majority being rural therefore impacting upon agricultural land)		By 31 March 2004, complete identified maintenance works on 1,225 of the 1,559 designated open watercourses included in the Notice of Annual Maintenance as part of a 6 year scheduled maintenance programme (1,250 completed in 2002/03).

Section 1 Delivering targets-achieving results

DARD Objective and PSA Target	Spending Area and Actions	Budget £m	Performance Targets
PSA Target 8 During 2003/4, and beyond, enhance the viability of the NI Sea Fishing Industry and Aquaculture sector as measured by increases in Irish Sea Commercial fish stocks, value of landings by NI vessels, employment, Value added processing and productivity in aquaculture, particularly Shellfish.	Fisheries Division: Implement the EU Common Fisheries Policy and UK fisheries policies.	DEL Resource 9.1 DEL Capital 2.2 Peace Prog. 1.5 (Res.)	By 31 December 2003, have agreed with key stakeholders an Action Plan for taking forward the review of Sea Fisheries Policy.
	Devise and implement a range of socio-economic interventions to enhance the viability of the NI fisheries industry.		By mid 2003, consult on and launch a transitional aid scheme to address the reduction in fishing opportunities resulting from the December 2002 Fisheries Council.
	Undertake an Equality Impact Assessment of Sea Fisheries Policy.		By 31 March 2004, complete and implement recommendations arising from an Equality Impact Assessment of Sea Fisheries Policy.
	Actively participate in developing and implementing European Cod Recovery Plans.		During 2003/04, introduce and implement a further Irish Sea Cod Recovery Plan in an effort to increase the overall cod stock biomass in the Irish Sea ⁶

Section 1 Delivering targets-achieving results

DARD Objective and PSA Target	Spending Area and Actions	Budget £m	Performance Targets
PSA Target 8 (cont.) During 2003/4, and beyond, enhance the viability of the NI Sea Fishing Industry and Aquaculture sector as measured by increases in Irish Sea Commercial fish stocks, value of landings by NI vessels, employment, Value added processing and productivity in aquaculture, particularly Shellfish.	Provide an effective inspection and enforcement regime.		During 2003/04, carry out 70 patrol days at sea, including 110 boardings of >10m fishing vessels, to ensure compliance with the conservation regulations at sea.
	Promote sustainable development of aquaculture consistent with environmental standards.		By 31 March 2004, publish and begin implementation of NI Strategy for development of Aquaculture.
	Meet EU fish health requirements and maintain Northern Ireland's fish health status.		By 31 March 2004, complete and implement the NI Fish Health Strategy.

Total Objective B Budget:

DEL RESOURCE	£43.4m
DEL CAPITAL	£12.4m
PEACE PROG.	£1.5m
AME*	£1.2m
AME**	£18.2m

* Common Agricultural Policy (CAP) funding only.

** Non Cash Items (Resources)

Service Delivery Agreement

Section 2 Raising Service Standards

Key Area	Actions	Performance Targets
Customer Service and service improvement:		
Identification of customer needs.	The Department will complete a scoping study to identify its customers, produce an agreed Terms of Reference and appoint a team to undertake a Customer Service Review.	Complete a Customer Service Review by January 2004.
Response to changing customer needs/expectations.	Changing customer needs /expectations will be considered and action taken to improve the service provided.	Monitor the implementation of recommendations emanating from the Customer Service Review.
Ensuring that services to customers are provided in a joined up way.	As part of its modernisation programme, the Department will focus management consultancy support, where required, on the examination of organisational structures, work processes and systems. This will include checking the roles and responsibilities of senior managers,	

Section 2 Raising Service Standards

Key Area	Actions	Performance Targets
Improving how services are provided (including through the use of business improvement tools).	<p>The Departmental Management Board has committed all business units to conducting self-assessments using the EFQM Excellence Model as a means to develop and implement improvement action plans. The improvements envisaged through the use of this business improvement tool relate to areas such as:</p> <ul style="list-style-type: none">• Leadership and consistency of purpose;• People development, involvement and satisfaction;• Customer focus;• Supplier partnerships;• Processes and measurement;• Continuous improvement and innovation;• Public responsibility;• Results orientation <p>Through the Quality Managers' Forum, and wider NICS/Public Sector contacts, Business Development Branch will continue to benchmark and identify best practice in these areas.</p>	By 30 June 2004, Improvement Action Plans to be implemented in all areas of the Department.

Section 2 Raising Service Standards

Key Area	Actions	Performance Targets
Securing effectiveness and value for money:		
Improving the quality and cost-effectiveness of services.	<p>Implement a Management Plan and involve the Departmental Management Board in tight monitoring and control of running costs and manpower utilisation.</p> <p>A rolling programme of internal audit reviews will continue to include an evaluation of controls in place to ensure value for money and efficiency in procedures.</p>	<p>Achieve an outturn of £125.6m for running costs (including education-related programme expenditure) against an identified requirement of £131.3m.</p> <p>Complete the programme of Internal Audit reviews approved for 2003/04 by the DARD Corporate Governance and Audit Committee.</p>
Examining the impact of the Department's policies and programmes on the work of other Departments and the scope for greater joined up working.	Plan to deliver services in a joined up way, including co-operation with other Departments to improve the service to customers.	To continue to contribute to a variety of Inter-Departmental Groups on a range of policy areas and to disseminate information from these groups throughout the Department.
Reviewing the effectiveness of NDPBs and other Bodies.	Quinquennial Reviews are no longer obligatory in respect of Executive Agencies and NDPBs but until new tools (landscape and end-to-end reviews) have been established the Department will continue to apply the discipline of Quinquennial Reviews as considered appropriate.	<p>Complete stage 1 of the Quinquennial Review of the NI Fisheries Harbour Authority by 30 June 2003.</p> <p>By 31 March 2004, develop and consider proposals to modernise Agricultural Wages Board legislation to take account of European and national employment law.</p>
Improving value for money and efficiency.	Develop a Departmental Investment Strategy alongside the restructuring programme to improve efficiency in the use of assets.	Develop a Departmental Investment Strategy by 31 March 2004.

Section 2 Raising Service Standards

Key Area	Actions	Performance Targets
<p>Securing effectiveness and value for money (cont.):</p> <p>Tackling fraud and error.</p>	<p>An anti fraud policy statement was drawn up in 1997 and revised in 1999. This was issued on a personal basis to each individual member of staff and incorporates guidance on the definition of fraud, Departmental/Line Managers'/Staff responsibilities, and reporting, investigative and remedial procedures.</p> <p>All staff have been reminded of their individual responsibility to act with propriety in all their dealings and to report details immediately if they suspect that a fraud has been committed or see any suspicious acts or events.</p> <p>The statement, updated in 2002 to incorporate the development of the NICS "whistle blowing" policy, is set in the context of the development of risk management as part of Corporate Governance in the Department.</p> <p>In addition, the Department published, in March 2002, a Counter Fraud Strategy.</p>	<p>During 2003/04, Departmental Fraud Forum to manage implementation of Counter Fraud Strategy to ensure that year 3 targets are achieved.</p> <p>Keep Counter Fraud Strategy under regular review and update with new targets as appropriate.</p> <p>Meet the 2003/04 targets set in the Counter Fraud Strategy. Some of the key targets are as follows:</p> <ul style="list-style-type: none"> • Policy review programme to be devised following legislative reviews of fines and penalties for illegal movements and on identification of sheep and pigs; • Publish prosecution policies and ensure they are equally applied; • Review key departmental systems to ensure they contain counter fraud measures; • Make proposals for systems to identify sheep and pigs; • Create a pro-active IT role by use of data interrogation software to identify high risk areas and to map actions that could conceal fraud; • Review systems for referrals for investigation and establish protocols; • Conduct a review of fines and penalties in respect of illegal movements. • Undertake a comprehensive and systematic assessment of the Department's corporate fraud risks to quantify the levels of risk and enable effective targeting of resources to address these risks.

Section 2 Raising Service Standards

Key Area	Actions	Performance Targets
Electronic Government:		
Delivery of overarching e-government targets.	2003 e-government/e-business programme agreed in principle by ITEC on 20 February 2003. A £2m programme has to be delivered in 2003/04 as part of the 2003-2005 electronic service delivery targets.	Achieve 100% capability to deliver key services electronically by 2005.
Joining up of services electronically.		41 projects in the DARD E-Business Strategy to be delivered by 31 December 2005.
Additional progress being made.	Disease Control Branch, in conjunction with Veterinary Service, to develop arrangements for the use of ICT to transfer information to and from Private Veterinary Practitioners (PVPs).	By 31 December 2003, have 40% of PVPs using ICT for information transfer.
Policy effectiveness:		
Effective planning and implementation of evidence-based policy development.	Carry out policy reviews in accordance with the requirement to review all policies within a 5-year cycle.	During 2003/04: Continue implementation of Vision and Modernisation Reforms; Continue to develop a more strategic approach to animal health and welfare; Develop a strategy for implementing the outcomes of the Forest Policy Review to be announced in the early summer 2003; Complete a review of the Veterinary Service by 31 October 2003; By 31 December 2003, have agreed with key stakeholders an Action Plan for taking forward the review of Sea Fisheries Policy.

Section 2 Raising Service Standards

Key Area	Actions	Performance Targets
Consideration in policy development of commitments on promoting equality of opportunity and good relations, tackling social need and social exclusion.	Implementation of the findings of the various Equality Impact Assessments.	By 30 June 2003, complete the second annual review of progress made in implementing the Department's Equality Scheme and in complying with the Statutory duty.
	Continue to ensure that, where possible, DARD resources are targeted and resources are skewed to people, groups and areas in greatest social need.	Following the evaluation of New Targeting Social Need (NTSN) by consultants in 2002, to implement revised centrally agreed procedures in line with the timetable determined by the centre/Ministers.
Evaluation of policies and programmes in line with good policy evaluation practice.	Implement Green Book procedures in all policy, programme and project evaluations.	By 31 March 2004, train 100 DARD staff in Green Book appraisal procedures.
Impact assessments of new policies, including rural proofing, health impact assessments and environmental impact assessments.	Conduct Impact Assessments as appropriate.	Ensure that all major policies that flow from PfG3 are reviewed and evaluated from a rural perspective.
	Undertake a value for money exercise on the options for undertaking future levels of TSE testing.	Contribute, along with other Departments, to a Steering Group Annual Report on Rural Proofing.
	Review arrangements for TSE sampling.	By 31 March 2004, have systems in place to implement the outcome of the exercise within the 2004/05 financial year. By 30 September 2003, implement new sampling arrangements.

Technical Notes

¹ 6% improvement is calculated as 1 percentage point above trend over a 4 year period. The trend from 1997-2001 was 4.9%. Total Factor Productivity is a measure of the volume of output related to the volume of all inputs and is, therefore, the productivity of all resources in the industry.

² The 2002/03 figure reflects the number of people achieving nationally recognised qualifications through further and higher education and short courses.

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 (NB while the numbers are down this still represents 66% of the total labour force as in 2001)

⁴ Demand for new planting for conventional forestry by private landowners has decreased in recent years. There are now several area based agricultural and forestry support measures and landowners may be more discriminating in choosing between them. A revised forestry grant scheme will be required to increase the relative attractiveness of forestry measures, at increased cost. Ministers have yet to reach a decision on the emphasis to be given to forestry in comparison to other agricultural policies.

⁵ There are 61,214 hectares of afforested land managed by the Department. The total area of woodland, including the private sector, is approximately 83,000 hectares.

⁶ Irish Sea Cod Spawning Stock Biomass (figures updated/amended each year by scientists):

1998	1999	2000	2001 (provisional)
4,973 tonnes	5,106 tonnes	2,312 tonnes	4,932 tonnes

⁷ Budget allocations against Spending Areas include an appropriate element of Central Services costs.

DARD Reform Plan

Background

The Reinvestment and Reform Initiative announced in May last year makes clear the importance both of investing in Northern Ireland's physical infrastructure and of reforming how public services are delivered. This Department is committed to taking steps to improve how the services for which it is accountable are delivered. As a first step, it has identified a number of areas for reform.

On 24 April 2002, the then Minister of Agriculture and Rural Development Mrs Rodgers announced plans to initiate a modernisation programme for DARD. Partly, this was in response to various internal factors, e-Government targets and a number of policy reviews. However, two significant factors were:

- the report of a Steering Group set up in 2000 to develop a vision for the future of the agri-food sector. The report, which was published in October 2001, made recommendations to DARD for action but also called for changes by the industry. It was

clear that this would, in turn, mean a response from DARD in terms of examining its own structures, particularly the interface with the agri-food industry and other stakeholders. This view was reinforced by the (then) imminent release of the Mid Term Review proposals for reform of the Common Agricultural Policy (CAP) which were thought likely to advocate significant changes in the way in which aid is given to the agricultural industry; and

- a review of the arrangements for R&D and higher education in the agri-food sector carried out by a team led by Dr Daniel O'Hare. This reported on 29 April 2002 and proposed significant change, not only in relation to R&D and higher education, but also in the arrangements for further education in the agri-food sector.

O'Hare Review

This Review was set up because of concerns about DARD's direct involvement in the provision of education and R&D at Queen's University Belfast. Among other things, the Review recommended:

- the transfer of under-graduate and post-graduate teaching and related R&D to the control of the Queen's University of Belfast or the University of Ulster;
- the involvement of an independent advisory committee in the decision-taking process on R&D;
- the integration of the DARD Agricultural Colleges with the appropriate local Further Education Institutes;
- the creation of a Non-Departmental Public Body (NDPB) to carry out R&D and technology transfer;
- competitive tendering for R&D funding from DARD; and

- new arrangements for technology transfer.

Government Response

In response to the O'Hare proposals, to a perceived need to give the Department a stronger policy focus and to improve its interface with the rural community, particularly in relation to rural development, the Departmental Management Board brought forward a set of proposals for change which were agreed with Mrs Rodgers and which Mr Pearson has now confirmed. However, a number of amendments have been made to improve transparency and accountability. The main elements are:

- DARD will no longer directly support the School of Agriculture and Food Science but will seek bids from Queen's University Belfast and University of Ulster to take over this provision. A group consisting of Government and non-Government representatives will be established to oversee the bidding process;

- in the Department's administrative structure, there will be a clear distinction between policy formation and delivery;
- there will be a review of the DARD customer interface;
- a NDPB (to be known as the Northern Ireland Agricultural and Food Research Institute) will be set up for R&D and "low risk" analytical, diagnostic, testing and surveillance work;
- "higher risk" work related to food safety and animal health will be retained within DARD to provide emergency response capability, eg as required in the case of a Foot and Mouth Disease outbreak. This arrangement is subject to review after three years;
- the recommendation that the three DARD Colleges be integrated with the FE sector is rejected but a unified college structure, under a single Principal, will be set up. This college will remain an integral part of the Department but

there will be complete transparency in terms of Budget, accounts, staff and Business Plan. This arrangement will be reviewed after three years;

- a technology transfer group, with appropriate internal and external representation, will be set up to ensure cohesive delivery of technology transfer from the organizations involved;
- a review of the Veterinary Service will be undertaken.

These changes should be capable of enabling the Department to absorb any changes which occur as a result of the Mid Term Review of the CAP.

The Government response to O'Hare will not be finalised until the Minister has considered the results of the consultation exercise.

Vision Action Plan

The Report of the Vision Steering Group proposed a strategy of which the main elements are:-

- measures to address deficiencies in the food chain, including lack of communication and the need for increased emphasis on marketing;
- measures to address the underlying efficiency of the industry, including training and exposure to best practice;
- measures to address concerns about the environmental impact of farming.

DARD has produced a draft of a "Vision Action Plan" in response to the October 2001 Report of the Steering Group. Of the 200 plus recommendations, almost 60 are already being implemented, either because they were already planned or could be implemented within existing resources. The measures include ICT training, competence development and re-skilling. In addition, bids were made in the

Budget to cover the implementation of measures affecting the environment, the food chain, animal health and animal traceability. The Budget substantially granted the amount requested over the 3-year period to 2005/06. Implementation of any or all of these measures is dependent on satisfactory economic appraisals being completed in respect of each project. Those recommendations which are for the industry to implement are being taken forward by a Sub-Group of the Rural Stakeholder Forum.

Two of the significant recommendations in the Vision Report are those for a Food Body and a New Entrants Scheme. There is considerable interest within the farming Community, and among the political parties, in the latter, usually in association with an Early Retirement Scheme for farmers. Concerns were expressed about the value for money of such schemes and Mrs Rodgers commissioned

research from Queen's University, Belfast and University College, Dublin into the subject. The report came down clearly against an Early Retirement Scheme on the grounds that the costs are likely to outweigh the benefits but concluded that a New Entrants Scheme, based on an interest rate subsidy, could have a positive economic impact.



Mrs Rodgers asked officials to begin work on a New Entrants Scheme and made a public announcement to this effect. Further progress will be subject to the agreement of DFP and clearance with the EU Commission (State Aids approval may be necessary).

The Vision Steering Group recommended the creation of a Food Body to deal with food chain issues, including trust and relationships within the chain, and marketing activities. However, it could not agree on the structure and funding of such a body and recommended that a Working Group be set up to do this. A Working Group was set up and reported to Mrs Rodgers in September. It recommended a Body with fairly limited powers but did not recommend any rationalisation of existing structures. Any initiative in this area will have to await the results of a consultation exercise.

Conclusion

The Department is engaged in a wide-ranging programme of reform flowing principally, though not exclusively, from the above programmes of work. Other significant initiatives are also being progressed in the areas of animal health strategy, forging closer links with our numerous external stakeholders, responding to the challenges of e-government and reviewing our strategic policy objectives in relation to fisheries and forestry. To comply with the requirements of OFMDFM and DFP, the attached Annexes highlight the following elements:-

- A - Vision: Strengthening the Food Chain and Improving Agricultural Efficiency and Sustainability
- B - Animal Health
- C - Modernisation
- D - Rural Stakeholder Forum



Annex A DARD Reform Plan

Key Departmental Reform

Vision: Strengthening the Food Chain and Improving Agricultural Efficiency and Sustainability

Reform Description	A strategy to enable the agri-food sector to meet the challenges of CAP reform, globalisation (increased competition) and pressures to farm in an environmentally sustainable way.
Reform Aim	<ul style="list-style-type: none">• Better communication and understanding among the participants in the food chain.• A greater focus on promotion of Northern Ireland food products.• Assisting farmers to adapt to delivery of EU support by means of payments not linked to production, with the market having a greater influence on what is produced.• Reduced pollution levels and more widespread adoption of environmentally beneficial practices.
Prog. for Government	7.39 Securing a Competitive Economy. Sub Priority 6 "We will work together to regenerate our rural economy"
Budget	2003/04 - £6.0m 2004/05 - £6.8m 2005/06 - £13.85m
Intended Outcomes	<ul style="list-style-type: none">• Improved communication and transmission of quality needs along the food chain demonstrated by 1,750 farmers actively participating in innovative supply chain linkages and 890 farmers or personnel in agri-food businesses trained by March 2006.• Adoption of best practice in production, marketing and food promotion with 1,000 farms "benchmarking" by March 2006.• An improved skill-base at farm level demonstrated by an additional 1,300 people participating in or having completed Challenge programmes by March 2006.• Greater use of ICT demonstrated by 800 farm businesses having improved access to ICT by March 2006.• Reduced pollution levels as demonstrated by a 2% per annum reduction in point source pollution from the 2001 level of 312 incidents.• More widespread adoption of good farming practice facilitated through the provision of 3,000 training places to participants who farm outside the LFAs to take part if the Good Farming Practice training programme by March 2006.

Annex A DARD Reform Plan

Timetable/ Milestones	<ul style="list-style-type: none">• Have 250 farmers actively participating in innovative supply chain linkages in 2003/04.• Improve integration and communication within the supply chain by giving appropriate training to 300 farmers or personnel in agri-food businesses in 2003/04.• Have 400 farms “benchmarking” in 2003/04.• Help 150 farm businesses to improve access to ICT in 2003/04.• Have 840 people participating in Challenge Programmes in 2003/04.• Provide 750 training places on point source pollution in 2003/04.• Have 7,000 farms signed up for agri-environment schemes by the end of 2004.• Provide 750 training places on Good Farming Practice (outside the LFA) training programmes in 2003/04.• Consideration of need for a Food Body to undertake food chain and marketing work. Reach decision on the Food Body proposal in 2003/04. (If the Body is not set up, consider how this work may be taken forward by other means).• Make a decision on a New Entrants Scheme by August 2003.
Financial Impact	There will be a need for additional £0.5m if a Food Body is set up.
Pay and workforce implications	Extra staff are needed and cover has been provided in the Budget. A small extra pressure has emerged since then and a bid will be made in due course.
Equality and New TSN	Neutral.
Risk Analysis	<ul style="list-style-type: none">• Failure to change culture.• Lower than anticipated uptake of schemes.• Food Body not set up and industry unable to address Vision recommendations intended for it. This will require other options to be considered.• EU policy not developing in the directions foreseen.
Partners	InvestNI, DETI, DOE, EHS, Environmental NGOs and Stakeholder Forum which contains representatives of the main agri-food industry bodies.
Responsibility	Policy and Delivery Groups DARD.

Annex B DARD Reform Plan

Key Departmental Reform Animal Health

Reform Description	Animal Health Strategy
Reform Aim	To develop consistently higher standards of animal health and welfare through the reduction of animal disease levels and to help improve public health.
Prog. for Government	7.41 Securing a Competitive Economy Sub Priority 6 "We will work together to regenerate our rural economy".
Budget	2003/04 - £58.2m 2004/05 - £57.3m 2005/06 - £54.5m
Intended Outcomes	<ul style="list-style-type: none">• To reverse the increasing trend in TB disease incidence by reducing the number of reactors to 10,000 by 2010• To eradicate Brucellosis from NI by 2010• To reduce TB and BR compensation costs to a maximum of £10m per year by 2010• To achieve the most cost effective means of undertaking TSE testing
Timetable/Milestones	<ul style="list-style-type: none">• NI and all-island animal health strategies to be agreed by 31 December 2003• Reduce the level of Br outbreaks to less than 150 per year by 31 March 2006 and 75 per year by 31 March 08• Reduce the level of TB reactors to less than 13,000 by 31 March 2007 and 12,000 year by 31 March 2008.• Reduce Br compensation costs by £2.0m per year compared to 02/03 costs by 31 March 2006• Reduce TB compensation costs by £1.5m by April 05, as compared to 02/03 costs, and to maintain similar levels of savings in future years• Undertake a contracting out exercise on TSE testing by 31 March 2004

Annex B DARD Reform Plan

Financial Impact	(See previous section)
Pay and workforce implications	The implementation of the TB and Br Policy Reviews necessary to achieve the outcomes set out above will lead to additional staff resource requirements to undertake the extra disease testing necessary to comply with EU requirements.
Equality and New TSN	The effects of the strategy and the impact of particular actions to control disease will apply uniformly to all stakeholders irrespective of community background, gender or location. The process of developing the strategy and implementing agreed action points will be fully inclusive and transparent to afford all stakeholders the opportunity of full participation.
Risk Analysis	The main risk to achieving the desired reforms is the unpredictable course of disease and particularly the possibility of higher disease levels persisting for longer than expected.
Partners	Department of Agriculture in Dublin, industry partners (e.g. UFU, NIAPA, NIMEA)
Responsibility	Animal Health and Welfare Division

Annex C DARD Reform Plan

Key Departmental Reform Modernisation

Reform Description	Major changes to DARD's structure to improve its focus on policy development and delivery to customers, including more transparent arrangements for the delivery of agri-food R&D and education.
Reform Aim	More efficient, flexible and transparent arrangements for the delivery of agri-food R&D and education. Separation between policy and delivery functions and the development of a more customer-focused ethos.
Prog. for Government	7.40 Securing a Competitive Economy Sub Priority 6 "We will work together to regenerate our rural economy".
Budget	2003/04 - £2.0m 2004/05 - £2.0m 2005/06 - £2.0m
Intended Outcomes	<ul style="list-style-type: none">• Policy/delivery split in the organisation of administrative Groups.• Transfer of School of Agriculture and Food Science (SAFS) to QUB or UU.• Creation of a single College within DARD.• Creation of an NDPB to carry out R&D.• Competitive tendering for DARD funded R&D.• Clearer customer focus by Groups engaged in "delivery" and service provision.
Timetable/Milestones	<ul style="list-style-type: none">• Complete internal restructuring by 1 April 2003.• Make decision on University to take over SAFS by March 2004.• Carry out review of Veterinary Service by 31 October 2003.• Agree division between NDPB and internal Science Service by December 2003.• Single College set up by April 2004.• Customer service review carried out by January 2004.

Annex C DARD Reform Plan

Financial Impact	Likely to be savings in the areas of:- <ul style="list-style-type: none">• Asset rationalisation.• More focused R&D programme, with provider better placed to seek external funding.• Reduction in cost of higher education provision.
Pay and workforce implications	There will be implications for the Science Service and ARINI but work to identify these is still at an early stage.
Equality and New TSN	Subject to EIA.
Risk Analysis	<ul style="list-style-type: none">• Difficulties getting agreement with TUS.• Delays in getting legislation passed/repealed.• Difficulties in application of TUPE because of multi-functional roles of many DARD Science Service staff.
Partners	ARINI, Universities, Stakeholder Forum, DETI, DEL.
Responsibility	Change Directorate, DARD Departmental Management Board, DARD

Annex D DARD Reform Plan

Key Departmental Reform Rural Stakeholder Forum

Reform Description	Creation of a Rural Stakeholder Forum to advise the Minister on strategic issues.
Reform Aim	The remit of the Forum is to ensure that the fullest possible stakeholder input on strategic issues is available to the Minister and the Department to inform and guide Departmental decisions and actions. The Forum will also enable stakeholders to share their views and positions, thereby improving the common understanding of cross-cutting issues.
Prog. for Government	3.45 Investing in the Future – Changing how the Public Sector Works.
Budget	Direct secretarial costs will be marginal. In the longer term, the Forum will potentially have an indirect impact across a significant part of the Departmental budget.
Intended Outcomes	Focused discussions on key issues will take place primarily in Sub-Groups drawn from the wider Forum membership. Sub-Groups currently operating are examining the implementation of Vision recommendations which are for the industry to progress, the future content and delivery of DARD's broad rural development effort and strategic animal health issues. The first two Sub-Groups are expected to make recommendations in the Spring 2003. Other Sub-Groups will be formed as and when required. The intended outcome is a decision making process which more accurately considers the views of the industry, has a stronger evidence base and which engenders greater ownership among stakeholders. Moreover, the policy development process will be more clearly understood by stakeholders.
Timetable/Milestones	The strategic issues considered by the Forum will evolve in line with changing circumstances. The Core Group will meet four times a year, with the Wider Group meeting in the context of an Annual Conference in the Autumn. The initial Rural Development and Vision Implementation Sub-Groups are expected to report by the Spring of 2003. The Rural Development Sub-Group will move on to consider other issues in this broad policy area. Additional Sub-Groups will be formed as necessary and appropriate in response to policy developments.
Financial Impact	The Forum will advise on rather than initiate policy. Therefore, its financial impact will be defined more in terms of a better targeting of funds in pursuit of more sharply defined and focused policy objectives.

Annex D DARD Reform Plan

Pay and workforce implications	The Rural Stakeholder Forum will not be asked to consider DARD structural or internal management issues. Therefore, its influence on pay and workforce will, at most, be indirect and peripheral.
Equality and New TSN	The Forum is intended to be as inclusive as possible. Membership of the Wider Group is open to any organisation which wishes to participate. This openness will ensure stakeholders have a very direct insight into policy development.
Risk Analysis	Stakeholder commitment to the Forum is critical to its proper functioning. This commitment will be determined to a large degree by the extent to which stakeholders perceive their views to be valued and reflected in DARD's decisions and actions.
Partners	Membership of the Forum Wider Group currently stands at 66 organisations drawn from the areas of agriculture, food processing, input supply, environmental, rural development and consumer interests. Membership of the Forum remains open to any organisation which feels that it wishes to contribute.
Responsibility	Policy Co-ordination and Central Support Division.

These areas together represent the first steps towards developing a comprehensive reform agenda that can deliver real improvement in public services. Over the coming months, other areas for reform will also be identified.

Public Expenditure Plans 2003/04

Spending Area*	Resource Budget	Capital Budget	Total
Agri-Food Development Service	32.5	3.3	35.8
Science Service	39.1	3.0	42.1
Veterinary Service	27.7	0.6	28.3
Food and Farm Policy	74.9	0.8	75.7
Rural Development	8.1	0.0	8.1
Fisheries	7.0	0.5	7.5
Foyle, Carlingford & Irish Lights Commission	1.6	0.0	1.6
EU Structural Funds	2.6	0.0	2.6
Executive Programme Funds	13.1	1.7	14.8
Rivers Agency	14.9	9.1	24.0
Forest Service	19.4	1.1	20.5
TOTAL DEPARTMENTAL DEL	240.9	20.1	261.0
Peace Programme	6.2	0.0	6.2

* Spending areas are in accordance with the 2002 Budget Settlement

Appendix

Organisation Chart

