



Department of  
**Agriculture,  
Food and the Marine**

An Roinn  
**Talmhaíochta,  
Bia agus Mara**

## **Integrated Reform Delivery Plan 2014**

## **Background**

The agri-food industry employs some 170,000 people and has an annual turnover of over €26 billion, including a rapidly expanding export industry. Food and beverage exports, for example, were estimated at just under €10bn in 2013. The Department plays a key role in regulating, developing, nurturing and steering this vital industry. Against this backdrop of continuing sectoral growth the Department has engaged in a major change programme with re-organisation at all levels over recent years:

- The cost of running the Department has fallen by €86 million since 2008 (from €304m to €218m), a reduction of 28%; staffing levels have fallen by c.1600 since 2005, a reduction of 33%: and, our local office network has been reduced from 58 in 2009 to 16 regional offices currently.

The industry is widely dispersed throughout the country and has the potential and actual capacity to lead economic recovery. Combined with its strong export focus – food & beverage produce was exported to 175 countries in 2013 - its overall contribution to the economy is illustrated by the fact that it accounts for 8.8% of all those employed in the State, providing the outlet for the produce of Ireland's 140,000 family farms.

Going forward, the Harvest 2020 report, which sets out ambitious targets for further industry growth in the context of emerging opportunities up to 2020, will have significant resource implications for the Department in terms of both its development and regulatory roles.

## **Section 1 – Governance**

The Public Service Reform process within the Department of Agriculture, Food and the Marine is overseen and driven by the Management Advisory Committee (MAC). Individual members of the MAC have responsibility for specific initiatives and the process is overseen by an Assistant Secretary, who reports to the MAC on an ongoing basis.

The Department's Management Services Division (MSD) works under the direction of this Assistant Secretary and, as well as co-ordinating the Department's response to public service reform, it also provides the Department with analysis and advice on organisational development, business process improvement, resource deployment and change management. The Division is the 'Change Delivery Unit' for the Department under this Plan.

The Department also has an 'Implementation Steering Group' made up of senior management and chaired by the Secretary General. The Group monitors the implementation of Public Service Reform, the implementation of internal business process reviews, and the implementation of the Value for Money Programme.

The Department has improved its risk management processes to ensure that business risks are addressed appropriately despite the considerable organisational change.

The Department also uses project management teams for larger change projects, e.g. the Local Office Re-organisation Programme. The Department is making use of project management teams for other projects this year.

The Department is committed to ensuring that the State Agencies that come within its aegis comply with the highest standards, taking particular account of the 'Guidelines on Corporate Governance'. The Department has put in place a central unit, with expertise in corporate governance, to support the responsible line Divisions. This will ensure a coherent approach across the Department, including the new reporting arrangements for Public Service Reform Action Plans and reform generally.

## **Section 2 – Departmental / Sector Specific Reforms**

### **1. Review of Laboratory facilities in DAFM**

Management Services Division (MSD) was initially commissioned to undertake a review of DAFM's Regional Laboratories structure. However, it became apparent during the course of the review that its scope needed to be extended to ensure that the laboratories contributed in a more effective and efficient way to DAFM's strategies. Approval was sought and obtained from MAC to extend the terms of the review to its entire laboratory service in order to establish the DAFM strategy for its laboratories.

#### Milestones and timelines

MSD and Laboratory management decided that extensive consultation would be required to draw up this strategy. This consultation process is being managed as follows:

- Initial consultation with external (non- DAFM) stakeholders – completed in 2013
- Internal consultation with DAFM Divisions - Q1 2014
- Establish a working group to review the outcomes of the internal and external consultations and prepare a report for submission to the MAC – Q2 2014
- Submission of draft to MAC for approval - Q2 2014.

#### Senior responsible officers

Dan O'Sullivan, Director of Laboratories, Breffini Carpenter PO

#### Savings

Not possible to predict at this stage

### **2. Design and implementation of New Schemes consequent to Common Agricultural Policy (CAP) Reform**

The Rural Development Regulation and Direct Payment Regulation were adopted in December 2013 which will bring total funding for the period up to 2020 to €12.2 billion euro. The management and oversight of EU funded and co-funded activities places onerous and resource intensive demands on the Department. Consequently,

this requires DAFM to design and implement robust schemes for the administration of these public monies. The main relevant Departmental programmes/initiatives arising from the new CAP reform are:

**2a. The design of systems to facilitate the implementation of the new Direct Payment Regulation that will come into force in 2015**

The transition involves a new level of complexity as the current Single Payment Scheme is replaced by the Basic Payment Scheme, the Greening Scheme, the Young Farmers Scheme and a National Reserve. This will require intensive collaboration between several Divisions within DAFM and relevant external parties.

**2b. The design and implementation of a substantial new agri-environment/climate scheme (GLAS) and a new organic scheme** catering for up to 50,000 applicants. This will require intensive collaboration between several Divisions within DAFM and relevant external parties.

**2c. The design and implementation of Schemes to incentivise on-farm capital investment**, including support for the expansion of the dairy sector following the abolition of milk quotas in 2015.

**2d. The design and implementation of Schemes to encourage knowledge transfer and innovation measures, targeted animal health and welfare measures and quality assurance schemes** - aimed at underpinning farm viability, sustainability and growth through the adoption of best practice and innovative solutions.

**2e. The design and implementation of Schemes for a new beef data and genomics measure** worth up to €52 million p.a. aimed at improving the genetic quality of the beef herd.

**2f. The design and implementation of Targeted Output Schemes**, establishing a competitive fund supporting output based local agri-environment projects.

Milestones and timelines

Eligible farmers may apply for payments under these Schemes in 2015. On-line application systems will need to be in place where possible. The timelines involved therefore are extremely tight and can only be reached through extensive preparation throughout 2014 and in the early months of 2015.

Savings

These projects will facilitate provision of c€1.6Bn p.a. to the Sector. ***The development and implementation of the new Schemes under the Direct Payment Regulation will occur alongside the ongoing implementation of the current Schemes for the years 2014 and 2015.*** Informing all farmers and farming bodies in relation to all aspects of the new regime will also be a significant undertaking. ***As a consequence additional requirements will arise during this transition phase in terms of staffing and resources;*** DAFM will deal with these

pressures by reallocating resources internally where possible. There will be significant improvement in efficiency due to the introduction of on-line applications and processing for all the major schemes.

#### Senior Responsible Officer(s)

ASG Kevin Smyth, ASG Paul Dillon, Paud Evans PO, Andy McGarrigle PO, Gordon Conroy PO, Al Grogan SI, Liam Fahey SI, Bernie Brennan PO, Sean Keevey PO.

### **3. Operational Programme re fisheries and maritime fund**

The new reformed Common Fisheries Policy (CFP) introduces a devolved approach to fisheries management at a regional level. Ireland secured agreement to a Memorandum of Understanding on the principles and working methods of the North West Waters Group of Member States in order to deliver regionalised decision making within the CFP. This Group of Member States will now develop appropriate rules to provide for implementation of rules banning discarding of fish in the Region.

#### Milestones and Timelines

North West Waters Group must develop rules relating to Pelagic Fish – Q1 2015 and those governing Whitefish – Q1 2016.

#### Senior Responsible Officer(s)

ASG Cecil Beamish, Josephine Kelly PO.

#### Savings

These developments will benefit the sector but will not lead to savings within DAFM.

### **4. Pursue the priorities in the Programme for Government, Food Harvest 2020 and 2014 Action Plan for Jobs to maximise the contribution of the sector to the economy**

#### **Programme for Government:**

Growing the agri-food sector is a major element of the current Programme for Government with significant emphasis on securing reform of the CAP and CFP, developing a new Rural Development Programme and securing access to further markets. On the industry front, further expansion is planned for the dairy, meat, whiskey and seafood sectors as well as further development of Origin Green-Ireland's sustainable food brand. DAFM will progress and report on the 23 related actions for the 2014 Programme for Government Report.

#### Milestones and Timelines:

Q1 2014 for PFG 2014 Annual Report and as requested.

#### **Food Harvest 2020:**

Food Harvest 2020 is the roadmap for the agri-food industry to build capacity, adapt to challenges and grow in the context of emerging opportunities up to 2020. To monitor progress a High Level Implementation Committee (HLIC) is led by DAFM and reports annually on progress. For 2014, the HLIC highlighted 69 key actions to be progressed to help achieve the Food Harvest targets by 2020.

#### Milestones and Timelines:

Produce annual progress report in Q3 2014

#### **2014 Action Plan for Jobs (APJ)**

DAFM's 3 priorities for the 2014 APJ are to develop agri-food and marine SMEs, support sectors of high potential, improve Ireland's agri-food sustainability and to review agri-taxation supports. In that context, it will progress 30 headline actions involving up to 70 specific tasks. Progress on attainment of these actions is reported on quarterly.

#### Milestones and Timelines:

Mid February: Finalise DAFM input to 2014 Action Plan for Jobs.

Quarterly: Report to Government on DAFM/State Agencies actions.

#### Senior Responsible Officer(s)

Ann Derwin PO, ASG Aidan O'Driscoll.

### **5. Implement new risk management processes**

Finance Division completed a review of the Departments Risk Management System, processes and structures in consultation with the Internal Audit Unit, key stakeholders and users of the system. As a result of this review and with the assistance of Management Services Division an improved risk management system was developed during 2013. This updated system and processes are designed to ensure that risks are being considered at the appropriate Departmental level and, most particularly, to ensure that the MAC play an active part in managing high level risks with high impact potential.

#### Milestones and Timelines

Introduce New Risk Management Structures in Q1 of 2014.

#### Senior Responsible Officer(s)

Heber McMahon PO.

#### Savings

Improved governance will reduce the Departments exposure to risk, especially in light of reduced resources.

### **6. Meat Inspection Service (MIS) Review**

The Department will continue reducing the cost of meat inspections. The cost of the MIS has been reduced from €41.9m in 2008 to approx **€28.3m** in 2013. Cost recovery in the same period has improved from 35% to **53%**. It is intended, in line with the recommendations in Food Harvest 2020, that the service will be further streamlined over time to provide a more cost effective service consistent with regulatory requirements and consumer safety and confidence.

An independent lean review of the MIS as it operates in processing plants was completed in Q4 of 2013. This report recommends how greater efficiencies may be

leveraged while ensuring that the Department continues to effectively meet its regulatory obligations. The Department is actively considering the report with a view to clearly determining its ultimate objectives for this important service.

An increasing emphasis on the application of risk assessment and audit based inspection methodologies has allowed for more effective deployment of resources, while effecting cost reductions for industry. This work must be seen in the context of Food Harvest 2020 and food safety, including traceability and transparency, being a source of competitive advantage for Irish meat.

#### Milestones and Timelines

Q1 2014: DAFM to determine ultimate objectives for MIS in context of Lean Review  
Q2 2014 and beyond: Commence implementation of agreed recommendations.

#### Senior Responsible Officer(s)

Tom Loftus PO, ASG Brendan Gleeson, Dave Nolan SSVI, Paula BarryWalsh DCVO, Martin Blake CVO.

#### Savings

Savings depend on the outcome of the review and its implementation. If in addition to process changes it is decided to introduce structural change, there is potential for significantly higher savings in the medium term.

### **Section 3 – Cross-cutting Reforms**

#### **3.1 Improved Service Delivery**

The Department will continue to improve its online services and the online uptake of SPS iNet is projected to increase further. A total of 73,340 SPS claims were filed online by the closing date of May 15<sup>th</sup> 2013. This represented approximately 56% of all anticipated SPS applications for the year. The uptake of online ‘Map Edits’ increased by 18% in 2013, with 13,959 applicants digitising map changes online.

The Animal Identification and Movement (AIM) system has seen 984,000 calf birth registrations recorded online in 2013 representing circa 47% of total registrations for the year. This represents an increase of circa 7% when compared to 2012 online registrations. The enhancement of the AIM system is continuing.

Both the SPS application process and the Calf birth registration process were included in the inter-departmental project (coordinated by DJEI) aimed at reducing the administrative burden for businesses. This ensures a continued focus on improving the processes for the customer.

The online uptake for the new IFORIS iNet service launched in late 2012 to allow Forest Owners to submit for annual forestry premiums online is expected to increase by 7% in 2014. This represents approximately 45% of all anticipated premium applications for the year.

The Department’s Agriculture Field Inspection and Testing System (AFIT) was further enhanced in 2013 to facilitate DAFM Veterinary Inspectors in carrying out

work on behalf of the Marine Institute. This new service allows for the integration of the relevant data between both organisations.

A pilot data capture system to record ante-mortem results for the Veterinary Public Health Inspections Service (VPHIS) commenced in 2013. Wireless facilities have been provided in 4 nominated plants and roll-out of tough-books to record Ante-mortem findings is now complete.

The Customer Charter includes service delivery targets for all customers of DAFM and provides for feedback from customers. The Charter of farmers' rights includes specific delivery targets for farmer customers. The monitoring Committee involves stakeholder representatives and is independently chaired. It meets up to three times each year. Discussions on a new Farmers Charter will commence in 2014.

#### Milestones and Timelines

Various as outlined above

#### Senior Responsible Officer(s)

Robert Butler PO, Sean Keevey PO, Joe Hanly PO, Mick Bunyan Director IT, Paud Evans PO, Gordon Conroy PO, Martin Farrell PO, Kay Ryan PO, Breffini Carpenter PO, Brigeena Nolan PO, Martin Blake CVO

#### Savings

Online initiatives have been a key enabler to achieving greater efficiency in the scheme processing areas and the various user divisions across the Department as they lead to more efficient processing of claims and animal births & movements, improved animal health controls and lower costs (e.g. changes to TB eradication scheme announced recently), more efficient veterinary and farm inspections and ultimately faster payments to customers. Improvements to the AIM system, for example, where the module currently under development is anticipated to result in savings in the order of between €500,000 and €750,000 in a full calendar year, lead to significant savings for DAFM. This module is scheduled for completion by Q3 2014.

Reductions in administrative burden for farmers constitute a gain for the sector.

### **3.2 Digital Government / ICTs**

The initiatives at 3.1 above are relevant to this area.

In addition, it has been decided that all applications for GLAS, the new agri-environment Scheme will be online applications. It is anticipated that this *digital by default* initiative will enable the Department to process c50,000 applications efficiently while meeting customer expectations in terms of service.

The Department will encourage further uptake of its new mobile text messaging service. Additionally, in 2014 DAFM will examine the use of social media, e.g. Twitter, for communication with clients.

#### Milestones and Timelines

The online application system and associated validation systems for GLAS will be in place to accommodate application processing in 2015.

During 2014 DAFM will examine the potential use of social media for communication with clients.

Senior Responsible Officer(s)

ASG Paul Dillon, Bernie Brennan PO, Mick Bunyan Director IMT, Robert Butler PO, Sean Keevey PO, Kay Ryan PO.

Savings

The introduction of a new scheme on the scale of GLAS while simultaneously running the existing Agri Environment Scheme will place significant pressure on resources.

### 3.3 Shared Services

The advanced use of information technology has contributed significantly to the efficient, effective delivery of our services to the Farming, Fishing, Forestry and Agri-food industries and to the substantial reduction in the cost of running the Department (from €304 million in 2008 to an allocation of €218 million for 2014). In addition to contributing to the very substantial internal reforms carried out within the Department, we have been particularly active in the ICT Shared Services Reform Programme and we provide ICT shared services arrangements from within our existing resources, to the Departments and Agencies described in the following table:

<b><i>Department of the Taoiseach.</i></b>	Designed, installed and maintains the Department's network and we are providing assistance in the upgrading of the telephone system to IP telephony.
<b><i>Department of Communications, Energy and Natural Resources.</i></b>	Full Help Desk and ICT infrastructure support.
<b><i>Department of Public Expenditure and Reform.</i></b>	The Department provides hosting facilities for the Government Networks core network and hosting facilities for the Shared Services Payroll project.
<b><i>Department of the Environment, Community and Local Government.</i></b>	Hosting of 'Leader Programme' computer application.
<b><i>Teagasc</i></b>	The Agency's Data Centre is hosted in the Department's Data Centre. Currently putting in place some ICT business continuity facilities in our Communications Room in Backweston.
<b><i>Sea Fisheries Protection Authority</i></b>	Support for the Agency's wide area network. Provision of computer applications – iFIS and iCatch.
<b><i>Bord Iascaigh Mhara</i></b>	Support for the Agency's wide area network.

The Department is proactively engaged in the Shared Services Reform Programme with senior representation at Assistant Secretary level on the Payroll, Banking and Finance, HR and Debt Management Shared Service Programme Boards. The Department was among the first phase of organisations that moved to the HR Shared Services, Peoplepoint, early last year. The Department is participating in the review of debt management processes across the Civil Service, including the processes related to the Rural Environmental Protection and Single Payment Schemes, with a view to determining the most efficient delivery model. The Department's representative chairs the Debt Management Project Board. The Department has also engaged with DPER in various base-lining exercises including payroll and banking and finance and is redeploying staff to DPER to work on shared services initiatives.

DAFMs Integrated Controls Division conducts circa 1500 on-farm Nitrates inspections - for which DAFM is not reimbursed - for Local Authorities each year. It is again envisaged that these will be carried out with existing resources as in 2013.

#### Senior Responsible Officer(s)

ASG Philip Carroll, Bert O'Reilly PO, Geraldine Mullen PO, Robert Butler PO, Mick Bunyan Director IT, Al Grogan SI.

#### Savings

The provision of shared services to others is actually a cost on the Department. The savings are realised by the state agencies and other Government Departments. Savings will accrue from HR and Payroll Shared Services when redeployment opportunities arise for DAFM staff currently engaged in this work.

### **3.4 External Service Delivery / Alternative Models of Service Delivery**

The Department has been, for many years, using external service delivery in a number of areas, e.g. animal registration and movement recording, certain veterinary tasks/processes, scheme processing, IMT functions and others. The Department submitted its external Service Delivery Plan to DPER in Nov 2013. The plan confirms the high level of External Service Delivery employed at DAFM and describes our scoping of possible new areas amenable to this approach. DAFM currently uses External Service Delivery / Alternative Models of Service Delivery to a value of in excess of €60m p.a.

Teagasc also uses external service delivery and is considering additional projects in this regard.

#### Milestones and Timelines

As per external Service Delivery Plan.

#### Senior Responsible Officer(s)

Breffini Carpenter PO, ASG Philip Carroll.

#### Savings

It is not possible to estimate savings at this early stage.

### 3.5 Public Procurement

The Department completed a review of procurement in 2010, which was subsequently validated externally, and the Department is now implementing its recommendations. A key recommendation, now implemented, is the establishment of a Central Procurement Unit, which will 1) monitor and advise on procurement expenditure and 2) ensure procurement throughout the Department is conducted in a co-ordinated and strategic manner, in accordance with relevant procurement legislation and guidelines, and achieves optimum value for money. The new Unit was established from within existing resources and will assess and lead initiatives to ensure the Department delivers a 10% saving on procurement by the end of 2014. The Unit is currently preparing for reform of the procurement function arising from the recent establishment of the national Office of Government Procurement (OGP). Following a competitive procurement of BSE Testing services, compared with annual expenditure baseline of 2011, a saving of €2m approx per annum was achieved for 2012 and 2013.

#### Milestones and Timelines

Q1 and Q 2 2014:

- Continue to implement recommendations arising from the internal review;
- Continue to work with Divisions to achieve the 10% savings target;
- Continue to change the expenditure recording system to allow greater visibility of spend and development of metrics;
- Continue to provide advice to business units on all aspects of procurement policy including compliance;
- Publish Purchase Orders on line;
- Continue to progress guideline on Green Public Procurement for the Food and Catering sector in consultation with legal services and the recently established Office of Government Procurement.
- Work with the OGP on rollout of revised arrangements for public bodies for procurement including participation and supporting work of the Category Councils;

#### Senior Responsible Officer(s)

Breffini Carpenter PO, ASG Philip Carroll.

#### Savings

The target is estimated at 10% of procurement spending by 2014. It is estimated that some savings have already been achieved through the use of central frameworks and improved procurement procedures but it is not possible to quantify the level at this stage.

Examples of savings from procurement arising in 2014 include the recent award of a new contract for BSE Testing which is expected to achieve additional savings in 2014 and 2015 in excess of the €2m p.a. described above. In addition in 2014 DAFM will commence the roll out of new managed print services.

### **3.6 Property Management**

The Department has almost finalised the reduction in its property footprint. With a view to driving further efficiencies, it will participate in initiatives arising from the OPW's recently published 'Property Asset Management Delivery Plan' and the work of the Steering Group on Property Asset Management, on which the Department is represented.

The Department completed a review of accommodation needs in Portlaoise in conjunction with OPW and DPER in the context of the 2011 review of decentralisation programme projects. We have currently agreed a renovation with OPW for the ground floor of the Department's main building in Portlaoise. This will allow the accommodation of all Single Payment Unit staff in one building. The vacated space will be used to accommodate other units of the Department and surrender short term leases in the Portlaoise area.

The Portlaoise consolidation project has been approved in principle by DPER and OPW will shortly seek proposals for the design phase of this project.

#### Senior Responsible Officer(s)

Breffini Carpenter PO, ASG Philip Carroll.

#### Savings

The proposed rationalisation of the Department's property footprint in Portlaoise will produce savings of over €1m per annum. The Local Office Re-organisation Programme is currently yielding significant accommodation savings that are included in the total savings reported separately under that programme.

### **3.7 Public Expenditure Reform and Organisational Performance**

#### Performance budgeting

DAFM has reconfigured its Vote structure and SAP system in line with DPER requirements in order to align administration and programme expenditure with Statement of Strategy goals and include non-financial data in the Revised Estimates Programme. This is part of the ongoing initiative intended to facilitate the work of Dáil Select committees in holding Ministers/Heads of Departments to account for their department's proposed allocation and effective use of same. The Department participated in the pilot phase of this new approach to budgeting which was included in the 2014 Revised Estimates publication in October and the new process was used by the Agriculture, Food and Marine Dáil Select committee in February 2014.

#### Value for Money reviews

The 'Review of the Organic Farming Scheme' is drawing to a conclusion and options for the last review under the 2012-14 round are currently being considered.

#### AgriTaxation Review

In line with Department of Finance policy to regularly review major tax reliefs relating to specific sectors, a review of tax measures in the farming sector was announced in Budget 2014. The purpose of the review is to analyse the benefits of the various tax measures to the agriculture sector and the wider economy versus the costs, i.e.

value for money to the economy. The overall objective is not to change the level of support to the sector through the tax system but rather to maximise the benefits of the existing level of support and to ensure tax policy aligns with the objectives set out in Food Harvest 2020.

#### Business Process Improvement

Management Services Division (MSD) provides the Department with analysis and advice on organisational development, business process improvement, resource deployment and change management. MSD has completed 18 major reviews of business units and a further 3 reviews are ongoing. This change management programme has been the key enabler in the Department reducing its staffing levels from 4,800 in 2005 to under 3,200 currently, a reduction of 33%.

#### Comprehensive Expenditure Review (CER)

In 2011, all Departments were required by Government to undertake expenditure reviews. In DAFM's case, the CER identified 10 key areas to reduce expenditure by introducing reforms and improve the effectiveness and efficiency of service delivery. Through a combination of key decisions to cut services, introduced as early as 2008 and the measures identified in the CER, **DAFM has reduced total Exchequer funded expenditure from €2.1 billion in 2008 to an estimated €1.2 billion in 2014.**

#### Ireland Stat

DAFM has already inputted on three of its strategic programmes to Ireland Stat, the web portal on public service performance information. In 2014 we will provide performance indicators on programme D – Direct Payments and Service delivery.

#### Statement of Strategy 2015

The Department's eight Statement of Strategy will be prepared in 2014 following full consultation with stakeholders in compliance with Government Guidelines.

#### Milestones and Timelines

Q2 2014: Review of the Organic Farming Scheme to be concluded and new VFM review commenced.

Q3 2014: The AgriTaxation review is underway; any recommendations will be considered in the context of Budget 2015.

Q4 2014: MSD will finalise reviews of IMT Infrastructure Division, Laboratories & Lands Division.

Q2 2014: DAFM will undertake a New Comprehensive Expenditure Review between February and June 2014 i.e. in advance of the 2015 estimates process.

Q1 2014: DAFM will provide data to DPER on Ireland Stat.

Q4 2014: Statement of Strategy prepared for publication in 2015.

#### Senior Responsible Officer(s)

Ann Derwin PO, ASG Aidan O'Driscoll, Heber McMahon PO, ASG Philip Carroll, Breffini Carpenter PO.

#### Savings

Value for Money reviews: It is expected that some efficiency savings will accrue from the Review of the Organic Farming Scheme but these are yet to be determined.

AgriTaxation Review: The overall objective is not to change the level of support but to maximise the benefits to the economy of the existing level of support and to ensure tax policy aligns with the objectives set out in Food Harvest 2020.

Business Process Improvement: The cost of running the Department has fallen substantially since 2008, by some €86million or approximately 28%. MSD reviews will identify further cost savings and efficiencies.

Comprehensive Expenditure Review (CER): The cost implications of the new CER are not quantifiable at present.

### **3.8 Leadership Development and HR Reforms**

The role of performance management within the Department will continue to be strengthened. This will include continuing the focus on linking the organisation's objectives directly to the individual's objectives via the business planning process. Management reports highlighting the level of compliance with PMDS will continue to be regularly submitted to senior management for their consideration.

Calibration has been introduced on a pilot basis for the 2013 cycle of PMDS. This pilot is confined to senior grades i.e. Assistant Secretaries will calibrate the ratings of Principals and equivalent grade levels and Principals will calibrate the ratings of Assistant Principals and equivalent grades. A review of the pilot phase will be carried out following completion of calibration meetings.

The Department has also rolled out its new mentoring programme, having completed a very successful pilot project last year. Applications are being processed with a view to establishing suitable mentoring partnerships. Training will follow for new participants with first meetings of mentors/mentees expected to commence in April 2014.

There is continuing emphasis on managing staff performance and addressing any signs of under-performance at an early stage in line with central guidelines. Addressing underperformance at an early stage will contribute to greater efficiencies for the organisation in meeting its objectives and targets. In addition, there has been a focus on updating and improving the quality and accessibility of information available to staff.

The five NCSSBs under the aegis of the Department (Bord Bia, Bord Iascaigh Mhara, Marine Institute, National Milk Agency and the Sea Fisheries Protection Agency) have performance management systems in operation. BIM reports that it is currently upgrading its system to ensure a more effective programme is in place.

Proposals to enhance performance across management cohort: The Department will co-operate with any measures to be introduced in this regard under the Haddington Road agreement.

#### Milestones and Timelines

Mentoring programme to be rolled out in 2014.

Senior Responsible Officer(s)  
Bert O'Reilly PO, ASG Philip Carroll.

### **3.9 Increased Openness, Transparency and Accountability**

The Department awaits the outcome of the Taskforce on Renewing the Vision and Strategy for the Civil Service and the consultative paper on *Strengthening Civil Service Accountability and Performance*.

The introduction of the calibration process to PMDS aims to strengthen the fairness and consistency of evaluations for all Jobholders.

#### Milestones and Timelines

The Calibration process will be introduced to all AP, PO and equivalent grades in 2014.

Senior Responsible Officer(s)  
Breffini Carpenter PO, ASG Philip Carroll, Bert O'Reilly PO.

## **Section 4 – Haddington Road Agreement Reforms.**

### **4.1 Additional Working Hours**

#### Proposals for implementing additional hours

All management and staff have been informed of the requirement to work the additional hours. Attendance systems and rosters have been, or are being, adjusted accordingly.

#### How will additional hours be used by management.

As outlined above, the Department has reduced its staffing significantly in recent years: by 33% in total since 2005. DAFM's Change Management has enabled the Department to maintain, and in some instances improve, the delivery of its services. However, diminishing ECF targets will threaten the capacity of the Department to continue to deliver at this level, particularly as there is significant additional work in several areas, for example the implementation of the recent CAP agreement in 2014, implementation of the 2014–2020 Rural Development Programme, and DAFM's increasing workload and responsibilities with regard to food safety. Additional hours will be used in most instances to alleviate these pressures and help achieve ECF targets.

#### Areas of cost to be reduced by additional hours

Building on very significant reductions in overtime in recent years, a target of securing further savings of 5% per annum in overtime will be driven in part by the additional hours but also by introducing more flexible attendance and roster arrangements and by changes in business processes. The Department will continue to actively drive down the cost of overtime through a series of measures managed at Divisional level and monitored by the MAC, which will involve using temporary redeployments where appropriate to relieve pressure points and enable the

Department's activities to be continued, where possible, without resort to extra attendance.

#### Milestones and Timelines

##### **Overtime Expenditure**

<b>Year</b>	<b>€000</b>	<b>Reduction</b>
2010 (actual)	3,955	29%
2011 (actual)	3,623	8.4%
2012 (actual)	3,273	9.7%
2013 (actual)	3,292	0%
2014	3,127	5% Target

A reduction over the period 2010 to 2014 of €0.828million or 21% (A reduction of €8.346m from 2007 to 2014 or 73%).

##### Senior Responsible Officer(s)

Bert O'Reilly PO, ASG Philip Carroll.

##### Savings

An overtime reduction in 2014 of €165,000 (5%) is targeted.

#### **4.2 Workforce Restructuring**

The Department currently has a number of distinct staffing streams each with their own grading systems and partly separate management structures. Substantial progress has been made in recent years in a drive towards cross-stream reporting, team-working and integration of streams. Building on these developments, the Department will continue the drive towards integration of streams and towards achieving the maximum scope for mobility within and between grades.

The Department is examining options for restructuring the grading streams in order to substantially reduce the total number of grades. This could be achieved by creating a standard grading system for all streams within the Department, while reflecting the skill set required. Such an approach has the potential to provide greater mobility, increased redeployment options and more integrated reporting structures. It is likely that management numbers would decrease after restructuring.

##### Milestones and Timelines

A confidential discussion document regarding grading and streams has been drafted and will be submitted to DPER in Q1 2014.

##### Senior Responsible Officer(s)

Bert O'Reilly PO and Philip Carroll ASG.

##### Savings

Savings are difficult to estimate at this early stage.

### 4.3 Redeployment.

The Department has been making full use of redeployment provisions and it has been particularly useful to facilitate staff under the Local Office Re-organisation Programme. Since 2007 the Department has redeployed the following:

Grade	No of people	No of posts
CO	341	315.6
SO	48	43.7
EO	57	51.5
HEO	25	20
AO	3	-
AP	2	1
	476	430.8

Receiving organisations include the Department of Justice, the Courts Service, the Revenue Commissioners, the Department of Social Protection and the Payroll Shared Services Project.

There are currently some 35 additional Departmental staff registered on the Redeployment Panel who are available for redeployment should suitable positions become available.

#### Milestones and Timelines

The Department will continue to pursue redeployment opportunities for its staff.

#### Senior Responsible Officer(s)

Bert O'Reilly PO and Philip Carroll ASG.

#### Savings

Staff costs as per the table above.

### 4.4 Flexitime, sick leave and attendance management

The Attendance Management Policy, including the management of sick leave, is being implemented. Division Heads are circulated with overall sick leave statistics in respect of their areas on a quarterly basis in an effort to highlight and address any issues arising. In the context of an 8% decrease in 2011, the Department targeted further reductions of 10% per annum from 2012 to 2014 as shown below. A reduction of 13.5% was achieved in 2012.

#### Milestones and Timelines

Year	Days Lost
2011 (actual)	30,796 (reduction of 8% from 2010)
2012 (actual)	26,611 - (13.5%)
2013 (actual)	27,723 - 4%
2014 (target)	24,953

The incidence of sick leave in the Department increased in 2013 by 4%. This is attributed to an increase in the level of certified sick leave and in particular long term sick leave. The level of uncertified sick leave continues to decrease and in 2013 a reduction of 17% was realised. The Department will continue to work towards reducing the overall absenteeism level from its current level of 3.7% to the Civil Service target of 3.5%.

The Department confirms that the new flexi arrangements are being implemented within the relevant timelines.

Senior Responsible Officer(s)  
Bert O'Reilly PO and ASG Philip Carroll.

Savings  
Staff costs as per the table above.

#### **4.5 Work-sharing**

The Department is examining its options with regard to the streamlining of work-sharing arrangements and **confirms that future approved arrangements will be no less than 50% in accordance with the Agreement.**

Senior Responsible Officer(s)  
Bert O'Reilly PO and ASG Philip Carroll.

#### **4.5 Sector Specific measures**

Section 3.8 *Leadership Development and HR Reforms* above includes relevant information on performance management.

There are further savings to be gained from initiatives currently underway, such as the conclusion of the Local Office Re-organisation Programme and the integration of AES and ICD technical staff; from staff becoming surplus due to shared services initiatives and from the cessation of carcass stamping in meat factories. There are also possible staff savings to be gained from staff unwilling to move outside 45km redeployment zone; from staff unallocated from the PAS resource panel and from staff on career breaks.

The Government has approved a targeted VRS scheme for the Department. However the Department is currently facilitating the redeployment of staff to other Departments and agencies where there is a current demand for additional resources. Once this programme of redeployments is completed it will finalise the business case for its voluntary redundancy scheme, which will specify posts and locations to be targeted.

Senior Responsible Officer(s)  
Bert O'Reilly PO and ASG Philip Carroll.

Savings  
Difficult to predict at present.

## **Appendix: Summary of Progress July-Dec 2013**

### **1. Work collaboratively with other Member States to maintain a supportive and well resourced Common Agricultural Policy (CAP) and Common Fisheries Policy (CFP).**

Late 2013 saw the finalisation of Multi-annual Financial Framework (MFF) negotiations and of texts of CAP regulations. Political agreement on reform of the CAP was secured under the Irish Presidency in June 2013 with legal texts finalised in the second half of 2013. The new arrangements will apply from 2015. The new reformed CFP introduces regionalised decision making on rules implementation.

### **2. Pursue the priorities in the Programme for Government and Food Harvest 2020 to maximise the contribution of the sector to the economy.**

#### **Food Harvest 2020:**

Overall progress was benchmarked against the main targets set for 2020 and the gains for 2013 included the following:

- Primary production increased by 33% to date – thus achieving the target set out for 2020 a full 6 years ahead of schedule;
- Exports improved by 24% to date against the 42% projected growth target for 2020;
- Value-added rose by 20% to date compared to the 40% target in FH 2020.

In addition 92% of the 215 recommendations in the report were progressed to date.

### **3. Regional Office re-organisation**

The review of processes in Regional offices led to continued savings via re-deployments and reduced rents during 2013.

### **4. Regional Lab Review**

The scope of this review was extended to all laboratories within DAFM and the work is ongoing.

### **5. Meat Inspection Service (MIS) Review**

The cost of the MIS has been reduced from €41.9m in 2008 to approx €28.3m in 2013. Cost recovery in the same period has improved from 35% to 53%. It is intended, in line with the recommendations in Food Harvest 2020, that the service will be further streamlined over time to provide a more cost effective service consistent with regulatory requirements and consumer safety and confidence.

An independent lean review of the MIS as it operates in processing plants is now completed.

### **6. Crops Evaluation and Certification Review**

This review examined the manner in which the Department could best meet its statutory obligations in this area, including possible synergies with Teagasc. Future action will be determined by the outcome of negotiations at EU level on revisions to Controls Regulation (EC) 882/2004 which is being extended to cover this area for the first time.

## **7. Delivery of Inspections**

The high level review of inspections was progressed and will be submitted to the MAC in Q1 2014.

## **8. Shared Services**

DAFM was among the first Departments to transition to HR Shared Services/PeoplePoint in 2013. In addition, the Department engaged with DPER on various base-lining exercises including, payroll, banking and finance, and debt management during the year. The Department has entered into IT shared services arrangements with the Department of An Taoiseach in relation to network and telephony systems and DPER in terms of hosting facilities for the Shared Services Payroll Project while continuing to provide full Help Desk and ICT infrastructure support for the Department of Communications, Energy and Natural Resources.

## **9. Public Expenditure Reform**

DAFM has reconfigured its vote structure and SAP system in line with DPER requirements in order to align administrative and programme expenditure with Statement of Strategy goals and include non-financial data in the Revised Estimates Volume Programme.

## **10. Procurement**

Following a competitive procurement of BSE Testing services a saving of €2m approx per annum was achieved for 2013. Following a further procurement, the recent award of a new contract for BSE Testing is expected to achieve additional savings in 2014 and 2015 in excess of this €2m per annum.

## **11. Property Asset Management**

In addition to savings which continue to accrue from the Local Office Re-organisation Programme the Department is represented on the Steering Group on Property Asset Management. The Portlaoise consolidation project has been approved in principle by DPER and OPW will shortly seek design proposals for this project.

## **12. E Government, ICT information sharing & customer service**

73,340 SPS claims were filed online representing 56% of all SPS applications or a 12.7% annual increase. The uptake of online 'Map Edits' increased by 18% in 2013, with 13,959 applicants digitising map changes online.

The AIM system has seen 984,000 online registrations in 2013. This represented 47% of total registrations and a 7% increase compared to 2012. The enhancement of the AIM system online facilities for farmers is ongoing. Significant changes to the recording of TB and BR test results onto the Animal Health Computer system has led to a reduction in the number of replacement passports being requested – the figure for 2013 is 143,672 down from 286,829 in 2012 which resulted in a saving of €200,000 for the Department.

An equine database was incorporated into the AIM system in 2013 to help ensure that all equines are registered in accordance with legislative requirements and are suitable for human consumption.

The Department launched a new mobile text messaging service and it has been used successfully to notify those who have signed up of important issues and deadlines. Over 90,000 customers have already registered for this new service and over 600,000 information texts have been issued.

A new online service was added in late 2012 to allow for annual forestry premiums to be claimed online and the number of new applications continues to grow.

The Department's Agriculture Field Inspection and Testing System (AFIT) were further enhanced in 2013 to facilitate DAFM Veterinary Inspectors in carrying out work on behalf of the Marine Institute. This new service allows for the integration of the relevant data between both organisations.

A pilot data capture system to record ante-mortem results for the Veterinary Public Health Inspections Service (VPHIS) commenced in 2013 with wireless facilities provided in 4 nominated plants.

### **13. External Service Delivery**

The Department submitted its External Service Delivery Plan to DPER in Nov 2013. The plan identified a number of potential areas that could be considered for future outsourcing.

### **14. Business Process Improvement**

MSD reviews are currently ongoing in:

- IMT Infrastructure Division,
- Laboratories review – scope extended,
- Delivery of Inspections substantially completed,
- Lands Division.

Future savings will be determined by the outcome of current and upcoming reviews.

### **15. Public Service Numbers, Workforce Planning & Redeployment**

Staff numbers in the Department at the end of 2013 were at a level of 3,154 full-time equivalents (FTEs). This compares favourably with its 2013 Employment Control Framework (ECF) ceiling of 3,275. However, a further reduction of 91 FTE (to 3,107) is required by mid-2014 in accordance with the targets set down in the revised ECF for the Department. This poses a significant challenge to the Department but it aims to achieve this target by adjusting the organisational structure and reviewing business processes.

#### Non-Commercial State Agencies (NCSAs)

Overall staffing in the 6 NCSAs under the aegis of the Department is currently at a level of 1,425 FTE, which is 108 FTE in excess of the 2013 ECF ceiling for the agencies.

The mid-2014 NCSA ECF ceiling is 1,274 FTE which will require a staffing reduction of 151 FTE. The age profile of the staff in the NCSAs is such that natural attrition alone will not facilitate staffing reductions of that magnitude.

### Overall Agriculture Group

Total staffing in the Agriculture Group at end-June was 4,579 FTE. Overall staffing must reduce to 4,381 by mid-2014 in line with the Government's decision to frontload public service staffing reductions to that time. Accordingly, the Agriculture Group is required to reduce its overall staffing complement by 198 FTE by mid-2014. As referred to above, this provides a significant challenge to the Department and the NCSAs under its aegis.

### Workforce Planning

The second iteration of the Workforce Plan for the overall Agriculture Group, covering the years 2013-2015 is currently being finalised.

#### Milestones and Timelines

<b>DAFM @ End</b>	<b>Number</b>	<b>Reduction</b>
2010 (actual)	3,632	6.4%
2011 (actual)	3,525	2.9%
2012 (actual)	3,276	7.1%
2013 (actual)	3,154	3.7%
2014 (ECF)	3,107	1.5%
<b>Total 2010-14*</b>	<b>774</b>	<b>21.3%</b>

\*The staff number at the beginning of 2010 was 3,881.

<b>NCSAs @ End</b>	<b>Number</b>	<b>Reduction</b>
2010 (actual)	1,823	2.3%
2011 (actual)	1,685	7.6%
2012 (actual)	1,617	4.0%
2013 (actual)	1,425	12%
2014 (ECF)	1,274	3.3%
<b>Total 2010-14*</b>	<b>430</b>	<b>23.6%</b>

\*The staff number at the beginning of 2010 was 1865.

### Savings

Total staff savings of 774 staff or an estimated €38.7million in DAFM.

Total staff savings of 430 staff or an estimated €21.5 million in the NCSAs.

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## **Section 4 – Haddington Road Agreement Reforms**

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### **16. Additional Working Hours**

Additional hours were used in most instances to alleviate pressure resulting from reductions in staff numbers, thus they helped achieve ECF targets.

#### Areas of cost to be reduced by additional hours

Overtime expenditure was not reduced in 2013; this was largely a consequence of unpredictable events which were once off in nature.

Building on very significant reductions in overtime in recent years, a target of securing further savings of 5% per annum in overtime will be driven in part by the

additional hours but also by introducing more flexible attendance and roster arrangements and by changes in business processes. The Department will continue to actively drive down the cost of overtime through a series of measures managed at Divisional level and monitored by the MAC, which will involve using temporary redeployments where appropriate to relieve pressure points and enable the Department's activities to be continued without resort to extra attendance.

### Overtime Expenditure

Year	€000	Reduction
2010 (actual)	3,955	29%
2011 (actual)	3,623	8.4%
2012 (actual)	3,273	9.7%
2013 (actual)	3,292	0%
2014	3,127	5% Target

A reduction over the period 2010 to 2014 of €0.828m or 21% (reduction of €8.346m from 2007 to 2014 or 73%).

An overtime reduction in 2014 of €165,000 (5%) is targeted.

### 17. Redeployment

The Department has been making full use of redeployment provisions and it has been particularly useful to facilitate staff under the Local Office Re-organisation Programme. Since 2007 the Department has redeployed the following:

Grade	No of people	No of posts
CO	341	315.6
SO	48	43.7
EO	57	51.5
HEO	25	20
AO	3	-
AP	2	1
	476	430.8

Receiving organisations include the Department of Justice, the Courts Service, the Revenue Commissioners, Department of Social Protection and the Payroll Shared Services Project.

There are currently some 35 additional Departmental staff registered on the Redeployment Panel who are available for redeployment should suitable positions become available.

## **18. Attendance, including reducing sick leave levels and flexi-time implementation**

### Milestones and Timelines

<b>Year</b>	<b>Days Lost</b>
2011 (actual)	30,796 (reduction of 8% from 2010)
2012 (actual)	26,611(13.5%)
2013	27,723 (↑4%)
2014	24,953

Civil Service to achieve target of 3.5% absenteeism for 2013. The incidence of sick leave in the Department increased in 2013 by 4%. This is attributed to an increase in the level of certified sick leave and in particular long term sick leave. The level of uncertified sick leave continues to decrease and in 2013 a reduction of 17% was realised. The Department will continue to work towards reducing the overall absenteeism level from its current level of 3.7% to the Civil Service target of 3.5%.

### Savings

While the overall costs associated with absenteeism increased in 2013 by 6.5%, the costs associated with uncertified sick leave fell by 16%.

## **19. Reduction in non-pay administrative expenses**

The Department continued to seek efficiencies in the non-payroll elements of the Administrative Budget in 2013.

The cost of running the Department fell substantially. The total administrative budget for 2013 was €217.697 million, €5.302 million less than 2012. This is in the context of a fall of some €86.166 million since 2008, or approximately 28%. In the period 2008 to 2013, the Department made total savings in its travel and subsistence expenditure of €8.512m (56%). These considerable savings have been driven by deploying technology, improving business processes and rationalising inspections. However it must be borne in mind that much of the Department's business takes place on farms and other premises, which are in remote geographic locations.