

MHS CORPORATE BUSINESS PLAN 2005/06

Issue

- 1 Production and dissemination of the MHS Corporate Business Plan for 2005/06.

Background

- 2 Each financial year the MHS prepares and issues a high level Corporate Business Plan which sets priorities and objectives for the year. The annual plan is aligned with the MHS Strategic Plan and the five high level aims set for the MHS by the MHS Board.
- 3 A cross-MHS workshop was held in November 2004 to identify and consider customer and stakeholder requirements, legislative and other environmental factors, and prioritisation and delivery issues. The output from the workshop has been drawn on in drafting the Corporate Business Plan for 2005/06, and a copy of the Plan is attached as Annex 1. The Plan is being produced in leaflet and poster format for distribution to MHS staff and stakeholders.
- 4 MHS Board members will wish to note that the MHS Purpose has been revised to reflect the changing role of the MHS in relation to the new EU Hygiene Regulations.

Recommendation

- 5 The MHS Board is asked to note the MHS Corporate Business Plan at Annex 1.

Meat Hygiene Service

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Chief Executive's Foreword

The Financial Year 2004/05 was both very difficult for the MHS, and yet at the same time very successful.

During the year, a number of failures to test all relevant 24-30 month old casualty bovines led to the setting up of the Inquiry chaired by Patrick Wall, and a number of Over Thirty Month (OTM) bovines were found to have entered the human food chain. These failures were deeply embarrassing to the FSA and Ministers, and have damaged the reputation of the MHS.

However, firm budgetary control and improved resource deployment delivered an excellent £2.2m (3%) saving against our expenditure budget. MHS compliance rates at audit and re-audit are increasing. Operational communication has improved too through teleconferences and area, regional and national meetings.

We must build on this good work in 2005/06 and restore stakeholders' confidence in our ability to deliver consistent public health and animal health and welfare legislative compliance at all times. Possible lifting of the ban on over thirty months bovines entering the human food chain; implementation of the Wall Inquiry recommendations; the introduction of a robust testing regime for BSE; and preparations for the implementation of the new EU Food Hygiene Regulations from 1 January 2006, all mean significant and continuous change throughout 2005/06. However, change also creates opportunities to improve performance, both organisationally and individually, and there are a number of objectives in this plan which will take advantage of the opportunities presented. This will also start to address some of issues raised by MHS staff in the survey conducted at the end of 2004.

2005/06 will be a challenging year, but if each of us does what is asked of us to the best of our ability, we will overcome those challenges. In doing so, we will restore the confidence of our stakeholders and our reputation as an operational organisation that delivers.

C J Lawson
Chief Executive
May 2005

Context

This business plan takes into account a number of external factors that have, and will continue to have, very significant impact on the MHS during 2005/06. These are:

- The possible amendment to legislation which currently restricts the sale of meat from bovines over 30 months of age;
- The findings and recommendations of the Wall Inquiry into the failure to comply with the requirements to test all relevant 24-30 month old casualty animals for BSE, including the associated review by DNV of the arrangements for veterinary supervision; and
- The implementation of new EU Food Hygiene Regulations on 1 January 2006.

Vision

We will be the first choice provider of independent services in meat production premises, recognised for our professional, forward-looking, efficient and effective approach.

The MHS needs to be known and recognised for its professionalism and integrity. This is not the technical expertise of our staff alone, but encompasses the approach of MHS staff to their work and the way we present ourselves to our customers and stakeholders. We want to provide a highly efficient and effective service, whilst continually looking for ways in which we can add value to our work, and innovate. By working in this way we want to be the provider of choice of independent verification and inspection services in the process of meat production.

Purpose

To provide assurance that risk to public health and animal health and welfare during meat production in licensed premises is controlled by the food business operator.

The business of the MHS is verification and enforcement of public health and animal health and welfare in licensed meat premises. We are dedicated to promoting compliance with the requirements of legislation and the consistent application of government policy relating to meat production in licensed premises.

Aims 2005/06**The high level aims set for the MHS by the FSA are:**

1. Apply hygiene, by-products, animal welfare, BSE, TSE and HACCP legislation, and the Clean Livestock Policy, in line with Enforcement Concordat principles, with the aim of improving levels of operator compliance with the law.
2. Operate within delegated resource budget and delegated cash budget for 2005/06.
3. Improve the expertise, knowledge, motivation and skills of staff and develop the internal culture necessary to deliver organisational objectives.
4. Improve levels of customer satisfaction with MHS performance as a professional and fair organisation.
5. Improve efficiency.

Underpinning the aims are a wide range of key performance indicators (KPIs) and targets. Progress against the aims, KPIs and targets is reported at each meeting of the MHS Board.

Priorities 2005/06**The MHS Management Board has set the following four priorities for 2005/06:**

- Delivering existing core operational business. This means:
 - Providing the service requested by our customers;
 - Preventing OTM bovines (other than Beef Assurance Scheme animals) entering the human food chain prior to implementation of the BSE testing regime;
 - Ensuring that all relevant 24-30 month old diseased, injured or abnormal bovines judged to require testing are tested for BSE;
 - SRM breaches do not go undetected by MHS staff;
 - Ensuring that operators dispatch animal by-products in line with legislative requirements; and
 - Completing the delivery of phase 1 of the IT in plants project.
- Developing and implementing changes to MHS operational instructions and supporting systems including training to create a robust BSE testing regime, which will enable implementation of Ministers' decision to permit OTM bovines to enter the human food chain after testing negative for BSE;
- Developing and implementing changes to MHS operational instructions and supporting systems including training to enable compliance with the new EU Food Hygiene Regulations from 1 January 2006; and

- Finalising the Pay & Grading Review and implementing its provisions, including agreeing a pay remit with HM Treasury.

The recommendations of the Wall Inquiry, including the associated review by DNV of the arrangements for veterinary supervision (see Context), have a significant impact on existing core operational business and the establishment of a robust BSE testing regime.

Corporate Objectives 2005/06

To ensure that the Priorities are delivered, the MHS Management Board has agreed a number of corporate objectives to address areas where improvements will strengthen service delivery:

- To achieve the Aims set for the MHS by the FSA. Our success will be measured by the MHS Board in May 2006, when its members will assess MHS performance against the aims;
- To enhance our reporting systems and improve the way we present data in support of effective management. Our success will be measured by the MHS Board as part of their assessment of MHS performance against the aims set by the FSA;
- To strengthen operational delivery by evaluating options for the provision and management of operational teams, and implementing the selected option. Our success will be measured through timely delivery against the implementation plan and stakeholder surveys and focus groups;
- To enhance stakeholders' knowledge and perception of the MHS by strengthening proactive communication and actively managing our relationships with them. Our success will be measured through stakeholder surveys and focus groups.
- To improve the management of MHS processes by mapping key processes and identifying ways in which they can be improved. The achievement of this objective will be measured by the completion of a process mapping exercise.
- To improve staff morale and motivation by setting clear priorities for the outcomes we aim to achieve, and by strengthening the internal communications structure, celebrating our successes, implementing the Pay & Grading Review, and by encouraging all staff to demonstrate the MHS values and behaviours*. This objective will be measured through surveys.

**The MHS Values and Behaviours, as set out in the MHS Strategic Plan, are: supporting staff; openness; being professional and responsive; being fair, consistent, and independent; effectiveness and innovation; and involvement*

Directorate/Department Implementation Plans

Each MHS Director is responsible for drawing up an Implementation Plan, which will detail how their staff will deliver the Priorities, and Corporate Objectives set by the MHS Management Board, and the Aims set by the MHS Board. The Implementation Plans will specify the outcomes required, actions planned, performance indicators, and milestones. Implementation of the plans will be regularly monitored and corrective action taken as necessary where it appears that the Priorities, Corporate Objectives and Aims will not be delivered.

Individual Objectives

Each Director is responsible for ensuring that SMART* objectives and targets, linked to this business plan and their implementation plan(s), are set for their senior managers, who in turn will cascade these appropriately down their line management chains, as part of the performance appraisal process.

** Specific, Measurable, Achievable, Relevant and Timebound*

Budget 2005/06

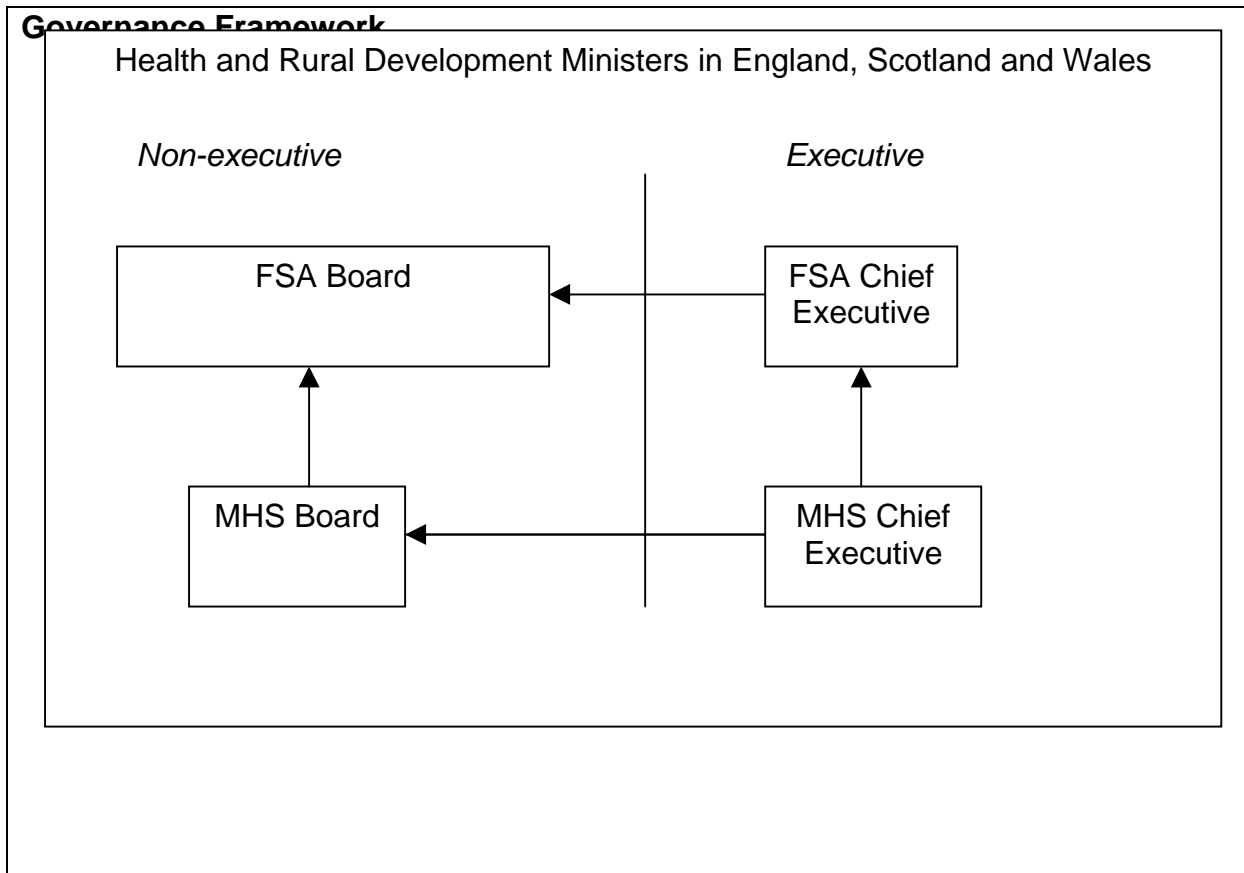
Income	£55.0m
Programme	£86.1m
Capital Charges	£0.9m
Total Net Resource	£32.0m
Capital	£0.3m

Performance Measurement

Delivery of the Priorities, Corporate Objectives and Aims will be monitored monthly by the MHS Management Board.

Delivery of the Implementation Plans will be monitored monthly by the Directorate and Local Management Teams.

Achievement of the Aims, underpinned by the wide range of key performance indicators (KPIs) and targets, will be monitored at each meeting of the MHS Board.



**Business Development Unit
May 2005**