

ACHIEVING MHS CORPORATE OBJECTIVES 2006/07: DECEMBER 2007

Issue

1. This paper advises the MHS Board of progress to December 2006 in achieving the MHS corporate objectives, as measured by the MHS Balanced Scorecard.
2. The MHS is on track to achieve the desired outcomes of the Corporate Objectives, however it is probable that some indicators, eg: BSE Controls, Diversity and Cost Per Livestock Unit will remain as either red or amber at the year end.

Recommendation:

3. The MHS Board is invited to:
 - **Note** the MHS Balanced Scorecard report,
 - **Comment** on MHS performance on achieving the MHS corporate objectives,

Contacts:

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**MEAT HYGIENE SERVICE (MHS): PROGRESS ON ACHIEVING
MHS CORPORATE OBJECTIVES 2006/07**

Issue:

1. To inform the MHS Board of progress in achieving the MHS Corporate Objectives for the period April – December 2007.

Performance to 31 December 2007

2. Whilst the majority of indicators are on track to achieve the end of year target, six indicators are currently showing red or amber and these are summarised below. Further detail is provided in the Exception Reports.
3. **Indicator 1: Meeting Customer Requirements as set out in the SLAs.**

BSE Controls - RED This is due to four breaches of domestic SRM controls and two breaches of the Over Thirty Month rule.

Failure to remove the spinal cord in two bovine carcasses occurred in April and May. The breach in October concerned spinal cord attached to the side of a bovine quarter. The fourth breach occurred in December and involved the failure to remove spinal cord from two bovine forequarters. On all four occasions, the carcasses did not enter the human food chain.

An Over Thirty Month bovine (aged 30 months and 10 days) was processed at a UTM plant and was therefore not tested for BSE prior to being released into the food chain. An OTM bovine, (aged 415 days over 30 months) was processed at an OTM plant but was not tested for BSE prior to being released into the human food chain.

The importance and priority of SRM controls has again been stressed to MHS staff working in slaughterhouses. Cross-regional working is being used to ensure delivery of scheduled audits.

4. Animal Health & Welfare – AMBER
The target for return of Cleansing and Disinfection report forms is 100% and as at end December 90.4% of forms had been returned. Regional Directors have instructed their teams to ensure that all OVs return the report forms by the required deadlines.
5. **Indicator 12: Recommend 2007-08 Industry and Government Charge - AMBER**

The December deadline for this indicator was missed due to the need for in-depth discussion. Draft charge-out rates were proposed in December and

reviewed by MHSMB in January. The proposed rates have now been submitted to FSA for approval.

6. Indicator 16 – Manage restructuring including developing an effective interface with other Directorates - AMBER

The initial scoping for this work was delivered within the agreed timetable, including presentations to the MHS Management Board and MHS board in September. It was initially intended that the changes would be introduced by 1 April 2007, however in light of the review of options for delivery of official controls, further discussion is being held with the MHS Management Board and a paper has been drafted setting out options for proceeding.

7. Indicator 17: MHS Cost Per Livestock Unit (CPLU) – AMBER.

The target for the year is £13.93. As at the end of December CPLU was £14.41. The two areas which affect the CPLU calculation are the number of livestock units processed and the cost of staff and non-pay costs for the MHS. To December, the number of livestock units was 59,000 lower than expected and non-pay costs and staff costs are higher than budgeted. It is likely that this target will be missed by the year end, unless savings on staff costs and non-pay costs can be made.

8. Indicator 19: Procurement savings – AMBER

The annual target for procurement savings is £100,000. To date £55,000 worth of savings have been made. Due to the nature of procurement projects, savings do not accrue on an equal basis each month. Further savings of £40,000 are expected following the introduction of the Personal Protective Equipment contract and therefore we are confident that this indicator will be achieved by the end of the year.

9. Indicator 23 : Implementation of Staff Diversity Action Plan

Achieve workforce representation of 4.1% ethnic staff – AMBER (Currently 3.7%)

Achieve 2.5% operational disabled staff – AMBER (Currently 2.3%)

Achieve 3.7% non operational disabled staff – RED (Currently 2.6%)

Staff turnover and recruitment activity is generally low and the MHS is identifying new ways of widening the recruitment pool beyond the usual methods. A consultation on Diversity Strategy began 15 January and a questionnaire has been issued to disabled staff. The return rate was 62% and these results will be fed into forthcoming focus groups with disabled staff.

Performance against objectives

10. In terms of setting targets for the MHS, the MHS Board agreed that for 2006/07 MHS performance would be assessed against achievement of the six corporate objectives. These are:

Objective 1: To deliver customer requirements, as set out in our Service Level Agreements.

Objective 2: To improve consumer, government and industry knowledge and understanding of our work, and satisfaction with our service delivery.

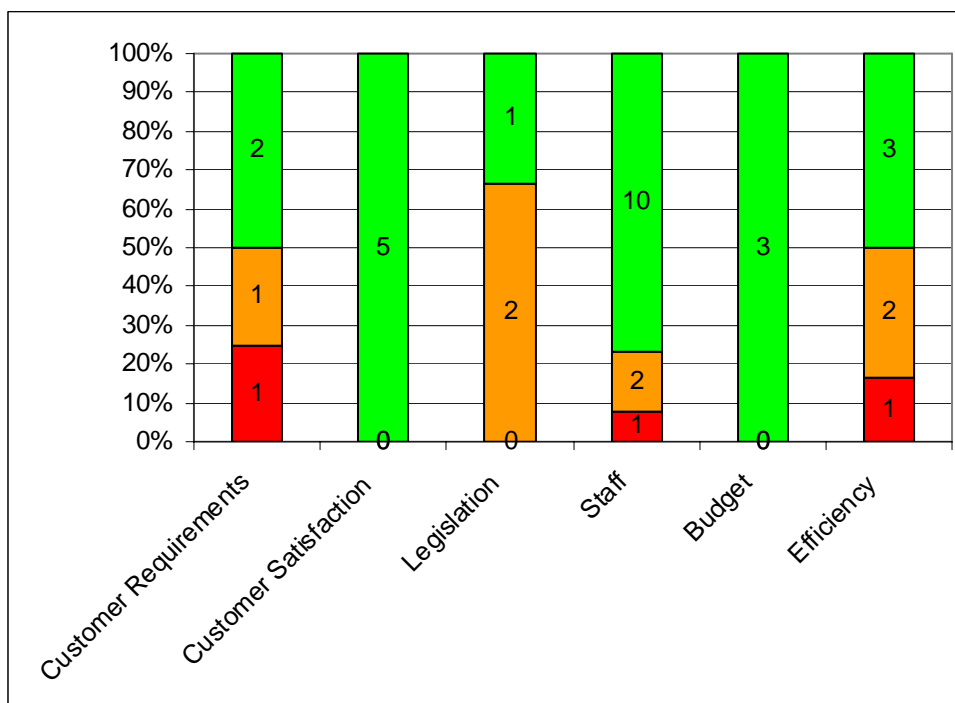
Objective 3: To embed legislative changes, in particular the EU Food Hygiene Regulations.

Objective 4: To equip all our staff with the necessary skills, knowledge and information to enable them to deliver our services effectively.

Objective 5: To operate within delegated resource budget and delegated cash budget for 2006/07.

Objective 6: To improve efficiency.

11. The following bar chart shows the status of the indicators against their related objective, to give an overview of performance against each objective:



12. Although some indicators are currently at amber or red these are being addressed, and the MHS Management Board believes that the MHS is on track to substantially achieve the desired outcomes of the six objectives. However, it is probable that the indicators on BSE Controls, Diversity and Cost Per Livestock Unit will remain as either red or amber at the year end.

Recommendations

13. The MHS Board is invited to:
- **Note** the MHS Balanced Scorecard report,
 - **Comment** on MHS performance on achieving the MHS corporate objectives,

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CUSTOMERS AND STAKEHOLDERS																				
Objective No	Indicator No	Indicator	Owner	Target	RAG Status			April	May	June	July	Aug	Sept	Oct	Nov	Dec	YTD Average / Latest Position	RAG Status	Trend since last report	
					Red	Amber	Green													
1	1	Meeting customer requirements as set out in SLAs These include:	Ops																	
		BSE Controls		31-33 points	<28 points	28-30 points	31-33 points					26	26	26	20	-	20	Red	Down	
		Public Health		5-6 points	<3 points	3-4 points	5-6 points					6	6	6	6	-	6	Green	Static	
		Animal Health & Welfare		24-27 points	<21 points	21-23 points	24-27 points					21	21	21	22	-	22	Amber	Up	
1	2	Maintain Charter Mark accreditation	BDU	Successful surveillance visit in Feb 07	Charter Mark Award removed	Same number of or increase in number of partial non-compliances	Decrease in number of partial non-compliances	On course	On course	On course	On course	On course	On course	On course	On course	On course	On Course	Green	Static	
2	3	Improve industry customer satisfaction rate (1 - 10 scale)	BDU	Achieve a 5% increase from 6.6 in 2005/06 to 6.9 in 2006/07	<6.6%	6.6 - 6.8%	6.9%+	Survey on course	Survey on course	Survey on course	Survey on course	Survey on course	Survey on course	Survey on course	Survey on course	Survey on course	Survey on Course	Green	Static	
2	4	Improve FSA satisfaction rate (1 - 10 scale)	BDU	Achieve a 5% increase in satisfaction from 2004/05 rates. FSA score rises from 5.7 to 6	<5.7%	5.7% - 5.9%	6%+	Workshop on course	Workshop on course	Workshop on course	Workshop on course	Workshop on course	Workshop on course	Workshop on course	Workshop on course	Workshop on course	Workshop on course	Workshop on course	Green	Static
2	5	Improve defra (and its agencies) satisfaction rate (1 - 10 scale)	BDU	Achieve a 5% increase in satisfaction from 2004/05 rates. Defra and its agencies score rises from 6.8 to 7	<6.8%	6.8% - 6.9%	7%+	Workshop on course	Workshop on course	Workshop on course	Workshop on course	Workshop on course	Workshop on course	Workshop on course	Workshop on course	Workshop on course	Workshop on course	Workshop on course	Green	Static
2	6	Develop a sustainable development action plan	BDU	Plan developed by Jan 2007	Plan not developed by 1 April 2007	Plan developed by March 2007	Plan developed by January 2007	On course	On course	On course	On course	On course	On course	On course	On course	On course	On course	On Course	Green	Static
1	7	To retender all OVS contracts	Ops	31 March 2008%	Later than 1 June 08	31-May-08	31-Mar-08	On course	On course	On course	On course	On course	On course	On course	On course	On course	On course	On Course	GREEN	STATIC
2	8	Include question(s) about MHS in FSA consumer attitude survey	BDU	September	Questions asked by March 07	Questions asked by December 06	Questions asked by September 06	On course	On course	On course	On course	Complete	Complete	Complete	Complete	Complete	Met	Green	Static	

Executive Summary

Indicator / Description

1 See attached Exception Reports

2 Regular contact with all HQ and Regional Charter Mark Information Coordinators to ensure corporate involvement and regular submission of evidence. BDU also hosted a meeting to bring Charter Mark Information Coordinators together for a progress update/ brainstorming meeting in HQ on 5 December. The MHS has subscribed to the new 'rolling programme' of assessment with CMAS. The next assessment, originally planned for January 2007, has been delayed by CMAS until February to avoid the BSI assessment of the MHS scheduled for January. The Charter Mark assessment day will be hosted by Scotland regional office.

3 MHSMB signed off survey. Survey being mailed out on 5 February 2007

4,5 Workshops held on 13 December. Report just received.

6 Action plan has been sent to MHSMB for final sign off.

7 Contracts extended to 31 March 2008.

8 Complete.

Customers & Stakeholders

