



ANNUAL OPERATING PLAN

JULY 2019 – JUNE 2020



OSPRI New Zealand (OSPRI) was established on 1 July 2013. It currently manages the National Animal Identification and Tracing (NAIT) and TBfree Programmes.

This is the Annual Operating Plan for OSPRI New Zealand Limited and its wholly-owned subsidiaries NAIT Ltd and TBfree New Zealand Ltd.



OSPRI New Zealand's shareholders and funders:



Ministry for Primary Industries
Manatū Ahu Matua



OSPRI New Zealand's Stakeholders' Council consists of representatives from:

Beef + Lamb New Zealand

Dairy Companies Association of New Zealand

DairyNZ

Deer Industry New Zealand

Federated Farmers Dairy

Federated Farmers Meat and Wool

Local Government New Zealand

Meat Industry Association New Zealand

Ministry for Primary Industries

New Zealand Deer Farmers Association

New Zealand Stock and Station Agents Association

Predator Free 2050 Limited

Road Transport Forum

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INTRODUCTION

Document purpose

This Annual Operating Plan sets out the key initiatives and activities that OSPRI plans to undertake during the July 2019 to June 2020 financial year.

The Annual Operating Plan needs to be read together with OSPRI's Strategic Plan 2019–2024 and the budget for the 2019–2020 financial year. A budget overview is provided in this document.

OSPRI's value

OSPRI was established for the benefit of primary industry shareholders and its worth lies in creating demonstrable value for them. The OSPRI value statement describes the very essence of the organisation, why OSPRI exists and the benefit it provides to its shareholders and stakeholders.

Farmers and markets can depend on us to provide assurance as to the health and status of animals.

Access to international and domestic markets is reliant on our nation's excellent animal health status and reputation, which depends on Government, industry and stakeholder commitment to animal health management, traceability, biosecurity capability, surveillance programmes and emergency disease preparedness and response.

OSPRI's Strategic Plan 2019–2024

OSPRI recently launched its Strategic Plan for 2019–2024, detailing two strategic outcomes, four critical enablers for success, seven impacts that the company expects to deliver over the next five years, and an initial set of thirteen Key Performance Indicators that will be reviewed in the 2021–2022 financial year.

The Strategic Plan framework diagram and set of KPIs are included in appendices 1 and 2 to this document.

Each year, the Annual Operating Plan, together with the annual operating budget, will set out the annual work plan for the organisation and contain the steps and milestones and one-year targets required to deliver the strategic outcomes, impacts and KPIs detailed in the OSPRI Strategic Plan.

STRATEGIC OUTCOMES



The Strategic Plan contains two key outcomes – disease management and traceability. These mirror OSPRI's existing legislative responsibilities.

The strategic outcomes are:

- **animal diseases for which we have primary responsibility are managed to agreed outcomes**
- **full traceability of the animals within the National Animal Identification and Traceability scheme.**

These two strategic outcomes stand together because OSPRI's future success depends on effective disease management which is underpinned by a comprehensive and reliable traceability system.

CRITICAL ENABLERS

We have identified four critical enablers which are vital to us successfully achieving our strategic outcomes, and that stress the importance of people, relationships, culture and capability to OSPRI's future success. They will assist us to deliver the two key outcomes of disease management and traceability, and ultimately to stakeholders having trust and confidence in OSPRI and in the delivery of its programmes.

Our critical enablers are contained in the following statements:

- **To be successful, we need to have the culture, capability and capacity to deliver our programmes effectively and efficiently**
- **It is important that our shareholders, stakeholders and funders agree that we understand their needs and expectations**
- **Our superior information management systems and technology will support the successful delivery of our strategy and programme**
- **Our success is dependent upon there being broad understanding and support for our programmes and the strategies we deploy to implement them.**

OSPRI'S IMPACTS

This new strategy provides an opportunity for OSPRI to position itself as an organisation that provides a range of integrated services for the effective management of long-term animal diseases.

Throughout the year the CE will lead a process to ensure the organisation is aligned to take advantage of this opportunity and is positioned and organised in a way that optimises the value to shareholders and farmers.

KEY PERFORMANCE INDICATORS

Attached at Appendix 2 are thirteen Key Performance Indicators that will be monitored and reported on a regular basis to inform progress against achievement of the Strategic Plan. These KPIs are three year measures (to 30 June 2022), which will be refreshed and reset in 2022 for the remaining life of the 5-year strategic plan.

This Annual Operating Plan contains the one-year KPIs and measures which will lead toward achievement of the Strategic Plan Key Performance Indicators. A full list of the 2019–2020 KPIs is attached as Appendix 3.

In the event of a disease incursion those who must manage the incursion have timely, accurate animal traceability information

Those responsible for the management of animal health and disease have confidence in the traceability scheme and its performance

Other parties with a legitimate interest are able to verify the provenance of animals

Livestock are free of TB by 2026

Stakeholders have trust and confidence in OSPRI and in the delivery of its programmes

Possums are free of TB by 2040

OSPRI is asked to take on responsibility for the management of other diseases





ABOUT OSPRI

Who we are

OSPRI New Zealand Limited (OSPRI) was established in 2013, bringing together the Animal Health Board and National Animal Identification and Tracing (NAIT) Limited. OSPRI is owned by three industry shareholders – DairyNZ, Beef+Lamb, Deer Industry NZ, and is funded by levies and Government investment through the Ministry for Primary Industries (MPI).

As at June 2019, OSPRI has 112 staff in seven locations supported by 12 regional OSPRI Committees made up of farmer representatives.

The OSPRI Board currently comprises five directors. The Board owns the company's Strategic Plan and is responsible for overseeing OSPRI's business and affairs to ensure the achievement of the objectives set out in its Strategic Plan.

The Board is supported by a Stakeholders' Council representing 13 stakeholders. Key functions and powers of the Stakeholders' Council include review of the Board's long term objectives and strategies for the OSPRI group, monitoring and discussing with the Board the performance of those objectives and strategies, and reporting on the same to shareholders.

Our programmes of work

OSPRI is the sole shareholder of TBfree New Zealand Limited and NAIT Limited which are the statutory management agencies for the delivery of the TBfree and NAIT programmes respectively. Accountabilities for delivery of these programmes are contained both in legislation and in National Operational Plans developed by OSPRI and provided annually to the Minister for Primary Industries.

- The TBfree programme is directed at the biological eradication of bovine tuberculosis (TB) from New Zealand by 2055 with milestone targets of livestock TB freedom by 2026 and possum TB freedom by 2040.
- NAIT is New Zealand's national animal identification and tracing programme, capable of tracing livestock movements across the supply chain from farm to meat processing for the purposes of managing animal health, disease outbreaks, food safety and biosecurity risks.

Our budget

A summary of our 2019–2020 operational budget, and provision for capital expenditure, is included in this document.

STRATEGIC OUTCOME 1: DISEASE MANAGEMENT

Our first strategic outcome is that **animal diseases for which we have primary responsibility are managed to agreed outcomes.**

The TBfree programme is tracking to schedule and it is important that we maintain the necessary momentum to achieve the goal set out in the current National TB Pest Management

Plan of eradication of TB from New Zealand by 2055, together with the milestone targets of livestock TB freedom by 2026, possum freedom by 2040, and to contain the disease in cattle and deer to a national infected herd period prevalence of no more than 0.2% until the disease is eradicated.

This year we will continue to progress the TBfree programme and in particular will deliver the following activities to ensure we are on track for meeting the impacts outlined in the OSPRI Strategic Plan:

| Project | Description |
|---|--|
| Livestock TB freedom by 2026 | <ul style="list-style-type: none"> • Implement new infected herd case management procedures for accelerated herd TB clearance • Complete and implement herd depopulation decision support system • Complete 3 million cattle and deer tests • Implement phase 2 of deer Risk Based Testing in Waikato, Bay of Plenty and Southland |
| Possum freedom by 2040 | <ul style="list-style-type: none"> • Undertake possum control over 1.2 million hectares and wildlife surveillance over 1 million hectares • Implement individual VRA project plans to achieve possum TB freedom by 2040 in the eight large VRAs (VRA = Vector Risk Area) • Implement optimisation plan for operational improvement and efficiency • Broaden investment in R&D into improved methods to achieve TB freedom in possums and into alternative baits • Confirm the role ferrets have in the transmission of TB in relation to possums • Continue trials on new deer repellents • Maintain involvement with PF2050 and other joint agencies on improved methodologies for possum population assessment and pest control |
| Preparation for involvement in the management of other diseases as requested | <ul style="list-style-type: none"> • Support MPI within the <i>Mycoplasma bovis</i> response as required • Continue involvement as an industry partner within the BVD FreeNZ initiative, including advice on strategic and tactical planning as requested • Work with DINZ on accessing Johnes disease data for purposes of industry disease management, traceability and product assurance |



Measuring success in 2019–2020

| Ref | Key Performance Indicator | Measured by |
|-----|--|--|
| 1. | Maintain national herd period prevalence of no more than 0.02% | As measured through data and analysis and reported quarterly |
| 2. | There are no more than 20 TB infected status cattle or deer herds | As measured through data and analysis and reported quarterly |
| 3. | There is a 12.4% reduction in TB vector risk areas | As measured through data and analysis and reported quarterly |
| 4. | Through risk-based testing there is a reduction in annual cattle and deer numbers tested by 244,900 and 21,300 respectively | As measured through data and analysis and reported quarterly |

STRATEGIC OUTCOME 2: TRACEABILITY

Our second and related strategic outcome is that there **is full traceability of the animals within the National Animal Identification and Traceability scheme.**

It is of key importance that New Zealand's traceability scheme has high levels of compliance and is easy to use. Our high-level ambition is to provide full traceability of animals within the national traceability scheme and to put in place a scheme in which key users have confidence and which compares favourably against other traceability schemes internationally.

The 2019–2020 year will see delivery of the following key activities:

| Project | Description |
|--|---|
| Improve compliance with NAIT re-registration | <ul style="list-style-type: none"> • Increase Contact Centre resourcing to provide capacity to move to targeted cold calling of all remaining PICAs who have not yet re-registered • Establish a NAIT Operations Response Team to re-register or deactivate those locations with no animals currently registered and re-register those locations with less than 20 animals • Work with MPI to implement a compliance plan for non-re-registration • Complete the NAIT re-registration project |
| Enhance the traceability Regulatory Framework | <ul style="list-style-type: none"> • With shareholders, co-design a traceability strategy • Enhance the traceability regulatory framework for the operation of the NAIT scheme through the development and implementation of the following NAIT Standards: <ul style="list-style-type: none"> • Entities Trading in NAIT Animals • Entities Processing NAIT Animals • Accreditation of Third-Party Software and Data Integration • NAIT Identification System • Establish the NAIT Audit and Accreditation Team and commence implementation of the NAIT Audit and Accreditation Programme for Information Providers and Accredited Entities |
| Improve compliance | <ul style="list-style-type: none"> • Implement the Joint MPI/OSPRI NAIT Compliance Action Plan • Develop the NAIT Compliance Scale and establish a baseline measurement • In partnership with MPI NAIT Compliance Team, identify drivers for non-compliant behaviour and develop and implement strategies to address non-compliant behaviour • Support MPI enforcement and prosecution actions • Explore incentives to drive compliance |

| Project | Description |
|--|--|
| Improve data quality integrity and accuracy | <ul style="list-style-type: none"> Identify and prevent sources of incorrect NAIT data or data corruption from occurring Develop and implement a process for identifying and correcting incorrect or corrupted animal specific data within the NAIT information system Establish an internal NAIT data quality programme for the ongoing maintenance of NAIT data Perform a Traceability Desk Top exercise to test the traceability performance of the NAIT system |
| Research and innovation | <ul style="list-style-type: none"> Commission an independent research study of culled animal tags for the purpose of identifying the causes of accelerated tag degradation or performance failure Publish the report on the NAIT Tag Degradation and Performance Study Establish a Traceability Technical Advisory Committee to provide advice on new and emerging technologies that improve the lifetime traceability of NAIT animals |

Measuring success in 2019–2020

| Ref | Key Performance Indicator | Measured by |
|-----|---|---|
| 5. | A compliance traceability scale is established | A compliance traceability scale will be developed and NAIT compliance will be baselined |
| 6. | 95% lifetime traceability of animals from January 2020 is maintained | As measured through NAIT data and analysis and reported quarterly |
| 7. | Less than 20% of animals are auto-registered in NAIT | As measured through NAIT data and analysis and reported quarterly |
| 8. | More than 75% of movements are recorded within 48 hours in NAIT | As measured through NAIT data and analysis and reported quarterly |
| 9. | 100% of movements are recorded within 5 days in NAIT | As measured through NAIT data and analysis and reported quarterly |



CRITICAL ENABLERS

Organisational Culture, Capability and Capacity

To be successful, we need to have the culture, capability and capacity to deliver our programmes effectively and efficiently.

Having a **“ONE OSPRI”** team that is internally and externally connected with shared objectives and who are focused on delivering value to our shareholders and customers is critical.

We will develop culture that supports people to achieve high performance. We will strive for excellence, be ambitious, collaborate, and embrace transparency and accountability. OSPRI will support its people to do their best work and ensure that there is a focus on staff engagement, wellbeing and health and safety.

Activities in the upcoming year which will assist in sustaining and improving OSPRI's culture and capability are:

| Project | Description |
|-----------------------------|--|
| Invest in our people | <ul style="list-style-type: none"> Targeted capability development of staff especially focussed on re-skilling and building transferable skills to ensure an agile workforce, and building critical skills and competencies for OSPRI Strengthening the current and future leadership bench starting with the building of a talent matrix to commence proactive succession planning Development of an HR Strategic Plan that supports our people and OSPRI to be successful Implementation of new technologies to manage HR processes across the HR employee life cycle, including a learning management platform and recruitment platform |
| Shape culture | <ul style="list-style-type: none"> Embed engagement and pulse surveys and establish the baseline in 2019-2020, including benchmarking to industry Establish internal staff working group to shape, support, advocate and champion desired culture Commit to addressing two key issues from the engagement survey Build external engagement with stakeholders' HR management and teams Develop an HR dashboard to assist OSPRI to understand and build better teams, and provide managers with tools allowing for greater proactive management, e.g. proactive attrition management |
| Health and safety | <ul style="list-style-type: none"> Accreditation against ISO45001 and baseline audit Implementation of initiatives to create Health and Safety culture supported by sound compliance e.g. workplace exposure monitoring, fleet management monitoring, and wellbeing Appropriate Health and Safety platforms – determine whether to update existing systems/tools or implement new fit-for-purpose solutions Refresh of the Health and Safety strategy Build external engagement with stakeholders' Health and Safety management and team |



Measuring success in 2019–2020

| Ref | Key Performance Indicator | Measured by |
|-----|--|--|
| 10. | OSPRI achieves an 80% engagement score | Staff engagement survey |
| 11. | Unplanned attrition is less than 12% | Rolling 6 monthly reporting |
| 12. | OSPRI is ISO45001 (Occupational Health and Safety Management System) accredited | OSPRI implements ISO45001 |
| 13. | The OSPRI Total Recordable Frequency Rate (TRIFR) reduces by 15% (from 29.3 to 25) | Measured through data analysis and reported monthly to OSPRI's Board |
| 14. | HR Strategic Plan is delivered | An HR Strategic Plan will be developed and implemented |

Engaging, understanding and supporting our Stakeholders

It is important that our shareholders, stakeholders and funders agree that we understand their needs and expectations.

For OSPRI to be successful and recognised as a valued partner, the needs and expectations of our stakeholders must be at the centre of our thinking. We will also look for opportunities to benefit stakeholders and deliver value in new and innovative ways.

Key to this is that OSPRI's communication and engagement activities clearly articulate and demonstrate the value of effective disease management and traceability. Understanding, providing support and information to help farmers comply with their obligations and generating commitment and action is central to this.

Activities in 2019-2020 to strengthen our understanding of stakeholder needs and deliver more effective engagement are:

| Project | Description |
|---|---|
| Improve stakeholder engagement and support | <ul style="list-style-type: none"> • Seek out opportunities for co-design and collaboration such as development of a traceability strategy and the development of eASDs • Development of a stakeholder engagement framework and strategy • Review and reset stakeholder engagement activities, channels and messages to ensure stakeholders feel more connected and informed • Undertake baseline survey of stakeholders |
| Improve Contact Centre performance | <ul style="list-style-type: none"> • Review the current and potential role and scope of the Contact Centre including staffing levels, technology and integrated planning processes with other parts of the business to ensure we are equipped to provide a high standard of service and are fit-for-the-future • Configure CRM to enable an omni-channel call centre service (email, phone, SMS, chatbot) in line with current customer service standards and expectations • All Customer Service Representatives to achieve appropriate Contact Centre qualification • Develop best practice reporting to monitor and report on performance |
| Strengthen extension activities | <p>The Programme Extension team are the regional face of OSPRI, providing educational assistance and support to shareholders, stakeholders and funders across our two current programmes. In the coming year, the Extension team will:</p> <ul style="list-style-type: none"> • Engage and support our regional farmer committee networks to ensure this resource is well utilised for communications and ground truthing of OSPRI policy and practice • Provide farmer focused on the ground stakeholder and shareholder support to ensure OSPRI programmes remain relevant and valued • Review our regional footprint, seeking to optimise our locations to better meet customer needs |

| Project | Description |
|-------------------------------|--|
| Improve communications | <ul style="list-style-type: none"> • Ensure farmers and the wider industry are informed and engaged with the TBfree and NAIT programmes; central to this will be the ongoing delivery of advertising campaigns and editorials over the coming year to promote programme benefits and increase farmer awareness about their NAIT and TBfree obligations • Build on our relationships with shareholders and funders, leverage existing channels to promote the OSPRI story and key messages • Improve engagement across our social media channels • Improve the usability of OSPRI's website |

Measuring success in 2019–2020

| Ref | Key Performance Indicator | Measured by |
|-----|---|--|
| 15. | More than 80% of stakeholders express “trust and confidence” in OSPRI and its programmes | Stakeholder survey |
| 16. | The Contact Centre maintains an average call answering time of less than 2 minutes | As measured through data and analysis and reported quarterly |





Technology and Tools

Our superior information management systems and technology will support the successful delivery of our strategy and programme.

The 2019–2020 financial year will see OSPRI Technology Solutions finalising the transition of infrastructure and continuing the cloud strategy. The new Information Systems Strategic

Plan (ISSP) will create an integrated solution for disease management and traceability and leverage existing investment to begin delivering on the strategic direction. People and capability are a key focus to ensure high quality outcomes, operational effectiveness and engagement within OSPRI and across our stakeholders.

Key projects to be delivered are:

| Project | Description |
|---|--|
| Finalise the ISSP | <ul style="list-style-type: none"> Board approval of an ISSP that will create an integrated platform so that OSPRI is able to deliver on the strategic outcomes for Disease Management and Traceability |
| Deliver an ISSP integrated implementation plan | <ul style="list-style-type: none"> Deliver core components for the OSPRI platform, including a single source of people and organisation information, and enhance NAIT and DMS integration |

| Project | Description |
|--------------------------------|--|
| Strengthen traceability | <ul style="list-style-type: none"> • Resolve data integrity issues between the systems provided by NAIT and third parties • Continuous improvements to the base eASD application • Build a user interface for NAIT |
| Technical expertise | <ul style="list-style-type: none"> • Enable OSPRI with solutions that are effective and integrated • Improve customer satisfaction and productivity with technology through better engagement and training • Invest in technology people to deliver high quality solutions |
| Technology | <ul style="list-style-type: none"> • User driven design to ensure stakeholders' expectations are met and our strategy realised • Begin delivering the platform defined in the ISSP to provide business services • Address legacy issues and improve the quality of data and third-party integration |
| Service delivery | <ul style="list-style-type: none"> • Define technology services delivered by staff and external suppliers • Plan and implement actions based on internal audit findings for information security • Assess Fujitsu and other suppliers to determine the nature of continued relationships |

Measuring success in 2019-2020

| Ref | Key Performance Indicator | Measured by |
|------------|--|------------------------------|
| 17. | More than 80% of our primary users are positive about the functionality and usability of our information technology and systems | Staff and stakeholder survey |
| 18. | ISSP year one work programme delivered on time and within budget | ISSP work programme |

Understanding and Support for our programmes

Our success is dependent upon there being broad understanding and support for our programmes and the strategies we deploy to implement them. This includes support from our stakeholders as well as broader non-governmental organisation and public support and ensuring that we retain the “social licence” for carrying out the TBfree pest management programme.

The need for support in relation to the TBfree programme has two components:

- The programme has been so successful in eradicating TB that the disease has become “invisible” with many farmers never having experienced a herd breakdown; therefore, we need to retain farmer buy-in for the continuation of pest eradication activities
- A small percentage of our pest control activity uses 1080 for aerial operations; we need to ensure that the benefits of 1080 use for native species populations are publicised to ensure ongoing use of this tool and wider support for the programme.

The NAIT scheme requires full compliance from the farming and other stakeholder users if it is to be successful. The *Mycoplasma bovis* outbreak



drew attention to challenges with compliance levels and has damaged the scheme's reputation. The disease response has underlined the need for New Zealand to have a robust traceability scheme, which requires buy-in from all users of the system.

| Project | Description |
|---|--|
| Promote stakeholder advocacy of our programmes | <ul style="list-style-type: none"> • Work with our network partners to ensure farmers and stakeholders have the relevant support and knowledge to be advocates for OSPRI and its programmes • Look to establish a farmer champion network across the country to ensure local farmer support and voluntary compliance for our programmes by building on to OSPRI Committees to include broader disease management and traceability • By June 2020 increase membership of OSPRI's farmer committees with a focus on gaining younger members • Work with and provide training and educational opportunities for farmers to ensure they understand and are able to comply with OSPRI programmes at corporate and/or farmer level |

| Project | Description |
|--|---|
| Develop partnerships with other organisations | <ul style="list-style-type: none"> Partner with other organisations engaged in biodiversity and predator control work to jointly research and promote alternative solutions for pest control Work with stakeholders on an active media strategy campaign, especially the use of digital media, to increase community awareness of OSPRI's work and to publicise the benefits of 1080 use for delivery of biodiversity goals and the TBfree programme objectives |
| Research & Development | <ul style="list-style-type: none"> Review of all R&D literature related to 1080 use and other relevant pest control tools Understand the drivers, motivations and barriers related to the 1080 discussion and use these to design research into alternatives |
| Increase community interactions | <ul style="list-style-type: none"> Enhance collaboration by sharing information and expertise with landowners, national and local government, in particular whānau, hapu and iwi to gain increased support for the TBfree programme and help identify efficiencies across existing work streams in the community Develop organisational capabilities to enable engaging more effectively with whānau, hapu and iwi |

Measuring success in 2019–2020

| Ref | Key Performance Indicator | Measured by |
|-----|---|--|
| 19. | There is an increase in positive and neutral media coverage of OSPRI's work programmes | Media monitoring and analysis |
| 20. | There is a 10% increase in promotional and outreach activities | Six-monthly reporting on collaboration projects |
| 21. | Manage finances efficiently and within budget | Monthly financial reporting and annual financial modelling |



2019–2020 BUDGET OVERVIEW



Summary

In preparing the budget management made several key assumptions, including:

- Reduced TBfree slaughter levy rates due to anticipated over funding in current and future years
- Additional head count as OSPRI focuses on IT system strategy and NAIT engagement.

As a result, the Group is anticipating a deficit of \$8.1m, made up of TBfree \$6.2m and NAIT \$1.9m. This is a \$6.3m change/increased deficit from the 2018-2019 budget.

Key differences from last year's budget include:

- \$1.3m – reduced slaughter levies with a change to TBfree Differential Slaughter Levy rates in 2019-2020
- \$4.1m – additional vector operational activities
- \$2.0m – increased testing costs (includes deer testing, scanning and increase in test numbers)

- \$0.7m – employee costs, predominantly recruitment, contractors and staff development
- \$1.2m – increased IT infrastructure outsourcing costs and developing more in-house capability
- \$0.5m – increase in communications, particularly in NAIT re publication of standards and compliance information
- (\$2.3m) – savings in depreciation (as old systems are now fully written off)
- (\$2.7m) – savings in professional fees
- \$1.5m – general across board increase in costs as Group's head count, operations and profile increases.

Operational Expenditure

The Group's operational budget for the 2019–2020 year is below:

| 2019/20 (\$000) | TBfree | NAIT | OSPRI Group |
|---------------------------------|----------------|----------------|----------------|
| Revenue (incl interest) | 61,785 | 7,790 | 69,575 |
| Expenses | | | |
| Pest control and management | 38,078 | | 38,078 |
| Disease management and testing | 17,100 | | 17,100 |
| NAIT operations | | 1,971 | 1,971 |
| Research | 2,551 | | 2,551 |
| Contact Centre and compliance | 1,031 | 731 | 1,762 |
| Business service support | 9,269 | 7,058 | 16,327 |
| Total operating expenses | 68,029 | 9,760 | 77,789 |
| Surplus/(Deficit) | (6,244) | (1,970) | (8,214) |

Capital Expenditure

In addition to the operational budget above the Group has also set aside the following amounts for capital expenditure. However, before any commitment to the proposed capital expenditure can occur, appropriate business cases and the necessary management and board approvals will need to be prepared and obtained.

| 2019/20 (\$000) | TBfree | NAIT | OSPRI Group |
|--------------------|--------------|--------------|--------------|
| System Development | 2,310 | 3,750 | 6,380 |
| Office Fit Out | | | 750 |
| | 2,310 | 3,750 | 7,130 |



APPENDIX 1: STRATEGIC PLAN 2019–24 FRAMEWORK

OUR VALUE

**Farmers and markets can depend on us to
provide assurance as to the health and status of animals**

OUR STRATEGIC OUTCOMES



DISEASE MANAGEMENT

Animal diseases for which we have primary responsibility are managed to agreed outcomes



TRACEABILITY

There is full traceability of the animals within the National Animal Identification and Traceability scheme

OUR CRITICAL ENABLERS

We have the culture, capability and capacity to deliver our programmes effectively and efficiently

Our shareholders, stakeholders and funders agree that we understand their needs and expectations

We have superior information management systems and technology to support the successful delivery of our strategy and programmes

There is broad understanding and support of our programmes and the strategies we deploy to implement them

OUR IMPACT

In the event of a disease incursion those who must manage the incursion have timely, accurate animal traceability information

Those responsible for the management of animal health and disease have confidence in the traceability scheme and its performance

Livestock are free of TB by 2026

Possums are free of TB by 2040

Other parties with a legitimate interest are able to verify the provenance of animals

Stakeholders have trust and confidence in OSPRI and in the delivery of its programmes

We are asked to take on responsibility for the management of other diseases

APPENDIX 2: KPIS (LONG TERM)

The following thirteen key performance indicators, with due dates of 30 June 2022, have been identified as a collective set which will be monitored on a regular basis as a tool to help inform of progress against achievement of the OSPRI Strategic Plan 2019–2024.

| Ref | Key Performance Indicator | Measured by |
|-----|---|---|
| 1. | There are no more than 13 TB infected status cattle or deer herds | As measured through data and analysis and reported quarterly |
| 2. | There are no more than 5.60 million hectares of TB vector risk area | As measured through data and analysis and reported quarterly |
| 3. | Full implementation of Risk Based Testing reduces annual stock numbers tested by 139,000 per annum for beef, 364,000 per annum for dairy and 40,000 per annum for deer | As measured through data and analysis and reported quarterly |
| 4. | 95% of new animals subject to NAIT and registered from 2020 have lifetime traceability | As measured by analysis of data within NAIT Year one baseline measure then quarterly reporting |
| 5. | The traceability system is assessed by incursion managers as “functional or fully functional” in relation to a range of disease incursion scenarios | Incursion managers are surveyed to assess functionality of NAIT Year one baseline survey then annually |
| 6. | 90% compliance with NAIT Regulations as measured on the Traceability Compliance Scale | Year one development of Traceability Compliance Scale and baseline measure, then report quarterly |

| Ref | Key Performance Indicator | Measured by |
|------------|--|---|
| 7. | A performance review of NAIT in 2022 reports favourably on our system against international tracing systems | Year one review of attributes of a high performing traceability system Monitor attributes annually with independent review of NAIT in 2022 |
| 8. | 85% of stakeholders express “trust and confidence” in OSPRI and its programmes | Measured and reported through annual survey with baseline survey year one |
| 9. | We have assumed responsibility for the management of at least two additional animal diseases | Progress reports every 6 months |
| 10. | OSPRI has achieved a top quartile result in our staff engagement survey | Baseline survey year one then annually |
| 11. | Unplanned attrition is less than 10% annually | Rolling 6 monthly reporting |
| 12. | 90% of primary users are positive about the functionality and usability of our information technology and systems | Baseline survey year one then 6 monthly surveys |
| 13. | We collaborate and partner with others to achieve biosecurity objectives of mutual benefit | Report 6 monthly of projects and effort working with others |

APPENDIX 3: 2019–2020 KPIS

| Ref | Key performance Indicator | Measured by |
|-----|--|---|
| 1. | Maintain national herd period prevalence of no more than 0.02% | As measured through data and analysis and reported quarterly |
| 2. | There are no more than 20 TB infected status cattle or deer herds | As measured through data and analysis and reported quarterly |
| 3. | There is a 12.4% reduction in TB vector risk areas | As measured through data and analysis and reported quarterly |
| 4. | Through risk-based testing there is a reduction in annual cattle and deer numbers tested by 244,900 and 21,300 respectively | As measured through data and analysis and reported quarterly |
| 5. | A compliance traceability scale is established | A compliance traceability scale will be developed and NAIT compliance will be baselined |
| 6. | 95% lifetime traceability of animals from January 2020 is maintained | As measured through NAIT data and analysis and reported quarterly |
| 7. | Less than 20% of animals are auto-registered in NAIT | As measured through NAIT data and analysis and reported quarterly |
| 8. | More than 75% of movements are recorded within 48 hours in NAIT | As measured through NAIT data and analysis and reported quarterly |
| 9. | 100% of movements are recorded within 5 days in NAIT | As measured through NAIT data and analysis and reported quarterly |
| 10. | OSPRI achieves an 80% engagement score | Staff engagement survey |
| 11. | Unplanned attrition is less than 12% | Rolling 6 monthly reporting |
| 12. | OSPRI is ISO45001 (Occupational Health and Safety Management System) accredited | OSPRI implements ISO45001 |
| 13. | The OSPRI Total Recordable Frequency Rate (TRIFR) reduces by 15% (from 29.3 to 25) | Measured through data analysis and reported monthly to OSPRI's Board |

| Ref | Key performance Indicator | Measured by |
|------------|--|--|
| 14. | HR Strategic Plan is delivered | An HR Strategic Plan will be developed and implemented |
| 15. | More than 80% of stakeholders express “trust and confidence” in OSPRI and its programmes | Stakeholder survey |
| 16. | The Contact Centre maintains an average call answering time of less than 2 minutes | As measured through data and analysis and reported quarterly |
| 17. | More than 80% of our primary users are positive about the functionality and usability of our information technology and systems | Staff and stakeholder survey |
| 18. | ISSP year one work programme delivered on time and within budget | ISSP work programme |
| 19. | There is an increase in positive and neutral media coverage of OSPRI’s work programmes | Media monitoring and analysis |
| 20. | There is a 10% increase in promotional and outreach activities | Six-monthly reporting on collaboration projects |
| 21. | Manage finances efficiently and within budget | Monthly financial reporting and annual financial modelling |

