



External Service Delivery Plan

Overall strategy

In the context of the goals and objectives set out in the Department's Statement of Strategy, to provide services to our customers in the most efficient and effective way.

Proposed governance and resourcing

External Service Delivery is managed at a Divisional level throughout the Department and overseen by the Secretary General and Management Advisory Committee.

Prioritisation process

Potential projects are assessed on a case-by-case basis.

Human resources

If an excess of human resources arises, the Department makes use of internal and external redeployment opportunities.

Background & current external service delivery

The Department has been, for many years, using external delivery extensively in a number of areas as outlined in the 'Department specific' functions listed below:

1. Registration & Movement
2. Disease Eradication
3. BSE & TSE
4. Single Payment Scheme
5. Certain Laboratory Work
6. Certain Veterinary Tasks
7. Animal By-Product Services
8. Forestry.

When combined with cross-Departmental functions, the total value of externally delivered services is almost €63 million, although not all of this is paid directly by the Department.

The Department is increasingly looking towards external delivery for 'Facilities Management' and is currently in the process of renegotiating its contract for the Backweston Campus. Cleaning and catering services across the Department's extensive office network are almost exclusively delivered externally.

The Department outsources some specialised IT functions but the trend in the past few years has been to in-source as much as possible in order to cut costs. The Department has also become an IT shared services centre for outsourcing by other Government Departments and the Department's State Agencies. The Public Sector Reform Plan outlines other steps to be taken centrally to reduce the costs of ICT provision in public bodies. The Department plans to continue using a judicious mixture of out-sourced and in-sourced delivery for IT.

Increasingly support functions are being delivered and considered for delivery outside the Department. 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, earlier this 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.

Future external service delivery

As a general rule, the Department will seek to constantly review its delivery model for all activities, especially non-core and new activities. For the purposes of considering current activities for external service delivery the following broad headings can be used; 1) Policy; 2) Scheme administration 3) Farm inspections; 4) Regulatory inspections; 5) Meat inspections; 6) Disease Control; 7) Laboratories. The key measurements used in considering whether activities are suitable for external delivery are cost and capability, i.e. whether it can be delivered cheaper or better.

- 1) **Policy:** The core of any Government Department is policy and in terms of capability, it is not an area considered suitable for external delivery.
- 2) **Scheme administration:** the Department has made significant progress in recent years improving the efficiency and effectiveness of scheme delivery. In terms of suitability for outsourcing, the following factors need to be considered:
 - a) Capability; the various schemes are made up of different processes, many of which are unique to the Department and may not lend themselves readily to external delivery. Currently the Department has unique capability in this area, especially in terms of adjusting schemes arising from CAP reform. The Single Payment Scheme (SPS) is considered especially complex to deliver.
 - b) Risk; there is a very significant risk attached; would any benefits or savings justify the risk of disallowances to the State or payments not being made?
 - c) Criticality and control; there is also an issue of how critical payment delivery is to the Department and whether outsourcing would cede any control in this area.
 - d) Potential efficiencies; it is likely that further efficiencies in scheme delivery can be made in future; the increasing dependence of the main schemes on the LPIS database, which is likely to be deepened by CAP reform, may point to an amalgamation of the administration of the main schemes.

External service providers will say that issues such as capability and control can be addressed and that risk can be managed. However in this context the recent KPMG report on the SPS commented, '*Outsourcing to a third party; Not appropriate for DAFF at present due to uncertainties in relation to long term future of SPS payments, and one off investment required to set up this model.*'

While whole-scale outsourcing may not currently be an option, there may be elements within scheme administration that could be considered, elements like those already delivered externally (i.e. the digitising of land parcels and the provision of remote sensing imagery).

- 3) **Farm inspections:** The Department has been pursuing a programme of reform including driving efficiencies and increased flexibility across its inspections via the rationalisation of staffing, reform of structures and the application of ICT solutions. The Department has placed an increasing emphasis on the application of risk assessment and audit based inspection methodologies, which is allowing for more effective deployment of resources, while effecting cost reductions. In its 'Integrated Reform Delivery Plan 2013', the Department committed to a review of the 'Delivery of Inspections' including the consideration of suitability for external service delivery.

It could be argued that farm inspections are suitable for external delivery in terms of being discreet, measurable blocks of work with fairly standard processes and outcomes. There is evidence of capability in the market, i.e. the inspections for Bord Bia's Quality Assurance Scheme are delivered externally, although there may be issues with the more complex inspections that the Department has to fulfil.

Changes in current practice would bring a financial and reputational risk; see the reasons outlined at 2 (a-d) above. In addition, the Department currently has the qualified and trained human resources to deliver the inspections. If the Department can no longer deliver its inspection requirements from within its existing resources, and having exhausted all internal redeployment opportunities, external delivery (perhaps via piece-rate and short-term contractual arrangements) should be re-examined. Moves to externally deliver inspections may also have the potential to address some current issues around seasonality and flexibility.

- 4) **Regulatory inspections:** Regulation (EC) No 882/2004 requires each Member State to prepare a single 'Integrated Multiannual National Control Plan' (MANCP). This plan must contain general information on the structure and organisation of the systems of official controls in the areas of Food Law, Feed Law, Animal Health Rules, Animal Welfare Rules and Plant Health Rules. Regulation (EC) No 882/2004 is currently being reviewed at EU level and the Department is currently engaged across the five areas above.

The Department is responsible for a significant number of specialist areas under the MANCP and this is likely to increase after the current review. Due to the specialised and regulatory characteristics of these inspections, they would be particularly complex to deliver externally. Again the application of risk assessment and audit based inspection methodologies, which is allowing for more effective deployment of resources, is effecting internal cost reductions and inspections are being delivered within existing resources. However future demands may put pressure on this current capability. If the Department can no longer deliver its inspection requirements from within its existing resources,

and having exhausted all internal redeployment opportunities, external delivery (perhaps via piece-rate and short-term contractual arrangements) should be re-examined. Moves to externally deliver inspections may also have the potential to address some current issues around seasonality and flexibility.

- 5) **Meat inspections:** The meat inspection service already relies heavily on external delivery via temporary veterinary inspectors. A lean review of the Meat Inspection Service as it operates in processing plants is being finalised and is expected to recommend how greater efficiencies may be leveraged, while ensuring that the Department continues to meet its regulatory obligations. An increasing emphasis on the application of risk assessment and audit based inspection methodologies will allow 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.
- 6) **Disease Control:** As described below the TB and Brucellosis Eradication Programmes make extensive use of the testing of animals by private veterinary practitioners (PVPS). The Department remains open to further use of PVPs and has recently moved the administration of pet passports to the private sector.
- 7) **Laboratories:** Certain types of testing are being delivered externally. A review of the Regional Laboratory Structure is completed to draft stage. This review identified the need to have a clear central strategic vision for the development and deployment of the Department's Laboratory Service as a whole. As a consequence the MAC has mandated a group to draw up a future vision statement for the Laboratory Service.

Functions currently delivered externally

No.	Action/Deliverable	Detailed Description (define scope, volumes, headcount)	Level at which contract administered (eg. Local, Regional, National)	Suitability for multi-department contracts	Annual value of contract(s) (€)	Senior Responsible Owner
Cross-Departmental Function 1 – Facilities Management						
1	Catering	4 buildings: Dublin, Portlaoise, Wexford & Clonakilty	Local	Yes	HQ Ag. Hse Dublin €15,000 - Department pays premises costs only.	Services Division
2	Cleaning	35 buildings countrywide: Cost vary in buildings due to individual requirements and input levels	Local and Regional	Yes	€789,092	Services Division
3	Security	11 buildings: Services vary but include lockup, key-holding & alarm call out.	Local and Regional	Yes	€ 315,450	Services Division
4	Security, maintenance, cleaning, landscaping, transport, reception catering and portering.	Current aggregated contracts for Backweston Labs [Redacted]	Local	Yes	€1,892,060	Services Division / Laboratories.
5	Parking	Parking services at Rossaveal Fishery Harbour Centre are delivered by an outside company	National	Yes	Contract is on a revenue-sharing basis.	Sea Fisheries Administration Division
Cross-Departmental Function 2 - Procurement/logistics						
	-					
Cross-Departmental Function 3 - Human Resource						
	-					
Cross-Departmental Function 4 - Customer Relationship Management						
	-					
Cross-Departmental Function 5 - Finance/Business Processes						
	-					
Cross-Departmental Function 6 – Inspections and enforcement, licensing						
	-					

No.	Action/Deliverable	Detailed Description (define scope, volumes, headcount)	Level at which contract administered (eg. Local, Regional, National)	Suitability for multi-department contracts	Annual value of contract(s) (€)	Senior Responsible Owner
Cross-Departmental Function 7 – Information and Communication Technology						
1	Help Desk & Deskside Support					
2	System support	}			1,162,864.26	Information Management & Technology Division (IMT)
3	System Integration					
4	Network Administration					
5	Print Service Management					
6	Application Development	}			9,129,636.00	IMT
7	Application Testing					
8	Application Management					
9	Hosting					
10	Cyber Security				32,133.77	IMT
11	IT Project Management				13,099.50	IMT
12	IT Audit	Provision of IT Audit technical support to Department's IT Audit team.	National	IT coverage within this Department but a cross Departmental framework is being put in place for audit support services.	Up to €73K per annum	Internal Audit Unit

No.	Action/Deliverable	Detailed Description (define scope, volumes, headcount)	Level at which contract administered (eg. Local, Regional, National)	Suitability for multi-department contracts	Annual value of contract(s) (€)	Senior Responsible Owner
Departmental Specific Function 1 – Registration & Movement						
1	Registration of bovine births, the issuing of bovine passports and the handling and processing of notifications in relation to farm to farm bovine movements and on-farm deaths.	Handle, scan and data process circa 1.7million items of incoming post Print and issue circa 3million items of outgoing post within specified time limits. ¹ Operate a call centre capable of handling in excess of 100,000 phone calls per annum.	National	No – Unique	€5.95million ²	AIM Division
2	Supply of Bovine Animal Tags and Birth registration documents ³	Production and delivery of approximately 2million Tag Sets and approximately 400,000 replacement tags per annum to keepers. New tag sets must be issued within 15 working days of receipt of a valid order from the keeper. Replacement tags must be issued within 3 working days of receipt of a valid application for replacement tags from the keeper	National	No – Unique	In the region of €5.8m. This is an estimate as the Dept does not pay for the tags. Payments for tags are made to the supplier directly by keepers	AIM Division

¹ Bovine passport or error letter to be posted within 2 working days of receipt of a paper application.

Bovine passport, replacement passport or imported animal passport to be posted within 1 working day of receipt of an electronic file.

Certificate of compliance applications received by post or fax before 15:00 on a working day will result in a cert of compliance or an error letter being posted the same day.

Certificate of compliance applications received by post or fax after 15:00 on a working day will result in a cert of compliance or an error letter being posted the next working day.

All movement and on-farm death notifications are processed within one working day of receipt.

² This is the 2012 figure. There is a tender process on-going which should reduce the cost.

³ Payment for the service delivered under this contract is made by **herd keepers**. The Department does **not** pay for the tags.

No.	Action/Deliverable	Detailed Description (define scope, volumes, headcount)	Level at which contract administered (eg. Local, Regional, National)	Suitability for multi-department contracts	Annual value of contract(s) (€)	Senior Responsible Owner
3	Handling, Processing and verification of pig movement notifications	All pig movements to and from the circa 2,500 pig holdings within Ireland are obliged to be notified to the Department. The external contractor receives, reconciles, processes and notifies circa 28,000 reconciled movements annually to the Department's AIM database.	National	No - Unique	€ 144,000	Animal Health & Welfare Division
4	Issuing of Pet Passports	Pet Passports are purchased from the Department and issued directly by Private Veterinary Practitioners to pet owners. Circa 7,200 per annum.	National	No – Unique	No contract as the process has been moved in its entirety to the private sector. This has resulted in a significant staff saving for the Department.	Animal Health & Welfare Division
Departmental Specific Function 2 – Disease Eradication						
1	Testing of animals by private veterinary practitioners (PVPS) under the TB and Brucellosis Eradication Programmes (DAFM paid testing represents 25% of volume of testing undertaken – the balance paid for by farmers).	DAFM pays a fixed fee on a fee per test basis (rate of fee set out in legislation) Approx. 930 PVPs 1.77m DAFM paid tests.	National	No - Unique	€ 8m approx	ERAD Division
2	Badger Capture Programme: contract with [Redacted] for badger capture, culling and vaccination duties under the TB	[Redacted] Fixed hourly rate based on number of badgers captured/vaccinated. Operatives work on a part time basis	National	No – Unique	€3m	ERAD Division

No.	Action/Deliverable	Detailed Description (define scope, volumes, headcount)	Level at which contract administered (eg. Local, Regional, National)	Suitability for multi-department contracts	Annual value of contract(s) (€)	Senior Responsible Owner
	Eradication Programme.	over a 12 day cycle supervised by DAFM staff. [Redacted] operatives are required to own, and have a licence to use a .22 calibre rifle				
3.	Contract with the [Redacted] for Badger Post Mortem Assessment. The PM procedure includes, (a) assessment of badger carcase/ trauma score, (b) harvesting specified lymphatic tissue (c) reproductive assessment (d) preparation of histology slides.	Collection of badger carcasses from various locations countrywide, delivery to [Redacted] for PM and the disposal of the carcasses following post mortem assessment. [Redacted] [Redacted]	National	No - Unique	€0.35m (includes collection and delivery of badgers, PM assessment, disposal of badger carcasses).	ERAD Division
Departmental Specific Function 3 – BSE & TSE						
1	Testing for BSE and Scrapie	80,000 tests	National	No - Unique	€1.25m	Milk and Meat Hygiene & Animal By-Products Division
2	Collection and Rendering of Fallen Bovines over 48 months	75,000 animals	National	No – Unique	€5.8m	Milk and Meat Hygiene & Animal By-Products Division

No.	Action/Deliverable	Detailed Description (define scope, volumes, headcount)	Level at which contract administered (eg. Local, Regional, National)	Suitability for multi-department contracts	Annual value of contract(s) (€)	Senior Responsible Owner
Departmental Specific Function 4 – Single Payment						
1	Maintenance of Land Parcel Identification System (LPIS) spatial database.	Map Digitisation of Land Parcel Identification System (LPIS) based on annual submission of mapping change requests from approximately 25,000 SPS applicants. Digitisation of land parcels involving 2,000 SPS applicants following ground eligibility inspections. Digitisation of 300,000 land parcels as a result of LPIS review. Maintenance of LPIS spatial database involving 1.1 million land parcels. Ongoing work includes re-digitisation of land parcels and preparation of quality reports required under EU regulations.	National	No - Unique	€ 2m	Single Payment Unit
2	Remote sensing eligibility inspections of all EU direct payment schemes.	Undertaking [Redacted] remote sensing (satellite) eligibility inspections and updating the LPIS database using the findings of inspections.	National	No – Unique	[Redacted]	Single Payment Unit
Departmental Specific Function 5 – Laboratories						
1	Outsourcing of certain analytical work.	Analysis of samples for a range of very specific analytes which are not currently part of the analytical scope of DAFM Laboratories.	€92k is centrally administered by the VPHR Laboratory on	Specific to the implementation of EU Regulations	€92k in 2012, €92k in 2013. In addition Veterinary Medicines Division outsource work to the	Veterinary Medicines National Residues Control Programme

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			behalf of Veterinary Medicines Division.	and not x departmental .	[Redacted] (€250k pa) and other external labs approx. €60k pa.	(NRCP)
2	Outsourcing of the GMO NRL functions and obligations.	Delivery of specific GMO analytical functions.	Managed by the Plant Health Laboratory	Specific for compliance with EU regulations.	€15k pa	Pesticide, Plant Health and Seed Testing Laboratory Division
3	Occasional requirements to outsource specific analytical tests where there is no in house capacity to deliver at present. This may relate to <ul style="list-style-type: none"> - Botulism bio assay and elisa testing - DNA fingerprinting of fallen stock - Etc as the need arises 	On an as required basis. The requirement for these tests are sporadic and in general are not predictable.	Managed as the need arises by the relevant Division			Relevant Laboratory Division
Departmental Specific Function 6 – Veterinary Tasks						
1	Meat Inspection Services	Temporary Veterinary Inspectors (TVI's) who are private veterinary practitioners assigned on a roster basis to slaughter plants.	National	No - Unique	Approx € 16.25m in 2013	Milk and Meat Hygiene & Animal By-Products Division
Departmental Specific Function 7 – Animal By-Product Services						
1	Laboratory testing services	Necessary testing for GTH, insoluble impurities, etc which cannot be carried out in-house	National	No – Unique	€693 to date in 2013	Milk and Meat Hygiene & Animal By-Products

No.	Action/Deliverable	Detailed Description (define scope, volumes, headcount)	Level at which contract administered (eg. Local, Regional, National)	Suitability for multi-department contracts	Annual value of contract(s) (€)	Senior Responsible Owner
						Division
2	Printing of commercial and other documents	Printing of commercial document books, record books, etc necessary for plants to maintain the required records	National	No – Unique	€9240 to date in 2013	Milk and Meat Hygiene & Animal By-Products Division
3	Translation services	Translation of an Italian document requested by the Vets – ABP being sent from a rendering plant in ROI to Italy	National	Yes	€183.20	Milk and Meat Hygiene & Animal By-Products Division
4	Training services	Cre training	National	No – Unique	€541.20	Milk and Meat Hygiene & Animal By-Products Division
5	Printing of Animal Health Certificates	25,000 certificates printed annually	Local	No – Unique	€12,000 - €24,000	Milk and Meat Hygiene & Animal By-Products Division
Departmental Specific Function 8 – Forestry						
1	Establishment a network of bait traps and pheromone lures at 52 locations nationwide	The Forest Service is responsible for implementing the forestry aspects of the EU Plant Health Directive, Council Directive 2000/29/EC of 8 May 2000 on protective measures against the introduction into the Community of organisms harmful to plants or plant products and against their spread within the Community. These bait traps and pheromone lures are required to meet	Regional National	No - Unique	€ 25,000	Forest Service Inspectorate

No.	Action/Deliverable	Detailed Description (define scope, volumes, headcount)	Level at which contract administered (eg. Local, Regional, National)	Suitability for multi-department contracts	Annual value of contract(s) (€)	Senior Responsible Owner
		Ireland's obligation under the regulation				
2	The provision of a forest pathology diagnostic service to the Forest Service.	This involves laboratory sampling and analysis of approximately 50-75 submitted samples. Please note that these figures are indicative and are non-binding. Currently the most expensive samples are €713, but many are less than that. In reality the sample number is likely to be under 50.	National	No – Unique	€35,000	Forest Service Inspectorate

Areas currently being tested for External Service Delivery or in the process of being moved to external delivery

No.	Action/Deliverable	Detailed Description (define scope, headcount, volumes, current data quality)	Key Steps for Implementation and Associated Timelines (Start/End Dates)	Suitability for Shared-Service	Suitability for multi-department contracts	Expected € Saving (inc. asmntns)	Senior Responsible Owner
Cross-Departmental Function 1 - Facilities Management							
	-						
Cross-Departmental Function 2 - Procurement/logistics							
	-						
Cross-Departmental Function 3 - Human Resource							
	-						
Cross-Departmental Function 4 - Customer Relationship Management							
	-						
Cross-Departmental Function 5 - Finance/Business Processes							
	Payroll Financial Management Banking Debt Management	The Department is proactively engaged in the Shared Services Reform Programme with senior representation on the Payroll, Banking and Finance, HR and Debt Management, driven by Project Boards reporting to the Reform Delivery Office.					
Cross-Departmental Function 6 – Inspections and enforcement, licensing							
	The Department is currently evaluating the feasibility and risks associated with outsourcing the land eligibility and cross compliance inspections under the SPS.	Confirm the eligibility and area of land declared. Confirm compliance with a range of cross compliance requirements in respect of the environment, food safety, animal traceability and animal welfare Inspection levels: Land- 5% of applicants using remote sensing and on the spot ground verification checks. 3% of bovine and ovine applicants 1% for other cross-compliance elements.	Feasibility now being considered. End Qtr 4, 2013	No	No	NA	Integrated Controls Division

No.	Action/Deliverable	Detailed Description (define scope, headcount, volumes, current data quality)	Key Steps for Implementation and Associated Timelines (Start/End Dates)	Suitability for Shared-Service	Suitability for multi-department contracts	Expected € Saving (inc. asmnts)	Senior Responsible Owner
Cross-Departmental Function 7 – Information and Communication Technology							
	Managed Print Service	Move to 100% Managed Print Service for DAFM and our shared services offerings. We currently have a semi-Managed Print Service which has accrued savings since 2010.	Preparing a tender to the Framework for the Supply of Managed Print Services (SS 0067/10) Background data being collated. Proposed commencement in Q1 2014 for 4 + 1 years	Yes	Yes	€ 300,000 over the term of the contract	Services Division
Departmental Specific Function 1 – Import controls							
	Import controls - the provision of unloading / loading and handling during physical veterinary checks of consignments of products of animal origin at Dublin port BIP	The unloading and handling of consignments during physical checks is done at present by the landlord of the premises at which Dublin port Border Inspection post (BIP) is located. (Random physical checks are mandatory at a frequency set under Commission Decision 94/360/EC). The fee is set by and paid directly to the landlord by the importer [Redacted] Performing the function this way has been deemed inappropriate and unsatisfactory. Estimated cost [Redacted]- to be recouped in full via levy to be applied to all consignments in an equitable manner	In the process of implementing an increase in fees for veterinary checks at the BIP. Tender document being prepared – will go to the market in Qtr 1, 2014	Yes	Yes	N/A	NDCC & Veterinary International Division