

FSADOC Delivery Model Assessment

A Delivery Model Assessment (DMA) is an analytical, evidenced based approach to assist reaching a recommendation on whether a department should offer a service, or part of a service, in house, procure entirely from the market or adopt a hybrid solution. The standard government best-practice process and step can be found at Annex 1. Cabinet Office have advised that FSA are not in a mandated scenario for undertaking a DMA. FSA have reviewed the delivery models available as best practice.

Defining the Service to be reviewed

The current outsourced element of the Delivery of Official Controls in FSA approved establishments in England and Wales. This represents c100% of OVs and c50% of Meat Hygiene Inspectors. Out of scope of the process is the FSA employed MHIs.

FSA EMT considered the key tender objectives of Delivery Certainty, Market Resilience and Contract Affordability and agreed the following priority order:

- **Delivery Certainty** - maintaining the service continuity of high-quality Meat Official Controls is seen as the highest priority.
- **Improving Market Resilience** - ensuring a robust competitive market to procure the outsourced element of the service from now and in the future.
- **Contract Affordability** - the cost effectiveness and affordability of the outsourced service also needs to be carefully considered.

Long List of Delivery Models

1. Full Insourced delivery by FSA
2. Continued delivery of the current outsourced element (Current Delivery Model)
3. Hybrid delivery (Insourcing of x% of OVs to have a hybrid OV and MHI model)
4. FSA Government Owned Company (GovCo) delivery

Further insourcing of any currently outsourced services (models 1 and 3 above) has been excluded from the short list due to the FSA decision to pause the programme exploring the insourcing of vets for a number of reasons including cost, civil service pay restraints and complexity¹. This programme is paused for the remainder of the Spending Review period which ends in March 2025. Future partial insourcing of OV roles remains under consideration through the Vet Resourcing Programme, if this becomes a viable option Cabinet Office have advised that a Delivery Model Assessment would be required. A flexibility clause will be included in future contracts to allow for a change to the delivery model should partial insourcing become more viable.

Model 4 would require the setting up and implementation of a GovCo as a non-departmental public body (NDPB) that would be owned by FSA but would deliver the services as a private company. Cabinet Office approval would be required for this model but this would only be considered as an option of last resort if there were no suppliers in the market to deliver these services. Given that FSA has always received a number of bids for these services, this option has been discounted.

Therefore, currently, there is only one viable delivery model, which is to continue to outsource the delivery of these services. As such, no further assessment is required and this will be fed into the procurement strategy.

¹ [Chief Executive Report to Business Committee December 2022](#)

Annex 1 – Delivery Model Assessment Process

1 Frame the challenge 1

Clarify the programme objectives, timescales and drivers of change. Identify stakeholders and set up working teams and governance approach.

2 Define the Service, Delivery Model Options and Data Inputs 1

Identify the service components and the options for how they might be delivered, including how service components might be combined or disaggregated to best deliver the desired outcomes

3 Establish strategic and operational evaluation criteria 8

There are many potential issues to consider in the selection of a delivery model. Evaluation criteria will be specific to each programme but the following areas give some examples of the potential key issues that might determine the most appropriate strategic approach for delivery and the relationships you will need to develop with the supply chain.

3 Establish strategic and operational evaluation criteria

Strategy and Policy

Consider how well the delivery model aligns with departmental and government strategies and policies. How will it ensure delivery of strategic objectives, such as SME engagement, equalities or social value?

Transition and mobilisation

Consider how easy it will be to transfer existing services into the new model. If this is a new services, what challenges will you face setting up and mobilizing the service? Consider issues such as recruitment (or TUPE implications), timescales and systems developments.

Service Delivery

Consider how the delivery model will guarantee ongoing service quality, innovation and continuous improvement. What management structures will be required, whether insourced or outsourced? How will you manage SLAs and KPIs?

People and assets

Consider the capabilities and skillsets needed and existing capacity (internal or in the external market). What flexibility will you need (e.g. if volumes change) and how well can the delivery option meet these needs? What will the training and recruitment impact be? What other investments may be required and who will own any assets (including intellectual property)?

Risk and impact profile

Identify the commercial and operational risks that may impact the delivery of services.
Who is best placed to manage these risks and how might they be mitigated by the delivery option?

4 Assess the whole life cost of the project 1/2

Use your strategic approach and service definition to identify the cost drivers for the transition and mobilization phase and a period of running.
All projects should develop an appropriate Should Cost Model

5 6 Conduct the evaluation and align the analysis 2

The cross-functional team should assess each of the evaluation criteria against the agreed weightings.
Learn from objective evidence, past projects and colleagues across the public and private sector (this may include engaging with the market) to test and sense-check your findings.
Consider a Red Team review to validate your findings.

7 Recommendations and approvals 1

Develop and document your recommendations and ensure approval via the project board

8 Piloting and implementation 2

Build your commercial strategy and identify any requirements to pilot the outcome of your assessment (see Guidance Note)

Key

1 Page count in DMA Guidance