

# Summary of Responses: Call for Evidence on the impact of discounts on charges for official controls and other official activities in relation to meat premises

This paper aims to provide a high-level summary of responses received to the call for evidence for official controls and other official activities in relation to meat premises.

## Introduction

This paper aims to provide a high-level summary of responses received to [the call for evidence for official controls and other official activities in relation to meat premises](#).

The views included in this summary represent those provided by stakeholders and are provided to aid transparency, they are not a verbatim record. No inference should be taken from their inclusion in terms of FSA agreement with the views expressed or the accuracy of their conclusions, nor from the paraphrasing or grouping of views to aid clarity.

## About the call for evidence

This [Call for Evidence](#) was a first step in the FSA's evaluation of the meat charging discount scheme. It was conducted from 12 September to 24 October 2024. It sought evidence from interested parties in England, Wales and Northern Ireland on how discounts that are applied to inspection charges to businesses in the meat sector provide benefits to businesses and consumers.

Evidence was specifically sought in the following areas:

- benefits of offering a discount on charges
- any negative impacts of offering a discount on charges
- administrative burden of managing discounts on Food Business Operators (FBOs), Official Veterinarians (OVs) and Meat Hygiene Inspectors (MHIs) as well as any suggestions for simplifying administration
- impact of being unable to provide the discount and what could happen
- how the discount or other measures could help manage or reduce the impact of the increase in charges in 2025/26 on those who will be affected
- comparisons with discounting and charging for public sector services in other regulated sectors in the UK or in other countries

## Additional background

### Official controls

The FSA is responsible for controls in meat premises across its geographical remit of England, Wales and Northern Ireland which are conducted in line with legal obligations under Official Controls Regulations (OCRs). The FSA charges operators to recover costs of providing this service under the OCR framework and is based on hours of Official Veterinarian (OV) and Meat Hygiene Inspector (MHI) time spent delivering the controls. The controls are an intrinsic part of our food system. They not only help ensure operators' compliance with food safety, hygiene and animal welfare legislation but also provide reassurance to consumer, the wider food industry, and trading partners to facilitate meat exports.

## The discount scheme

All slaughterhouses and game handling establishments receive a discount on their charges via a discount scheme which has been in place since 2016/17. It was developed by an industry group led by an independent chair and provides the greatest proportional support, relative to charges, to small businesses.

The ongoing application of a discount to charges means that the FSA is not achieving full cost recovery as required by HM Treasury Managing Public Money and equivalent guidance applicable in Wales and Northern Ireland. Where this is the case, there is a requirement for periodic review and ministerial approval.

## Characteristics of respondents

A total of 92 responses were received: 63 from food business operators, 21 from stakeholder associations, 1 from a consumer, and 7 from unknown respondent types. Responses received from Scotland are excluded from this summary given the geographical scope of the Call for Evidence but will nonetheless be considered in the round.

## Table of responses by business type

Type of business	Number of respondents
Farm	26
Abattoir	20
Small abattoir	7
Butcher	7
Unknown	7
Processor	5
Wholesaler	5
Cutting plant	5

N.B. Categorisation was based on FSA estimates, as some respondents fall under multiple categories, e.g. farms with abattoirs.

Stakeholder association respondents:

- Abattoir Sector Group (ASG)
- Association of Independent Meat Suppliers (AIMS)
- Association of Meat Inspectors (AMI)
- Brighton and Hove Food Partnership
- British Meat Processors Association (BMPA)
- British Pig Association (BPA)
- British Poultry Council (BPC)
- Consumer Council for Northern Ireland

- Farmer Retail Association
- Local Abattoirs R Key (LARK)
- Landworkers' Alliance
- National Craft Butchers (NCB)
- National Farmers Union (NFU)
- National Farmers Union Cymru (NFUC)
- National Sheep Association (NSA)
- Northern Ireland Meat Exporters Association (NIMEA)
- Pasture for Life
- Rare Breeds Survival Trust (RBST)
- Soil Association
- Sustainable Food Trust (SFT)
- Ulster Farmers Union (UFU)
- UNISON (Union for FSA staff)

## **Stakeholder responses: Summary of key findings**

### **Benefits of offering a discount on charges**

1. A recurring theme in responses from both large and small operators was that smaller operators rely heavily on the discount for their continued viability. Responses suggested that smaller abattoirs, and in turn rural communities and economies, would be disproportionately affected by any removal or reduction of the discount because it helps level the playing field between small and medium-sized businesses and larger abattoirs.

2. Responses highlighted respondents' personal pride in their work in the meat sector and the benefits associated with the support the discount provides to small abattoirs. These benefits included the ability of primary producers to access small local abattoirs facilitating the local production of meat and meat products. The role small local abattoirs can play in minimising distances animals travel to slaughter and thereby maintaining higher animal welfare standards was also highlighted. Respondents indicated that these factors are valued by consumers and contribute to greater consumer choice and benefits which larger abattoirs may not provide, such as helping preserve genetic diversity and rare breeds, enabling conservation grazing, and supporting circular rural/local economies.

3. Responses in this area were often framed counterfactually, stressing potential negative consequences if discounts were reduced or removed including the potential for abattoir closures on the basis that many smaller abattoirs were already operating in challenging conditions. Respondents suggested that potential effects could be felt at local, regional and national levels and might include the following:

- passing higher costs onto farmers who would in turn pass these onto other FBOs and retailers and ultimately consumers
- abattoir job losses, in turn affecting small local businesses who provide services to abattoirs
- lower animal welfare due to animals having to travel further for slaughter
- increased food miles and carbon emissions
- decreased consumer confidence in produce, as consumers value greater perceived traceability of locally produced meat
- increased risk of disease spread during outbreaks
- lower food security and food supply chain resilience

4. Some responses also suggested that discounts should be raised in line with planned charge increases in 2025/26.

## **Negative impacts of offering a discount**

1. The majority of respondents said there were no negative impacts of offering a discount. However, some highlighted a 'cliff edge' between discount bands 2 (75% in 2024/25) and 3 (26% in 2024/25) which they felt may discourage smaller abattoirs from growing their businesses.

## **Administrative burden of managing discounts OV, MHIs, and FBOs**

1. Many respondents stated that the administrative burden of managing discounts was not applicable to them or that they did not have the experience to comment. Managing discounts is not part of the roles of OVs or MHIs. Some FBOs indicated that they pay the invoices they receive with the discount applied and that the discount itself does not create an administrative burden to them.

2. Some respondents felt that the charging system is both complex, including the way in which the discount is apportioned via tiered bands of operating hours, and lacks transparency. Some respondents indicated that timesheets are not always accurate and that additional administrative burden on FBOs arose from checking invoices to ensure they are accurate. The associated administrative burden on the FSA in investigating and resolving these issues was also highlighted.

## **Comparisons with discounting and charging for public sector services in other regulated sectors in the UK or other countries**

1. A key theme in responses was that others in the UK food sector are not currently charged for controls or enforcement. The operators of meat premises regulated by the FSA (slaughterhouses, cutting plants and game handling establishments) bear charges that other types of meat premises and food businesses under the remit of local authorities do not. Responses also noted that dairy hygiene inspections in the UK are charged at a flat rate.

2. Responses highlighted that in other UK sectors there are often reduced charges. For example, in the private sector, there are grants for small businesses to maintain community input. In the public sector there are discounts and subsidies for education, housing, health, and transport including bus subsidies in rural areas.

3. Responses also highlighted concern about international competition and made comparisons with charges in other countries including The Republic of Ireland, Scotland, EU, France, Netherlands, Poland, Portugal, USA, Brazil, and Australia. Respondents indicated that the discount system is unique to the UK and most EU member states charge slaughterhouses based on throughput, indicating that this results in lower charges for all but the largest plants, placing the UK at a competitive disadvantage.

4. Respondents also indicated that since leaving the EU, a third-country customs and regulatory regime applies to goods imported from the UK which presents further challenges, as would the significant increases in hourly rates for OVs and MHIs anticipated in the forthcoming financial year.

## **Suggested improvements to the wider meat inspection and charging system**

Respondents shared their wider thoughts on the meat charging system and their ideas as how it could be reformed. These are captured in this section in the interests of transparency.

1. Many respondents suggested that the current time-based charging system should be replaced by throughput-based charging approach as used in some EU countries claiming that this would drive efficiency in the delivery of official controls, support smaller abattoirs and drive efficiency in

the delivery of official controls, whilst making charging more transparent and reducing administrative burden.

2. Other respondents suggested that cost savings could be made by reducing OV and MHI attendance for abattoirs not involved with exports, and by using remote inspection whereby OVs perform ante-mortem inspection via video and MHIs perform post-mortem inspection.

3. Many respondents suggested that meat inspection services do not provide value for money, in so doing citing European Food Safety Authority (EFSA) commentary on the extent to which meat inspection can address foodborne pathogens usually associated with meat.

4. Many respondents called for a wider review of the inspection and charging system beyond the discount scheme, insisting on the need to address serious service delivery inefficiencies in order to make the delivery model more cost-effective. Proposals included the FSA convening a steering group or working group with industry stakeholders, alongside offering the FSA support in making a case to HM Treasury as part of its Spending Review process arguing for a pause on any further reductions in discount funding and ringfencing of that funding.

## **Next steps**

Initial findings from this Call for Evidence helped inform a paper for the FSA Board which was [discussed at their open meeting on 11 December 2024](#). The Board directed FSA officials to continue stakeholder engagement to enhance the evidence base. Face-to-face stakeholder engagement sessions in Belfast, Cardiff and London have since taken place.

The FSA will thoroughly review all the evidence it gathers during this engagement. This will inform a further paper for the FSA Board to be discussed at its open meeting on 18 June 2025. Ministers will ultimately make decisions on the nature and purpose of any future support for the sector.