

Chief Executive's Report to the Business Committee

FSA BC 25/09/03 - Report by Katie Pettifer

Incidents

1. The FSA is currently not handling any non-routine food safety incidents. However, Business Committee Members may wish to note the following routine incidents that have attracted recent media attention.
2. The FSA's Incidents and Prevention teams have been working with the UK Health Security Agency, Food Standards Scotland, and local authorities in investigating an outbreak of Salmonella linked to consumption of eggshell membrane capsules. These capsules can be taken as a health supplement for joint pain and stiffness. The outbreak, first identified in May, is of concern as the strain identified is antibiotic resistant. We have issued specific instructions to the public to ensure the proper disposal of the product if in their possession, alongside advice from public health authorities through [an updated alert](#). We are working with online retailers to ensure the implicated product is removed from sale and are liaising with authorities in China (where the product appears to have been imported from), to establish the source of the contamination.
3. Committee members may be aware of recent media coverage regarding recalls of several 'Dubai-style chocolate' products, which have been popularised through social media. [General advice to the public on issues around labelling of allergens in such products](#) was issued in June, including advice from our Chief Scientific Adviser. FSA has been investigating several related incidents, predominantly involving unlabelled or incorrectly labelled allergens but also potentially unauthorised ingredients and foreign bodies. Alerts have been issued for three products since July. Two of these were Food Alerts for Action, providing local authorities with specific action to be taken for consumer safety. Advice has also been provided to industry, and ongoing discussions are taking place with the relevant trade bodies.

Operations

4. The FSA has withdrawn the approval from Birmingham Halal Abattoir to operate as a red meat slaughterhouse effective from 15 August 2025. This decision – made by an internal panel independent of Field Operations delivery – followed a recent 'poor' rated audit outcome (Urgent Improvement Necessary) for the business which identified one critical and four major non-compliances. The FSA sought additional guarantees for improvement, to prevent the business from losing its approval. However, despite guarantees provided by the business, a follow up visit by a Veterinary Leader identified that improvements had not been implemented.
5. Birmingham Halal is a significant meat processor in the Midlands and covers a wide halal supplier base and export markets. Since the withdrawal of approval, a new business with new directors has applied for approval to operate on the same site under the company name of Midland Meat Processors. It has been operating since 24 August, with conditional approval.

Birmingham Halal has also appealed the original decision to the Magistrate Court.

6. We are almost six months into the new five-year contract for FSA Delivered Official Controls (FSADOC) with our two suppliers, Eville and Jones Ltd (covering seven lots) and Hallmark Official Controls (covering the remaining two lots). I was able to report to the Business Committee in June that the transition between suppliers had been seamless and a good standard of delivery had been maintained in the first couple of months of the contract. This performance has continued through the first quarter, meeting the KPIs of delivery certainty, supplier resilience and affordability.

7. The contract is underpinned by a strengthened governance framework, developed through a comprehensive review of the previous model and informed by wide stakeholder input. While initial delivery has been stable, minor areas for improvement have been identified. The FSA Contracts team is working with Field Operations colleagues and both suppliers to embed continuous improvement, focusing on regional consistency of contract management application and the assessment of performance metrics. A post-implementation review is underway.

NFCU

Powers update

8. As of August, NFCU investigators have been authorised under new investigatory powers to act as 'food crime officers'. They have since exercised powers of search, seizure and post-arrest interview across three tasked operations on twelve separate occasions. The new powers enable the NFCU to use time and resources more efficiently. For example, NFCU officers have been able to carry out prompt and effective searches, with less need to call on partner agencies to support post-arrest interviews and were able to make a prompt application for a PACE production order without requiring the assistance of specialist Police Financial Investigation Units.

Operation Cedar

9. On 23 July a joint enforcement operation took place in the Leicester area supported by Trading Standards Officers and the Leicestershire Police. During the operation, one suspect was arrested, and five business premises were searched, resulting in the seizure of a large quantity of counterfeit rice products. On 30 July, a joint operation was conducted in the London and Surrey areas, supported by Trading Standards Officers, Metropolitan Police Service and Surrey Police. During the operation three suspects were arrested. One suspect attended a voluntary PACE interview, and a significant quantity of counterfeited rice was seized from a warehouse in the Hemel Hempstead area. Further enquiries are being conducted to identify additional suspects and recover new evidence linked to the sale of counterfeited rice products.

Operation Bantam?

10. Operation Bantam investigated the illegal supply of unfit food into the human food chain. Category 3 Animal By-Products (ABP) were sold to a wholesale butcher operating an unregistered cutting plant, where the meat was processed and falsely sold as halal to food outlets. Following a complex investigation, the following sentences were handed down:

- Anthony Fear: 42 months in prison for conspiracy to defraud; disqualified as a company director for six years.

- Mark Hooper: 24-month sentence suspended for two years; 200 hours unpaid work for conspiracy to defraud.
- Azar Irshad: 35 months in prison for conspiracy to defraud, breaching Regulation 19 Food Safety and Hygiene Regulations, and selling unfit meat as halal; issued an indefinite Criminal Behaviour Order banning involvement in the food industry.
- Ali Afzal: six-month sentence suspended for 21 months; 150 hours unpaid work; £5,000 costs for breaching Regulation 19 Food Safety and Hygiene Regulations.
- Fears Animal Products Ltd: Sentencing pending in 2026 after confiscation proceedings. Costs for Fear, Hooper, and Irshad will also be determined then.

Finance

11. As of 31 July, the FSA was forecasting to spend £156.7m against available funding of £161.1m, representing a £4.4m (3%) net underspend for the Agency as a whole (£3.5m Westminster, £0.8m Northern Ireland and £0.1m Wales). The forecast for each spend category falls within all respective HM Treasury (HMT) control limits, except for Westminster Resource Departmental Expenditure Limit (RDEL; see below).

12. Although we are forecasting an underspend overall in the Westminster budget, we are in fact forecasting a £0.6m (1%) RDEL overspend, offset by a 4.1m (21%) capital expenditure (CDEL) underspend. The majority of the RDEL pressure is driven by £0.6m staff cost overspends, due in part to lower than budgeted vacancy rates across the board and increased pace in filling SPS vacancies.

13. We continue to hold £2.4m of contingency budget centrally which can be used to address similar pressures arising during the year. However, there are several other live risks which, if materialise, could require the use of this budget by the end of the calendar year. The position therefore remains tight, and we are exploring options to rein in spend, should corrective action be needed as we move into Q3.

14. The 4.1m CDEL underspend is driven primarily by an underspend of £3.9m on the ringfenced IFRS16 CDEL budget, because of the reduction in lease term on the new London office from 10 years to five years. We will look to surrender this underspend to HMT at Supplementary Estimates, to minimise the overall underspend position.

15. Since the June Business Committee meeting, we have received our final Spending Review 2025 settlement from HMT.

16. We were successful in securing a flat cash RDEL settlement, in the context of significant real terms reductions to other non-protected government budgets, and a modest uplift to our capital budgets, including R&D, in support of our scientific research activities.

17. We are currently working through the implications of the flat cash RDEL settlement, including agreeing savings assumptions with Directors as we head into autumn business planning.

18. Preparation of our 2024/25 annual report and accounts is on track, with the National Audit Office (NAO) expected to start the bulk of their audit work across the summer. We are currently aiming to lay all sets of accounts before Parliament in December, subject to NAO progress.

Pay

19. We are waiting for our pay remit for grades AO to Grade 6 to be approved by DHSC ministers. Although the FSA cannot commence formal pay negotiations before our pay remit has been approved, informal discussions with trade unions are ongoing.

20. Pay for Senior Civil Servants is centrally managed by the Government following recommendations from the Review Body on Senior Salaries. This year the award was 3.25% which was paid to eligible individuals in July.

Estates

21. The new London office at 64 Victoria Street opened to staff on Wednesday 20 August. Initial access was provided to the Chair/Executive Management Team/Business Delivery Group members and all London office-based and multi-location colleagues. Access for home-enabled colleagues will follow shortly.

Senior Staff Recruitment

22. The Director of Corporate Services campaign has progressed to the shortlist stage, with interviews set for 18 September.

23. The Chief Scientific Adviser campaign is currently open and will close on 7 September. Potential candidates are being contacted, and networks are being used to attract a diverse group of applicants. Interviews for this position are planned for early November.