

FSA 22-09-10 - Minutes of the FSA Business Committee Meeting on 15 June 2022

The Core, Bath Lane, Newcastle Upon Tyne NE4 5TF

Present:

Susan Jebb, Chair; Ruth Hussey, Deputy Chair; Lord Blencathra
Fiona Gately; Margaret Gilmore; Colm McKenna; Peter Price; Timothy Riley; Mark Rolfe

Officials Attending

Emily Miles - Chief Executive (CE)

Michael Jackson - Head of Regulatory Compliance Division (For FSA22/06/17)

Maria Jennings - Director of Regulatory Compliance, People and Northern Ireland (NI)

Junior Johnson - Director of Operations via Zoom

Anjali Juneja - Director of International & UK Affairs

Professor Robin May - Chief Scientific Adviser (CSA)

Katie Pettifer - Director of Strategy, Legal, Communications and Governance

Julie Pierce - Director Openness, Data, Digital, Science and Wales

Steven Pollock - Director of Communications

Peter Quigley - Head of Chemical Safety Policy (For FSA 22/06/19a, and FSA 22/06/19b)

Tara Smith - Director of People and Resources

Rebecca Sudworth - Director of Policy

Simon Tunnicliffe - Deputy Director of Field Operations

1. Welcome and Introductions

1.1 The Chair welcomed everyone to the Business Committee meeting, including Junior Johnson, the new Director of Operations who joined via Zoom.

1.2 The Chair asked Members if they had any interests to declare in relation to any of the items on the agenda. Mark Rolfe declared he had been temporarily seconded to Hampshire County Council as Strategic Manager for Trading Standards which would relate to the Local Authority (LA) Performance item. Mark also noted he operated an official controls laboratory.

1.3 No items of other business were raised.

2. Minutes of the Business Committee Meeting on 9 March 2022 (FSA 22/06/13)

2.1 The minutes of the 9 March Business Committee were agreed as an accurate record of the meeting.

2.2 However, it was noted that there was a factual inaccuracy relating to audit capacity for official controls for meat.

2.3 Paragraph 5.3 in the minutes of 9 March stated: Colm McKenna asked what was meant by 71% audit capacity. Simon Tunnicliffe explained this related to the number of scheduled visits that had been completed. This figure was expected to rise as the pandemic eased.”

2.4 Junior Johnson confirmed the minute was an accurate record of what was said at the time, however he explained that as the team had started the work to review the Key Performance Indicators (KPIs) reported within Operations it had transpired that this KPI was reporting the % of audits completed vs the total number possible with a fully available team, not the number completed vs the number scheduled for that quarter as stated at the meeting.

3. Actions Arising (FSA 22/06/02)

3.1 No comments were raised on the progress with the actions noted.

4. Chief Executive's Report to the Business Committee (FSA 22/06/15)

4.1 The Chief Executive (CE) gave an overview, highlighting items contained in her report including incidents, National Food Crime Unit (NFCU) PACE Powers and prosecutions, a budget update, and Civil Service pay remit.

4.2 Margaret Gilmore asked how it was decided when incidents would be escalated to inform the Chair and Board in or out of working hours. Margaret also asked if there was a new trend for incidents to last longer.

4.3 Junior Johnson noted the Incidents Management Team had a clearly defined process to identify when incidents should be escalated which considered things such as risk factors, impact on public health and potential recall of items. The Chair and CE are updated weekly on all incidents.

4.4 Maria Jennings noted there had been an increase in incidents lasting longer. This was mainly due whole genome sequencing enabling foodborne disease incidents to be linked more easily and providing an improved bank of evidence.

4.5 The Chair noted she felt well sighted on incidents. The Ukraine sunflower oil incident had brought to the fore some issues in relation to decision-making processes which had been addressed.

4.6 The Chair thanked Chris McGarvey, Head of Legal Services, for his work in the FSA and wished him well in his new role at the Pensions Ombudsman. The Chair was reassured James Robinson had been appointed as the new Head of Legal Services and also pleased with the appointments of Junior Johnson, Director of Operations, and Tara Smith, Director of Resources and People, as well as internal promotions made.

5. Performance and Resources Q4 2021-22 (FSA 22/06/16)

5.1 The Chair invited Tara Smith to introduce the paper and welcomed her to her first Business Committee. The Chair thanked Pam Beadman for undertaking the role of Interim Director of Finance since September 2021, for her work on this report, and the FSA's successful Spending Review 2021 (SR21).

5.2 Tara identified highlights in the paper including the annual foodborne disease figures, recovery of meat food business compliance audits and the increase in Food Hygiene Ratings Scheme (FHRS) inspections. Tara noted the underspend had reduced by £3 million in the last financial year. Further actions were being taken this year to manage any potential underspend including overprogramming, closer links between human resources, finance and commercial teams on tenders to avoid delays, and use of the Investment Board to identify priority spending in-year. Tara noted the commission received from Her Majesty's Treasury (HMT) and Cabinet Office (CO) to model workforce reductions could impact the FSA's ability to recruit.

5.3 The Chair asked Board Members to first focus on the foodborne disease area of the report as this lay at the heart of the FSA's work and finance.

5.4 Colm McKenna felt the overprogramming was an important aspect towards addressing any potential underspend. Colm asked if the timeframe for the HMT/CO commission was known as this could present significant challenges for FSA, the budget, and our aspirations.

5.5 Tara noted the immediate deadline for the commission was 30 June to submit our plans on the modelling outlined by HMT and CO. The process was expected to involve continuing discussions over the summer with outcomes to be decided in the autumn of 2022.

5.6 The Chair agreed we should continue with our business plans for this year as changes may take some time to be agreed with HMT/CO.

5.7 The CE confirmed the FSA had been asked to provide modelling scenarios for a workforce reduction of 20, 30 and 40% by 2025, with no request to make any particular savings or reductions, but to look at recruitment controls. Other Government Departments had taken different approaches such as recruitment freezes. The Executive Management Team (EMT) would decide on recruitment controls by the end of this week. The CE noted a challenging balance was needed between the risk of underspending and failing to deliver the FSA's workload and the Government's ambition to reduce the size of the civil service.

5.8 Ruth Hussey asked for more insight into the data on foodborne disease and what this was telling us post-pandemic.

5.9 Julie Pierce noted the similarities and differences in the data on the different diseases. Campylobacter and salmonella were impacted by underreporting and increased as people started to return to their GPs. Salmonella tended to rise as international travel increased. With E. coli and Listeria, the numbers were small, and it was too early to draw much from them. This data was in its early stages and part of the Infectious Intestinal Disease (IID3) study. She noted that this data was not owned by FSA but may be useful in the future to inform campaigns to encourage changes in behaviour such as hand washing.

5.10 Rebecca Sudworth noted there was a working group from across the FSA looking at new evidence, information from incidents, and FSA tools, to examine what the data was telling us and keep it under continuous review.

5.11 The Chair asked for more information on plans for sampling and what was a reasonable target for compliance.

5.12 Julie noted the FSA continued to commission sampling and testing while working on a future model which was expected to come to EMT and then to the Board. Mark Rolfe and Robin May had been involved in discussions on the development of the new model. The new model was looking to address both business as usual and surge requirements, as well as bringing capability and resilience from European laboratories back to the UK, alongside new methods and technologies. The funding for this was agreed in SR21.

5.13 Robin May noted non-compliance ranged from authenticity with no impact to public safety to jeopardising human health. Therefore, targeted sampling for higher risk products was important as it was impossible to sample everything. The best outcome would be to work with other Departments and Agencies so one sample was tested many times.

5.14 Maria noted the sampling programme was critical to the new Food Standards Model, with targeted sampling based on intelligence gathered from the food industry and Local Authorities. Non-compliance would enable targeted enforcement.

5.15 Mark noted high-risk may include practices rather than products or a labelling issue. It was noted that the surveillance development programme was in its early days.

5.16 Margaret Gilmore asked for clarification on slippage in the Operations Transformation Programme. Margaret also asked if there were plans to address the People Survey engagement scores.

5.17 Junior Johnson noted delays to the resource allocation system have been due to potential suppliers not fully understanding the requirements. However, a workaround has been found which was working well. This part of the programme has been reset to define the new needs. Early discovery work had been done on poultry sampling – this was showing as amber as no volunteer food businesses had come forward for the trial. Segmentation was now back on track with the pilot going live week commencing 13 June 2022. Changes on digital approvals of food businesses was live from 16 May 2022, so this would allow resource to be diverted to other work. The system allowed food businesses to track their application online. Remote audits were in the procurement stage and the Board would be updated on progress in September 2022.

5.18 The CE noted that the drop in engagement score on the People Survey within Field Operations had been a concern. This was thought to be mainly due to challenging resourcing situations due to Brexit and the pandemic and consequently fewer visits from managers to teams. This was being addressed in the following ways: face-to-face engagement; meat hygiene inspectors being taken off the line for a day to find out what was going on in the rest of FSA; and publication and discussion of the FSA Strategy. The latter would help provide a clearer vision of the future which was what colleagues had wanted. The CE noted the underlying issues of low pay and meat hygiene inspectors feeling overwhelmed.

5.19 The Chair thanked the team for the huge amount of information in the report.

Action 1 - The Chair noted 180 deaths from foodborne disease annually remained a concern and asked for this item to return to the Board for further discussion to identify opportunities for continuous improvement.

6. Local Authority Performance Update (FSA 22/06/17)

6.1 The Chair invited Maria Jennings to introduce the paper. Maria and Michael Jackson gave a summary of issues covered in the paper including local authority performance during 2021-22, the next milestones in the recovery plan, and a proposal to amend the escalation procedure. The progress on projects to modernise the LA delivery model within the Achieving Business Compliance Programme would be provided for the Board in September 2022. This report provided more of a 'real-time' assessment of Local Authority performance for the first time, which was very different to the previous annual Local Authority Enforcement Monitoring System data. Local authority returns on both food hygiene and food standards are high, with only one local authority outstanding.

6.2 Ruth Hussey noted the backlog of Local Authority food hygiene inspections in 2020 as the pandemic began stood at 17,000. The current backlog is 50,000 – Ruth asked what the target amount and timeframe was to return to a business-as-usual backlog.

6.3 The Chair noted the report gave a reassuring view that local authorities were catching up on the backlog of inspections with a high level of local authority/FSA engagement. The Chair noted with concern Ruth Hussey's comment that the back log of establishments "awaiting inspection" was two and a half times more than it was prior to the pandemic.

6.4 Maria noted the backlog peaked at 60,000 during the pandemic, with the current backlog at 30,000 and expected to continue to decline rapidly.

6.5 Ruth noted this underpinned the importance of progressing the Achieving Business Compliance programme. Ruth asked what the business-as-usual backlog of inspections should realistically look like and felt that it would take some time to reduce the backlog to pre-pandemic levels. Ruth was concerned about this in the context of staff changes and shortages and wondered if this indicated a decline in standards.

6.6 Michael Jackson noted some level of decline in compliance related to businesses who had previously been inspected across all authorities. The decline was mainly due to people resourcing issues and financial pressures which are increasing in the face of spiralling costs. Some non-compliances can be sorted out quickly once the local authority had brought this to the business's attention. In relation to businesses awaiting a first inspection, Michael noted local authorities were constantly prioritising by looking at the risk profile of these business, so the businesses waiting the longest for inspection were the lowest risk.

6.7 The Chair and Ruth noted the importance of not hesitating to use the escalation procedure to help maintain the pace of reducing the backlog.

6.8 Michael confirmed all modernisation and change projects that are in train always involved appropriate representatives from local authorities across the 3 nations, usually by setting up a working group. This includes the work to develop new key performance indicators which would add value both for local authorities and FSA. The new framework would come to the Board for consideration.

6.9 Mark Rolfe congratulated the team on the greater engagement achieved with local authorities. Mark noted he would like to see the number of times a premises was visited included in reporting. Mark felt that the FSA needed to be more creative in supporting local authorities to assist them at a time when they were experiencing recruitment and retention issues.

6.10 The Chair noted a few initiatives are underway to help address recruitment and retention issues being experienced by local authorities and that the FSA is working closely with the Chartered Institute of Environmental Health on these. However, the Chair remarked that the

Board was feeling a greater level of anxiety than the Executive on the level of risk this backlog poses.

6.11 Fiona Gately felt Michael needed resource to continue to manage a strategic transition from the LA recovery plan to the new system which is being developed and which will not be in place for several years.

6.12 The Chair summarised the Board's position, noting the Board had considered the report and felt anxious about the potential risk the backlog of inspections presented. FSA should not hesitate to use the escalation process, partly to remind local authorities of the importance of focusing on this area. The Board looked forward to commenting on the new framework when it came for their consideration.

6.13 The Chair thanked the team for a huge amount of work and was pleased to hear from Mark Rolfe how much this was appreciated in the local authority community.

Action 2 - Maria noted that there is a clear pathway to restoring delivery in line with the Food Law Code of Practice that was agreed by the Board, which was entering into a crucial phase, where local authorities started to deal with the lower risk businesses. Maria agreed to come back to the Board with an update on how this is progressing.

7. Veterinary Resourcing Update (FSA 22/06/18)

7.1 The Chair invited Junior Johnson and Simon Tunnicliffe to introduce the next item which was extensively discussed at the last Board meeting. The paper gave updates on several areas of work which were linked in that they supported both continued and improved veterinary resource to deliver official controls in meat premises.

7.2 The Chair thanked Simon Tunnicliffe for his work as Acting Director of Operations over the last few months and wished him well for the future as he leaves FSA at the end of July 2022. The Chair welcomed Junior Johnson as the new Director of Operations.

7.3 Junior introduced the paper, as well as noting several additional updates which included: the Royal College of Veterinary Surgeons' (RCVS) decision to extend temporary registration easements for a further 12 months; and the agreed contract variation with the FSA's service delivery partner to cover additional costs post EU Exit and pandemic. An external auditor had been engaged to ensure the FSA had the right mechanisms in place to monitor this effectively.

7.4 The Chair put on record her huge thanks to the RCVS who had been working closely with Jane R Clark, FSA Director of Veterinary Services, and others in FSA, to assist us in developing plans. The temporary registration gave the FSA time to develop other strategies, and this was a high priority.

7.5 Colm McKenna noted the stark fall in both European and rest of the world veterinarians working with the FSA over the last 5 years. Colm noted the importance of continuing the project of bringing veterinary resource in-house. This could be complicated by the commission to model workforce reductions which had been received from HMT and Cabinet Office.

7.6 Margaret Gilmore noted how vital the agreement with our service delivery partner is to the delivery of official controls. Margaret wanted to be assured this was value for money and asked for more detail on whether the insourced veterinarians would mainly come from FSA's service delivery partner.

7.7 Fiona Gately recognised the short timescale for the insourcing project in a market where veterinarians were in short supply. Fiona noted the mitigating plans to build partnerships and investigate ways of finding newly trained veterinarians qualified to work in the UK were still at very

early stages. This needed to be addressed so the same situation would not be faced again when the temporary registration expired in a year's time.

7.8 Junior confirmed there was a clear exit strategy to temporary registration working with the RCVS. The FSA were also working closely with RCVS to offer attractive veterinary roles, focusing on both recruitment and retention. The FSA was also working with other government departments and the Government Veterinary Service to improve the supply chain of veterinarians. Junior also noted the FSA had been working with an external assurance auditing company, FSA finance and commercial colleagues, and the service delivery partner, to ensure the contract was being managed effectively. Junior confirmed the FSA was working with the service delivery partner on the insourcing process which was in its early stages at present.

7.9 The Chief Executive noted there were several actions being taken forward to address the lack of veterinary resource which included: the temporary registration easements; the service delivery partner increasing veterinary pay (the reason for the contract variation); work to develop attractive career pathways for both overseas veterinarians and those in the UK; and work with the veterinary schools to promote a public health veterinary career within the UK.

7.10 The Chair noted that the Audit and Risk Assurance Committee would be looking closely at many of these issues.

Action 3 - The Chair to write to RCVS to thank them.

8. Risk Analysis Process: Update to Business Committee (FSA 22/06/19a)/ Regulated Products Service; regular update to Business Committee (FSA 22/06/19b)

8.1 The Chair welcomed Peter Quigley to the meeting. Peter explained that this was the first stand-alone risk analysis paper report as opposed to it being included in the Chief Executive's Report as previously. The paper on the regulated products service provided an update on performance indicators to combine both speed and quality considerations. Further measures would be developed as the service became more established.

8.2 The Chair was interested to know how indicators would help the FSA to see if they were genuinely supporting innovation, as a positive experience from applicants would be affected by whether their product was approved or not.

8.3 Rebecca Sudworth noted a contact had been identified to assist the team with an external review of the regulated products service, and the team expected to report back to the Board once this review had been completed.

8.4 Ruth Hussey felt there was a need for an end-to-end service measure which recognised when there was a need to pause the process, as well as a need to set up data gathering systems to build up a baseline of data over time. This would give a basis on which to set targets.

8.5 Tim Riley felt a critical path analysis or flow chart was needed to be able to scrutinise how this worked.

8.6 Rebecca confirmed once further data had been collected, further thinking would be done.

8.7 The Chair noted the Board had agreed that this would be a regular standing item to see progress being made. The Chair noted Board Members should get in contact with Rebecca and Peter directly if they wanted more background on this. This was a developing area and there was value to be gained from a critical friend approach.

Action 4 - Colm McKenna noted plans for a 'deep dive' into risk analysis and the management process by ARAC had been deferred until the first 12 months of the process had passed. This should now be taken forward.

9. Any Other Business

9.1 None was raised, and the meeting was closed. The date of the next meeting was 14 September 2022 and would take place in Belfast.