

# Minutes of 11 March 2024 Business Committee Meeting

FSA BC 24/06/01

## Minutes of the FSA Business Committee Meeting on 11 March 2024

Via Teams

### Present

Timothy Riley, Chair; Lord Blencathra; Hayley Campbell-Gibbons; Fiona Gately; Susan Jebb; Rhian Hayward; Mark Rolfe (for FSA BC 24/03/06)

### Officials Attending

|                     |  |
|---------------------|--|
| Emily Miles         | ? Chief Executive  |
| Sophie Badaoui      | ? Senior Advisory Lawyer (FSA BC 24/03/06)                             |
| Claire Forbes       | ? Director of Communications   |
| Junior Johnson      | ? Director of Operations   |
| Anjali Juneja       | ? Director of UK & International Affairs                               |
| Robin May           | ? Chief Scientific Adviser   |
| Ruth Nolan          | ? Director of People and Resources                                     |
| Katie Pettifer      | ? Director of Strategy, Legal, Communications and Governance           |
| Julie Pierce        | ? Director of Information and Science                                  |
| James Robinson      | ? Head of Legal Services (FSA BC 24/03/06)                             |
| Chris Rundle        | ? Head of Regulated Products Risk Assessment (FSA BC 24/03/06)         |
| Natasha Smith       | ? Deputy Director of Food Policy (FSA BC 23/06/05)                     |
| Rebecca Sudworth    | ? Director of Policy   |
| Craig Thomas        | ? Head of Commercial and Corporate Support Unit (INFO BC 24/03/01)     |
| Michael Todd        | ? Head of Planning and Performance (FSA BC 24/03/04 & FSA BC 24/03/05) |
| Richard Wynn-Davies | ? Head of Operational Assurance and Excellence (INFO BC 24/03/01)      |

## 1. Welcome and Introductions

1.1 The Chair welcomed everyone to the meeting, noting that this was his first meeting as Chair of the Business Committee. Mark Rolfe had given apologies for the meeting but would attend for item FSA BC 24/03/06. No new interests were noted by Committee Members. Members had no conflicts of interest with any items on the agenda, and no further items of business were raised.

## **2. Minutes of 4 December 2023 Business Committee Meeting (FSA BC 24/03/01)**

2.1 No comments were raised on the minutes of the meeting of the 12 June Business Committee Meeting, and they were agreed as an accurate record of the meeting.

## **3. Actions Arising (FSA BC 24/03/02)**

3.1 Progress with the actions was noted and no points were raised by the Committee in relation to the actions log.

## **4. Chief Executive's Report to the Business Committee (FSA BC 24/03/03)**

4.1 The CE introduced her report including updates on the budget underspend; incidents; and veterinary resourcing.

4.2 Business Committee Members asked about issues in resolving the incident involving Mrs Kirkham's Cheese in Lancashire; budget forecasting in the FSA; the operation of the FSA's reward and recognition scheme; and prosecutions.

4.3 On the Mrs Kirkham's Cheese incident, it was explained that faecal matter samples containing STEC had now established a clear link to Mrs Kirkham's Cheese. There were journalists who had been following the case closely but no further recent coverage. The matter was now considered closed from a Communications point of view as well as from an incident perspective. The local authority had now reapproved the cheese for sale.

4.4 On the budget underspend it was explained that HM Treasury rules did not allow departments to overspend at all, so it was usual for departments to underspend to some degree, and it was necessary to leave some headroom for audit adjustments at the end of the year. However, it was acknowledged that any underspend meant that there was resource that was not being utilised. This year there were some elements of underspend that had come as a surprise, such as the National Diet and Nutrition survey not going ahead. However, one of the most difficult issues to forecast for the FSA related to staffing costs. The underspend here was due to a combination of factors including a higher number of leavers than the budgets assumed, the time taken to fill posts and secure start dates, and the relatively high proportion of vacancies being filled internally, thus creating more vacancies. Considerable work had been done within the Executive to improve forecasting in the past couple of years, and this would continue, particularly with the new integrated financial and HR system which the agency would be using in the future.

4.5 It was noted by the Committee that the number of awards made within the FSA's rewards and recognition scheme seemed to be very high, and it was important to ensure the scheme functioned effectively as a reward scheme for exceptional work. Further information on the scheme and awards made would be provided to all Board Members.

**Action 1 - Ruth Nolan to provide further information on the awards scheme to Board Members in a future Board circulation.**

4.6 The Committee asked whether the numbers provided for prosecutions covered all cases and there were none which had been unsuccessful. It was explained that this would be double checked and confirmed following the meeting.

**Action 2 - Information on any possible unsuccessful prosecutions to be clarified at the June Business Committee meeting.**

4.7 On the 2 Sisters case, the discovery of fraud by staff had come as a surprise to the business owners who had since identified lapses in their system, which they were now seeking to rectify.

## **5. FSA Priorities and Budget 2024/25 (FSA BC 24/03/04)**

5.1 The Chair welcomed Michael Todd to the meeting and noted that the paper represented an update on an initial draft Board Members had seen at their retreat in January. Michael Todd and Ruth Nolan gave an overview of the paper covering the key priorities and deliverables for 2024/25; the focus on the regulator and policy maker roles and delivery of the FSA's statutory functions; and activity where maximum impact could be made.

5.2 The Committee asked about resource for future food law reform; and the school food pilots under the Health and Sustainability pillar of the Strategy. It was noted that on future food law reform most of the FSA's policy resource was currently directed toward Regulated Products Regulatory Reform, and it might be necessary to pivot to other areas later.

5.3 It was explained that a briefing pack was being prepared for the Board to consider on the Tuesday ahead of the Board meeting containing a legislative wish-list. It was noted that a lot of resource had been dedicated to regulatory reform and some of the capability around legislation had been diverted toward Regulated Products Regulatory Reform in particular.

5.4 On the school food pilots, the Committee heard that the pilots had been completed and a report was being prepared for publication. Discussions were ongoing with other relevant departments to consider follow-up work. There was enthusiasm to maintain the momentum around the work but limited resource available.

## **6. Performance and Resources Report Q3 2023/24 (FSA BC 24-03-05)**

6.1 The Chair invited Ruth Nolan to introduce the report. Ruth gave a general overview of the report, setting out the second iteration of the new version of the dashboard. The Chair then invited relevant Directors to address each section of the report.

### **Operational Delivery**

6.2 Junior Johnson gave an overview of the operational delivery section of the report covering progress with FBO audits; the RAG rating around wine visits carried out over the year; Official Veterinarian and Meat Hygiene Inspector attrition; and the new Key Performance Indicators for incidents.

6.3 Committee Members asked about the figures for incidents, noting that they appeared to be up over the last quarter. It was explained that this was due to the cyclical nature of the figures throughout the year and, while they were up over the previous quarter, the year-on-year figures showed a reduction. The number of outbreaks, and incidents, which were considered high-priority, however, had increased.

6.4 There were also questions around the Polish poultry products incident and the UK's access to the Rapid Alert System for Food and Feed (RASFF). There had been a decline in the number of RASFF alerts relating to poultry products from Poland containing salmonella and the Border Target Operating Model (BTOM) coming into force would also help facilitate swifter measures in the event of a similar incident. The new system that had been built to mitigate the partial loss of

access to RASFF meant that the UK now had a similar level of intelligence about incidents as it did pre-Brexit.

6.5 Given the current financial situation for some local authorities, it was clarified that it was difficult to draw a correlation between local authority activity and interventions during an incident and there was no indication that Food Hygiene Rating Scheme scores were slipping but it would not be surprising to see more incidents as the new Food Standards model was introduced, due to more targeted sampling. It was noted however, that we do experience delays from local authorities when responding to incidents.

### **Local Authority Delivery**

6.6 Katie Pettifer explained that the data included in the report was the same data seen by the Board in December and delivered an update on progress since the December Board meeting. It was explained that the CE had written to all local authority Chief Executives to remind them of the importance of delivering statutory food controls. The FSA had also been engaging actively with local authorities as part of the performance management process, and there were several examples of local authority food teams having successfully bid for additional resource without support during that process. The FSA local authority resourcing project was taking forward other measures to support with capability and capacity, including the introduction of more flexible routes to qualification. The Committee heard that local authorities were getting back on track addressing lower-risk premises following the end of the recovery period as well as the high-risk issues focussed on during the COVID-19 pandemic. The challenges for local authorities in recruiting and retaining skilled staff were outlined, and there was an update on the de-escalation of four of the six escalated cases due to additional resource being put into the food teams within those authorities as a result of the FSA's intervention.

6.7 The Committee welcomed the impact of the FSA's performance management measures and also raised concerns around the levels of delivery shown in the report. The Committee noted that while the FSA was doing what it could to help, the scale of the challenge was great, and it was important to engage with other departments and regulators on longer term solutions. It was urged that engagement with the Department for Levelling Up, Housing and Communities and other regulators would be important to demonstrate the ambition to resolve issues with non-compliance.

### **People and Resources**

6.8 Ruth Nolan gave an update on People and Resources which covered the headcount position; the declaration rate and possible reasons for low levels of responses; comparisons to civil service benchmarks; and the current limitations of the current HR system to capture socioeconomic background.

### **Science**

6.9 On Science, Julie Pierce updated the Committee about the process of evaluation of the metrics used in the dashboard; the work and membership of the Scientific Advisory Committees (SACs); success in the leverage of external funds; PATH-SAFE funding; and recruitment. The Committee asked how external funds could be leveraged further; the use of external experts; the KPIs for science; SAC associates; and measures to look at the communication of science outputs.

6.10 On the leverage of external funding, it was clarified that while the successes here should be celebrated, it could result in some circumstances where the FSA had less control over the outputs and internal money in the allocation of research would still be necessary to allow the FSA to do exactly what it wanted to achieve. The Committee emphasised the need for clarity about the ask accompanying external funds.

6.11 On the use of external experts, it was noted that SAC recruitment had gone well but there was still a large workload for them to consider and bringing in external experts could, on occasion, be helpful. There would be thorough due diligence to conduct around this, particularly being mindful of any commercial conflict of interest. There was a risk assessment process by officials to ensure that the workload for the SACs did not become unmanageable.

6.12 The Committee suggested that the future KPIs could helpfully include more detail on impact.

6.13 SAC Associates, appointed to a particular SAC for a shorter period, had yet to complete a full year on the SACs to which they had been appointed but anecdotal evidence suggested that some of those SACs to which Associate Members had been appointed were keen to retain them.

6.14 On the communication of science outputs, it was explained that there was a challenge forming a KPI around this due to a lack of a natural, quantifiable metric. As just one channel of communication, it was noted that the science newsletter audience subscribers list was growing.

## **7. Regulated Products Board Sub-group: Final report to Business Committee (FSA BC 24/03/06)**

7.1 For this section of the meeting, Mark Rolfe joined to deliver an update on the discussions of the Board sub-group on regulated products regulatory reform. He noted that the draft report had been included in the papers for this meeting and included the five proposed recommendations from the sub-group which included focussing of resources for best outcomes; reviewing the approach to public consultation; setting firm deadlines for information from stakeholders and applicants; appointing a lead responsible officer for decisions at each stage of the process; making the case to ministers about the need for resource.

7.2 The way in which the FSA currently made use of Other Regulators' Opinions (OROs) and the risks arising from unlawful sub-delegation was outlined.

7.3 Committee Members raised points about the about the speed with which the recommendations could be implemented; the importance of the reduction in the numbers within the case-load; the needs of businesses; the potential for a greater use of OROs; considerations for handling.

7.4 On the first recommendation to focus resources to optimise outcomes, it was noted that this was not a particularly novel approach and could be considered standard good practice. It was agreed that this recommendation should be put to the Board and that careful consideration of how to brief industry on changes would be required to ensure that they were understood.

7.5 It was noted that Precision Breeding (PB) created a key issue in making the case for additional resources to Ministers, as forming an approach to PB was thought of as a benefit to leaving the EU, which could not be realised if the system for approving regulated products was not properly resourced.

7.6 The need for the reduction in the caseload and its importance, not just for the optics of a properly functioning system, but for businesses to be able to receive a quick response to their applications was raised. There was a question about the potential for the recommendations to deliver this and it was urged that greater use of OROs be thoroughly considered. It was suggested that there would be an opportunity for the Board to discuss this in more detail.

7.7 Further to the information being presented, the Board would be invited to consider the recommendations included in the Board paper for the March 2024 meeting. The Committee agreed that the proposed approach would help to progress the issue but thought more could be done and asked for detailed projections of impact of the agreed measures at the next Business

Committee meeting.

**Action 3 - Rebecca Sudworth to provide the Business Committee with a projection of the impact of the agreed approach to the June 2024 Business Committee meeting.**

7.8 It was noted that there would likely be some reputational cost to the slowing or pausing of some cases and the need for careful handling around the communication of the approach would be needed.

### **Veterinary Resourcing Programme Update**

7.9 The Chair welcomed Richard Wynn-Davies and Craig Thomas to the meeting to introduce an information paper on the Veterinary Resourcing Programme. Richard gave an update, which covered the pace of progress within the programme; the progress being made to reduce reliance on the use of the Royal College of Veterinary Surgeons' Temporary Registration scheme; the retender of the existing Delivery of Official Controls contract; alternative resourcing models; extra mural studies week pilots; stakeholder engagement and communications activity.

7.10 The Committee asked about risks to the tender process emerging from the timing of an election. It was explained that the level of risk was dependant on the timing of the election but if Ministerial approval was received when expected, the necessary communications work should be completed ahead of any pre-election period. A later election could also have impacts on the approval of the full business case, though it was not certain yet that this would require Ministerial approval.

## **8. Any Other Business**

8.1 No further business was raised, and the meeting was closed. The next meeting of the business Committee will take place through Teams on 10 June 2024 at 14:00hrs.