

# Chief Executive's Report to the Business Committee

FSA BC 24/12/03 - Report by Katie Pettifer

## Incidents

1. My [report](#) to the Committee in September noted that the FSA was supporting the UK Health Security Agency (UKHSA) in responding to a national outbreak of *E. coli* STEC O145, following reported cases in April-June 2024 and, sadly, the deaths of two people. Case numbers have since stabilised, with a total of 292 confirmed cases having been reported across the UK as of 18 November 2024 and the investigation continues as a routine-level response. Domestically produced apollo lettuce remains the most likely source of the contamination.
2. We are keen to improve the way we work with industry during responses of this scale. We have begun discussions with industry bodies – I joined a recent workshop held with the Institute of Grocery Distribution (IGD) Technical Leaders Forum on lessons identified and next steps – and we will hold an industry-facing lessons identified exercise by mid-January 2025.
3. We have been working with Food Standards Scotland (FSS), the Food Safety Authority of Ireland, DEFRA, local authorities, and industry to respond to peanut contamination in mustard ingredients imported from India. This has been a complex food chain investigation impacting across the food industry including the hospitality and online food delivery sectors, involving precautionary product withdrawals and recalls of 307 food products containing mustard (and mustard derivatives) across 59 brands as of 21 November 2024. We continue working with industry as they identify, withdraw and recall all affected products, and we are continually updating our proactive consumer advice. This included additional precautionary advice for consumers with allergies which was lifted on 14 November. We have also been in discussions with Indian authorities in investigating domestic producers and to seek further assurances regarding pre-export testing. New surveillance controls are being implemented at the border and inland to monitor on-going compliance and food safety controls, enabling early detection of any further issues of concern. We have also reached out to countries which have been supplied by UK businesses via the INFOSAN network, to inform them of UK findings.
4. Next month will see the second meeting of the FSA-FSS Root Cause Analysis RCA Technical Working Group. The Working Group includes business representatives from across the food chain and is chaired by the independent food safety expert Alec Kyriakides. The Working Group is a collaboration which will identify opportunities to develop guidance, case studies and good practice that can then be disseminated to help prevent incidents recurring.

## Operations

5. In mid-October, we received approval from Cabinet Office and HM Treasury (HMT) to award contracts for the FSA Delivery of Official Controls (FSADOC) contract retender to two successful suppliers. Seven lots were awarded to Eville & Jones Ltd and the remaining two lots were

awarded to a consortium led by Hallmark Meat Hygiene Ltd. The contract term is for an initial five years with an optional two-year extension.

6. The procurement strategy was successful in achieving the FSA's strategic objectives: Delivery Certainty; Improving Market Resilience; and Contract Affordability. The successful bidders were notified on 24 October and a series of communications to key stakeholders followed during the same day. Work has commenced on formal engagement with the suppliers on the critical phase of transition with modifications to systems and processes to manage multiple suppliers for contract start date of 31 March 2025.

7. The FSA's use of the bulk application process for the Temporary Registered Novice Official Veterinarian (TRNOV) scheme will end on 31 December 2024.

8. In England and Wales, we have successfully implemented the "Vet Track" recruitment pathway, where vets from eligible overseas universities deliver meat Official Controls, similar to those delivered by Meat Hygiene Inspectors, while they reach the required English level standards to register with the Royal College of Veterinary Surgeons (RCVS) and can be appointed as Official Veterinarians (OVs). This, and the forecast provided by our service delivery partner, has given the FSA confidence and assurance that we have a robust and sustainable alternative recruitment pathway for OVs and, as long there is no disruption to the Vet Track recruitment or other constraints on OV recruitment, the FSA will be able to deliver meat Official Controls, with the option to access RCVS's established individual Temporary Registration application route if needed.

9. Representatives from the FSA, FSS and the Department of Agriculture, Environment and Rural Affairs (DAERA) attended the RCVS Council meeting on 7 November to provide an update on progress in reducing reliance on temporary registration. The Council provided constructive feedback, focusing on operational details of the "Vet Track" pathway, as well as the complex delivery models used by the FSA, FSS and DAERA. The Council also inquired about our strategies for fostering increased domestic interest in abattoir roles. Our request to continue to access the RCVS's established individual Temporary Registration application route, if needed, was unanimously approved and will be further reviewed by RCVS Registration Committee in June 2026.

## **National Food Crime Unit (NFCU)**

10. The NFCU has achieved 75% of the disruptions target and 93% of the outcomes target in the first two quarters of the financial year. It is undertaking work to further enhance its performance forecasting process for 2025/26, using historical data to refine target setting.

11. The Unit continues to co-ordinate FSA activity supporting DEFRA in their continuing management and response to the risk of the introduction of African Swine Fever to the UK. This work focuses on the potential for disease spread facilitated by the illicit importation of raw pork and pork products from affected EU regions. It is supporting local authorities on intelligence-led enforcement activities to enable partners to bring about removal of illicit products from the food chain, when identified.

12. New industry food fraud desktop exercises were launched on 2 October. They aim to increase industry understanding of the steps to take during a food fraud incident. 23 participants from a range of industries attended the first sessions, hosted at Cardiff Metropolitan University. Feedback so far has been extremely positive.

13. Delays in the criminal justice system continue to impact on NFCU cases being brought to trial. Operation Aspen trial (Theft/Distribution Fraud) is now delayed to October 2025 and one of the Operation Bantam trials (Diversion of Animal Bi-products) has been rescheduled for February

2026.

14. A defendant in Operation Mantis (regarding 'Smokies') who pleaded guilty to their involvement in the supply of unfit meat, was sentenced on 28 October 2024 to a Community Order requiring him to complete 80 hours of unpaid work. The prosecution will make a future application for an order to confiscate the proceeds of his crime. The trial for the remaining defendants is listed for March 2026.

## **Litigation**

15. The FSA is still working jointly with other government departments to defend a judicial review challenge concerning the prosecution of animal welfare offences at approved premises. The FSA, DEFRA, and the Crown Prosecution Service (CPS) are all interested parties in that challenge. The court's decision on permission is awaited. Until that case is resolved, we do not expect that there will be case progression in most ongoing animal welfare prosecutions initiated by the CPS and stayed by the court, although guilty pleas have been entered by the defendants (a food business operator and two plant employees) in one case and sentencing is due to take place on 20 November 2024.

16. There are also currently seven appeals against welfare enforcement notices, which are stayed pending the outcome of a legal argument hearing (we await the ruling), which dealt with common legal arguments raised in all the appeals.

17. In terms of prosecution outcomes over this period, the FSA successfully prosecuted and secured a conviction against Manchester Abattoir Limited. The FSA laid 13 charges against the defendant, and the contraventions were linked to the build-up of condensation in a chiller over time. On the strength of the prosecution case, the defendant pleaded guilty to 10 of 13 charges and the prosecution withdrew the other three charges as proceeding with them was no longer in the public interest. The defendant pleaded guilty at the earliest opportunity to the most substantive offences. On 21 October 2024, the court sentenced the defendant and ordered a fine of all the charges totalling £12,000, victim surcharge of £2,000 and awarded the FSA's total costs of £14,751.

18. Inquest-related work continues, and in the week of 4 November 2024, legal instructed counsel to attend a five-day Inquest hearing to look into the cause of death of a young man who is believed to have ingested sodium nitrates – a food additive used for curing meat. The FSA is an Interested Party in those proceedings.

## **Finance**

19. As at 31 October we were forecasting to spend £143.1m, a £1.9m underspend overall (£0.5m Westminster, £0.8m Northern Ireland and £0.1m Wales). This is a significant reduction on the £0.3m overspend that was forecasted at the end of July.

20. The £0.5m Westminster resource expenditure (RDEL) underspend includes £0.3m underspend on non-ringfenced RDEL, using contingency to offset the majority of unforeseen pressures (FSADOC and the full staff pay rise), while driving out optimism bias in project budgets. Although the £0.3m underspend appears tight, we continue to engage with HMT and are expecting an additional £0.9m of resource funding at Supplementary Estimates due to an agreed CDEL to RDEL budget switch. Given this additional funding, we expect the position to ease significantly by Q3.

21. With regards to devolved areas, Wales remains close to budget at Q2 and for Northern Ireland there is a forecast underspend of £0.8m, the majority of which is ringfenced (Windsor

Framework) and expected to be returned to the Northern Ireland Department of Finance as it cannot be repurposed on other activity.

22. HMT announced a range of tax and spending measures at the Budget on 30 October, and confirmed departmental budgets for 2024/25 and 2025/26, following the first part of Spending Review 2025. The assumption was that departments would live within their indicative budget, based in the main on the 2024/25 funding position. This means that the FSA will need to absorb the cost of inflation, new activity, and any future pay increases in 2025. However, the FSA was successful in securing a £5.2m uplift to continue funding for Windsor Framework activity (replacing funding previously provided by Defra) and cover the additional costs of the new contracts for FSA's Delivery of Official Controls in England and Wales, which otherwise would have required a sharper increase in the charges passed on to industry next year.

23. The publication of the Chancellor's Budget and certainty over the FSA funding position has allowed us to start the Westminster business planning process for 2025/26. The Board will be engaged on this process throughout, and we expect to bring a final budget to Business Committee in March 2025, for your ratification. For the two years beyond this, a second phase of the Spending Review is expected to be launched in November, to conclude in the Spring. A verbal update of the Spending Review and our business planning preparations can be provided at Business Committee.

24. The 2023/24 external audit is underway, and we are working closely with the NAO to manage this work, and ensure the audit is completed on a timely basis. Our intention remains to publish the Annual Report and Accounts in December.

## **People and Resources**

25. The 2024-25 pay award of 5% for all staff is being implemented this month, with backdated pay paid in November salaries. For senior civil servants, whose salary arrangements are determined centrally by the Government following recommendations from the Review Body on Senior Salaries, the award this year was set an increase of 5%. For delegated grades, individual departments had the ability to make average pay awards up to 5%, with flexibility to address specific workforce issues, and the FSA chose to offer an across the board increase of 5%. While the goal is to implement the annual pay award by the start of the FSA's pay year in August, this year the later arrival of the pay guidance delayed the award, including backdated pay, until November. FDA, Prospect, and UNISON trade unions accepted the FSA's pay offer, while PCS rejected it but requested the award be implemented. EMT agreed that the SCS award, which was determined earlier, would be made concurrently with the delegated grade pay award this month.

26. Ethnicity is the only protected characteristic where we are below the Civil Service representation average so we are conducting an ethnicity data deep dive, which will be presented to EMT in January. This holistic, end-to-end interrogation and analysis of a 3-year sample of data regarding the employee lifecycle and experience for ethnic minority colleagues in the FSA will enable us to identify any barriers facing ethnic minority colleagues and develop targeted evidence-based solutions, as necessary.

27. We have now moved to two of the three new suppliers for our Occupational Health service, providing activities such as sickness absence referrals, and our Employee Assistance Programme (EAP). To date, positive feedback has been received by users of both. We are implementing the migration plan for the third supplier who will provide health surveillance, including hearing and lung function tests, for operational staff.

28. In September, we received notification from our landlords regarding the implementation of a lease break at Clive House, with an exit deadline set for June 2025. We have submitted our office space requirements to the Government Property Agency (GPA), along with a request to

retain a central London office. This request has been approved, and the GPA has identified four potential sites for our consideration, which we will visit in November.

29. Planning permission for the new, York Hub was unanimously granted by the City of York Planning Committee. Treasury is reviewing funding, with a decision expected mid-November. We will begin to review our future requirements for York post 2027 next year. We have now vacated the space at 3 Arena Central in Birmingham. We are exploring a pilot to open up use of the excellent facilities in Cathays Park, Cardiff to a wider group of FSA staff.

30. As part of our People Plan, we are now delivering targeted training in areas where we know we need to improve our capabilities (for example, several courses on improving drafting skills and written communication, and policy skills). A cross-FSA group of officials who lead elements of market authorisation work have also completed a tailored training programme on leading through complexity. Our management and leadership development programme, FSA Ascend, is now well underway with five cohorts launched this quarter alone.

31. Between August and October 2024, 69 recruitment campaigns were launched to fill 83 roles. Bulk recruitment campaigns are currently in progress for the next phase of Trainee Official Auxiliaries (TOAs) and Qualified Official Auxiliaries (OAs).

32. The Interim Director for Wales campaign has successfully concluded, and Sian Bowsley joined us on 21 October.