

Chief Executive's Report to the Business Committee

FSA BC 26/03/03

Incidents

1. Since my last report, the FSA has led the food safety response to the contamination of infant and follow-on formula with cereulide toxin (*Bacillus cereus*). The contamination is potentially linked to a commonly used base ingredient in formula products, arachidonic acid (ARA) oil, although investigations are ongoing to establish the root cause. The FSA has worked closely with UK Health Security Agency, Department of Health and Social Care, Food Standards Scotland (FSS), Food Safety Authority of Ireland, and other UK health protection bodies to rapidly remove affected products, secure replacement supplies and reassure parents through the FSA's consumer alerts and news updates signposting NHS advice, including around changing formula brands if necessary.

2. The response has also involved close collaboration with industry to identify affected products, and amplify recalls, which have mirrored significant efforts globally. The FSA and Food Standards Scotland established action levels for cereulide in infant and follow on formula based on our risk assessment. These action levels closely aligned with those recommended by European Food Safety Authority (EFSA). Scientific analysis showed the impact of the differences between FSA and EFSA levels on public health were likely to be minimal and levels could be considered comparable in terms of public health protection. To support businesses as they responded to this complex incident, we concluded it was appropriate to take a harmonised approach, advising that the action levels recommended by EFSA should apply, and where these are exceeded, products should be removed from the market.

3. The Incident and Resilience Unit issued the first instalment of the Incident Prevention Bulletin (12 March) which provides consistent, timely information on topical incidents, prevention activity and outputs, to help avoid foodborne disease and illness as well as adverse physiological effects. The bulletin is available via subscription to trade associations, and local authorities in England, interested food businesses not affiliated to associations, and via industry engagement in the Devolved Administrations.

National Food Crime Unit (NFCU)

4. Following a complex investigation by the NFCU, Liam Dooney, of Wigan, was sentenced at Bolton Crown Court on 27 January 2026 to a total of two years and six months' imprisonment after pleading guilty to handling stolen goods. The offences formed part of a wider fraud involving the distribution of more than £500,000 worth of poultry. The offenders cloned business details from McDonald's franchises to unlawfully secure consignments of chicken and turkey. As part of the investigation, the NFCU recovered 16.8 metric tonnes of stolen poultry.

5. On 5 February 2026, the NFCU, supported by colleagues from across the FSA, assisted a local authority with enforcement activity targeting illegal importation.

6. Multiple labelling offences were identified, resulting in Trading Standards issuing a warning letter. Approximately three tonnes of suspected illegal pork, with no European Health Commission documentation, was discovered and detained as part of the operation. A determination regarding further enforcement measures is pending.

Strengthening international cooperation

7. The NFCU, the FSA's wine inspection team and our international team hosted eight delegates from the Italian Control and Quality Regulation Authority and the Scottish Food Crime Intelligence Unit for a two-day visit in which we examined shared threats, intelligence, prevention and operational collaboration. The team also brokered Food Standards Scotland joining the existing Memorandum of Understanding between the FSA and the Italian Control and Quality Regulation Authority, with an updated Memorandum of Understanding to be signed this month.

Finance

8. As of 31 December, the FSA was forecasting to spend £158.5m against available funding of £158.9m, representing a £0.4m (0.3%) net underspend for the Agency as a whole. However, despite this forecast underspend, budgets are not interchangeable between Westminster, Wales and Northern Ireland.

9. We are forecasting a £0.8m (0.7%) resource overspend in Westminster. This pressure is mainly driven by increased contractor costs associated with the delivery of official controls, lower than expected industry income and significant new work arising from the SPS agreement.

10. We are holding a level of contingency centrally, which can be used to address this resource pressure. However, a number of significant financial risks remain, including a material risk relating to the VAT treatment on digital services. As a result, the financial position remains tight and requires continued careful management.

11. Looking ahead to 2026/27, Westminster's annual business planning exercise is progressing well and the budget position for Wales and Northern Ireland are becoming clearer. The proposed business plans and budget allocations for 2026/27 are detailed in a separate paper, which will be presented to Business Committee.

Civil service pension scheme disruption

12. Capita has taken on the administration of the Civil Service Pension Scheme since 1 December 2025. However, there have been serious issues affecting members' ability to access some services, including disruption to payments for new retirees, compounded by a significant backlog of cases inherited from the previous administrator. In some cases, this has caused financial hardship which Capita and the Cabinet Office agree is unacceptable. A Civil Service Pensions Taskforce has been established to develop a pensions recovery plan which will prioritise cases with a risk of immediate financial harm, including death in service and ill-health retirements. Service levels for the most urgent cases are expected to be restored by end February, with the full service expected to be fully restored by end June.

13. We have written to recent and upcoming retirees to highlight the support that is in place for those who are affected. This includes a scheme (working to guidance issued by central Government) which offers a temporary interest free, loan of £5,000 (up to £10,000 in exceptional cases) to bridge the gap until pension payments begin. This payment is not compensation and does not affect any future rights.

Staffing updates

14. We are looking forward to welcoming Professor Ian Young as our new Chief Scientific Advisor. Ian, who is currently Consultant Chemical Pathologist at Belfast Health and Social Care Trust and Professor of Medicine at Queen's University in Belfast, is due to join us on secondment from 16 March.

15. We have several other changes taking place within our leadership team, and will also be changing some of our directorate structures over the coming months as part of our FSA Ready internal change programme.

16. Rachel Cooper and Beth Chaudhary will be returning to the Department for Education this Easter at the end of their year-long loan to the FSA. I would like to thank them for their excellent leadership of the Strategy and Regulatory Compliance Directorate over the past year, guiding it through significant change and delivering major milestones including securing Government funding for the next phase of food regulation reform, shaping future healthy food sales approaches with DHSC, and developing the FSA Ready programme.

17. Following a successful campaign, Emily Antcliffe has been appointed as the new Director of Strategy, Trade and Food System Policy and will join us in early April. Emily joins us from the Department for Work and Pensions, where she is currently the Strategy Director, and has also held senior roles in HMRC, MHCLG and DHSC.

18. When Emily joins, she will take on leadership of the Strategy and Regulatory Compliance Directorate and the International Trade and Devolution team. We will formally create our new Strategy, Trade and Food System Policy Directorate and our Food System Resilience Directorate later this year. The campaign to recruit a Director of Food System Resilience is currently live, with interviews planned in early May.

19. Ed Clift has been asked to take on the role as Chief Financial Officer at Cabinet Office on promotion on a temporary basis for six months from the beginning of March. Ed has been an excellent Deputy Director Finance, Planning and Commercial, steering the organisation through a busy period beset by considerable change, and we wish him well in this excellent opportunity at the Cabinet Office. We have run an open competition to find a temporary replacement for Ed, and I'm pleased to tell you that Steve Churchyard has been appointed on temporary promotion to Deputy Director to cover the role.

20. Michelle Patel has left her role as Deputy Director, Analysis to take up a new role, on promotion, as Director of Marketing and Engagement at The Pensions Regulator. I would like to wish her every success. We are not recruiting a replacement for Michelle, instead we will be splitting the responsibilities between Rick Mumford and Amie Adkin.