

Food Standards Agency

# Consolidated Annual Report and Accounts

For the year ended 31 March 2021

Food Standards Agency

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For the year ended 31 March 2021

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Government Resources and Accounts Act 2000

Accounts presented to the House of Lords by Command of Her Majesty

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# Performance Report

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# Our year in numbers

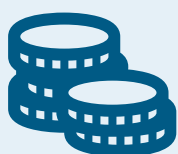
## Net cost of FSA in 2020/21:

**£114.2 million**

Activity and performance across England, Wales and Northern Ireland:

### Major change programmes

#### EU Transition



**£1.4 million**

funds supplied as grants to local authorities to support their end of transition period readiness

#### Achieving Business Compliance



Almost

**55,000**

new businesses registered with our new digital Register a Food Business service

#### Operational Transformation



We have identified nearly **150** stakeholders, engaged with **50+** external stakeholders, held nearly 50 engagement sessions

#### Food Hypersensitivity



**58,000+**

accounts registered onto food and allergy intolerance e-training platform

### Science

#### Science and evidence



Our total science and research spend

**£12.8 million**

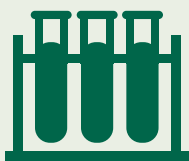
#### Surveillance



**7,510**

total number of samples taken as part of the FSA's sampling activities

#### Social science



**75%**

of people aware of the FSA trusted the FSA to ensure food is safe and what it says it is

## Operations and delivery

### Incidents



We were notified of and investigated  
**2,157**  
incidents

### Meat food business operators



**98.5%**  
rated 'satisfactory' or above  
for compliance

### Animal welfare



**99%+**  
of all animals processed in  
slaughterhouses were done  
so in compliance with  
animal welfare legislation

### NFCU intelligence reports



**2,594**  
intelligence reports recorded  
and disseminated during  
2020/21

### Local authorities during COVID-19



**20,602**  
unique page views of our  
COVID-19 guidance for local  
authority enforcement  
partners

### Food hygiene ratings



More businesses supplying  
food directly to consumers  
achieved a rating of 5  
(‘Very good’):  
**73.6%**

## Northern Ireland

### Nutrition



**2,916** more recipes  
inputted by users into  
MenuCal

## Being the best organisation we can be:

### Civil Service People Survey



‘High performing’ Civil  
Service Department:  
**70%**  
employee engagement  
index score

### On social



**2.16 million**

The number of times our  
COVID-19 content was seen  
in 2020/21 across social  
media platforms

### Diversity and inclusion



**0.81%**  
points increase in FSA  
declared minority ethnicity  
since March 2020

### Diversity and inclusion



**0.52%**  
points decrease in FSA staff  
with a declared disability  
between March 2020 and  
March 2021

# Overview

---

This overview sets out our purpose, key functions and vision.

## About the Food Standards Agency

Established in 2000 following several high-profile outbreaks of foodborne illness, the Food Standards Agency (FSA) is the independent government department working to protect public health and consumers' wider interests in relation to food in England, Wales and Northern Ireland. Our mission is food we can trust.

Our work not only protects people, but also reduces the economic burden of foodborne illness and supports the UK economy and trade by ensuring that our food has a strong reputation for safety and authenticity in the UK and abroad.

We are responsible for the systems that regulate food businesses and we are at the forefront of tackling food crime.

The FSA's role does not just cover food safety, but also other consumer interests in food, which include price, availability, and some aspects of food production standards like environmental concerns and animal welfare.

Our work is underpinned by the latest science and evidence and agreed at our open Board meetings. Transparency is a guiding principle for the FSA and key to maintaining public confidence.

## Mission and vision

Our overarching mission is food we can trust, and our vision is comprised of the following goals:

- food is safe
- food is what it says it is
- consumers can make informed choices about what to eat
- consumers have access to an affordable diet, now and in the future\*

\* the FSA only holds nutrition policy in Northern Ireland, not in England and Wales.

## What we do

Our overarching mission is food we can trust.

**Effective and innovative food regulation** – we ensure the effectiveness of the food regulatory system. We constantly refine our regulatory approach to make it easier for businesses to do the right thing in a complex, fast moving, global food ecosystem.

**Protecting the public from foodborne disease** – we work with farmers, food producers and processors, consumers, and the retail and hospitality industries to reduce the risk of foodborne disease (food poisoning), which has a societal burden of approximately £9.1bn per annum.

**Controls on abattoirs and primary production** – we implement checks at abattoirs, and we audit and inspect meat cutting plants, game handling establishments, wine producers and on-farm dairy establishments. We also monitor and report on classified shellfish production areas for contamination and marine biotoxins.

**Risk analysis** – we use science and evidence to provide advice to ministers in England, Wales and Northern Ireland on food safety and consumer interests. We advise ministers on the authorisation of new products coming to the market.

**Food hypersensitivity** – we improve the quality of life for people living with food hypersensitivities and support them to make safe and informed choices to effectively manage risk.

**Food crime** – our National Food Crime Unit is a dedicated law enforcement function which provides leadership on food crime.

**Food and feed incident handling and response** – we respond to food incidents, taking action to protect consumers when there is a concern around the safety or quality of food (and/or feed).



Estimated foodborne  
disease-related cases:  
**2.4 million**  
in the UK (2018)<sup>1</sup>



Estimated societal cost of  
foodborne illness:  
**£9.1 billion**  
£3 billion – 13 foodborne  
pathogens.  
£6 billion – unattributed  
foodborne illness

<sup>1</sup> FSA research (published February 2020):

[www.food.gov.uk/news-alerts/news/fsa-research-suggests-new-higherestimates-for-the-role-of-food-in-uk-illness](http://www.food.gov.uk/news-alerts/news/fsa-research-suggests-new-higherestimates-for-the-role-of-food-in-uk-illness)

## Our people

More than 1,300 people work for us to make sure food is safe and what it says it is. They include statisticians, analysts, researchers, inspectors, enforcement experts, policy professionals, economists, veterinarians and more than 500 frontline staff, who work alongside our operational delivery partners to inspect abattoirs and other primary production sites.

As a non-ministerial government department, we are governed by a Board, rather than ministers. Our Board sets the overall strategic direction of our organisation.

Food is a devolved matter, so the Welsh and Northern Ireland Food Advisory Committees provide advice and insight to the Board relating to food safety and standards in their respective countries.

The Board is also guided by independent Scientific Advisory Committees, which draw on the views of more than 100 experts, ensuring that our guidance is always based on the best and most recent science and evidence.

## The context we work in

### The UK food sector

**£120.2 billion**

agri-food sector contribution to national Gross Value Added in 2018 (UK)



**4.1 million people**

employed in the agri-food sector in Q4 2019 (GB)



**£234 billion**

consumer expenditure on food, drink and catering in 2019 (UK)



**£23.6 billion**

food, feed and drink exports in 2019 (UK)



### 500,000+ food establishments (2019/20) England, Northern Ireland and Wales

Primary producers

**4,000**



Manufacturers and packers

**17,000**



Importers/exporters

**1,000**



Distributors/transporters

**10,000**



Retailers

**121,000**



Restaurants and caterers

**407,000**



Source: Defra: Food Statistics Pocketbook<sup>2</sup>

Source: Annual report on local authority food law enforcement 2019/20<sup>3</sup>

<sup>2</sup> [www.gov.uk/government/statistics/food-statistics-pocketbook/food-statistics-in-your-pocket-summary](http://www.gov.uk/government/statistics/food-statistics-pocketbook/food-statistics-in-your-pocket-summary)

<sup>3</sup> [www.food.gov.uk/about-us/local-authorities](http://www.food.gov.uk/about-us/local-authorities)

# Forewords

## Interim Chair's foreword



**It has been the most challenging of years for the FSA and I am pleased that the Annual Report and Accounts shows that, despite the pressures of COVID-19 and preparing for the end of the transition period for leaving the EU, there has continued to be excellent progress against its strategic priorities. The former Chair, Heather Hancock, left at the end of January 2021 having guided the FSA very effectively through this period of change.**

The role of the FSA Board is to set the strategic direction of the organisation and ensure its priorities are being met. We agreed four key strategic priorities with the executive team for the FSA for 2020/2021: planning for the end of the transition period; delivering the food regulation reform programme; improving the quality of life for 2.6m food hypersensitive UK citizens; and doing the day job exceptionally well.

The FSA Board is also responsible for ensuring that the decisions and advice developed over the year are based on the best science and evidence and that the interests of the consumer are put first.

This scrutiny has been vital during the COVID-19 pandemic, as the FSA moved quickly to respond to an unprecedented set of circumstances. The organisation worked closely with the food industry, local authorities, other Government departments and devolved administrations to ensure the UK's food supply remained safe. The latest science and evidence informed its advice to the public and gave reassurance that there was a very low risk to consumers of contracting COVID-19 from food and food packaging. Where enforcement priorities were adapted to respond to the pandemic, they made sure that food safety was not compromised. Action was also taken quickly to ensure FSA vets and meat hygiene inspectors were able to continue their vital work assuring the safety of the meat supply chain. Throughout the year the Board was kept updated and reassured that consumer protection was at the heart of the FSA's response, as well as ensuring the health and wellbeing of its own staff.

There were also challenges for the FSA in preparing for the end of the transition period, but it is a testament to the resilience of the organisation that it was ready for Day One while managing the competing demands of the COVID-19 pandemic.

The Board originally set four key principles to guide the FSA's preparation for EU Exit, these were to: ensure public health is protected as effectively as it was before leaving the EU; maintain public confidence in the regulatory regime, including protecting the FSA's reputation for openness and independence; minimise disruption for consumers and industry; and give consumers as unified a regulatory system as possible across the UK. These principles guided the FSA right up to end of the transition period and continue to inform its response to developments since.

The Chief Executive told the Board in December that despite extensive preparations there would inevitably be issues that the FSA will not have been able to prepare for, meaning that agility post-transition period would be as important as its planning. The need for agility continues to be the case and the Board will play its part in guiding the FSA's response.

Finally, I am delighted to see throughout this year's annual report ample evidence that the FSA continues to deliver on its founding principles of ensuring food is safe and that it is working in the interests of consumers. Progress is being made to improve the lives of the 2.6 million food hypersensitive consumers in the UK; the FSA continues to respond to almost 2500 food incidents a year, ensuring consumers are warned about the risks in the food chain; and science remains at the heart of everything the FSA does, so that decisions and advice are informed by the most robust evidence.

Staff should be congratulated on the progress that has been achieved and the high levels of trust that they continue to inspire in the FSA.

A handwritten signature in black ink, reading 'Ruth Hussey'.

**Dr Ruth Hussey CB OBE DL**  
Interim Chair, Food Standards Agency

## Chief Executive's foreword



**I am pleased to lay before the Westminster Parliament and the Welsh Parliament, and present to the Northern Ireland Assembly, the Food Standards Agency (FSA) Annual Report and Accounts. This edition covers our performance and activities in 2020/21 across England, Wales and Northern Ireland at a net cost of £114.2 million.**

The past year is a story of progress for the FSA but also one of endurance. Like the rest of the world, the FSA has had to respond to the COVID-19 pandemic, adapting the way we work, protecting our staff, and carrying on delivering our important work in the most challenging of circumstances.

I am proud of the work the FSA has done to manage the impact of the pandemic, which is set out in further detail in this report. We played a vital role in maintaining a safe supply of food to the nation. We worked quickly and effectively to alleviate the pressure on local authorities, helping them prioritise food standards interventions, deploy diminished resources, and reduce footfall in businesses to minimise non-essential contact.

We produced detailed risk assessments on the potential transmission of COVID-19 from food and food packaging, allowing us to reassure the public that the risk was very low. This reassurance, underpinned by careful consideration of the latest science and evidence, informed the guidance we issued for consumers helping them to make informed decisions about the food they buy. We also worked hard to produce timely and useful advice for businesses and local authorities, using our communications channels to amplify our guidance and our horizon-scanning function to track developments.

The FSA's workforce proved agile and adaptable as we prioritised COVID-19 across the organisation. Thanks to our previous investment in IT and homeworking capability, office-based staff pivoted into remote working at a few hours' notice. They mobilised to support the incidents response team, while qualified Veterinary and Meat Inspection staff were redeployed to Field Operations from elsewhere in FSA. We diverted people to COVID-19 which meant slowdown in some activity, as shown in the programme milestones in this report, and underspend.

All of this work was delivered as we also prepared for the end of the transition period, the final stage of the UK's separation from the EU. This report highlights the excellent work that was done, under immense pressure, to ensure we were ready for this historic milestone.

From the start of our preparations for leaving the EU, we were determined to ensure that UK food would remain safe and what it says it is. Protecting our high standards of food safety and consumer protection would be our number one priority. We set challenging objectives for our preparedness projects and I am pleased to say that these were met.

These projects covered a range of areas of our business, including imports and exports, an extensive legislative programme, implementation of the Northern Ireland Protocol, and establishing a rigorous and transparent risk analysis process to provide independent food

standards advice and risk management recommendations after the transition period. We believe we have adequate processes in place to deal with future post EU Exit-related challenges which may arise.

We also needed to maintain our ability to manage almost 2,500 food incidents reported to us every year. To mitigate the loss of access to the EU's incident identification systems, we developed the FSA's capability to detect, respond to and prevent food safety incidents. The changes we implemented were delivered in time for 1 January, but now we must continue to work hard and be vigilante to ensure consumers remain protected.

Managing the impact of COVID-19 and preparing for the end of transition period were two extraordinary events that made the last year unique. But our annual report also shows that the FSA was determined to deliver on its other strategic priorities and our mission of food you can trust.

We have been able to make progress on our priority of making the UK a better place to be a food hypersensitive consumer. This year we held a food hypersensitivity symposium with a range of speakers and workshops, published research which found that food businesses' handling of allergens has significantly improved since new regulations came into force in 2014, and launched a successful awareness campaign targeting young adults who tend to be at a higher risk of experiencing food allergy reactions. We are also preparing businesses for October 2021, when legislation will come into force requiring food businesses to provide allergen labelling on prepacked for direct sale (PPDS) food.

The FSA is also progressing its reform plans. We have made some progress on our Achieving Business Compliance programme, which is developing a new regulatory model to give us more scope to protect consumers within the rapidly evolving global food system. We are also working towards modernising the way official controls for meat, dairy and wine are delivered so we can drive improvements with greater efficiency and resilience.

There have been many changes and challenges over the last year, but this annual report shows that the FSA has adapted well and continues to deliver on its commitment to be an excellent, modern, and accountable regulator.



**Emily Miles**  
Chief Executive and Accounting Officer

# Activities and performance during 2020/21

## The FSA: Becoming an excellent, accountable and modern regulator

In 2020 we set out four key priorities to deliver the Food Standards Agency's statutory purpose to protect public health and consumers' wider interests in relation to food. The priorities agreed by the FSA Board and executive team are listed below.

Our annual corporate business plan, which details the priorities and follows the strategic aims it identifies, will help us to achieve our ambition of being an excellent, accountable and modern regulator and deliver on our top priorities. In this section of our annual report, we state our activities and performance for the financial year 2020/21 against those priorities, strategic outcomes and their associated capabilities.

## Our strategic priorities

Our performance in 2020/21 saw good progress against all four of the strategic priorities set by the Board in March 2020<sup>4</sup>:



This was during our day to day regulatory activity including major incident response:



<sup>4</sup> [www.food.gov.uk/sites/default/files/media/document/fsa-20-03-17-fsa-activity-budget-and-additional-key-priorities\\_0.pdf](https://www.food.gov.uk/sites/default/files/media/document/fsa-20-03-17-fsa-activity-budget-and-additional-key-priorities_0.pdf)

## Coronavirus (COVID-19)

The FSA's objectives throughout our COVID-19 response have been to ensure food remains safe and what it says it is, maintaining the nation's high level of consumer protection whilst supporting industry in maintaining the nation's food supply. This has been at the same time as progressing issues associated with the UK's exit from the EU. We have also sought to ensure FSA frontline staff are protected in the execution of their duties as key workers.

### Risk assessment of COVID-19 from food



**Overall risk = Very low**

The FSA began gathering evidence to assess the risk to UK consumers, from the potential contamination of food and food packaging, in January 2020. Our assessment concluded that the overall risk to consumers was very low. Both our original risk assessment and a version updated in late April to reflect new evidence were published online, as part of our commitment to transparency and to help consumers make informed choices about food. The risk assessments were also key in informing guidance produced for both food businesses and consumers. We continued to engage with other government departments, particularly via the Scientific Advisory Group for Emergencies (SAGE) subgroup on transmission in the wider environment, and with stakeholder organisations, to understand concerns about risk and clarify queries around the latest evidence. We have commissioned research to address evidence gaps and uncertainties.

### COVID-19 Strategic and Immediate Response Group

The COVID-19 Strategic Response Group (SRG) focused on the FSA's strategic response to the COVID-19 pandemic.

At all times the SRG worked to a strict principle of subsidiarity expecting and entrusting the COVID-19 Immediate Response Group (IRG), to manage operational and tactical issues. SRG will wherever appropriate frame its considerations and decision making within the context of the 'four nations' of the UK to ensure consistency as far as possible between countries and regions, whilst taking into account specific local needs. In light of the COVID-19 incident, we are reviewing the Incident Management Plan (IMP) for the FSA.

### Mobilisation of staff and incident response activity

Since the beginning of the pandemic, more than 130 colleagues stepped forward to support the incident response team on a variety of activities. In addition, 34 qualified veterinary and meat inspection staff were redeployed to Field Operations from elsewhere in FSA, which allowed us to cover staff absences and ensure that inspection services continued without interruption. Across the organisation activities were re-prioritised with COVID-19 support given the top priority for enabling functions.

A briefing cell was assembled twice during 2020/21 for the pandemic incident response, operating for over 36 weeks in total. The purpose of a briefing cell is to collate the relevant information for the incident. This includes developing the situation report and drafting briefing documents and responses to other government departments, wider stakeholders and industry. During its operation, colleagues supporting the briefing cell produced and responded to more than:



Briefings



Situation reports



Enquiries



Emails

## Supporting our staff

Due to the nature of the pandemic and additional demands placed on staff, we carefully considered the impacts on them and implemented a variety of support measures to enable staff to protect themselves and others:



Maintained an internal staff and manager information pack and Q&A document to keep staff updated on information such as government advice and support.



We rapidly introduced changes to workplace practices in response to restrictions and all non-operational staff were immediately able to move to homeworking with no disruption to delivery.



Staff were able to utilise the existing Our Ways of Working flexibilities to balance work and home commitments.

The health and wellbeing of our staff has continued to be of utmost importance:



Fully implemented shielding arrangements in line with Government advice.



Vulnerable frontline operational delivery staff, unable to work from home, were granted special leave on full pay. Where possible, some staff were assigned home-based roles or staff engagement activities.



Established a range of measures to enable staff to temporarily isolate to control the spread of COVID-19.



recorded as COVID-19 sickness absence against total sickness absence days taken by staff



of non-operational staff had the tools to work from home from day 1 of the first lockdown



days taken as special leave to help staff balance work and caring for dependants

Our COVID-19 risk assessments were consistently reviewed and evolved over time, both those relating to our delivery of official controls in food premises as well as in our own offices, where a small number of staff were still attending to deliver critical roles. Changes were made in line with Government advice and informed by the FSA's participation in Local Incident Management Teams.

The FSA successfully secured a place on the Department of Health and Social Care Home Collect pilot, making home testing available to all frontline operational staff in England including our Service Delivery Partner. We engaged directly with our staff and provided a broad range of supportive tools and resources, while encouraging our staff to seek support at the earliest opportunity, including:



Weekly virtual coffee mornings providing a safe space to talk, listen and help each other



Increased homeworking and stationery allowance to all staff



Worked with our learning partner to provide virtual learning and development opportunities



Regular Mood Checker survey providing a simple gauge on staff morale and a safe space for individuals to seek help



Regular all staff and management calls with the CEO and senior leaders to keep people up to date



A winter wellbeing communications plan including resources to support individual and team wellbeing and resilience



Regular COVID-19 newsletter providing the latest information



Provided additional IT and other equipment to enable full-time homeworking



Recruitment and induction processes moved online

## Financial impact of COVID-19

### Additional costs £4.5 million

This includes:

<b>£1.15 million</b>	Field Operations increased overtime and on call	<b>£14.6k</b>	SCS overtime
<b>£128.31k</b>	OWOW claims/allowances	<b>£1.25 million</b>	Additional Service Delivery Partner costs
<b>£872.1k</b>	Specific COVID-19 business cases	<b>£83.8k</b>	Additional Field Operations services
<b>£57.5k</b>	IT costs	<b>£386.1k</b>	COVID-19 cost centre costs
<b>£518k</b>	Briefing Cell and outward secondment	<b>£57.3k</b>	Constructive losses

### Reduced costs £6.52 million

This includes:

<b>£3.47 million</b>	Travel and subsistence reduction
<b>£622k</b>	Training reduction
<b>£2.42 million</b>	Delayed Programme spend

### Changes in income £604k

This includes:  
Reduced income

## Here to Help

**Aims:** To support food business operators across England, Wales and Northern Ireland in the post-lockdown recovery and help make it simple for them to operate safely. To encourage food businesses, particularly those that represent the highest risk, to comply with the law and adopt safe practices specific to the pressures of COVID-19.

**When:** August and September 2020

**Spend:** £30,000

### What we did

We created the 'Here to Help' campaign with a clear call to action to visit [food.gov.uk/HereToHelp](https://food.gov.uk/HereToHelp) where core information was tailored to meet the needs of our audience. A secondary call to action to register as a food business was emphasised for new businesses start-ups. Our campaign ran alongside HM Treasury's Eat Out to Help Out initiative, helping to ensure that participating food businesses had the information they needed to provide food safely to customers.

### Case studies

We provided a series of small food business case studies from England, Wales and Northern Ireland which told powerful stories on successful adaptation in both English and Welsh. Business tips and innovation detailed in the case studies looked to inspire (rather than lecture) other business owners to sustain their business in compliance with both COVID-19 and food hygiene requirements. Case studies also provided valuable content for trade media sell-in.

### Partnerships

We joined forces with partners, including Just Eat, Uber Eats and the Nationwide Caterers Association (NCASS), to gain direct access to micro and small food businesses, rather than go via the hard-pressed local authorities. These partnerships allowed us to effectively cascade our guidance to businesses adapting their operations and participate in industry webinars to clarify specific areas of uncertainty.

### Making it easy

Mindful of the environment in which we were operating in, we provided simple easy-to-use toolkits to local authorities, members of Parliament and the Devolved Parliaments and Assemblies, and our partners. These contained ready-made bilingual assets and social media content which they could use to amplify messaging and direct people to our portal, thereby easing local authority resource pressures at the local level.

### Results

In total, we engaged with more than 100 partners, with our approach generating 576,654 opportunities to see the campaign. Targeted trade media engagement resulted in 559,889 opportunities to see with 100% positive coverage. While, webinars featuring FSA spokespeople, organised by NCASS and Ulster Hospitality, were made available to more than 36,000 food business employees across the UK.

Overall, 18,000 users visited our portal and resulted in 14,440 direct referrals of food businesses to the GOV.UK registration service, representing a 55% increase year on year.



GCS Campaign of the Month winner  
October 2020

## Where COVID-19 has impacted on activity and performance

In the following part of this Performance report, you will see an indicator against each subject activity to show the level impact COVID-19 has had on the data available or performance.



COVID-19 impact  
**Low**



COVID-19 impact  
**Moderate**



COVID-19 impact  
**High**



COVID-19 impact  
**Significant**

.....  
**DOING THE  
DAY JOB  
EXCEPTIONALLY  
WELL**  
.....

## Overall objective

Whilst delivering significant change programmes related to modernising the regulation of food, we must maintain our performance as a national regulator

Part of being an effective and modern regulator is about the proportional use of resources to leverage the greatest impact possible, operating in the consumer interest in the most efficient and effective way, while always being open and transparent. We make sure that we provide excellent value for money by being risk-based, robust, and taking decisions based on the most up-to-date science and evidence.

To continue to deliver on doing the day job exceptionally well means we need to focus on performance – the efficient and effective delivery of our responsibilities and development, progression and delivery of our capabilities.

The FSA is non-ministerial government department working to protect public health and consumers' wider interests in relation to food in England, Wales and Northern Ireland. Our overarching mission is food we can trust, and our vision comprises of four goals:



Food is safe



Food is what it says it is



Consumers can make informed choices about what to eat



Consumers have access to an affordable diet, now and in the future\*

\* the FSA only holds nutrition policy in Northern Ireland, not in England and Wales.

All performance and resources reports are published as Board papers<sup>5</sup>, where updates and progress against these measures are presented.

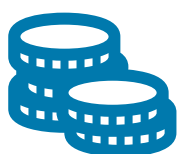
Key areas of our performance are detailed in the following pages:

<sup>5</sup> [www.food.gov.uk/about-us/our-board](http://www.food.gov.uk/about-us/our-board)

## Foodborne disease

It is the responsibility of people producing and supplying food to ensure it is safe and what it says it is. Laboratory confirmed human cases in the UK, for the period 2000 to 2020, of the four major bacterial pathogens are shown below. Only a minority of cases are reported, and samples sent for laboratory analysis. In addition, these figures are for laboratory confirmed cases from any source, not just from food. The FSA Board wanted to better understand the relative impacts of different food-related health conditions, to help with the prioritisation and efficacy of public health interventions.

We used a Cost of Illness (COI) approach to identify and estimate the costs of a particular disease to society. Based on 2018 human foodborne estimates of 2.4m cases per year, the COI model allow us to estimate that:



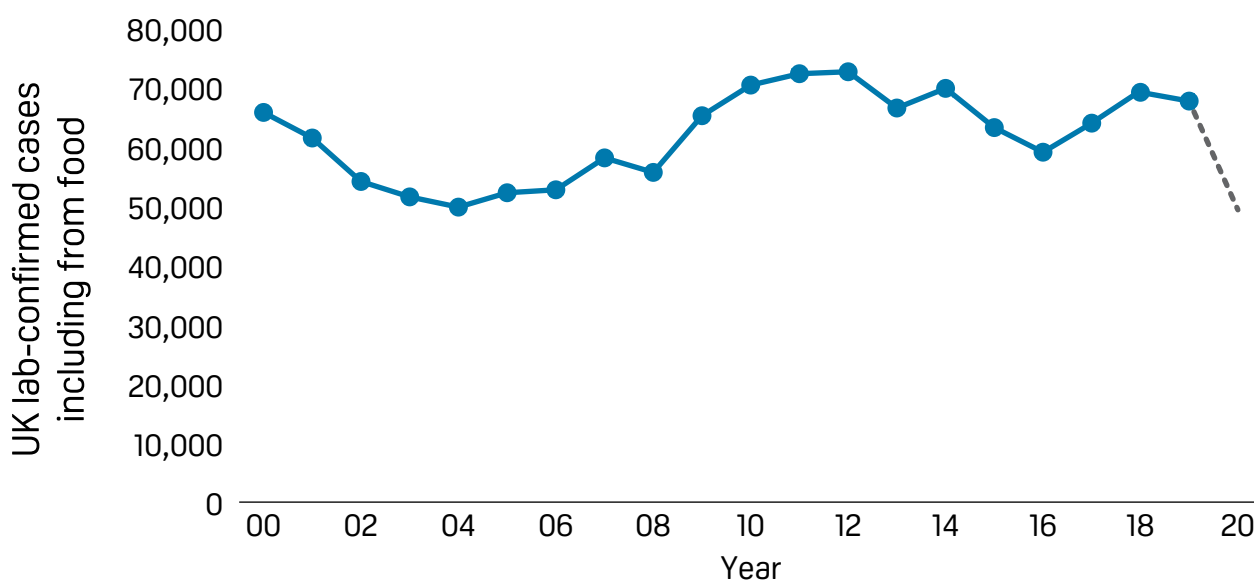
The total burden for the UK from foodborne illness £9.1 billion.



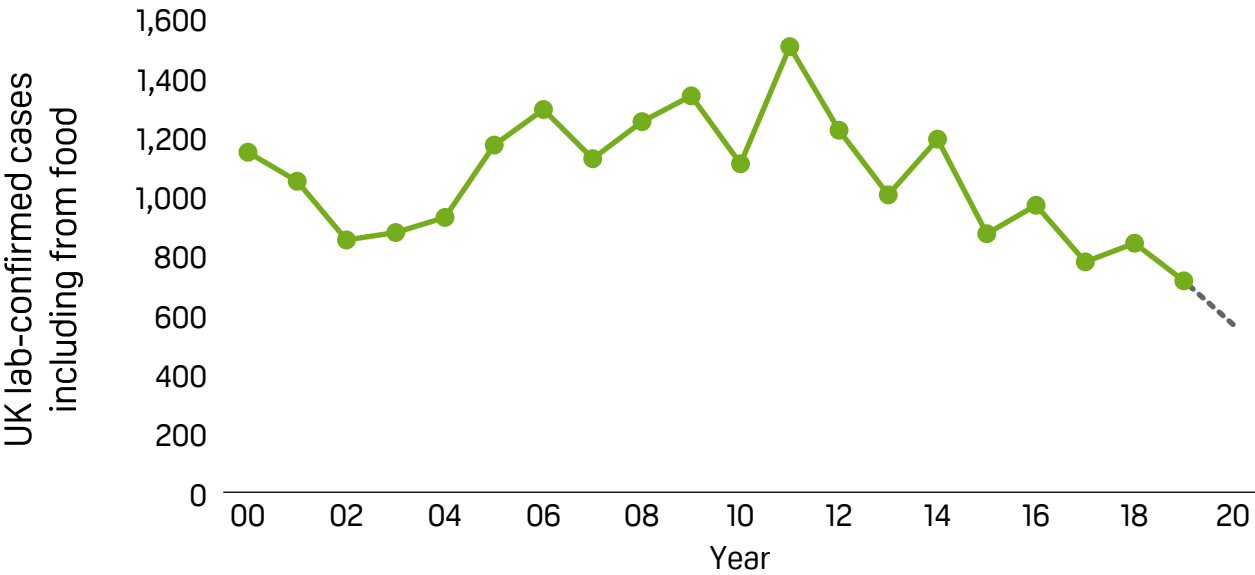
An average annual cost per foodborne disease case of £4,000.

This model identifies the direct costs of treating the diseases and indirect costs such as loss of earnings to individuals and disturbance costs to businesses resulting from time off work. The COI model we have developed also includes the monetised costs of pain and suffering that individuals incur through a foodborne illness.

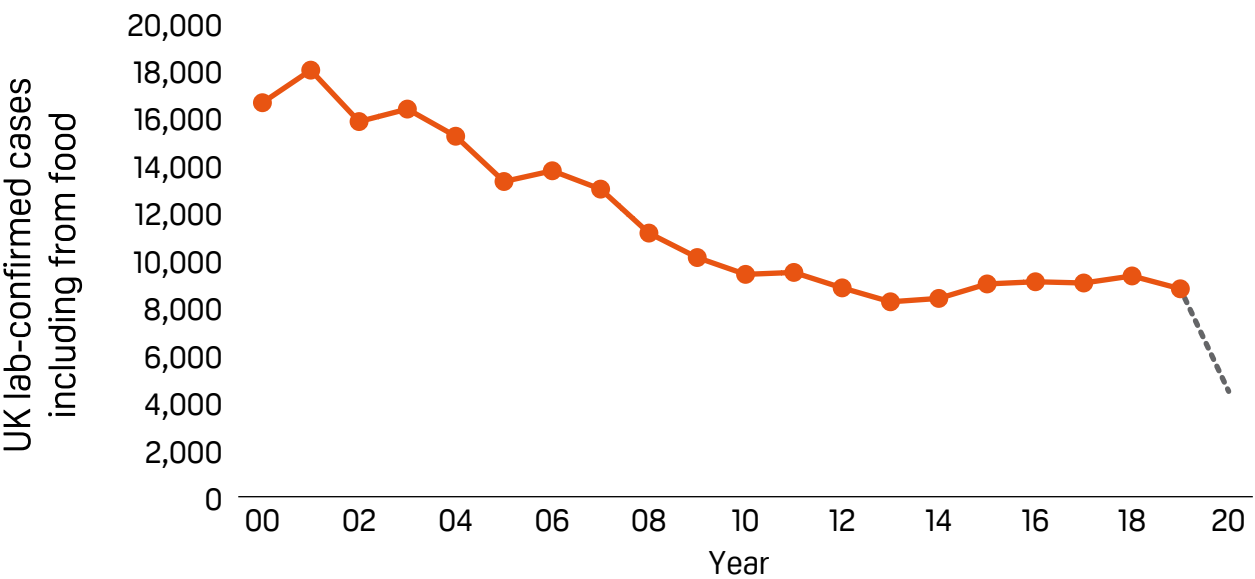
### Campylobacter



Escherichia coli O157



Salmonella



### Listeria monocytogenes



Source: Public Health England, Public Health Wales, Health Protection Scotland and Public Health Agency for Northern Ireland. Note figures for Wales for 2020 were not available at time of publication, so estimates have been made based on trends from the other 3 countries.

Confirmed laboratory reports dropped for all four key pathogens in 2020 compared to 2019, to **Campylobacter 49,222**, **E.Coli 566**, **Salmonella 4,442**, and **Listeria 136**.

This may be due to a number of factors:

**Underreporting in confirmed laboratory reports** – Not all ill people seek medical help, which may have worsened during COVID-19 as fewer people sought general practitioners (GPs) or other medical care

**Food related behaviours** – including meals eaten in restaurants, use of takeaways, home cooking from scratch and changes to hand hygiene, all may affect exposure to food safety risks. The impact of this change in behaviour is currently unknown.

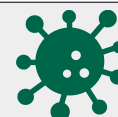
**Implementation of non-pharmaceutical interventions** – may reduce underlying levels of human cases for some pathogens which may reduce foodborne transmission, however, less likely to greatly impact the four key pathogens.

The FSA will be undertaking further work to try to estimate the impact COVID-19 has had on foodborne disease by:

- Undertaking a series of surveys on infectious intestinal disease during COVID-19. These are covering self-reported rates of infection, access to medical care, likely sources of infection and related behaviours.
- Analysis of hospital admissions. These will tend to at the more severe end of illnesses where underreporting is expected to be less of an issue.
- Working with the UK's surveillance bodies to further interpret the various sources of data and intelligence on gas.

## Surveillance

To develop a systematic approach across the FSA to effectively identify food and feed risks, we need to identify direct impacts such as a microbiological risk, crime, changes in consumer attitude to food, changes in business models, then to technical advancements in food production and our engagement. We undertake surveillance in order to protect consumers now and in the future, with the foresight to predict and act in a timely manner. This is an underpinning strategic principle for the FSA.



COVID-19 impact  
on this activity:  
**Low**

## Horizon scanning

The FSA has significantly developed its horizon scanning and foresight capability to identify signals of change, understand key emerging trends and identify priority areas for development of FSA capability and strategy in both the short and long-term.

During 2020/21, the key objectives were:



Deliver insights into our crisis response to COVID-19 at strategic level through establishment of a near-term horizon scanning function.



Build capability through recruitment of a new team.



Produce baseline evidence through scenario planning, system mapping and expert elicitation.



Establish a tasking and reporting process with the Strategy Unit, drawing together sources of intelligence across the FSA and wider.

## Progress against objectives

The FSA Board paper on Horizon Scanning (August 2020) reported on the first phase of work to deliver insights at a strategic level for our COVID-19 crisis response. Since then, we have:



Established a team to gather intelligence from across the FSA and wider, with good networks into foresight and futures communities in Government and elsewhere.



Developed tools to consider emerging macroeconomic changes, using a scenario-based approach and underpinning map of the FSA's operating environment.



Commissioned two rapid evidence assessments to develop a baseline understanding the impact of changing ways of buying and selling food and emerging technologies on food production.

We are listening actively using a panels approach to engage and gather expertise from communities inside and outside the organisation, while leading work to bring together the formal sources of intelligence – including surveillance and sampling data – within the FSA and working with colleagues to map information flows. The emerging insights and strategic options will be considered on a six-monthly basis by directors and feed systematically into business planning and strategy.

## Strategic Surveillance

We have established a flexible, responsive data-enabled Strategic Surveillance service. This harnesses the power of data science to identify emerging risks before they become risks to public health, using a variety of data sources.

We have continued to develop this service to form a better understanding of the food system, its risks and vulnerabilities, so that we, and others, can better manage consumer food risks. The Strategic Surveillance team now provides services to all FSA teams, enabling them to use data and analytics to help identify and address issues as they arise, be that strategic and global, or immediate and operational, following an agile way of working that is centred around specific real-world projects.

The Strategic Surveillance capability has evolved and matured; we have:



improved our data architecture



strengthened our data governance



created dashboards following common models that bring familiarity to users



designed and implemented data standards to ensure we have a consistent, rules-based approach to data management making it easier to maximise data that has been previously standardised and cleansed for other solutions



implemented a business change activity to embed the solutions into 'business as usual', by providing user support for adopting solutions, collecting feedback, and maintaining request backlogs for each service



introduced an ethics approach to all our Artificial Intelligence (AI) activities, including Machine and Deep Learning.














transitioned to a Cloud-based environment that standardises the way we ingest, store and visualise data



established a systematic and repetitive process for identifying use cases, conducting 'hackathon' events, regularly engaging with stakeholders

## Use cases<sup>6</sup> delivered in 2020/21:

	Achieving Business Compliance – Segmentation	FHRS Predictions using AI	
	Wales marketing approach	Bio-based food contact materials on the UK market	
	Risky food entering ports	Automated identification of feeds from manifests	
	Support with COVID-19	Identification of online food providers	
	Auto updating Risk Assessment Unit's evidence for horizon scanning	Imported food sampling results and surveillance intelligence	
	Providing information of ongoing and future activities at food and feed safety relevant international bodies		

<sup>6</sup> A use case is a description of how a user who actually uses the process or system will accomplish a goal.

## Sampling

Sampling is a valuable tool which forms one part of the FSA's regulatory approach and strategic surveillance system. Sampling provides additional intelligence and the ability to test hypotheses of potential risks in the food system.

Sampling provides benefits through improved risk intervention and performance of regulatory duties. It also enhances consumer trust and reputation, as well as improved direction of policy and risk assessment and subsequent use of public money. Additionally, sampling contributes to maintaining capability and capacity within the UK's Official Control Laboratory (OCL) system, which plays a critical role in supporting the response to Food and Feed incidents and routine enforcement activities.

For 2020/21, the key objectives were:



Publish FSA sampling framework



Deliver a short-term sampling programme to ensure the safety of the food system during COVID-19



Improve coordination on food and feed sampling across the FSA and government departments.



Develop Official Control Laboratories framework

## Progress against objectives

The Sampling Framework<sup>7</sup> was presented to the FSA Board in November 2020. This set out the FSA's future approach to sampling, with a focus on improving the impact and value for money for sampling by ensuring that priorities are informed by surveillance and intelligence activities.

A framework to set out the potential future options for the model of the OCL system is being developed with the intention of being finalised in the summer of 2021.

We ran a surveillance programme during COVID-19 to look at the safety and authenticity of food during the pandemic. Strategic surveillance informed the identification of commodities sampled, and this was carried out alongside the imported foods sampling programmes during 2020/21. Insights into potential emerging food risks were collated and prioritised to inform surveillance sampling to develop the FSA's understanding and evidence base on the potential food safety risk for these commodities.

The FSA has created a cross-government sampling group to bring together users and producers of sampling information from across the FSA and wider government. This has improved coordination and knowledge sharing. The group is currently developing data standards to facilitate the sharing of information.

<sup>7</sup> [www.food.gov.uk/sites/default/files/media/document/fsa-20-11-05-fsa-sampling-framework-our-future-approach-to-sampling-final.pdf](https://www.food.gov.uk/sites/default/files/media/document/fsa-20-11-05-fsa-sampling-framework-our-future-approach-to-sampling-final.pdf)

## Science and evidence

Science is integral to the work of the FSA. We continue to put science at the heart of everything we do to ensure that the decisions made by the organisation, and others, are informed by robust evidence. The FSA remains a science-driven organisation.



COVID-19 impact  
on this activity:  
**High**

### Objectives and strategic plan



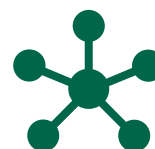
Making risk  
analysis work



Building science  
excellence



Prepared for the  
future



Growing our influence  
and impact

### Science spend

**£12.8 million**

total spending for science, evidence and research in 2020/21, compared to £12.7 million in 2019/20. This means science spending accounts for 11.2% of the Annual FSA Net Expenditure which is a flattening of the steady decrease in the proportion of science spend over the last few years.

Whilst the absolute science spend and science spending as a proportion of total expenditure has remained in line with 2019/20, the relative increase in investment and strategic spend indicates a shift in emphasis to ensure we are getting the most impact from our resources and improving long term capability and capacity.

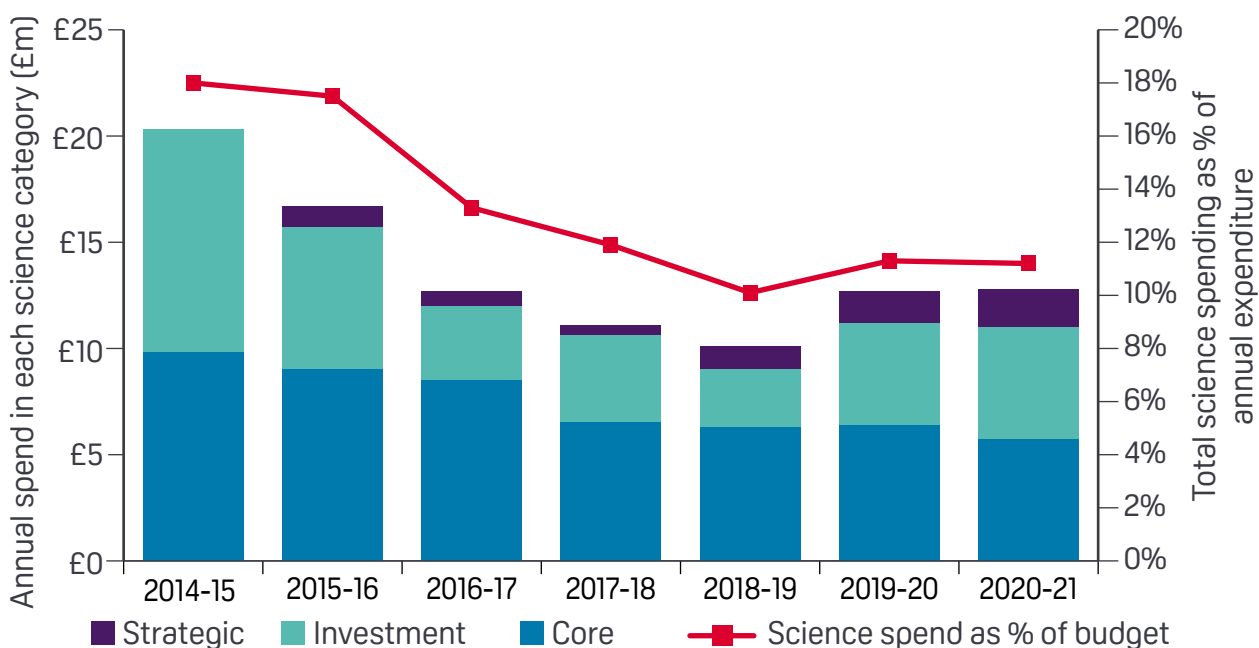
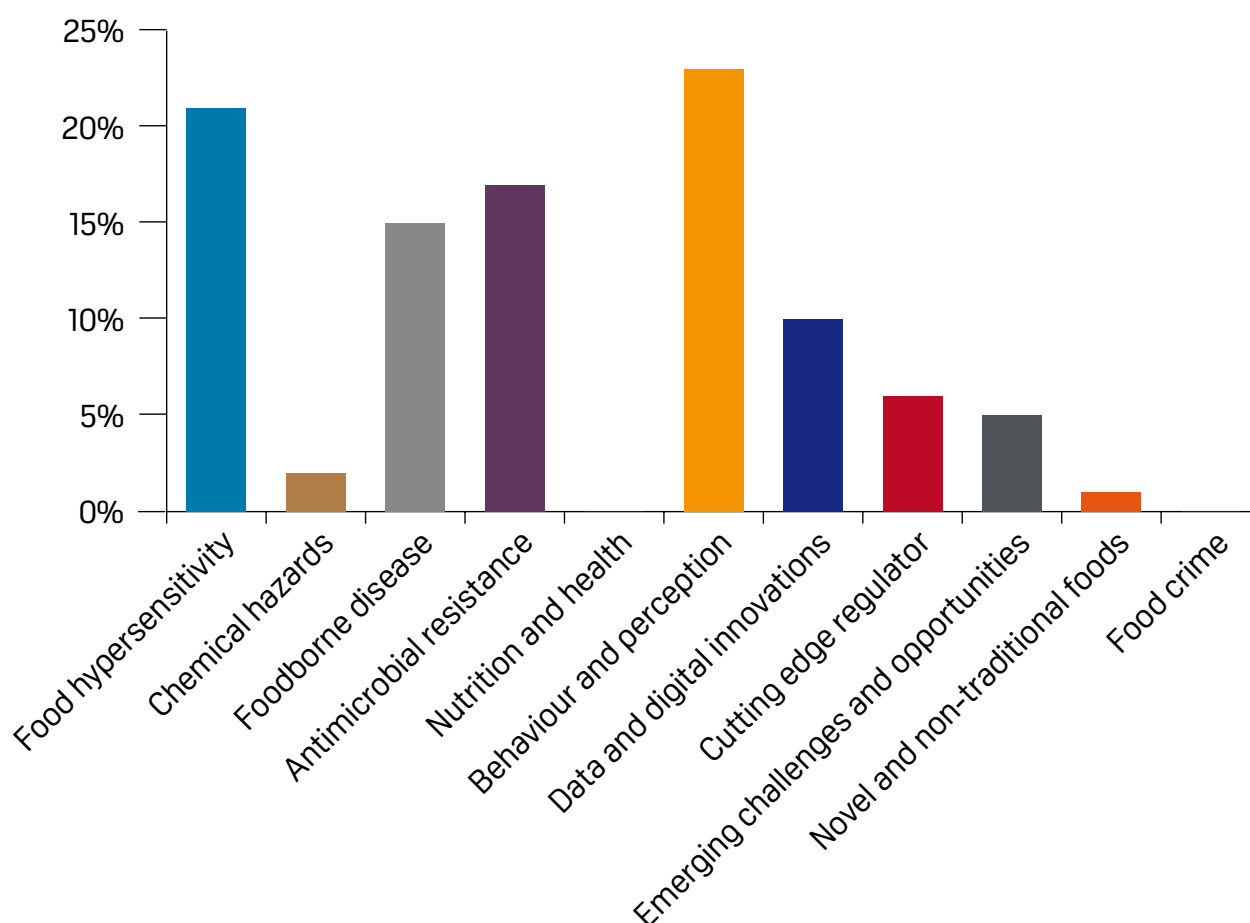


Fig. 1: 2020/21 % spend by research programme



In addition to its wider impacts, COVID-19 has meant that many projects that were initiated, or planned, prior to the outbreak were delayed and there was less ability to start new work as a result of internal and external staff being diverted to COVID-19 related activity and this has resulted in a lower than expected spend in most programmes. However, the behaviour and perception programme was increased to help understand the impact of COVID-19 on various aspects of the food system.

## Key successes and progress against objectives



Published our **Chief Scientific Adviser's Science Report on Risk Analysis**<sup>8</sup> and we have strengthened our risk analysis process.



increase in the number of our science staff



This ensured we had the **capacity** and **capability** to continue to deliver science excellence



Published our Areas of Research Interest to share our research priorities to facilitate better collaboration



Research programmes established underpinning these to strengthen our influence and impact

Established a horizon scanning function to be prepared for the future, starting with our strategic response to COVID-19 then looking out for the following change assessing the impact on the FSA's operating environment, and helping to shape potential responses (see Surveillance section above for further detail):



Technological



Social



Economic



Political



Environmental

Reviewed 'Food and You', our flagship social research survey and official statistic, moving to a new methodology which allows more flexible reporting on:



**Consumer attitudes and behaviours**



**From a larger sample**



**More often**



Delivered a sampling programme to assure the safety of food during COVID-19.



Progressed our long-term programme of work to assess and measure the societal burden of food-related risks following the completion of the burden of foodborne microbiological disease in March 2020: a partial Cost of Illness model to estimate the impact of food hypersensitivities has been built.

<sup>8</sup> [www.food.gov.uk/sites/default/files/media/document/fsa-digital-csa-report-final.pdf](https://www.food.gov.uk/sites/default/files/media/document/fsa-digital-csa-report-final.pdf)

Scientific input is essential to an effective response to the COVID-19 crisis. We are using all aspects of our science capability to ensure a suitable response. Our work in this area includes:



Enhancing our sampling and surveillance

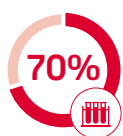


Improving our horizon scanning



Activities associated with risk assessment

Laboratory testing is a front-line service that is critical to national sampling and surveillance programmes and the number of official laboratories for food and feed has been declining and this has increased concerns about the resilience of UK laboratory network.



**reduction of total amount of samples undertaken by official labs early in the pandemic**

This increased concerns about the long-term viability of the laboratories, at a time when the national need is likely to increase in the medium to long-term, to meet extra demand for import sampling and testing following the EU transition period.

The pandemic also put stress on the global food supply chain with indications that this could increase food fraud, creating a risk to consumer safety and impacting trust.

The FSA has responded to this by developing a short-term sampling programme targeted at food risks associated with supply chain disruption during the COVID-19 outbreak and funding a method validation exchange programme to develop capability.

We had already been developing a horizon scanning capability prior to the COVID-19 outbreak which we were able to build on to understand the potential impacts of the outbreak on the food system.

The systems and tools we developed continue to be utilised to:



Inform our COVID-19 response



Ensure we are better prepared for the future

As well as being used internally, our analysis was used across Government at Ministerial level and fed into the National Food Strategy, with the Part 1 report drawing heavily on research insights from the FSA's COVID-19 tracker.

Led by colleagues in the Risk Assessment Unit, the FSA produced a comprehensive risk assessment estimating the risk associated from the transmission of COVID-19 on food and food packaging (refer to COVID-19 section above for further detail). It also delivered a number of other, more focused COVID-19 food-related risk assessments e.g. risk to shellfish from wastewater. These risk assessments were central to the FSA and wider government's COVID-19 advice to businesses and individuals. They were also shared internationally, as part of efforts to achieve international consensus on food-related risks, keeping the FSA science at the leading edge internationally.

## Social sciences

### Food and You 2

In summer 2020 we launched our new flagship consumer survey, Food and You 2. This is one of the first official statistic surveys across government to move away from traditional face-to-face surveying to the more innovative 'push-to-web' methodology. Potential respondents are contacted by post and encouraged to go online and complete a web questionnaire. A postal questionnaire is available to those who do not have internet access.

This new approach is more cost-effective compared to face-to-face interviewing and allows us to conduct fieldwork more quickly, frequently and with a much larger sample, whilst still using random probability sampling. The increased speed and frequency of fieldwork allows us to be more flexible and responsive to emerging trends; whilst having a larger sample size provides greater opportunity for analysis.

More than 9,000 adults (aged 16 and over) from more than 6,000 households across England, Wales and Northern Ireland took part in Wave 1 between July and October 2020. Respondents were asked about their food safety practices in the home; shopping habits; food security; concerns about food; and confidence in the FSA as well as other actors in the food supply chain. In addition, Food and You 2: Wave 1 contains questions co-funded by Defra. A summary of key findings is presented below:

#### Awareness, trust, and confidence in the FSA:



had heard of the FSA



of those with some knowledge of the FSA **trust the FSA to ensure food is safe and what it says it is**

**57%** reported some knowledge of the FSA, and of those, the following were confident that the FSA:



can be relied upon to protect the public from food-related risks

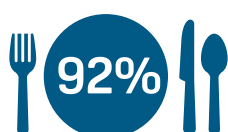


is committed to communicating openly with the public about food-related risks



takes appropriate action if a food-related risk is identified

#### Confidence in food safety and authenticity:



Were confident that the food they buy is safe to eat



Were confident the information on food labels is accurate



COVID-19 impact on this activity:  
**Low**

## Food shopping:



**85%** frequently (once a week+) bought food from a supermarket



**6%** have used Facebook Marketplace to buy food



Convenience shops (**44%**) and independent shops (**51%**) were used on an occasional basis (2-3 times a month)



**80%** often (always or most of the time) check the use-by date when shopping



**78%** often (always or most of the time) check the best before date when shopping



**34%** spontaneously reported the price of food as the attribute they consider to be important when buying food.



**91%** reported that it was important to support British (for Northern Ireland: UK and Irish) farmers and food producers.



**92%** reported it was important to buy meat, eggs and dairy which are produced with high standards of animal welfare.



**86%** reported it was important to buy food which has a low environmental impact, however, 40% reported they do not know what contributes to the environmental impact of food.

## Eating at home:



**71%** identified the use-by date as information which shows that food is no longer safe to eat.



**64%** always check use-by dates before they cook or prepare



**2%** never check use-by dates



**27%** always follow the 'eat within' on-pack instructions



**77%**

Reported 'always' cooking food until it is steaming hot throughout **in line with recommended practice**



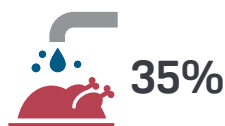
**49%**

Reported using different chopping boards for raw meat and other foods



**93%**

Reported never eating chicken or turkey when it is pink or has pink juices



Reported washing raw chicken at least 'occasionally' (**FSA advice: Don't wash raw chicken**)



Reported 'always' washing their hands before preparing food

Most respondents reported that they never ate the following foods past the use-by dates:



## COVID-19 tracker

The COVID-19 consumer tracker survey was commissioned in April 2020 in response to the COVID-19 pandemic. Many of the survey questions are like those collected in Food and You 2, but the tracker provides a monthly snapshot of key issues using a smaller sample. This monthly tracker seeks to understand consumer attitudes and behaviours in relation to food insecurity, food safety, food purchasing and consumption habits throughout the pandemic. Each month, key findings from the tracker are distributed across the FSA to monitor trends and inform the FSA's COVID-19 response. The tracker also receives interest from other government departments and for several waves has received co-funding from Defra and Food Standards Scotland (FSS).

Each wave includes a representative sample of approximately 2,000 adults, aged 16-75, across England, Wales and Northern Ireland (FSS data is captured separately). Waves 1-12 (April 2020 – March 2021) are published online<sup>9</sup>. Key findings are below.

In the COVID-19 tracker, food insecurity is assessed through the following self-reported measures:



Concerns about food availability and affordability



Skipping, or cutting down the size of meals due to financial reasons



Use of emergency food providers

Concerns about food availability and affordability peaked in Wave 1 (April 2020), declining gradually until Wave 5 (August 2020), and increasing again from Wave 6 (September 2020). According to our data (March 2021), the proportion of participants being very or somewhat concerned about food availability and affordability were:

<sup>9</sup> [www.food.gov.uk/research/research-projects/the-covid-19-consumer-research](http://www.food.gov.uk/research/research-projects/the-covid-19-consumer-research)



22%

↓ 9% points since Wave 1  
(April 2020)

### Availability



20%

↓ 8% points since Wave 1  
(April 2020)

### Affordability

Respondents were also asked if they had cut the size of or skipped meals for financial reasons (i.e. they did not have enough money to buy food). The proportion of participants who reported doing this followed similar trends to those reporting concerns about food availability and affordability:



Beginning at **18%** in April 2020, decreasing to **12%** in August 2020 and peaking at **19%** in November 2020 and December 2020. Latest data shows 17% in March 2021.



7-8%

Respondents who reported using food banks has been stable throughout most waves (typically 7% or 8%). This peaked at 10% in June 2020 and December 2020; this decreased to just 4% in August 2020 with the latest data showing 9% in March 2021.



A similar trend is also evident in reported use of government or local authority schemes to access food – typically 8% or 9% most waves but peaking at 12% in June 2020 and decreasing to 5% in August 2020. Latest data shows 10% in March 2021.

Consistently across all waves of the tracker, the following groups were more likely to report food insecurity according to the measures outlined above:



Younger age groups  
(particularly those aged 16-24)



Those in larger  
households (4+)



Households with at least one  
child present

### Food purchasing and food safety behaviours

The COVID-19 tracker also records food purchasing and food safety behaviours in the home. These have remained broadly stable across all waves of data collection, although analysis conducted as part of the COVID-19 tracker publications revealed that food insecure households (those skipping meals for financial reasons) were more likely to report eating foods past their use-by dates.

## Use-by Dates

**Aims:** To increase awareness of the behaviours consumers can undertake to avoid eating food past its use-by date.

**When:** March 2021

**Spend:** £40,000

### What we did and the results:

Findings from our COVID-19 tracker and segmentation research demonstrated that a sizable minority of people, particularly young families and those aged over 65 are ignoring the use-by date on food. We therefore developed communications to target these audiences, so they know why it's important to stick to the use-by date and to them help understand the difference between use-by and best before dates.

The campaign comprised of two strands, one social media focused to reach young families and a traditional broadcast media-based strand to reach the over 65s and beyond. We created a dedicated webpage: [www.food.gov.uk/useby](http://www.food.gov.uk/useby)

**A broadcast day** on 23 March 2021, targeted regional TV and radio. This was fronted by Robin May our Chief Scientific Adviser and Narriman Looch our Head of Foodborne Disease Control Branch, alongside celebrity doctor, Dr Dawn Harper.

This resulted in 26 interviews (20 radio and 6 TV) with regional and national broadcast outlets and reached an audience of 3.5 million at a cost of £0.01p per person. A news story ran in over 40 national and regional titles including: The Telegraph, The Times, London Evening Standard and Mail Online, through which we reached 30% of the UK population with 48,768,135 opportunities to see (OTS).

We recruited five Instagram influencers who focus on parenting and food to help us engage with the younger audience. These included our first ever Welsh language influencer and a Northern Ireland influencer duo on Instagram and Facebook. Our five influencers delivered a combined reach of 199,000 with an average engagement rate of 6%.

To engage further with parents we partnered with Mumsnet to deliver a live Q&A session – this comprised of FSA and Love Food Hate Waste experts answering live questions posted by Mumsnet participants. During this session 75 questions were asked

Overall, our food.gov page received 10,810 views with an average dwell time of nearly four minutes. This activity superseded all our KPIs and influencer benchmarks with a total audience reach of over 3.7 million. Feedback across all activity was very positive with some having learnt something new and for others, it was a useful reminder.



## Risk analysis process

Risk analysis is the process of assessing, managing and communicating food and animal feed safety risks. It is how we ensure the UK maintains high standards of food and feed safety and protect consumers by identifying and assessing risks and providing guidance to mitigate against them.



COVID-19 impact  
on this activity:  
**Low**

### Progress against objectives 2020/21

From 1 January 2021, the FSA (with FSS) has been responsible for many functions previously carried out by the European Commission and the European Food Safety Authority. We aimed to establish a rigorous and transparent risk analysis process to provide independent food safety advice and risk management recommendations. Building on previous work, our objective for 2020/21 was to refine detailed operational procedures underpinning the process to ensure they were embedded and function effectively from the end of the EU transition period. The FSA delivered the following key activities:



Reviewed risk analysis guidelines and process documentation



Updated our web pages describing the risk analysis process



Engaged with our Scientific Advisory Committees on their risk analysis role



Embedded collaborative working across other Government Departments and devolved administrations, formalising existing working arrangements



Held events to engage with industry in preparation for EU transition period, produced a suite of stakeholder engagement material



Developed clear separation between our risk assessment and management functions



Undertook an internal resilience test of the process and its overarching principles



Operationalised our new application process for regulated products



Deployed staff engagement and training on the process guidance, embedding risk analysis principles



Began to operate the risk analysis process and its governance structures from 1 January 2021

The risk analysis process has been operating effectively from 1 January 2021 and procedures have been embedded in business-as-usual work. The FSA has increased its capacity and capability for assessing and managing risks and providing advice so it can continue to deliver its new responsibilities and ensure that public health is protected. The risk analysis process provides a rigorous, transparent structure for framing risk management questions, producing the evidence and developing evidence-based risk management recommendations and advice.

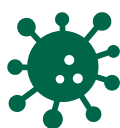
## Food incidents

Incident, resilience and consumer protection teams across England, Wales and Northern Ireland manage and coordinate the FSA's response to food and feed incidents and foodborne outbreaks. They ensure that products not in compliance with safety legislation are removed from the market. This work has continued throughout the reporting period to ensure that the UK's food and feed incident response capability is the best possible, not least in light of two major issues which could have had a bearing upon our response – the COVID-19 pandemic and arrangements with the EU countries and the Commission following the EU exit transition period.



COVID-19 impact  
on this activity:  
**Moderate**

### 2020/21 objectives



Provide emergency  
response to the COVID-19  
pandemic



During the UK's exit from  
the EU ensure food and feed  
safety remains the  
FSA's priority



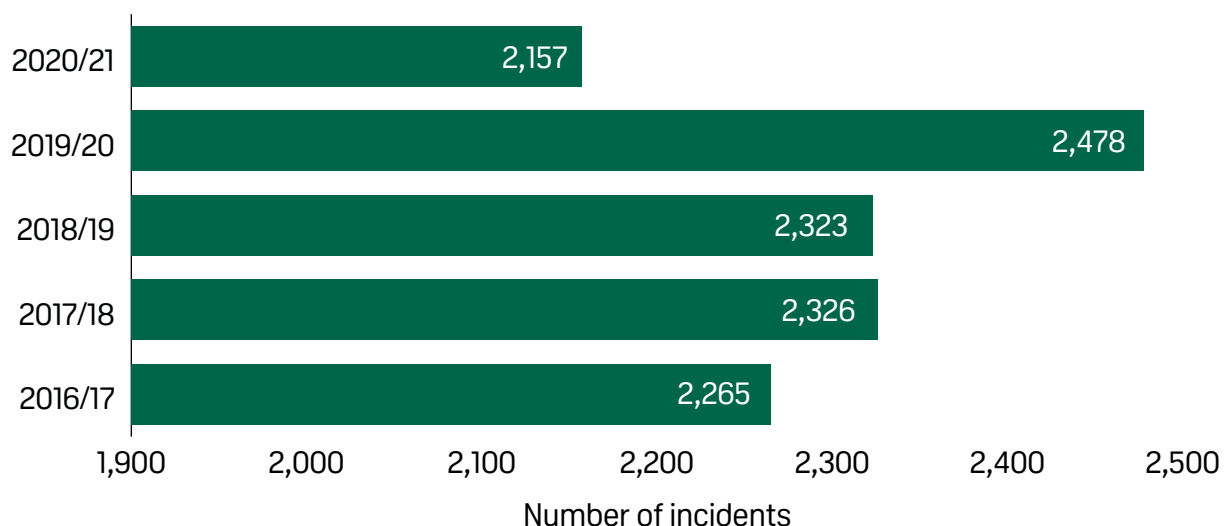
Preserve the high level  
of consumer protection  
in the UK

### Progress against objectives

**2,157**

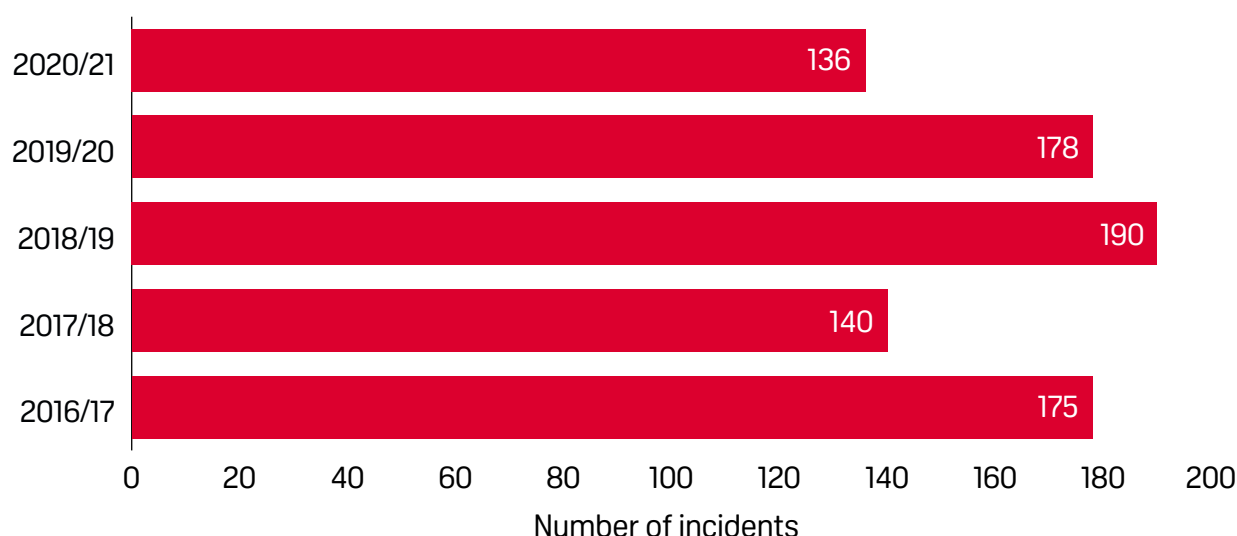
The total notifications for food, feed and environmental contamination incidents in England, Wales and Northern Ireland that the FSA investigated during 2020/21. This represents a 12.95% decrease from 2019/20.

**Fig 2: Number of incident notifications received by the FSA from 2016/17 – 2020/21**



**136**

The number of alerts issued in 2020/21. This included 65 Allergy Alerts, 70 Product Recall Information Notices and 1 Food Alert for Action and represented a year-on-year decrease of 38.67%.

**Fig. 3: Number of alert notifications issued by the FSA from 2016/17 – 2020/21**

Incident notifications received, and alerts issued are a measure of how many incidents the FSA has been made aware of. Therefore, these numbers are not necessarily indicative of a change in the UK food safety profile, but instead reflect the variability in incident type that we see from one year to the next.

Following the UK's exit from the EU, the level of communications between the UK and EU member states has not significantly changed. However, during the emergency response to COVID-19, we became aware of fluctuations in the numbers of incidents being notified to the FSA and as a result, a downturn in the number of alerts that we issued:



In notifications



↓ **38.67%** In alerts in comparison to 2019/20

Having reviewed the potential causes, we have concluded that this downturn reflects the fewer number of food businesses trading over the pandemic as well as factors such as fewer new products coming to the market and a reduction in the complexity of the product ranges offered during this period.

**The number of incidents being reported in the UK is expected to increase as the national restrictions are eased.**

Our Receipt and Management (RAM) function has been fully operational since April 2019, and processes incoming signals of potential emerging incidents daily. The RAM team processed 9,497 signals during 2020/21. A 'signal' is an alert received from various sources such as other competent authorities, industry or EU member states relating to potential UK food and feed safety risks. Signals are evaluated to determine whether the affected product has been distributed to the UK and referred for further investigation or for information as appropriate. The process has been validated against the output from the EU Commission's Rapid Alert System for Food and Feed (RASFF) and in some cases RAM are identifying incidents in advance of RASFF notifications.

## Meat food business compliance (audits)

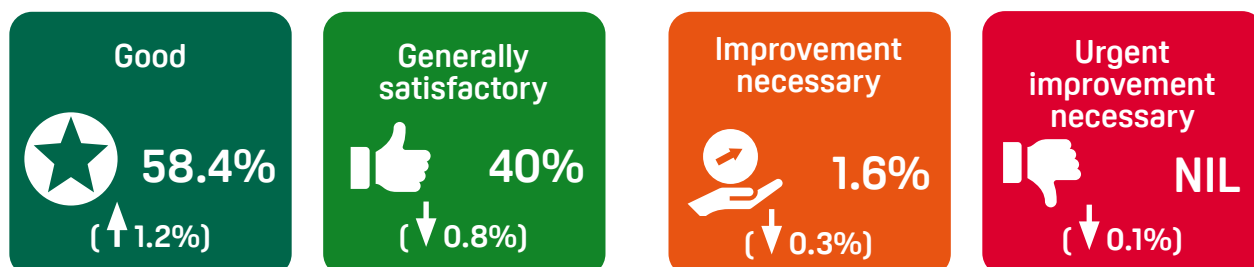
It is the responsibility of meat food business operators (FBOs) to comply with food safety, hygiene and animal welfare regulations. As part of the system of official controls the FSA carries out food business audits to verify compliance and works with food business operators to identify where improvements are necessary. We audited a total of 514 food businesses as at the end of the 2020/21 financial year. Audit outcomes are categorised according to compliance levels as – ‘Good’, ‘Generally satisfactory’, ‘Improvement necessary’ and ‘Urgent improvement necessary’.



COVID-19 impact  
on this activity:  
**Moderate**

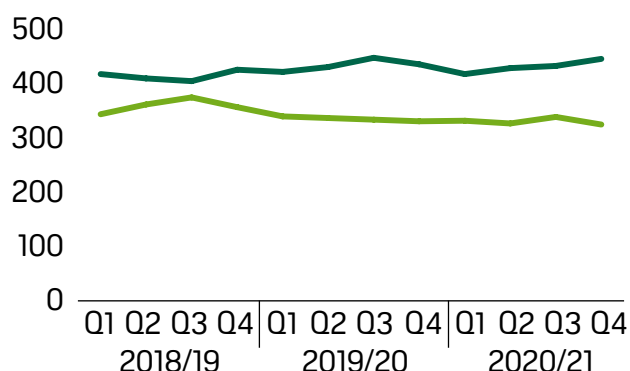
### Meat FBO compliance

Consolidated 2020/21 % meat FBO ratings as at March 21 (difference from March 2020)

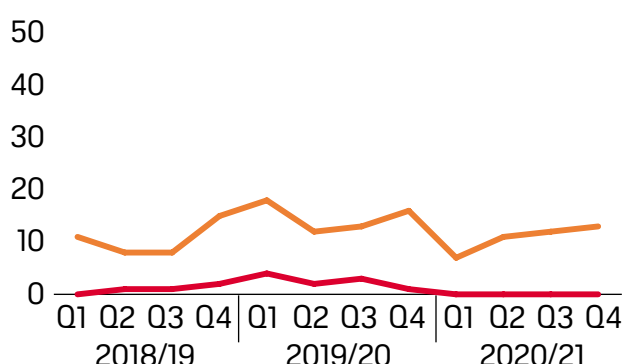


### Number of meat FBOs in England by compliance level

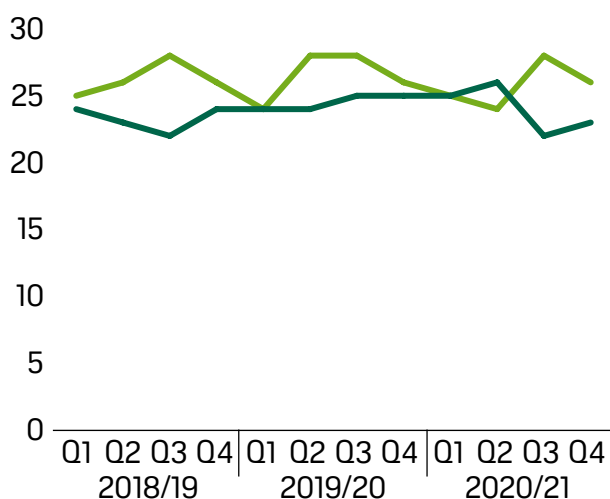
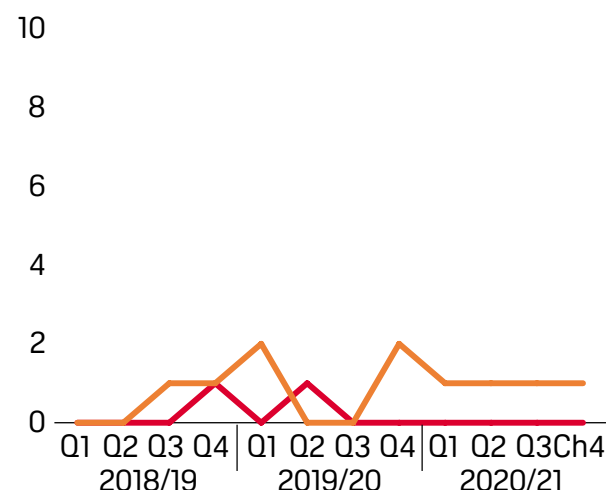
Number of meat FBOs rated  
‘Good’ or ‘Generally satisfactory’



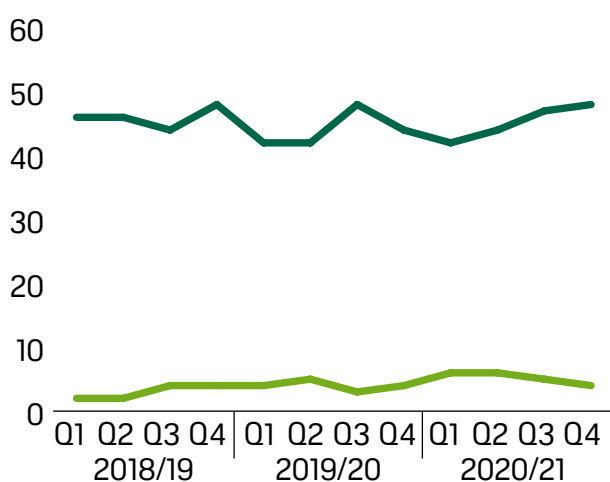
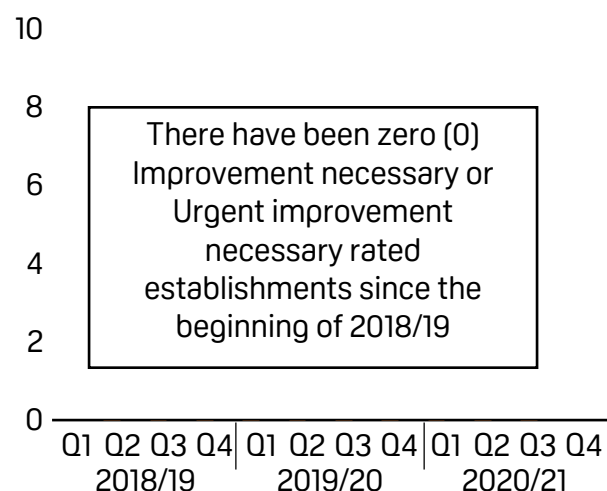
Number of meat FBOs rated  
‘Improvement necessary’ or  
‘Urgent improvement necessary’



## Number of meat FBOs in Wales by compliance level

Number of meat FBOs rated  
'Good' or 'Generally satisfactory'Number of meat FBOs rated  
'Improvement necessary' or  
'Urgent improvement necessary'

## Number of meat FBOs in Northern Ireland by compliance level

Number of meat FBOs rated  
'Good' or 'Generally satisfactory'Number of meat FBOs rated  
'Improvement necessary' or  
'Urgent improvement necessary'

There have been zero (0) Improvement necessary or Urgent improvement necessary rated establishments since the beginning of 2018/19

The audit programme for meat FBOs was significantly impacted by COVID-19. Social distancing requirements, changes in industry trading conditions and establishment closures reduced audit delivery. The FSA's official audit programme in approved meat establishments was deferred for three months from April 2020. This was not applied to establishments falling under the 'Improvement necessary' or 'Urgent improvement necessary' categories at their latest audit, nor establishments exporting to third countries (which were audited remotely). This also did not apply to partial audits which were carried remotely where possible.

## Audit activity and capacity

In July 2020, following extensive consultation with Industry, the audit programme recommenced a risk-based, targeted return to audits. Any concerns were mitigated by direct communication with businesses, tailoring the approach to each circumstance. This included:

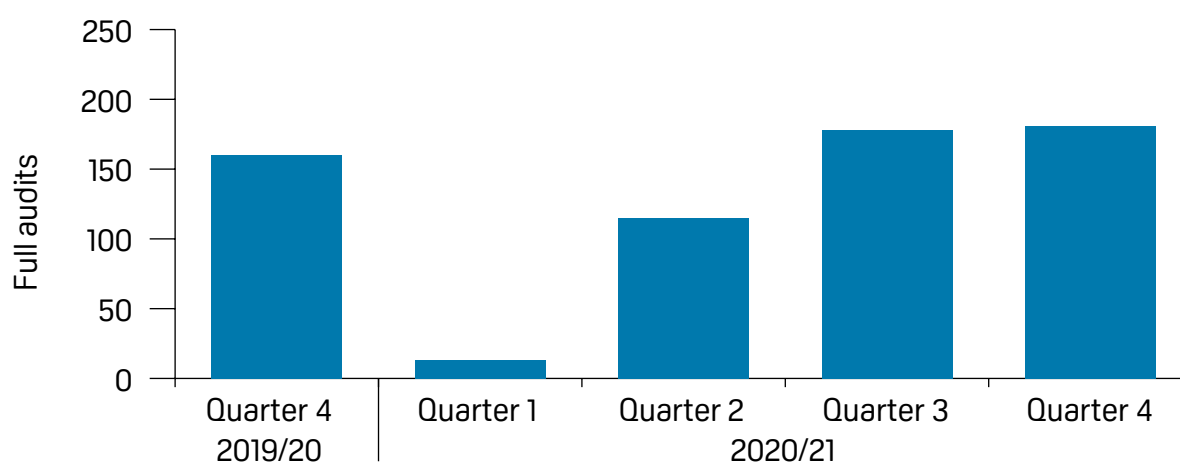


Using remote and semi-remote auditing techniques



High-risk premises remain subject to on-site audits

Fig.4: Number of full audits completed



As part of our commitment to encourage food businesses to take their responsibilities for producing safer food more seriously, we have set an ambition to reduce, by 25%, the number of premises receiving audits that are rated urgent improvement necessary or improvement necessary. The aim is to reduce the risk of driving perverse behaviours in the audit team and businesses. To help achieve this, we have worked to strengthen our processes in non-compliant premises by applying more robust, consistent and transparent protocols with earlier interventions. These have been delivered proportionately before and during the review of approvals, with businesses being left in no doubt as to the consequences of their continued failure to comply.

## Animal welfare

The 'Deter, Prevent, Detect, Enforce' programme is delivered through the FSA Animal Welfare Action Plan for England and Wales which is used to document, track, and evaluate the delivery of animal welfare improvements. We have a **zero-tolerance approach** towards animal welfare non-compliance and use a hierarchy of enforcement to stop avoidable animal suffering and to prevent future non-compliance.

Animal Welfare policy and implementation is the responsibility of Department of Agriculture, Environment and Rural Affairs (DAERA) in Northern Ireland.

The action plan is monitored by a steering group comprising representatives from the FSA, Welsh Government, and Defra who review outstanding actions and approve new activities. In 2020/21, we continued to carry out activities agreed in the Animal Welfare Action Plan and reported in the annual FSA Board paper. In summary we have:



COVID-19 impact  
on this activity:  
**Low**

### Strengthened verification and compliance by:



Developing the scope of our fourth animal welfare themed audit



Enhancing animal welfare verification documentation



Evaluating and reporting on the implementation of the mandatory CCTV in slaughterhouses regulations for England



Supporting industry during COVID-19 through the development of exceptional circumstances guidance

### Strengthened verification and compliance by:



The expansion of joint working forums with industry and representative groups



Successful implementation of Annex II of Regulation (EC) No 1099/2009



Negotiating with Defra and Welsh Government on the funding for delivery of our Animal Welfare Controls

### Improving education and awareness by:



Enhancing guidance relating to the suspension, revocation, and retraining of Certificate of Competence (CoC) holders



Producing industry communications and best practice guidance relating to captive-bolt stunning, field lairages requirements, and water provision for animals

### Improved quality of our analysis and reporting through:



Strengthening of monitoring and reporting on animal welfare standards



Continued enhancements to the animal welfare database



Publication of animal welfare non-compliance statistics

## Key achievements



The level of major and critical non-compliances in slaughterhouses remains very low.  
**Fewer than 2 occur per 100,000 animals processed**

**99%+**  


% of all animals processed in slaughterhouses were done so in compliance with animal welfare legislation

**There were no unusual trends in slaughterhouse non-compliance levels during 2020/21**

## Keeping industry working

During the COVID-19 pandemic the meat industry has faced a range of significant challenges throughout the supply chain such as:



**Changing production demand**



**Working patterns**



**Social distancing requirements**

FSA Field Operations faced challenges on resource availability through this period with the potential to impact on slaughter operations. This was a concern for pig and poultry processing due to the nature of the supply chains and animal welfare challenges on farms through backlogs.



### **Animal welfare standards were maintained**

Robust contingency planning and co-operation with backup support from across the FSA and Animal and Plant Health Agency (APHA) enabled operations to continue. This resulted in no notable animal welfare or food supply issues materialising.



The FSA ceased non-urgent assurance functions and restricted slaughterhouse attendance to core function teams. However, 100% of meat approved premises wanting to operate during 2020/21 were able to as FSA contingency plans for staff deployment provided staff to meet requirements.

Routine welfare monitoring remained in place, with CCTV utilised in slaughterhouses where social distancing would have created difficulties. Non-compliance data analysis from this period indicates that there was no significant difference compared to the previous year (2019/20).



**2.5% decrease in throughput of animals in 2020/21 in comparison to 2019/20**

## National Food Crime Unit (NFCU)

The NFCU was formed in 2015, initially to deliver a criminal intelligence function. At this time, investigative activity fell to local authorities or wider law enforcement. In June 2018, HM Treasury approved additional funding for the FSA Board to develop the NFCU to include investigative and preventative functions, with full operating capability being achieved by March 2020.



COVID-19 impact  
on this activity:  
**Low**

The objectives for the Unit in 2020/21 have focused on delivering a holistic '4P' (Pursue, Prepare, Protect, Prevent) response to the Unit's identified priority areas, to deliver necessary preparations for the end of the EU transition period, to achieve internal interoperability with other FSA intelligence-led operating models and to progress towards securing additional powers for the Unit, enabling more autonomous investigative delivery.

### Key milestones



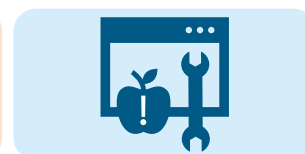
Restructuring of Unit  
to refine operational  
delivery



Enhanced alignment  
with national  
serious and organised  
crime processes



EU transition  
preparations  
completed



Free online food fraud  
resilience  
self-assessment tool  
launched



Food Crime Strategic  
Assessment published with  
Food Standards Scotland



Financial investigators secure  
first confiscation order under  
Proceeds of Crime Act



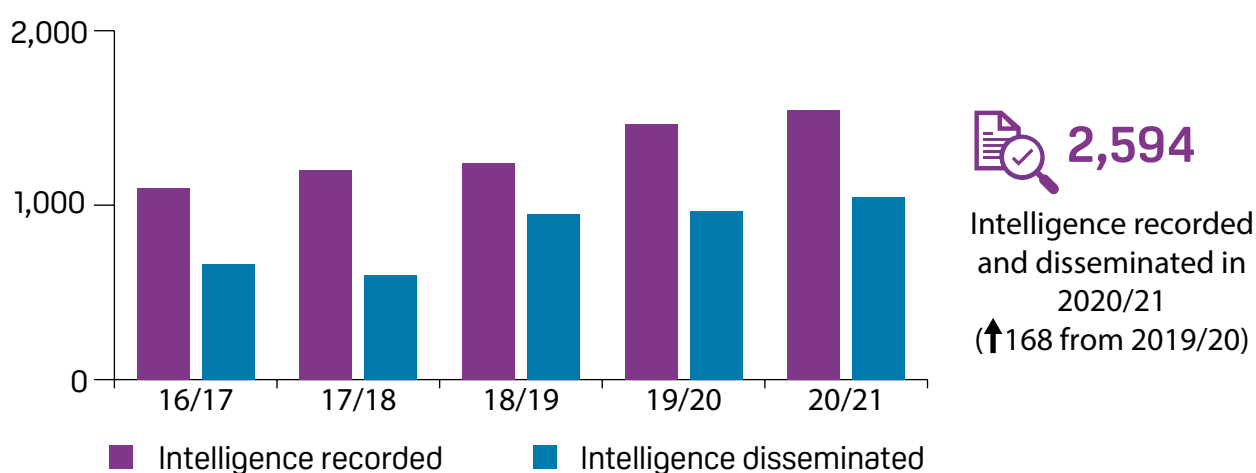
Arrangements for the  
authorisation and conduct of  
covert intelligence activity  
fully operational

### NFCU performance in 2020/21



## Intelligence

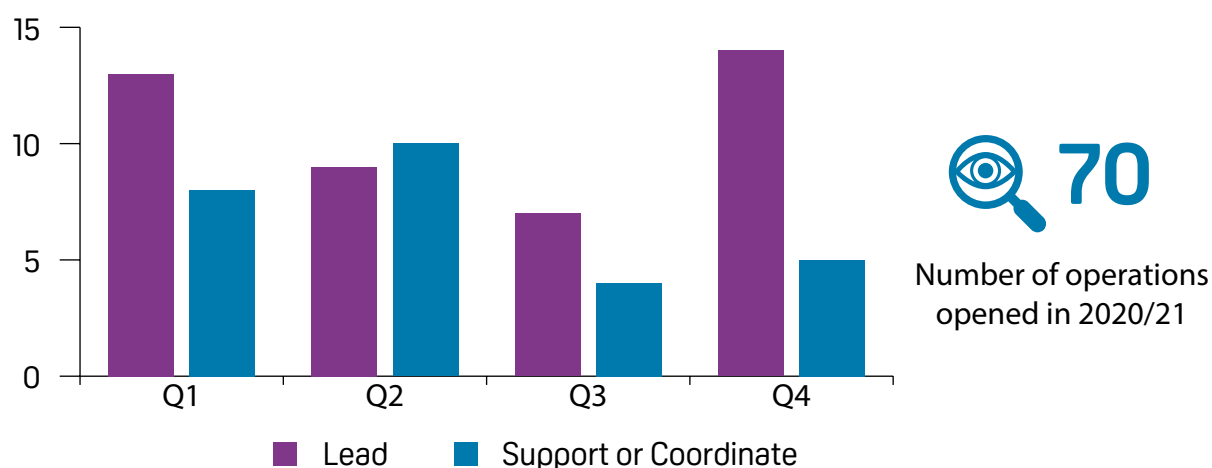
Volumes of intelligence recorded and disseminated remained relatively stable throughout 2020/21, having seen a continuous increase since 2016/17 as the NFCU grew in size and developed relationships with a variety of partners. The stabilisation in the year-on-year increase in intelligence recorded and disseminated may in part be due to the challenges of the COVID-19 pandemic around intelligence collection and partner capabilities to detect and share information around food fraud, as well as NFCU's enhanced direct access to partner intelligence databases. Although the pandemic has created new risk areas for food fraud linked to disruption to supply chain authenticity checks and regulatory activity, and to new patterns of consumer demand and restricted supply, the evidence that criminals have exploited these risks remains limited.



## Investigations and operations

Whether as the lead agency or in a supporting role to another agency, the NFCU opened 70 new strands of operational activity in 2020/21. Not all operations to deliver a 4P disruption have the same timescales as a criminal investigation and as such the duration of some operations may be shorter in comparison. For example, within three weeks the NFCU initiated and concluded the operational activity which resulted in the seizure of 20 tonnes of meat products, which the NFCU assessed was to be used to facilitate a food crime.

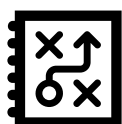
Fig.5: Number of new operations opened by NFCU role



While there are no individuals currently charged or within a criminal justice process arising from an NFCU-led investigation, this is primarily due to the timescales of investigating complex fraud offences and submitting the case file to the Crown Prosecution Service (CPS). It is anticipated there will be multiple NFCU investigations which will result in a case file being submitted to the CPS in 2021/22. The NFCU have also supported judicial outcomes by our regulatory and policing partners. Work to augment NFCU investigative capabilities with further powers remains ongoing.

## Operational outcomes (disruptions)

The NFCU uses the established UK law enforcement '4P approach' to plan and deliver operational outcomes across its end-to-end counter-fraud capability. Operational outcomes across the 4P approach are described as 'disruptions' and can be achieved where the NFCU is the lead or where it is supporting the work of partners.



**Prepare** – ensure the necessary capabilities exist to tackle food crime



**Prevent** – stop individuals/businesses from committing food crime



**Protect** – reduce the vulnerability of businesses and consumers to food crime risks



**Pursue** – prosecute offenders and confiscate the proceeds of food crime

During 2020/21 there were **190** disruptions, of which the FSA:



**Led 45**



**Supported or coordinated 145**

The increase in disruptions recorded from Q1 to Q4 is driven by NFCU achieving full operating capability, the Unit's maturing delivery around non-pursue outcomes such as prevention work and increased awareness amongst staff of identifying and recording disruptions resulting from their work. the NFCU completed the following notable example disruptions during the financial year:



Coordination of local authority activity resulting in the seizure of approximately 20 tonnes of meat products, which the NFCU assessed was going to be used to commit fraud.



Securing a confiscation order under the Proceeds of Crime Act in excess of £10,000 against an individual convicted of selling 'fat burning' 2,4-dinitrophenol (DNP).<sup>10</sup>



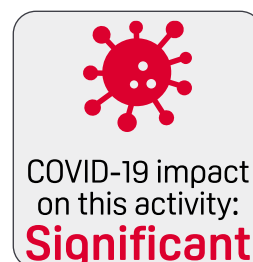
Partnership working with a local authority resulting in the disruption and prosecution of an individual illegally processing several tonnes of meat at an unregistered premises.

<sup>10</sup> DNP is a toxic chemical which can be illegally marketed as a fat-burning substance, suitable for human consumption. There have been five UK fatalities linked to DNP toxicity since April 2019.

## Local authority delivery

### Our expectations of local authorities in 2020/21

COVID-19 has created unprecedented challenges for local authorities across England, Wales and Northern Ireland in delivering their statutory food functions as well as protecting their communities and controlling the spread of the disease. Although the picture varies widely, the impact of the pandemic on food team resources has been significant.



At the start of the pandemic, we adjusted our expectations of local authorities to enable them to take a targeted approach whereby available resources were used to identify and address the greatest risks in the food system at this time. We provided detailed guidance and advice on these expectations.

Although our expectations changed during the year, we made clear throughout that local authorities should undertake certain core activities. These activities included:



Sector specific controls laid down in legislation



Official controls key to supporting trade and enabling export



Urgent reactive work



'High-priority' controls and activities e.g. proactive surveillance of the business landscape and follow up where risks were identified



Follow up ongoing formal enforcement action and with establishments overdue an enforcement revisit

### Core activities were the minimum we expected local authorities to deliver

Local authorities were able to deviate from the prescribed intervention frequencies in the Food Law Codes of Practice so that they could prioritise the core activities over planned due/overdue interventions particularly at establishments in the low-risk categories. We made clear, however, that as and when local authorities had the resources to undertake planned interventions, they should be deployed in accordance with the prioritisation we set out in our advice to them. The current guidance and advice apply until 30 June 2021.

## Delivery of minimum expectations

Our minimum expectations for delivery of the core activities represented the limit of risk that was acceptable to the FSA within the food system during the year.

We put in place an exception reporting system whereby local authorities unable to deliver the minimum expectations were required to alert us so that we could explore with them what action may be needed and what support we might provide. In addition, we undertook some limited data gathering and we regularly discussed delivery of the minimum expectations at meetings with various local authority representative groups in each of the three countries.

Where there were concerns that individual local authorities were unable to meet our minimum expectations, we engaged directly with them at working level. In all cases, this established that the core activities were in fact being undertaken or that steps had been/were being taken to address any issues.

The position is still dynamic and local authorities remain under significant pressures but are continuing to follow our guidance and advice and delivering activities in accordance with the prioritisation we set as resources permit. They remain committed to protecting public health in relation to food during these difficult times and are to be commended for that.

## Local authority activity re-prioritisation and hub performance

Our COVID-19 Q&A document and advice on re-prioritising activities was first issued to local authorities in March 2020. The advice and Q&A were subsequently updated on several occasions to reflect the changing landscape within the context of the pandemic and our expectations of local authorities. Since the beginning of the pandemic there have been:

15

**iterations of guidance produced for the local authority community in line with Government guidance**

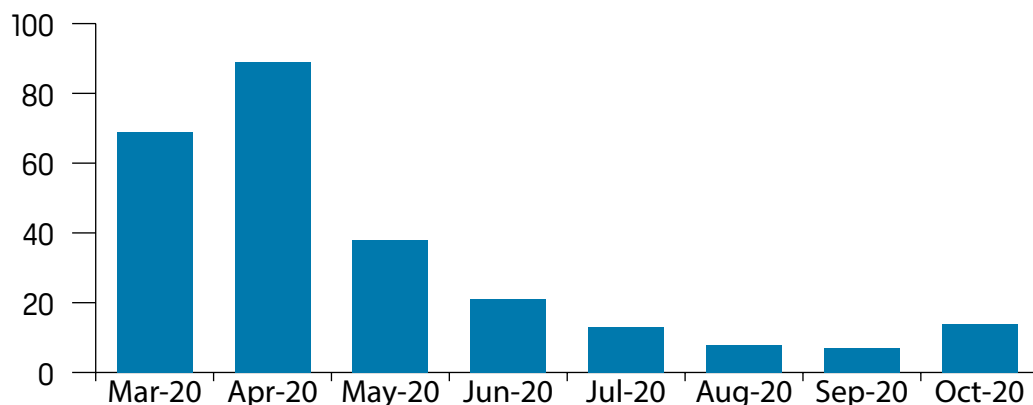
20,602

**Unique page views on the FSA Smarter Communications<sup>11</sup> platform for all the Q&As**

Queries received into the local authority hub were used to update the document, currently on its fifteenth iteration. The process for handling local authority queries submitted to the Regulatory Compliance Division's Local Authority Engagement team transferred to business as usual in Q3.

<sup>11</sup> Smarter Communications is an FSA platform to allow for communication, collaboration and resources aimed at local authority officers working in the food and feed enforcement areas.

**Fig.6: Number of enquiries received by the FSA local authority hub**



**Average days  
taken to  
respond to  
enquiries**

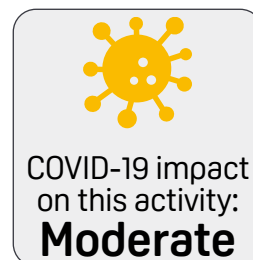
## Delivery in 2020/21

To obtain a picture of delivery in 2020/21, including delivery against the minimum expectations, and to establish and help us understand the backlog of planned interventions that has built up, we have developed a bespoke end of year return on local authority delivery in 2020/21.

The data and information to be collected will enable us to assess the degree of risk within the food system at this time and help inform policy decisions on our guidance and advice from 1 July 2021 and on recovery planning in the medium term.

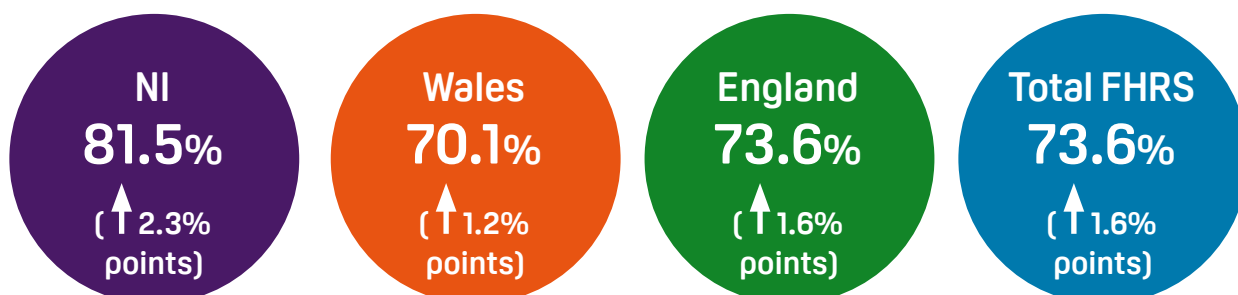
## Food Hygiene Rating Scheme (FHRS)

The FHRS is operated in partnership with local authorities across England, Wales and Northern Ireland. The scheme provides information about the hygiene standards of food businesses at the time of local authority inspections. Businesses supplying food directly to consumers, such as restaurants, pubs, cafés and others are included in the scheme. In Wales, business-to-business operations, such as manufacturers, are also included. The COVID-19 pandemic created unprecedented challenges for local authorities (please see Local authority delivery section above for further detail). The guidance and advice we gave enabled local authorities to take a targeted approach whereby available resources were used to identify and address the greatest risks in the food system at this time. Planned due/overdue interventions, particularly at low-risk establishments, could be deferred. This meant that significantly fewer businesses were inspected and given new food hygiene ratings in 2020/21 than in previous years.

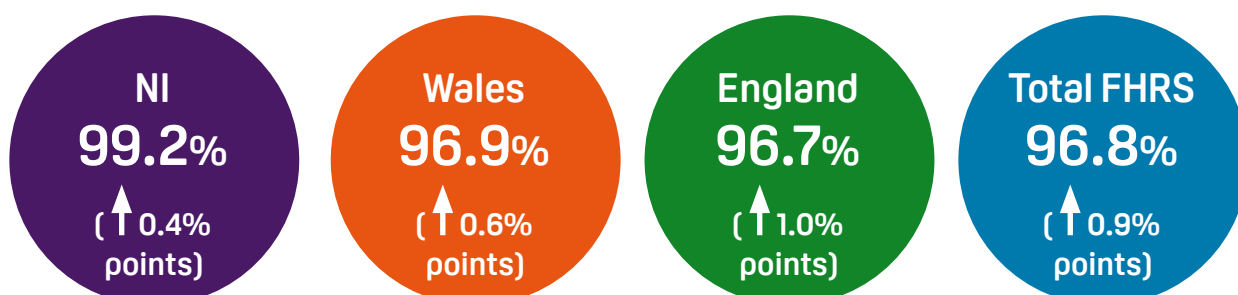


As at 31 March 2021, there were **436,164** food hygiene ratings published on the FHRS website:

**% of businesses with a published rating of 5 ('Very good') (difference from 31 March 2020)**

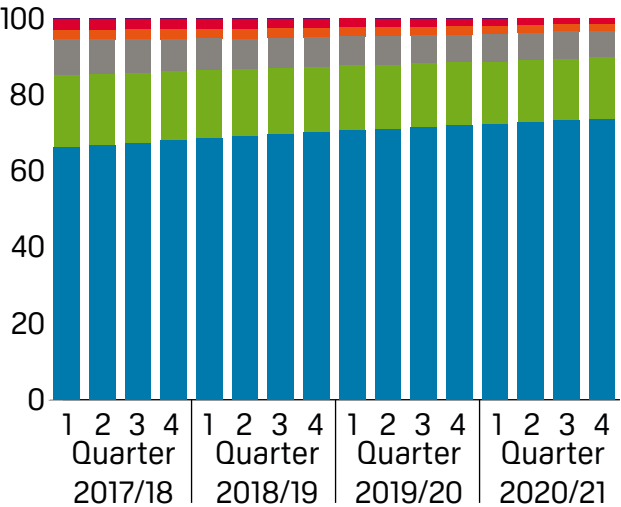


**% of businesses with a published rating of 3 or better (difference from 31 March 2020)**

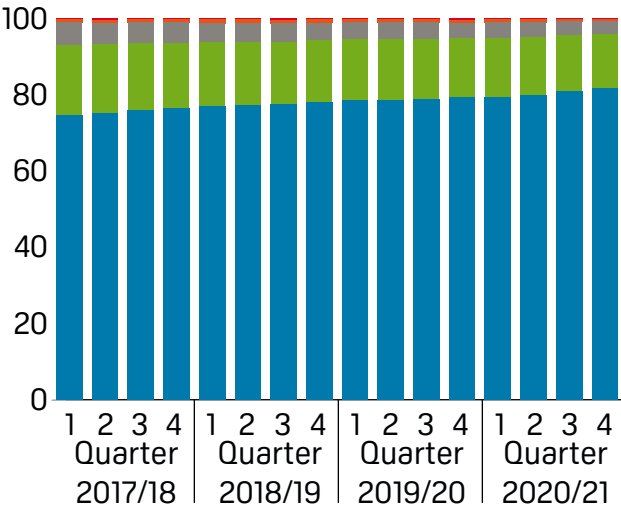


The graphs below show % distribution of overall FHRS ratings by country as at 31 March 2021:

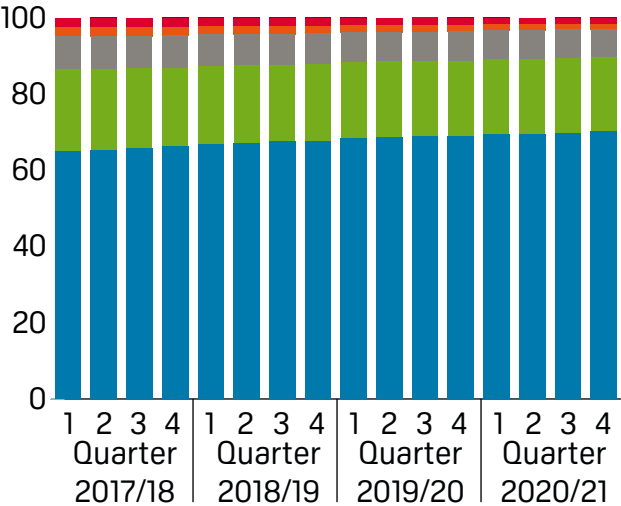
England



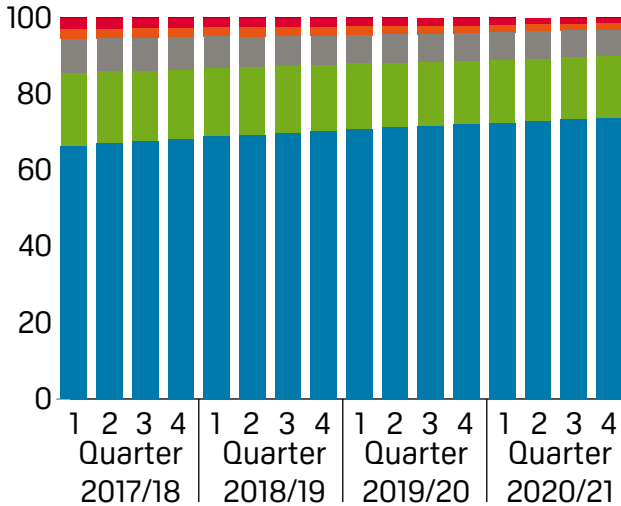
Northern Ireland



Wales



Total FHRS

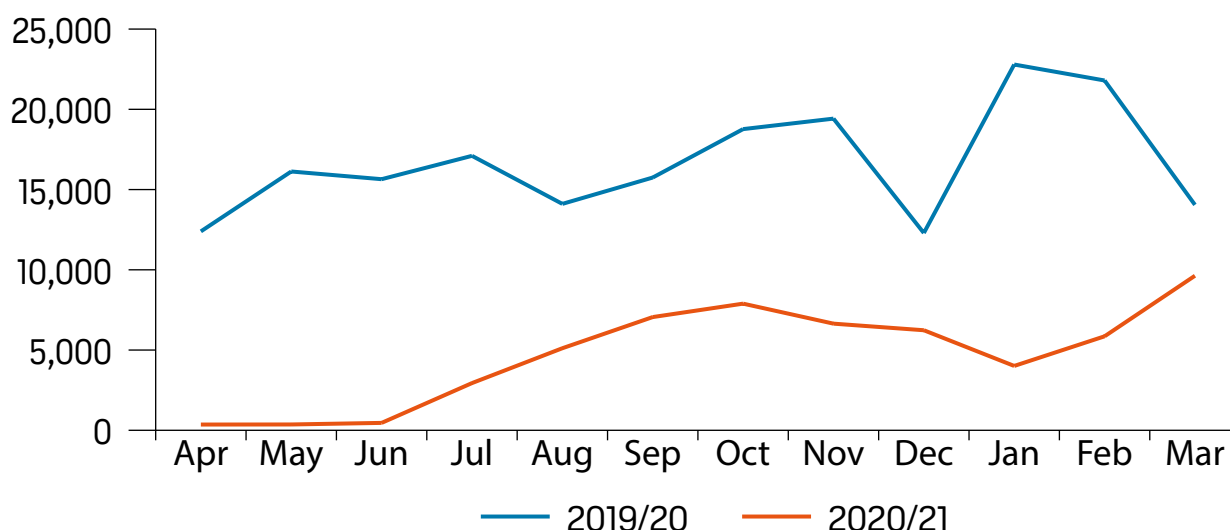


- 0 - Urgent improvement necessary
- 1 - Major improvement necessary
- 2 - Improvement necessary
- 3 - Generally satisfactory
- 4 - Good
- 5 - Very good

## Food hygiene ratings issued

Food hygiene ratings are based on the results of inspections and, during COVID-19, the number of ratings issued during 2020/21 was much lower than in previous years (Fig.7).

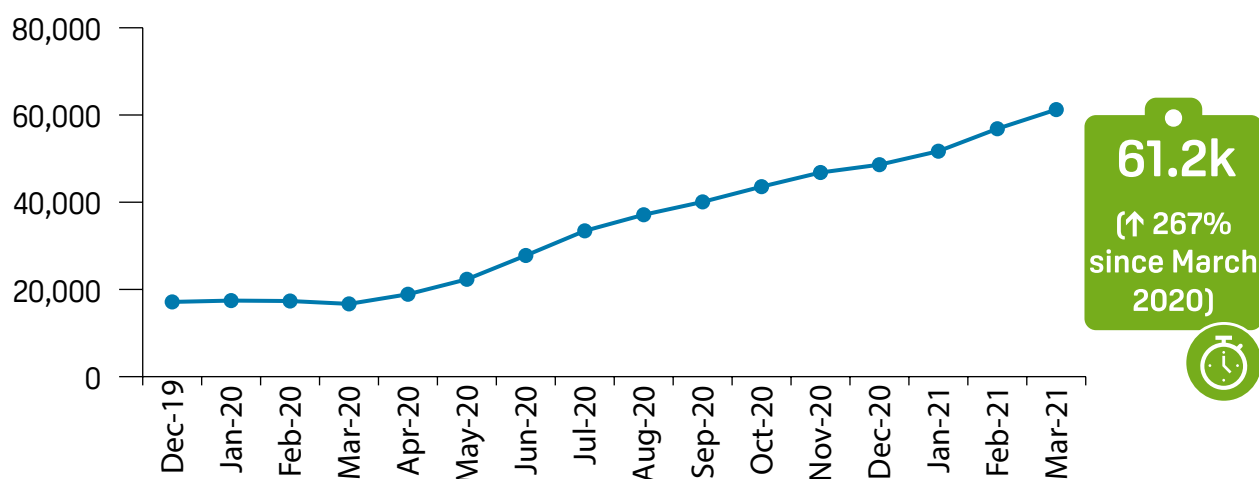
**Fig.7: Ratings issued per month (comparison between 2019/20 and 2020/21)**



## Businesses published as 'awaiting inspection'

There was also a sharp increase in the number of businesses published as 'awaiting inspections' – new businesses awaiting their first inspection (Fig.8).

**Fig.8: Number of business published as 'awaiting inspection' since March 2020**



During the pandemic we advised local authorities to prioritise an initial assessment of registration information or any intelligence relating to new businesses so that they can signpost them to relevant advice and guidance to help them get things right from the start. We also advised that new businesses should be prioritised for an intervention based on an initial assessment of the risk posed. Where there were concerns about a potential public health risk, then we advised that high priority should be given to taking action and undertaking an onsite visit to assess and address the risks.



**30%+**

of businesses 'awaiting inspection' are categorised as 'other catering premises' which includes home caterers.

These are by their nature smaller scale operations, have a limited reach and are likely to be lower risk. As restrictions are lifted, it is anticipated that a number of these businesses will cease to operate. It is, nonetheless, recognised that the risks associated with these businesses remain largely unknown as local authorities have not been able to conduct an initial inspection.

## **Recovery plan**

Proposals for local authority recovery are currently being developed. One of the objectives will be to ensure more routine operation of the FHRS so that consumers and business can continue to have confidence in the scheme. As part of this, prioritising initial inspection of new businesses that are trading will be important.

## Nutrition: Northern Ireland (NI)

In NI the FSA is responsible for the delivery of nutrition and dietary health policy. The aim is to improve nutrition and health outcomes by making healthier food products available and increasing consumers' understanding of nutrition, allowing the healthy choice to be the easy choice. The team leads and develops dietary health policy through working collaboratively with other government departments, district councils, academia, community groups, the food industry and organisations that influence and support them.

The prevalence of obesity and overweight people in NI in the past 10 years is a concern. Currently in NI, over half of adults (65%) and a quarter of children aged 2-15 (26%) are classified as overweight or obese (Department of Health, 2020).

**6/10 adults in NI are classified as overweight or obese**



**1 in 4 children in NI aged 2-15 are classified as overweight or obese**



FSA NI has worked with local food manufacturers, retailers and the out-of-home sector (restaurants and others) on the 4-5-year 'Eating Well Choosing Better' (EWCB) programme.



We support small and medium sized enterprises with reformulation and reducing portion sizes to make healthy choices easier.



We align our action and delivery plan with Public Health England's to reduce children's sugar and calorie consumption.

Business closures and restricted activities due to the COVID-19 pandemic limited our engagement with food businesses on reformulation during 2020. However, we continued to influence businesses in other ways, such as:



The number of businesses in NI that attended our presentation on the EWCB programme at Invest NI's Health and Wellness E-Seminar.



**442**

Page views received, since publication in September 2020, on a range of healthy catering guides for different types of businesses.<sup>12</sup> We developed these with the purpose of providing and promoting healthier options.

<sup>12</sup> [www.food.gov.uk/business-guidance/healthier-catering-guidance-for-different-types-of-businesses](http://www.food.gov.uk/business-guidance/healthier-catering-guidance-for-different-types-of-businesses)

We continued to work in partnership with the 11 district councils to survey and sample cheesecakes sold in NI restaurants and hotels (samples taken between July – September 2019) which were analysed to determine nutritional content and typical portion size. The findings<sup>13</sup> were published in 2020 and will inform targeted interventions with food businesses and pudding manufacturers to increase availability of healthier products in local food businesses.

Within the out-of-home sector, the Calorie Wise<sup>14</sup> scheme continues to be delivered in partnership with the 11 district councils. The scheme encourages food businesses to voluntarily calorie label food and drink items on their menus, with help from the FSA's free online calorie calculator, MenuCal<sup>15</sup>.



Businesses have received our direct support to implement Calorie Wise and use the MenuCal tool since 2019.



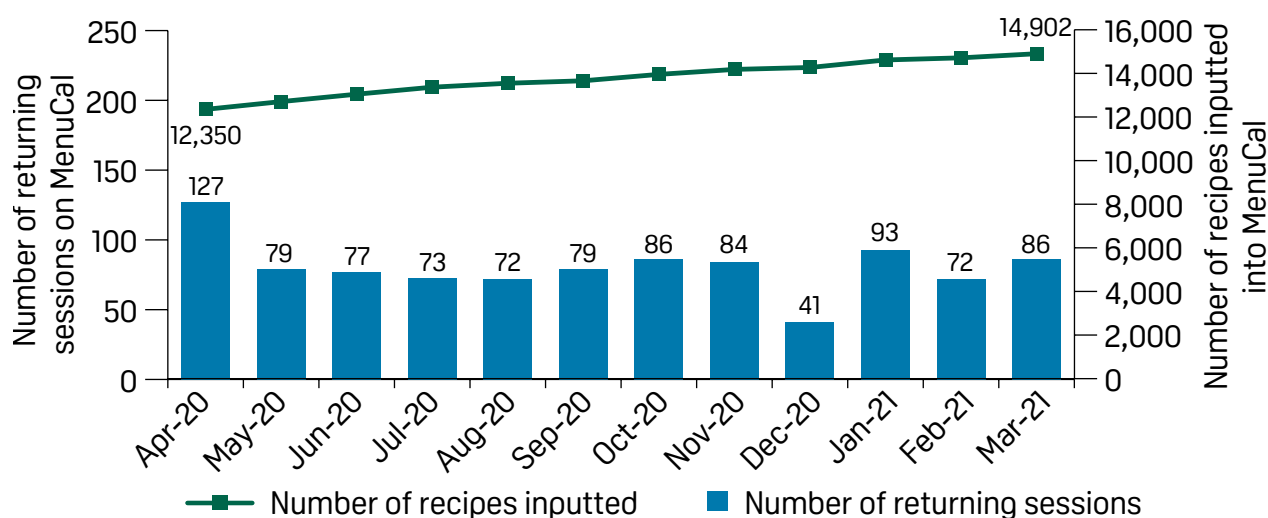
Increase in the number of recipes inputted into MenuCal since April 2020.



COVID-19 meant promotion of the scheme was limited in 2020, however, we provided virtual refresher training to district council Calorie Wise Champions.

The number of returning sessions have decreased from 2019 but have remained steady throughout the COVID-19 restrictions (Fig.9).

**Fig.9: Number of returning sessions and recipes inputted into MenuCal**



<sup>13</sup> [www.food.gov.uk/research/research-projects/a-survey-on-the-nutritional-content-and-portion-sizes-of-cheesecake](http://www.food.gov.uk/research/research-projects/a-survey-on-the-nutritional-content-and-portion-sizes-of-cheesecake)

<sup>14</sup> [www.food.gov.uk/business-guidance/calorie-wise](http://www.food.gov.uk/business-guidance/calorie-wise)

<sup>15</sup> [www.food.gov.uk/business-guidance/menucal-calorie-and-allergen-tool](http://www.food.gov.uk/business-guidance/menucal-calorie-and-allergen-tool)

In developing our dietary healthy policy, we ensure that our work is based on robust evidence. We previously worked with Kantar Fast Moving Consumer Goods to monitor take home food and drink purchasing in NI from 2014-2018. This data has been collated into a report<sup>16</sup> examining key trends and identifying food and drink categories that are of concern to dietary health. The report has been shared with stakeholders and has had 97 page views since publication in November 2020.

We are continuing to improve consumers understanding of healthy eating by using the Eatwell Guide<sup>17</sup>. We printed hardcopy resources and created online versions including graphics and videos which were shared on social media. We also supported our community partners during COVID-19 by contributing to their 'Rainbow Room' initiative to help support care home staff across NI during the pandemic, providing over 3,000 promotional resources. We worked closely with the Public Health Agency and Department for Communities in NI to review the nutritional adequacy of the emergency food boxes and provide menu plans suggesting how to make use of the food provided.

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<sup>16</sup> [www.food.gov.uk/research/research-projects/northern-ireland-take-home-food-and-drink-purchases-2014-and-2018](http://www.food.gov.uk/research/research-projects/northern-ireland-take-home-food-and-drink-purchases-2014-and-2018)

<sup>17</sup> [www.food.gov.uk/business-guidance/the-eatwell-guide-and-resources](http://www.food.gov.uk/business-guidance/the-eatwell-guide-and-resources)

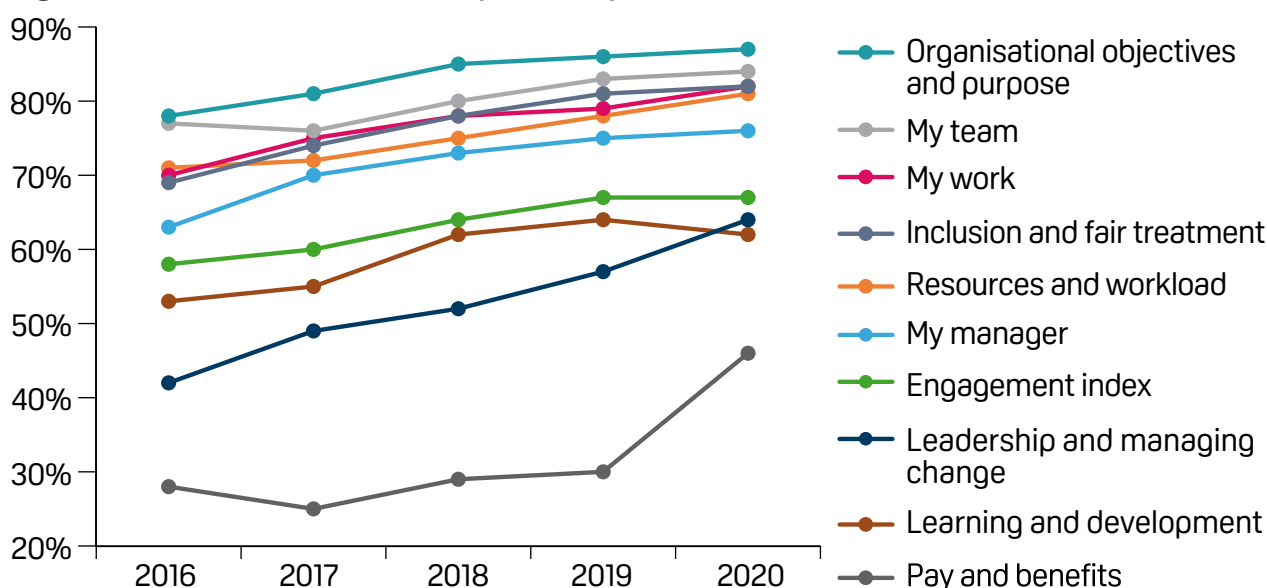
## Civil Service People Survey 2020

The Civil Service People Survey gives our people a voice and an opportunity to let senior managers know what helps them perform at their best and what more we can do to get better at communicating and working effectively together. This was conducted in October 2020 and the FSA employee engagement score increased from 67% in 2019 to 70% in 2020, our highest engagement level to date. Scores have increased in eight out of the nine key themes several of these aligned with or higher than the Civil Service High Performers benchmark. The largest increase was seen in 'Pay and Benefits' (+16% points).



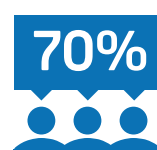
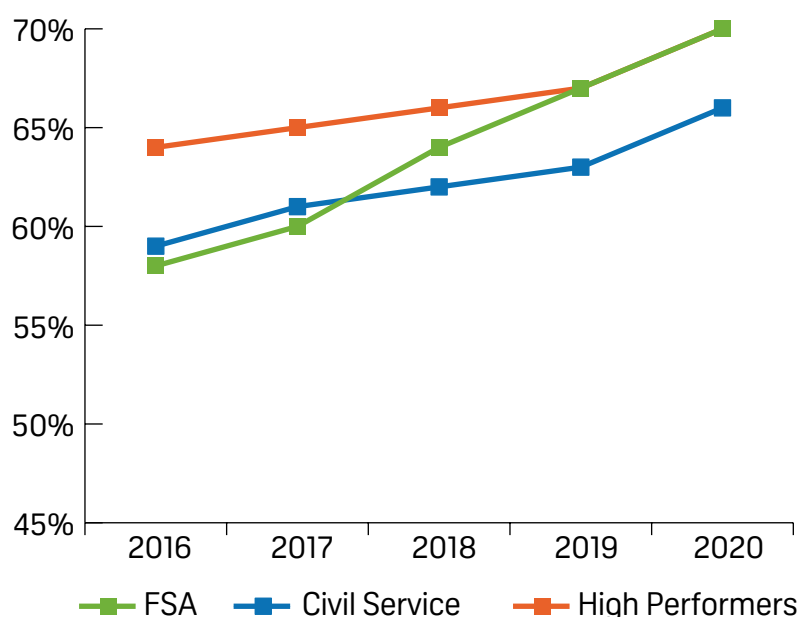
COVID-19 impact  
on this activity:  
**Low**

Fig.10: The FSA's Civil Service People Survey Scores 2016-2020



The FSA's response rate (equalling the rate from the 2019 survey)

Fig.11: People Survey engagement

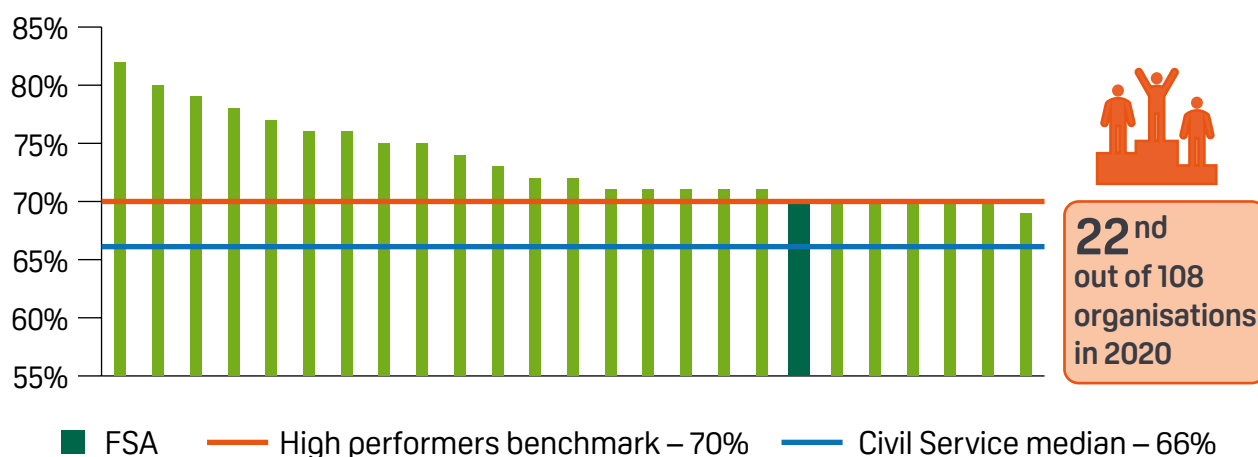


The FSA's 2020 Civil Service People Survey engagement index score (**↑ 3% points** from the 2019 survey)

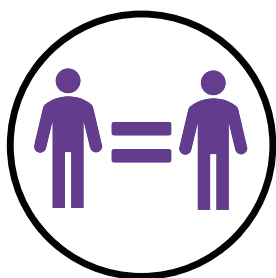


The FSA continues to be classed as High Performing Civil Service Department, scoring in the top 25% for engagement

Fig.12: Civil Service People Survey engagement score: Top 28 organisations



Driven by our 2020 People Survey results, we have decided to focus on three key areas at an organisation level to address the issues identified in the survey, namely:



Discrimination, bullying and harassment



Inclusion and fair treatment



Learning and development

The 2020 People Survey showed increases in practically all survey themes, equalling and in many cases exceeding our highest ever scores. The below shows the largest increases and largest decreases in % positive scores:



↑ 19%

increase in those who feel their pay adequately reflects their performance (46%)



↑ 12%

increase in those who believe senior managers are sufficiently visible (75%)



↑ 8%

increase in staff who would recommend the FSA as a great place to work (74%)



↓ 5%

decrease in those who feel the learning and development activities completed in the past 12 months have helped to improve their performance (60%)

## FSA Communications

The FSA communications teams work closely together in all three countries to ensure common purpose and expertise. Communications staff are members of the Government Communication Service and uphold its standards of professional practice. The purpose of the team is as a strategic partner that supports delivery of the FSA corporate priorities, as well as providing trusted professional advice and challenge to the organisation.



COVID-19 impact  
on this activity:  
**Moderate**



**Trust** – Build public confidence in food safety and authenticity



**Supporting businesses** – Make it easy to do the right thing



**Foodborne diseases** – Improve consumer awareness of food hygiene to reduce food poisoning



**Engagement** – Ensure our staff understand their FSA role and its priorities, shaping culture



**Nutrition (Northern Ireland)** – Help NI consumers to make healthier choices about food and support the work with businesses to make that choice the easy one

### How do we deliver?



#### Campaigns

Identify issues where communications can change behaviours to improve people's health and wellbeing



#### Engagement

Ensure our staff understand their FSA role and its priorities, shaping organisational culture



#### Reputation

Improve our understanding of FSA work in the media and among key influencers to drive up trust in the FSA's approach to regulation domestically and internationally



#### Crisis management

Support the FSA and other government departments during major incidents



#### Risk communication

Build trust through openness and transparency of food safety issues

## Key successes

### Reputation and awareness



Our reputation score as rated independently by the Reputation Institute in their RepTrak study (**↑ 1% from last year and ↑ 10% on the public sector average**)



Our RepTrak's index ranking of public sector organisations



Our trust with consumers (**↑ 4% from last year**)

### External engagement

59%

The net growth of followers on LinkedIn

34%

The net growth of followers on Instagram



64%

The FSA's trust score with SMEs (**↑ 6% points**)



40%

The proportion of SMEs who believe the FSA understands their needs (**↑ 11% points**)



47%

The proportion of Westminster MPs who say they are favourable towards the FSA (**↑ 8% points**) with the remainder neutral



95%

% of our website content that meets accessibility standards



### Internal engagement

70%



The FSA's 2020 Civil Service People Survey engagement index score (**↑ 3% points** from the 2019 survey) see Civil Service People Survey section above for further detail.

### FSA external communications response

The scale and scope of COVID-19 and subsequent lockdowns meant a swift transition to different ways of working. Using insight generated by FSA horizon scanning and other external research the communications team were able to anticipate issues and demand for guidance and information enabling them to develop content aimed at businesses and consumers, containing important messaging around hygiene and compliance.

Our range of social media posts saw strong engagement as users looked for information, guidance and reassurance on the impact of COVID-19 on food. The output followed the central Government branding and pointed to GOV.UK, as well as supported DHSC messaging. We created and collated resources to support food businesses adapt to COVID-19 restrictions.

We were aware of the potential for disinformation to circulate online in connection with COVID-19. In particular, colleagues identified social media discussion around whether it was appropriate to wash fruit and vegetables in bleach. In response, the FSA launched a series of social media posts to firmly state that consumers should not do this. This helped to dispel misinformation and provide confidence to consumers during this worrying time.

Throughout 2020/21 we launched a number of campaigns, notably the #HereToHelp and 'Speak up for allergies' campaigns, further detail of which can be found on pages 18 and 84 respectively. The campaign ran alongside the Treasury's 'Eat Out to Help Out' initiative, ensuring that participating food businesses had the information they needed to provide food safely to customers. Tracking data also showed that younger people were using takeaway and delivery services more frequently.

By Q3 and Q4 we were sharing 'rapid shutdown guidance' for food businesses and recirculating our 'adapting your business during COVID-19' content across social media, alongside our regular handwashing messaging. Throughout 20/21 our COVID-19 content received the following:



#### Content impressions

**2.16 million**

The number of times our COVID-19 content was seen in 2020/21 across Facebook, Twitter, Instagram, LinkedIn



#### Interactions

**16,757**

The number of times people liked, commented, shared, link clicked our content across Facebook, Twitter, Instagram, LinkedIn

The average engagement rate for social content during the reporting period (0.77%) is lower than our average engagement rate across social media during this time (1%). This can be explained through the volume of posts and the messaging fluctuating across the year, with increased periods of output at the start/end of lockdowns and reduced content within these periods. When compared to our 'business as usual' content – with output being consistent all year around – this is to be expected. Equally, we can assume there might be some consumer fatigue with the messaging which will have an impact on engagement rate.

## COVID-19 Impact

### Businesses



Page views our dedicated business portal has received, almost double the next most popular non-COVID-19 content on our website.

### Consumers



Page views for our consumer guidance in Q1 alone.



% of 1,242 responses marked our consumer guidance as useful (↑ 19% on average rating of comparable government advice).

## Diversity and inclusion

Our 2018-2020 diversity and inclusion strategy set the following objectives:



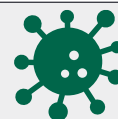
Attract and retain a diverse workforce



Champion inclusivity across our leadership and management community



Develop and support staff networks in strengthening our diverse and inclusive culture



COVID-19 impact on this activity:  
**Low**

Progress is kept under review by our Diversity Council and our staff networks also have a big hand in making it real and alive. Some of our diversity and inclusion achievements include:



FSA Accelerate – developed a 12-week targeted development programme for staff from underrepresented groups.



We have signed up to a new diversity and inclusion platform (Verdica) for our job vacancies.



Established a pool of diverse panel members and started a pilot to remove hiring managers from the selection panel



Two new networks launched: Age and Faith & Belief



New Inclusion Lead appointed




Established a successful Reverse Mentoring Scheme for staff from underrepresented groups.




Recognised as a top family friendly UK employer by work-life balance charity Working Families for the 2nd year running; listed in top 30.

More about our workforce composition, can be found on page 146.



## Overall objective

Deliver our European Union exit plan and embed



COVID-19 impact on this activity:  
**Moderate**

As we move forward after the end of the EU transition period, our top priority continues to be to ensure that UK food remains safe and what it says it is. Our high standard of food safety and consumer protection will be maintained. We are focused both on ensuring continued stability for the changes put in place for the end of December 2020, and continuing to progress those outstanding changes, e.g.



Commencement of notifications and checks for EU imports on 1 October 2021



End to Northern Ireland Protocol grace periods on 1 October 2021

Operating outside the EU brings several strategic changes and new opportunities. For example, operating under two regulatory environments under the Northern Ireland Protocol and the opportunities which come from the control we now have over imports and new product regulations.

In light of the change of focus from last year, the EU transition programme closed at the end of March 2021 and was replaced with the FSA UK Governance and Trade Group on 1 April 2021 to oversee those remaining and the new areas of change and opportunity.

## Objectives for 2020/21



Enable improvement of public health protection for UK consumers, where appropriate



Safeguard consumer confidence and interests by putting the consumer first

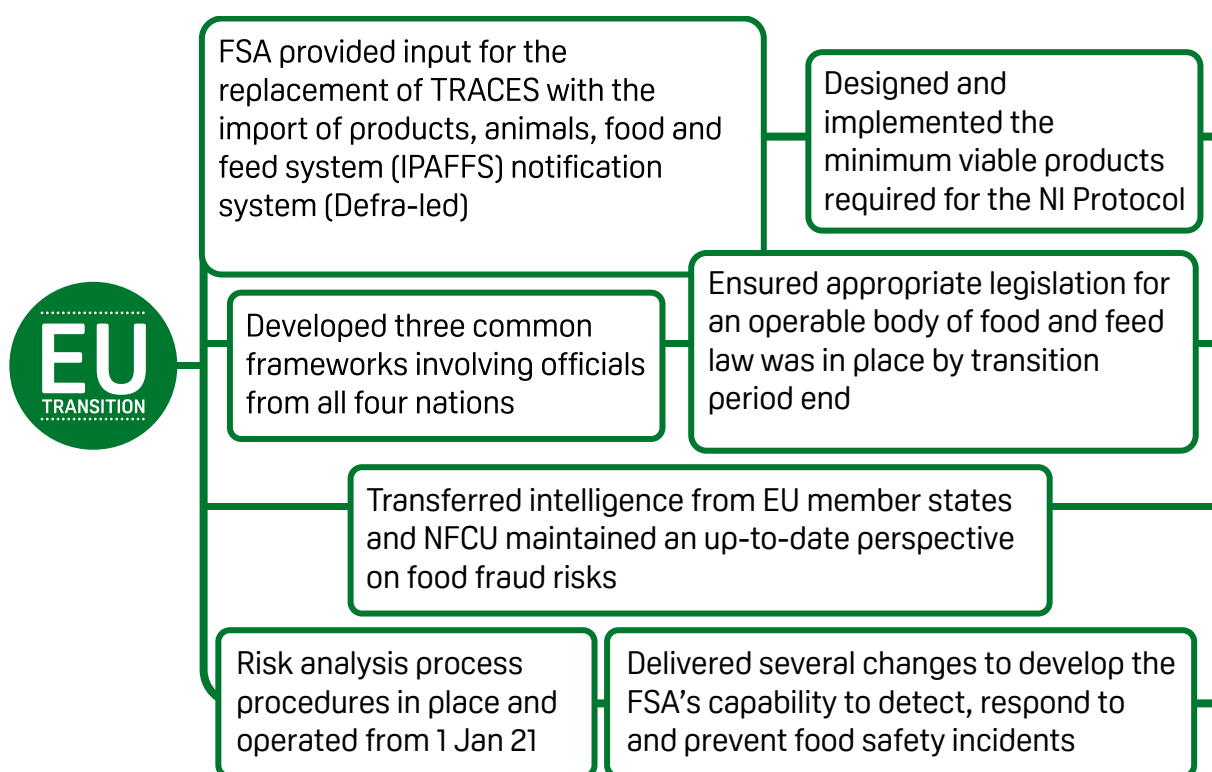


Ensure there is no reduction in public health protection for UK consumers, including maintaining and upholding the current regulatory regime

To reflect our objectives, any future regulatory system should:

- be at least as effective, or more effective, in protecting public health
- maintain or increase confidence in food safety, and in the regulatory regime
- minimise disruption for consumers and industry
- seek to achieve as unified a system as possible, in the consumer interest, whilst respecting devolution arrangements

## Key deliverables during 2020/21



## Progress against objectives:

### Readiness for end of transition period



All projects met their objectives



The new processes and systems worked well

**There were no significant issues with FSA readiness**

## Imports and exports

The main change for imports was the replacement of the EU's imports notification system, Trade Control and Expert System (TRACES), with the UK's own Import of product, animals, food and feed system (IPAFFS). Defra led this work, with FSA's input for:



Requirements



Testing



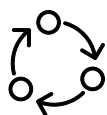
Business readiness support

**The system went live in December 2020 and has been working well with no outages and few user concerns raised**

Our other activity includes:



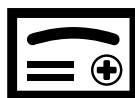
Supplied EU Transition funds as grants to local authorities to support their readiness for the end of the transition period



New processes repatriated from the EU, including activities to identify and undertake reinforced checks (where third country imports are deemed to require additional checks)



Support for Defra with the creation of a new office to replace audit and evaluation activities.



Support to Defra and local authorities with the export health certification process.

## Northern Ireland Protocol

The implementation of the Northern Ireland Protocol is a significant change for the FSA. It means EU food and feed law continues to apply in respect of NI. While the FSA's role and purpose has not changed in NI, differences within the UK regulatory system now exist and further differences will emerge over time. Although the FSA completed the minimum viable products required for implementation of the NIP at the end of 2020 further work is required to implement the Protocol most notably in areas being phased in over 2021.

Working jointly with Defra and DAERA, extensive communications and guidance on NI import control requirements on Great Britain agri-food has been published for businesses and District Council. The FSA will provide further support to our stakeholders to aide them with their preparations for the end of the current Grace Periods.

The FSA also facilitated Unfettered Market Access Phase I, through making required legislative changes in our remit, enabling NI to have access to the Great Britain market as it did before transition period end.

## Legislation

The FSA met the objective to ensure appropriate legislation for an operable body of food and feed law was in place for the end of the transition period. There will continue to be ongoing requirements to update legislation, and these are now fulfilled through business-as-usual processes.

**Risk analysis** (refer to ‘**Risk analysis process**’ section above for further detail)

The objective was to ensure that the FSA was prepared to deliver its food and animal feed risk analysis functions from the end of the EU transition period, and to embed new ways of working to deliver its risk analysis functions from 1 January 2021 within a four-country model. Building on previous work, during 2020/21 FSA activity focused on the following:



**Refining processes**



**Testing systems**



**Communicating the new process to staff and stakeholders**

The risk analysis process has been operating effectively from 1 January 2021 and procedures have been embedded in business as usual (BAU) work. We have increased our capacity and capability for assessing risks, providing advice, and managing those risks, so we can continue to deliver our new responsibilities and ensure that public health is protected. The risk analysis process provides a rigorous, transparent structure for framing risk management questions, producing the evidence and developing evidence-based risk management recommendations and advice.

**Incidents and resilience** (refer to ‘**Food incidents**’ section above for further detail)

The end of the transition period led to the loss of full access to RASFF and the close ties it offers with EU for incidents identification and management. To mitigate this, we delivered several changes to develop the FSA’s capability to detect, respond to and prevent food safety incidents:



We worked with INFOSAN (the International Food Safety Authorities Network is a global network of national food safety authorities, managed jointly by Food & Agriculture Organization, FAO, and the World Health Organization, WHO) investing in their upgraded system and providing support to enhance our relationship. INFOSAN supports us with notifications and surveillance.



With FSA’s strategic surveillance we have developed systems to enhance FSA incidents surveillance.



We have embedded and developed new roles and processes to make sure the FSA is better able to detect and respond to any incident affecting the UK.

## Frameworks

Provisional common frameworks (agreements between the UK Government and Devolved Administrations to work together within specific policy areas) are in place across the FSA's three broad policy areas of:

- food and feed safety and hygiene
- nutrition labelling, composition and standards
- food compositional standards and labelling

The common frameworks deliver on the FSA's strategic objective of establishing a regulatory regime that is as unified as possible:



Promote collaborative approaches to policy development across the UK



Ensure there is early four nation engagement on emerging issues requiring a policy decision

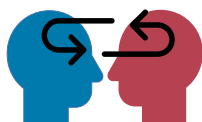


Encourage the development of consistent policy recommendations

The three common frameworks have been developed through collaborative projects involving officials from all four nations and have been provisionally signed off by Ministers in all four nations. The final framework proposals will undergo a joint review process during 2021/22. This will be overseen by the UK Government and Devolved Administration central teams responsible for the frameworks programme as a whole, before being signed by Ministers and implemented in their final form.

## National Food Crime Unit (NFCU)

NFCU preparations focused on ensuring the continued availability of routes for intelligence exchange around food fraud with EU member states, and on establishing and maintaining baseline analysis on potential changes to the food fraud risk landscape connected to the end of the transition period. These objectives were met:



Intelligence transfer with EU member states has continued via alternative routes



Maintaining an up-to-date perspective on food fraud risks in the food and drink economy post-transition

## Next steps

Whilst the majority of the changes resulting from the end of the transition period are in place and working effectively, there remain some changes yet to be implemented. These include:

- Control of food imported from EU (this will start with the notification of these imports from October 2021, where FSA is supporting Defra with implementation of these changes. Checks on imported food will be implemented from January 2022).
- The two grace periods which are in place to support implementation of the Northern Ireland Protocol require further changes as they come to an end in October 2021.
- The new arrangements to cover a range of audit activity previously carried out by the European Commission, now known as UK Office for Sanitary and Phytosanitary (SPS) Trade Assurance, will be put in place during first half of 2021. FSA is providing resource to support this activity.

To progress these outstanding changes and future challenges and opportunities, a new governance structure, the FSA UK Governance and Trade Group was established on 1 April 2021. This new governance structure will support those remaining changes yet to occur and embed our new ways of working in a post EU transition world.

## 2020/21 EU Exit activity spend (£000s)



## ACHIEVING BUSINESS COMPLIANCE

### Overall objective

A new regulatory model giving us more scope to protect consumers within the rapidly evolving global food system

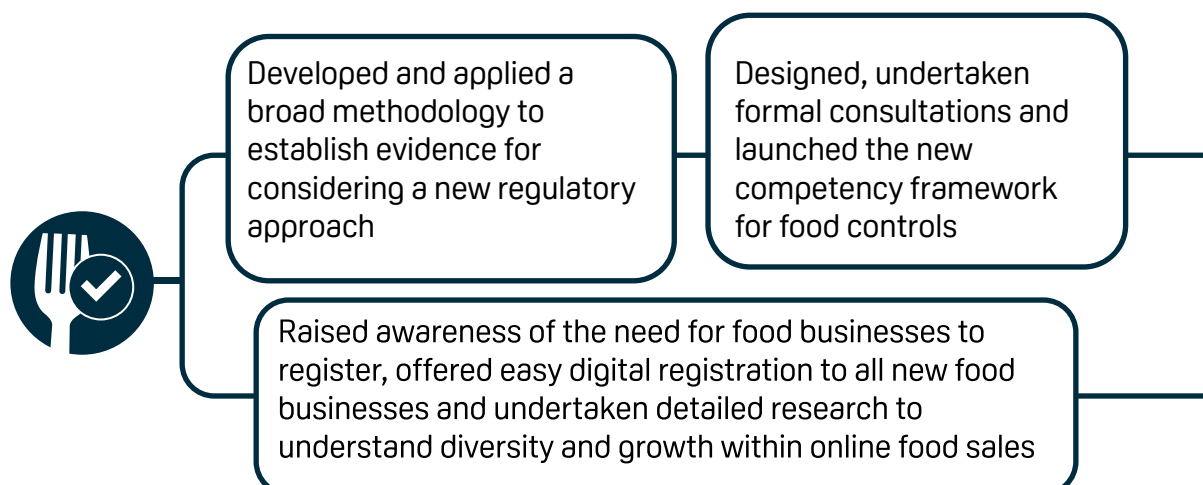


COVID-19 impact on this activity:  
**Moderate**

The Achieving Business Compliance (ABC) programme will design new, responsive, regulatory approaches which are innovative and make best use of technology, data, and relationships. The programme aims to strengthen existing partnerships and forge new relationships with industry to recognise and manage risks, so consumers can always trust their food wherever it is produced, supplied or consumed. The new approach will make it easy for businesses to do the right thing, be truly risk-based, proportionate, tailored, and ultimately, more effective in protecting the public and supporting business.

In January 2020, the FSA Board agreed that the programme should focus on developing new regulatory approaches (using sophisticated risk assessment), skills for the job, a target operating model, and surveillance in 2020/21.

### Key deliverables during 2020/21



### Progress against objectives:

Progress during the year has been significantly slower than anticipated due to the cumulative impact of COVID-19 and the end of the EU exit transition period on the FSA and importantly key stakeholders of the ABC programme. Delivery during the year has therefore, focused on the following three key areas:

## New regulatory approaches



### Aims

Utilise various sources of information to identify compliant business segments that could be candidates for a new regulatory approach.

Work in joint endeavour with the food industry to develop new regulatory approaches.

Facilitate local authorities to target their resources effectively at non-compliant food businesses.

### Progress

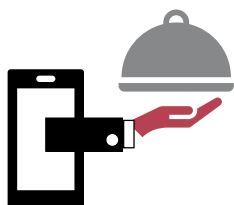
Developed a broad methodology for identifying and utilising data to start to identify compliant business segments.

We have applied this methodology to establish that there is evidence for considering a new regulatory approach for large influential retailers.

Commenced research with retail businesses to understand the role they play within the wider food system.

We have conducted initial research into the type of levers and interventions that could underpin alternate regulatory approaches.

## Assurance of online food sales



### Aims

Work in partnership with online food businesses to ensure they take responsibility for ensuring the food they produce is safe and what it says it is.

Online food businesses understand the requirement to register their business.

Explore ways that digital technology can help provide assurance to consumers about the safety of food that they buy online.

### Progress

Worked closely with the key aggregators in the food sector, Uber Eats, Deliveroo and Just Eat, all of whom use the FSA's flagship FHRS to determine whether they will allow businesses onto their platforms. This drives up standards and is good for consumers and business, as a higher rating attracts more customers.

Raised awareness of the need to register through our 'Here to Help' campaign, which provides guidance and best practice to food businesses.

Offered easy digital registration to all new food businesses via our Register a Food Business Service.

Undertaken detailed research to understand diversity and growth within the online food sales market to understand where we can best target future FSA activity.

## Skills for the job



### Aims

Develop a new competency framework for people carrying out food and feed assurance activities.

Framework will improve consistency by spanning all relevant roles in the public and private sector.

Identify and implement a mechanism for assessing and authorising competencies for relevant individuals.

### Progress

- Created and worked with a Competency Reference Group, including local authorities, professional and private sector assurance bodies, and educational providers to design the new competency framework.
- Undertook formal consultations on the implementation of the competency framework for food controls undertaken by local and port health authorities.
- Launched the competency framework for food controls undertaken by local and port health authorities in England and Northern Ireland. Launch in Wales is scheduled for June 2021.
- Commenced work to define and implement a new mechanism for assessing and authorising individuals against the new framework.

We have also continued our work with local authorities to offer a new digital route to registration for new food businesses. This service enables quick and easy registration for food businesses and enables local authorities to capture high-quality data so that they can tailor their advice and guidance to start-ups. As at the end of March 2021:



**Local authorities**  
utilised the new digital  
approach



**Almost 55,000 new**  
**businesses registered** with  
the service

Pilots to trial a new regulatory framework for the delivery of food standards controls were commenced in February 2021. The new approach integrates intelligence, and risk, to be more effective in targeting issues identified within the food supply chain. The approach is designed to reduce harmful products on the market, whilst better aligning enforcement resource to risks with the supply chain. The pilots are due to run for 12 months and will then be evaluated for wider implementation.

## Next steps

In 2021/22 the Achieving Business Compliance programme will focus on:

- Reviewing the hygiene regulatory model
- Designing and developing new regulatory approaches for specific food business segments
- Continued work on the assurance of online food sales
- Delivering and assessing the pilots of the new regulatory framework for food standards controls

## OPERATIONAL TRANSFORMATION

### Overall objective

A new regulatory model giving us more scope to protect consumers within the rapidly evolving global food system



COVID-19 impact on this activity:  
**Moderate**

The Operational Transformation programme aims to modernise the regulatory framework for the Official Controls delivered directly by the FSA in the meat, dairy and wine sectors in England and Wales. By working in close collaboration with industry and key stakeholders, we aim to develop a risk-based and intelligence-led regulatory framework that makes it easier for food business operators (FBOs) to maintain food safety in a transparent and cost-effective manner that drives a continued increase in consumer confidence, ensuring food is safe and is what it says it is.

The programme is designing a future delivery model based around 7 key elements:



**Clearer accountability** – Between Industry and the FSA as regulator.

Industry remains accountable for producing safe food, and we will monitor and verify this, as the regulator.



**Tailored presence** – Outcome based, linked to the risk, and charged accordingly.



**Robust assurance regime** – Intelligence-led evidence and third party assurance.

The deployment of a full suite of assurance techniques to provide a high level of assurance at all stages of Official Controls delivery



**Transparent compliance** – The FSA will publish and share compliance data of food business operators and links to third party assurers and retailers.



**Digitised real time data by default** – Collection of data at point of entry – collect once, use many. Open data – sharing agreements with third parties.

The FSA and FBOs collect data once, and use multiple times for multiple purposes, either in a single system, or those that can ‘speak’ to one another.



**Modernised Management** – Digitised & automated allocation and performance management.

A more streamlined management function with digitised capability to support efficient resource deployment.



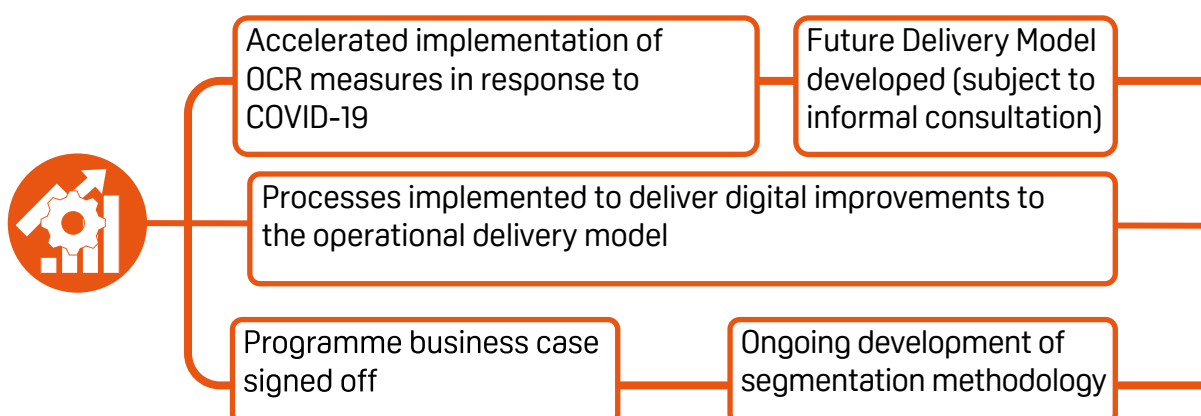
**Resource capability & capacity** – Recruitment, learning and development career pathways (future resilience). Retention with improved enforcement outcomes.

A skilled, resilient workforce capable of undertaking a wide range of activities, flexing to changing business requirements.

## Objectives

By October 2021, the FSA has committed to provide Cabinet Office a clearly defined revised operating model for the delivery of domestic Official Controls for meat, wine and dairy. In response, by end of May 2021 the FSA will have developed a new draft operating model, to be consulted upon and refined.

## Key deliverables during 2020/21



## Key achievements and challenges:

The programme provided support to COVID-19 response through the rapid development and implementation of emergency easements which enabled 100% attendance at all operational meat premises.

## Progress against objectives:



Ongoing/  
on track



### Define an industry segmentation model for application to FSA approved businesses

A segmentation tool is in development that will allow us to section and group similar FBOs into cohorts to deliver a risk-based approach. The next sprint will produce the initial prototype by April 2021 and subsequently undergo testing.



Ongoing



### Define a charging regime for Future Delivery Model

A finance representative has been assigned to work with the programme. They will act as a key stakeholder and critical friend and will design and refine the new charging model in alignment with our initiatives as they are developed.



Completed



### Produce the programme business case

A strategic partner, with stakeholder input, has evolved the business case, including costs, benefits and rationale for the Programme. The final version was presented and signed off at the March 2021 Programme Board.



Ongoing



### Define workstreams to cover operational model testing/policy change implementation

Definition of the workstreams, one for each of the 7 elements, is underway to identify, explore and prioritise opportunities.



Ongoing/  
on track



### Deliver various digital improvements to operational delivery model

Work is on track to deliver digital solutions, with opportunities such as digital resource scheduling in pilot, and other initiatives, such as digitising our Approvals process, in development.



On track



### Draft proposed Future Delivery Model for operations presented at FSA Board

A paper outlining our future ambitions is scheduled to be presented to FSA board in May 2021. The model is based on moving to a more risk-based approach and is due to be published for informal public consultation following presentation to the Board.

# FOOD HYPER- SENSITIVITY

## Overall objective

To improve the quality of life for people living with food hypersensitivities and support them to make safe and informed choices to effectively manage risk



COVID-19 impact  
on this activity:  
**Moderate**

In 2019 the FSA Board committed to making food hypersensitivity (FHS) one of its top priorities and endorsed the longer-term ambition for the UK to become the best place in the world to be a hypersensitive consumer. Our work on FHS includes food allergy, intolerance and coeliac disease. The 2019-25 FHS Strategy sets out how the FSA works with partners inside and outside government to deliver a programme of work that achieves a step change in how FHS is understood and managed. Our work is focused on developing policy, research and evidence, which is informed by consumer and business engagement, and supporting enforcement. The FHS programme will:



Improve quality of life  
for 2.6 million  
hypersensitive UK  
citizens



Reduce burden and  
cost to the NHS



Increase workplace  
productivity by  
reducing FHS illness  
incidence



Increase economic  
activity of food  
hypersensitive  
consumers within the  
food and hospitality  
sectors

Activity in the FHS programme is centred around three themes:



**Safety**

Increasing understanding of FHS and the associated risks, ensuring that food businesses and people with FHS have accurate, useable and timely information to manage risks and prevent harm.



**Trust**

Giving people confidence to take appropriate action and make the right choices.



**Choice**

Ensuring people with FHS are not unnecessarily excluded from participation in our food culture such as eating out or ordering a takeaway.

## Objectives for 2020/21:

- Develop and embed the FHS strategic approach – ensuring that activity across the programme is aligned with other FSA activity.
- Deliver current priorities such as supporting business implementation of the prepacked for direct sale (PPDS) allergen labelling requirements and further public awareness campaigns for business and consumers.
- Work with the FSA's Science Council to undertake a comprehensive review of the science and evidence base to identify any gaps.
- Develop the metrics needed to measure the impact our work is having.

We have made good progress on these objectives over 2020/21 with some key successes. The COVID-19 pandemic affected the pace at which we could deliver and meant we had to delay aspects of our work, particularly those involving stakeholder engagement. We also had to re-think some research projects with external partners particularly those experiencing significant pressures due to COVID-19, such as local authorities and clinicians.

## Key deliverables during 2020/21



## Progression of key areas in Food Hypersensitivity programme

### Programme stakeholder engagement

Key to success of the programme, and achieving our vision, is engagement with stakeholders. At the heart of our approach to programme delivery is co-design and we have been working closely with stakeholders to ensure that they are able to input into our work.

We identified key stakeholders and developed a programme stakeholder engagement plan which outlined key objectives and activities. This includes regular ongoing engagement with consumer charities and business groups. We held a FHS symposium in March 2021 which included a range of speakers and workshops for around 150 external attendees. We also carried out work to set up a programme Expert Panel allowing collaboration between the FSA and key food hypersensitivity stakeholders including charities, trade bodies, academics, clinicians and local authorities. This panel will begin meeting in 2021/22.

### Implementation of the prepacked for direct sale (PPDS) labelling requirements

New allergen labelling requirements for PPDS food will be in effect from 1 October 2021, following the introduction of legislation in all four UK administrations. In June 2020 we published revised technical guidance on allergen labelling to include new content on PPDS. We engaged with businesses to understand where they needed support and information and used this insight to develop our guidance and resources.

In October 2020 we launched the first phase of a campaign to raise awareness emphasising that there was ‘one year to go’ and encouraging businesses to check what they need to do to prepare for the change. We delivered targeted digital advertising in March 2021 to direct businesses to the PPDS information on our website.



Number of people who visited our PPDS webpage over 2020/21, with spikes in October 2020 and March 2021 in response to our campaign activities.

**41,000+** Visits in March 2021 alone, an increase of 1,969% on the previous month



We promoted the changes at different industry events aimed at both small and large businesses. We provided support to local authorities by issuing a ‘quick guide’ they can send to businesses in their area and included PPDS content in local authority resources available on our Smarter Communications platform.

### Communications campaigns

The FSA was planning key allergen awareness campaigns aimed at businesses and young people when the COVID-19 pandemic hit in 2020. The business campaign was put on hold and we reassessed the young people’s campaign to take account of the changing context and circumstances. In February 2021 we launched a successful ‘Speak Up For Allergies’ campaign to encourage 18-21 year olds to speak to the restaurant every time they order food (see page 84 for further details).

## Food allergy and intolerance e-training

We updated our online food allergy and intolerance e-training on 16 September 2020 to improve the content and overall clarity, accessibility and to incorporate new requirements for PPDS foods. This training benefits local authority enforcement officers, food industry organisations, businesses, consumers and students. At the end of March 2021 there were:



**58,000+** registered accounts on the training platform, of which;



**11%**

are from those working for a local authority



**49%**

are working for a food business operator



**20%**

mix of nurseries, NHS, people interested in starting a business



**1%**

are consumers



**19%**

are students or teachers

## Food Allergic Reaction Reporting Mechanism (FARRM)

We are developing work on a FARRM that might allow consumers to provide information about their experiences of food related allergic reactions to the FSA. This would not be for enforcement purposes as our focus would be on using any information reported to understand more about the root causes of food-related reactions. Through analysis of the data provided by consumers, we would hope that the FSA might be able to identify patterns and trends in reported incidences. This information will help to inform policy decisions and research priorities for FHS. This work will not replace existing processes for food incidents, and these will continue to be reported and investigated through normal channels.

Throughout 2020/21 we conducted a piece of discovery work to ascertain how allergy consumers might use any such system and their expectations of it. This included testing of potential delivery models. we expect to continue to explore the feasibility of such as mechanism through 2021/22.

## Research work in support of our strategy

We have made progress on existing research projects through our Food Allergy and Intolerance Research programme during 2020/21 and we have developed a pipeline of new projects to address policy evidence gaps. The pace of development of some research projects was affected by the COVID-19 pandemic, with some milestones slipping into 2021/22.

Throughout 2020/21 the FHS work of the FSA's independent Science Council continued with an ongoing review of the science and evidence base to identify key gaps we should address. When this work concludes in 2021/22 it will provide insights that will inform the future development of our work.

During 2020/21 we also developed ongoing work to determine metrics that will allow us to estimate the financial burden and non-financial costs of FHS on consumers. These estimates will be used to populate our 'Cost of Illness' model for food allergies, food intolerance and coeliac disease which will also provide helpful insight for our policy work.

Key research projects we delivered in 2020/21, including an FSA funded study which identified the following:



**101,891**

UK hospital admissions due to food-induced anaphylaxis **increased threefold** from 1998 to 2018.



However, the case fatality rate has **decreased by more than half**.



**Cow's milk was the most common allergen responsible for causing fatal reactions in children.**

We completed research to understand how businesses provide allergen information for non-prepacked food. The study found food businesses are generally more thorough in their approach to providing allergen information to consumers compared to 2012, showing improvements across several areas. The introduction of legislation on the provision of allergen labelling in 2014 contributed to this shift in practices. The study also provided helpful 'baseline' information on food business awareness and readiness for the forthcoming PPDS rules.

We conducted a small trial (curtailed due to COVID-19) with a multinational business to understand what works to get people to declare their allergies. The trial found that if restaurants proactively ask consumers about allergies, it increases the confidence people feel, compared to expecting consumers to reveal their allergy on their own account.

## Speak up For Allergies

**Aims:** To raise awareness of the importance of speaking to takeaways about food allergies when ordering among 18 to 21-year-olds and their friends and family<sup>†</sup>.

**When:** February to March 2021

**Spend:** £95,000

### What we did and the results:

Given our target audience our approach was digital first, and we worked with six social media influencers on TikTok and Instagram to deliver the content in an engaging and relevant way. This activity reached 412,600 people and generated 25,600 engagements, including many positive comments from young people on the importance of the messaging:

**‘Thanks so much for sharing this guys – I always get nervous/feel like a major inconvenience when eating out/ordering food so have definitely been tempted to stick to the same thing and not let anyone know. Super important message and so refreshing to see this kinda thing shared in such as positive light.’**

We created a campaign video which ran in a paid campaign across Instagram, Snapchat, YouTube and Facebook in English and Welsh. Across all of the channels we saw 534,262 video views which was 45.7% higher than our initial estimation of 366,555. Additional specific Northern Ireland activity included a competition with Cool FM, and media activity for example with Belfast Live.



We worked with partners such as Just Eat, Uber Eats, Dig In, NUS and Mumsnet to engage with businesses, parents and young people themselves. Through these channels we reached nearly a million young people and consumers and 200,000 food businesses operators. Examples of this work include Just Eat and Uber Eats who shared content with their 65,700 restaurant delivery partners, Mumsnet who hosted an FSA led expert panel Q&A and student engagement app Dig-In who reached over half a million students with allergy themed polls.

Through this work we have also established excellent relationships with some key restaurant partners who were unable to participate as their businesses focuses on ‘eat in’ and were therefore closed due to COVID-19 restrictions but have expressed a desire to continue with this work in the future.

<sup>†</sup> [www.food.gov.uk/safety-hygiene/advice-for-teenagers-and-young-adults-with-a-food-allergy](http://www.food.gov.uk/safety-hygiene/advice-for-teenagers-and-young-adults-with-a-food-allergy)

# Principal risks and uncertainties

We set out our approach to managing risk as part of the FSA Governance Statement 2020/21 on page 113. FSA risks are **Identified, Assessed, Managed, Reviewed and Recorded** at the appropriate level across the FSA. Governance is provided through:

- monthly exception
- review quarterly, ensuring the right risks are prioritised, and
- annually as part of the corporate business planning process

**Risk Registers** are used to record our risks, aid assessment, prioritise actions and monitor progress.

To deliver ‘Food we can trust’ whilst managing reducing resources and external uncertainty we have an appetite to take considered risks and exploit opportunities and innovation. Our approach to innovate can differ depending on the nature of the risk, therefore, we align risks to themes which can be seen below:



**Food we  
can trust**



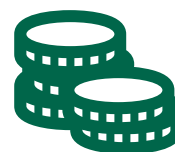
**Reputational/  
Credibility**



**Compliance/  
Legal regulation**



**Operational/  
Policy delivery**



**Financial/  
Value for money**

FSA risks are identified and categorised in the following way:

Internal	External	Strategic	Major change
Fraud	Economic downturn	Food incident	Shifting requirements
Health and safety	Malicious attack	Regulatory control	Slippage in delivery timeframe
Capacity and capability	Extreme weather	Credibility	Failure to deliver
Data security	Delivery partner pressures	Trust	
Delivery partners	Funding constraints		
	Industry uncertainty		

To support the appropriate analysis, treatment and monitoring, our policy is to use risk registers (a number of which are mandatory) as part of our management approaches. Where appropriate, risk registers will be used to record the escalation or de-escalation, transfer or aggregation of risks to ensure that they are managed at the most appropriate level within the FSA and by those best placed to take decisions as to how best to handle them.

## Long term risk trends and key mitigation activities

Our overarching mission is food we can trust, and our vision is comprised of the following goals:



Food is safe



Food is what it says  
it is



Consumers can  
make informed  
choices about what  
to eat



Consumers have  
access to an  
affordable diet, now  
and in the future\*

\* the FSA only holds nutrition policy in Northern Ireland, not in England and Wales.

### Maintaining public confidence in FSA public reputational trust

#### Strategic goals linked to the risk



#### Risk trend:

Stable

#### Risk rating:

Green/Amber

#### Our risk mitigation activities:

- We continue to deliver and implement a more robust, and proactive planning, listening and horizon scanning.
- Working with consumers and representatives from the food business industry to track their views and opinions.

### Maintaining relationships across Government and internationally to advance consumer protection

#### Strategic goals linked to the risk



#### Risk trend:

Stable

#### Risk rating:

Amber/Red

#### Our risk mitigation activities:

- During our COVID-19 response we have worked more closely with other Government Departments, colleagues across Whitehall and the devolved administrations.
- Review stakeholder plans ensuring active relationships management and work with Government departments to contribute to and influence thinking on key priorities.
- Streamlined how we monitor international developments, providing early intelligence and analysis on issues which could have an impact on food safety risks for consumers.

### The risk of not working effectively and cohesively across countries

#### Strategic goals linked to the risk



#### Risk trend:

Stable

#### Risk rating:

Amber/Red

#### Our risk mitigation activities:

- The FSA Chair has maintained engagement with UK Ministers to widen understanding, expectations and co-create requirements.
- Actively engaged in formal joint UK Government and Devolved Administration working groups on UK regulatory frameworks post EU transition, supported by continuous engagement with devolved colleagues.

### Being able to identify, assess and act on a food risk to prevent harm to consumers

#### Strategic goals linked to the risk



#### Risk trend:






Stable

#### Risk rating:


Amber/Red



#### Our risk mitigation activities:




- Developed a risk analysis process and will continue to embed the new process through training and application in new risk management areas.
- Implemented the recommendations of the 2019 Science Council's report on horizon scanning and have a project in place to ensure they are fully embedded.
- Scenario planning and horizon scanning workshops are in place to test our understanding of food system risks.
- Build on our strategic surveillance capability and its integration into our Strategy function with the strategic insights team development underway.






Managing EU transition related challenges	
<b>Strategic goals linked to the risk</b>    	<b>Risk trend:</b> Increasing 
	<b>Risk rating:</b> <b>Red</b>
<b>Our risk mitigation activities:</b> <ul style="list-style-type: none"> <li>● We have in place an effective imports/exports regime that provides assurance as to the safety and authenticity of food imports and exports without compromising food availability.</li> <li>● Recruited and trained to ensure we have a sufficient and adequately qualified workforce to carry out our core statutory food safety controls.</li> <li>● A successful bid for £4.1m for implementing the NI Protocol in 2021/2022. The Northern Ireland Protocol funds include in large part provision for district councils to carry out the functions required under the Northern Ireland Protocol.</li> <li>● Continue to provide targeted support where needed (e.g. training, advice, engagement) to local authorities and Port Health Authorities and work closely with local authorities and other stakeholders to identify issue areas.</li> </ul>	

Being able to provide an adequate response to a major food incident	
<b>Strategic goals linked to the risk</b>   	<b>Risk trend:</b> Stable 
	<b>Risk rating:</b> <b>Amber/Red</b>
<b>Our risk mitigation activities:</b> <ul style="list-style-type: none"> <li>● Continue to enhance our response and management of incident by embedding learning and best practice and developing our incident response processes and plans.</li> <li>● Strengthen our incident prevention and investigatory capability to ensure we proactively approach incident and outbreak management.</li> <li>● Our teams across the FSA have continued to work tirelessly and flexibly to ensure we maintain and develop the ability and capability to invoke effective incident response arrangements.</li> </ul>	

Managing Service Level Agreements contracts	
<b>Strategic goals linked to the risk</b> 	<b>Risk trend:</b> Increasing 
	<b>Risk rating:</b> <b>Red</b>
<b>Our risk mitigation activities:</b> <ul style="list-style-type: none"> <li>● An open policy making approach to the Achieving Business Compliance Programme allowing rigorous challenge of options/approach as they are developed from concept all the way to delivery.</li> <li>● Review and revise processes for supporting local authority delivery and performance against FSA expectations.</li> <li>● Adjusted our expectations of local authorities during the pandemic, enabling resources to be targeted at businesses posing the greatest risk to public health.</li> <li>● Continue to develop a data driven strategy for monitoring, assessing and managing local authority performance in the short, medium and long-term.</li> </ul>	

Managing our delivery partners	
<b>Strategic goals linked to the risk</b> 	<b>Risk trend:</b> Stable 
	<b>Risk rating:</b> <b>Amber/Red</b>
<b>Our risk mitigation activities:</b> <ul style="list-style-type: none"> <li>● Developed a recruitment and retention trigger point system to aid monitoring and escalation of current and future projections of Service Delivery Partners' staffing levels.</li> <li>● The Operational Transformation Programme principles have been developed to help deliver transformational change whilst keeping consumer trust and safety at the heart of everything. We will identify alternative solutions through increased flexibility in the operating model, however full transformational change is dependent on new legislation.</li> </ul>	

National Food Crime Unit (NFCU) expansion	
<b>Strategic goals linked to the risk</b>  	<b>Risk trend:</b> Stable 
	<b>Risk rating:</b> <b>Amber/Red</b>
<b>Our risk mitigation activities:</b> <ul style="list-style-type: none"> <li>● Developed and delivered an enhanced proactive intelligence collection and analysis capability to ensure the NFCU understands the strategic food crime risks.</li> <li>● Developed and implemented a stakeholder engagement and communications strategy, which builds a comprehensive understanding of the unit's capabilities and manages the expectations around criminal justice outcomes.</li> <li>● We continue to engage with Ministers to seek support for primary legislation to secure necessary enforcement powers.</li> </ul>	

Being adequately resourced	
<b>Strategic goals linked to the risk</b>    	<b>Risk trend:</b> Stable 
	<b>Risk rating:</b> <b>Amber/Red</b>
<b>Our risk mitigation activities:</b> <ul style="list-style-type: none"> <li>● Our budget was agreed in the one-year Government-wide Spending Review 2020 (SR20), with focus on delivering the FSA's top priorities.</li> <li>● HM Treasury approval of the FSA's case to classify all resource expenditure as Admin.</li> <li>● Established a Strategy Directorate and our new design principles outlining the vision and ambition for FSA over the next 2-3 years have been developed.</li> <li>● COVID-19 contingency including a temporary redeployment policy and further support for frontline staff.</li> <li>● Investment in additional policy and legal staff, as well as enhancing Operational Delivery capacity, to manage the increased workload in these areas due to EU transition.</li> </ul>	

# Performance Analysis

## Formal enforcement action (England, Wales)

In accordance with the requirements of the Food Standards Act 1999, we report each year on enforcement action taken by the FSA. Statutory notices may be served for failures in hygiene, unsatisfactory structural matters, to stop the use of particular types of equipment, to impose conditions on the meat production process, to close down the operation completely, or to stop a particular practice that contravenes the hygiene provisions of the legislation. Statutory notices must accurately reflect the non-compliance, refer correctly to the relevant legislation, and be clearly legible and unambiguous, to be legally valid.

The continued downward trend in formal and informal enforcement actions is largely because of improved compliance levels by food business operators. Also, during the reporting period, the COVID-19 response included implementing a number of temporary measures to minimise the number of site visits at businesses. This resulted in less enforcement activity during the reporting period. The measures reduced the total number of site visits to approved meat establishments and included deferring scheduled audits for sites with higher audit outcomes (good and generally satisfactory) until the end of June 2021 to maximise resources.

### England and Wales: formal and informal enforcement action taken during 2020/21

Formal action	Number of notices 1 April 2020 to 31 March 2021	Number of notices 1 April 2019 to 31 March 2020
<b>Hygiene Emergency Prohibition Notice</b> , served under the Food Safety and Hygiene (England) Regulations 2013 and the Food Hygiene (Wales) Regulations 2006, giving a food business operator a day's notice of the intention to apply to a court for the granting of a Hygiene Emergency Prohibition Order which would result in an immediate cessation of business	0	1
<b>Hygiene Improvement Notice</b> served under the Food Safety and Hygiene (England) Regulations 2013 and the Food Hygiene (Wales) Regulations 2006	50	126
<b>Remedial Action Notice</b> served under the Food Safety and Hygiene (England) Regulations 2013 and the Food Hygiene (Wales) Regulations 2006	107	150

Informal action	Number of notices 1 April 2019 to 31 March 2021	Number of notices 1 April 2018 to 31 March 2020
Written advice	1,277	2,460

## Northern Ireland: formal and informal enforcement action taken during 2020/21

Formal action	Number of notices 1 April 2020 to 31 March 2021	Number of notices 1 April 2019 to 31 March 2020
<b>Hygiene Emergency Prohibition Notice</b> , served under the Food Hygiene Regulations (Northern Ireland) 2006, giving a food business operator a day's notice of the intention to apply to a court for the granting of a Hygiene Emergency Prohibition Order which would result in an immediate cessation of business	Nil	Nil
<b>Hygiene Improvement Notice</b> served under the Food Hygiene Regulations (Northern Ireland) Regulations 2006	Nil	Nil
<b>Remedial Action Notice</b> served under the Food Hygiene Regulations (Northern Ireland) 2006	Nil	Nil

Informal action	Number of notices 1 April 2020 to 31 March 2021	Number of notices 1 April 2019 to 31 March 2020
Written advice	11	35

## Prosecutions

Following an investigation referral and full criminal investigation, prosecutions of offences committed at approved premises can be taken by the relevant enforcement authority.

In England and Wales, prosecutions for food hygiene breaches are taken by the FSA. Cases in relation to alleged breaches of animal welfare, animal by-products and some transmissible spongiform encephalopathy (TSE) requirements are prosecuted by the Crown Prosecution Service (acting on behalf of the Department for Environment, Food and Rural Affairs) or the Welsh Government. In 2020/21, the FSA Criminal Investigation Branch accepted 36 referrals from Operations Directorate for investigation with a view to prosecution. The outcome of these investigations are subject to evidential and public interest tests.

The timescales for prosecutions mean that it is rare for a case to progress from referral to a final court hearing within the same reporting year. Therefore, many of the cases referred for investigation in 2020/21 have yet to be concluded.

During 2020/21, 4 cases investigated by the FSA were concluded at court with convictions secured against 5 defendants. A further 13 cases are currently being prosecuted.

There were 91 recorded investigation referrals in England and Wales during 2019/20.

The outcomes or status of those referrals are as follows:

Outcomes/current status	Number of referrals
Convictions	7
Warning letters issued	8
Ongoing prosecutions in Court	17
Acquittals	0
Withdrawn prosecutions	1
No prosecution taken	58

Court actions and investigation referrals have both seen significant reductions over the course of the reporting period due to the impact of COVID-19.

## Complaints including those made to the Parliamentary and Health Service Ombudsman

The FSA will always seek to address and learn from any issues identified through its Complaints Policy. We aim to resolve all complaints quickly and as close as possible to the point of delivery. For this reason, complaints are normally handled at the 'local' level in the first instance. Where the complainant is dissatisfied with how the FSA has responded to their complaint, they can escalate the matter through to the 'central' level of our process. This level effectively offers two stages of 'appeal' firstly through the office of the Complaints Coordinator and secondly, through the office of the Chief Executive. Although there may be occasions when it is necessary for a complaint to commence at the 'central' level of the process.

Launched in April 2019, details of our Complaints Policy can be found online:  
[www.food.gov.uk/contactconsumersfeedback/complaints-and-comments-about-the-fsa](http://www.food.gov.uk/contactconsumersfeedback/complaints-and-comments-about-the-fsa)

Where a complainant remains dissatisfied having exhausted the FSA's process, at both the 'local' and 'central' levels, they can refer their case to the Parliamentary and Health Service Ombudsman (PHSO). Further details about the PHSO are available online:  
[www.ombudsman.org.uk/](http://www.ombudsman.org.uk/)

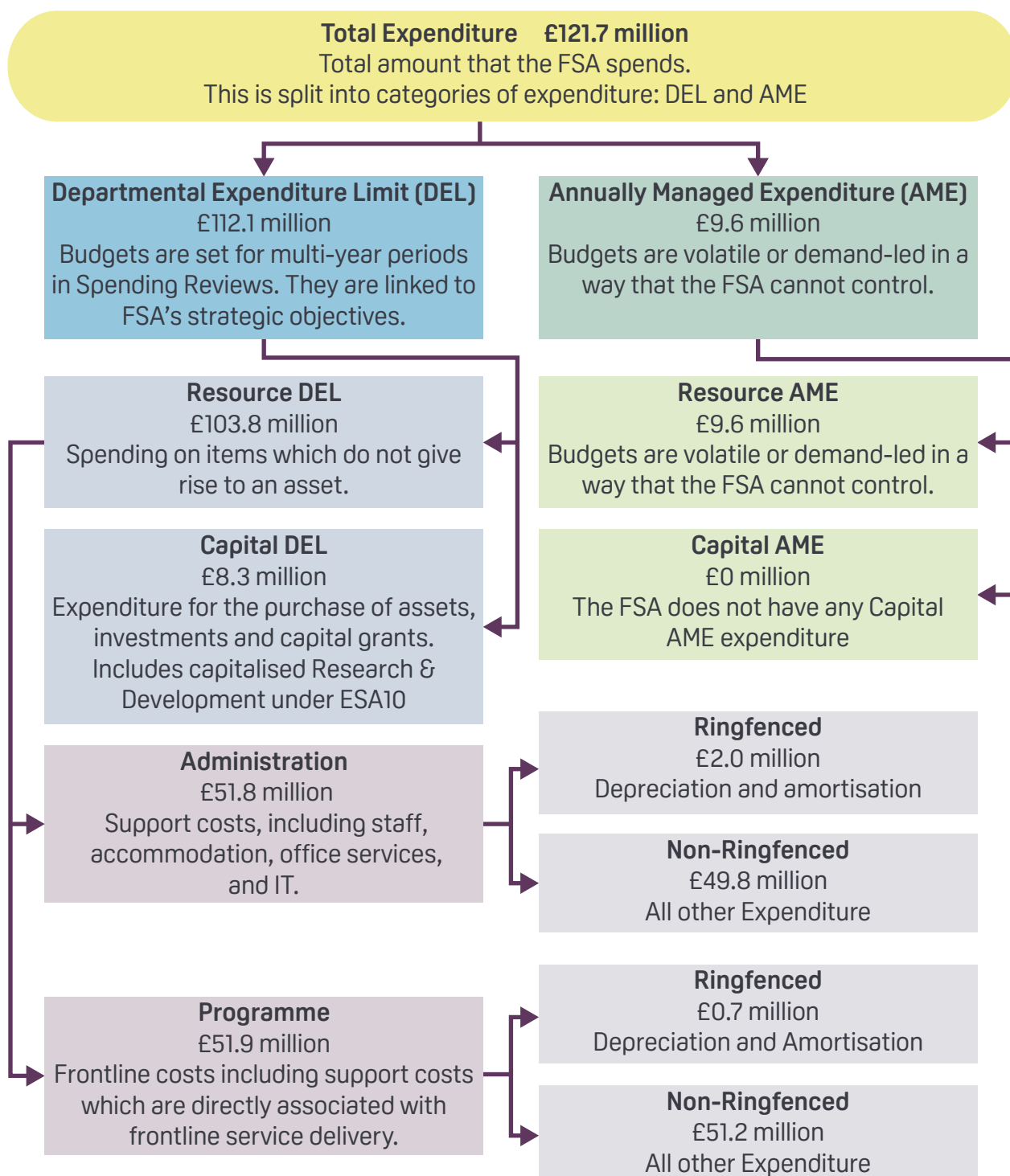
During the calendar year 2020:

- 11 cases were responded to at the 'local' level. 6 cases were not upheld, 4 were partially upheld and 1 was upheld in full.
- 2 cases were responded to at the 'central' level of our process through the office of the Complaints Co-ordinator, where 1 was not upheld and 1 was partially upheld.
- No cases were escalated to the office of the Chief Executive.
- 1 case was referred to the PHSO and is ongoing. This case initially commenced in 2019.

This compares to 4 complaints progressed beyond the level of a local response during 2019. Of these:

- 2 cases were not upheld.
- 2 were partially upheld.
- No cases were investigated by the PHSO.

## Financial performance



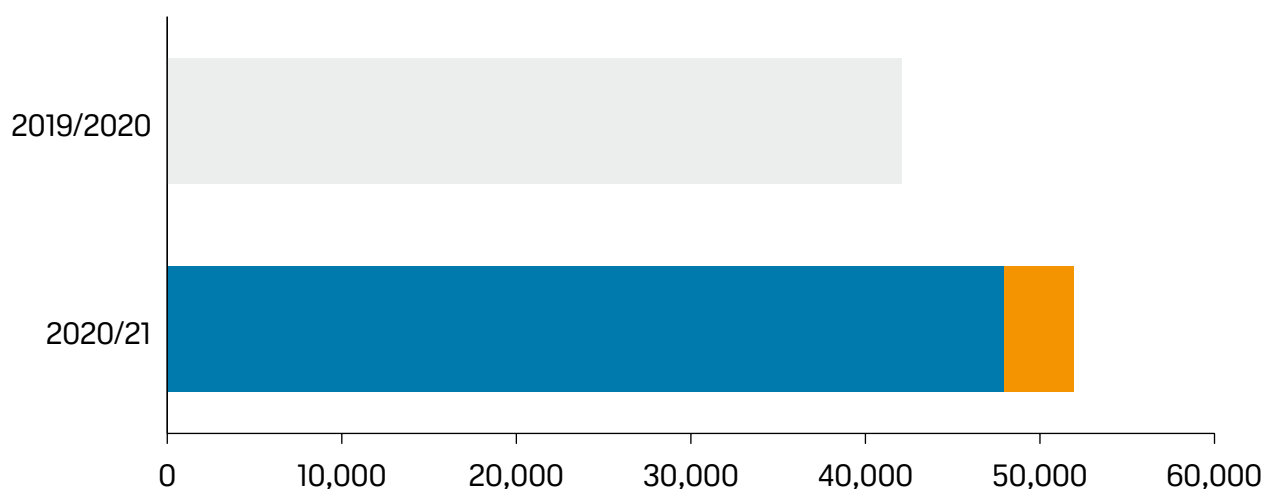
The FSA is financed through the annual Supply Estimates process managed by HM Treasury (HMT).

We also generate a level of income from services provided to external and public sector customers.

We are accountable to HMT, Parliament and the public for how we have used public funds during the year. Annually, we publish our audited consolidated annual report and accounts (ARA) to support parliamentary accountability by comparing the F S A's actual resource expenditure to estimate. The 'Reconciliation of net resource expenditure between estimates, budgets and accounts' provides more detail on the F S A's outturn against its estimate. We publish our financial performance based on the government's accounting framework in the Statement of Comprehensive Net Expenditure which is found in the Accounts section.

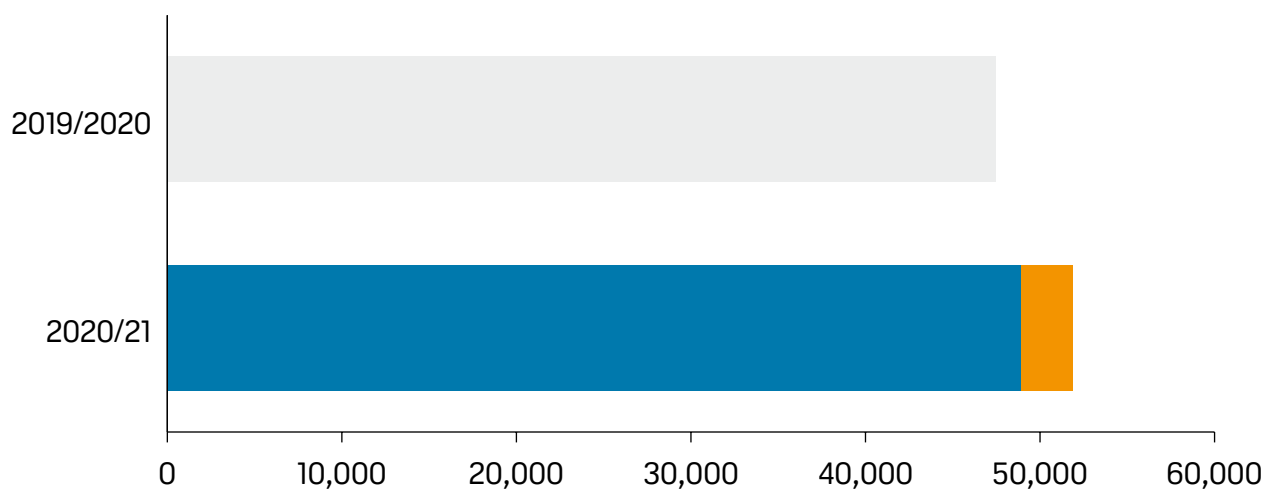
The net resource cost of the Westminster funded FSA was £96.0m against available funding of £113.5m to 31 March 2021. Total net expenditure was 15% lower than estimate by £17.5m. An underspend in RAME of £10.4m is the principal contributor to this underspend, and the final credit is the release of the Early Departure Provision (2019/20 £2.1m), which now forms part of the Local Government Pension Scheme Liability. Overall there was a £1.8m underspend of the ring-fenced £14.6m funding for EU Transition as available funding to support local authorities with food safety and food standards was not fully drawn down following the move to a transitional period.

#### FSA Financial Performance 2020/21 Programme (£000s)



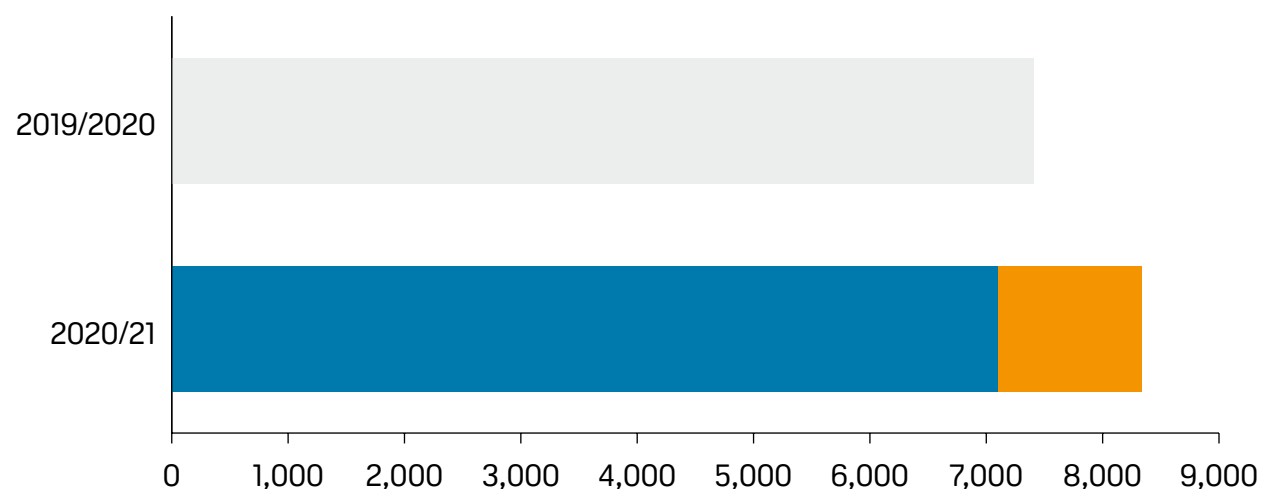
FSA's RDEL (Departmental Expenditure Limit – Resource) Programme underspend of £4.0m is largely due to the delay of third-party scientific work. There is also a £1.8m saving on Travel & Subsistence expenditure offset by increased £2m on Field Operations staff expenditure ensuring smooth delivery of official controls throughout the pandemic.

### FSA Financial Performance 2020/21 Administration (£000s)



The £3.0m Admin saving is principally due to delayed recruitment causing a variance of £2.3m and a Travel & Subsistence saving of £1.4m. These are offset by increased IT expenditure of £1.1m.

### FSA Financial Performance 2020/21 Capital (£000s)

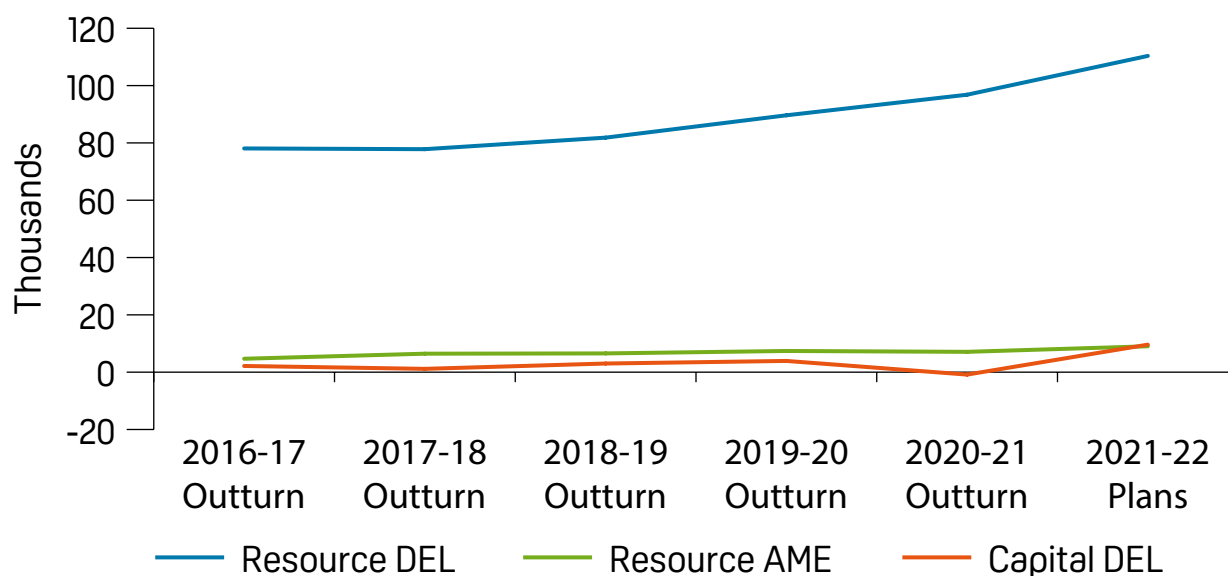


There is a CDEL (Departmental Expenditure Limits – Capital) underspend of £1.2m largely due to delayed capitalised Research & Development costs, pushed back due to the ongoing pandemic.

Analysis by Group comparing 2020/21 spend with 2019/20 spend can be seen in Note 2.

Please see SOPS2 on page 160 for a budget to accounts reconciliation.

## FSA total departmental spending trend analysis (£000s)



FSA's total expenditure has increased in time with the preparation and delivery of EU Exit and the formation of the National Food Crime Unit. Further information can be seen in the Core Tables published at [www.food.gov.uk/about-us/reports-and-accounts](http://www.food.gov.uk/about-us/reports-and-accounts).

## Sustainability reporting

The effects of climate change will be globally devastating without genuine commitment from governments, organisations, and individuals to act. The FSA have identified areas where we believe we can make a difference and advance the green agenda by taking actions to improve our environmental sustainability through our policies and business practices, and where we can seek to influence our stakeholders and partners to do the same.

The FSA has increased its focus on sustainability in the reporting year with the development of a new Environmental Sustainability Strategy which will be published in Q2 2021. The Strategy outlines how the FSA will support the Government Green Agenda, delivering against the Greening Government Commitments for 2021-25, with details of how we will achieve, measure and report against these targets. The Strategy focuses on setting targets on the following four key areas:

- reducing our carbon footprint;
- conserving natural resources;
- prioritising sustainable procurement; and
- enhancing awareness of green initiatives

Additionally, we are working towards attaining our ISO 14001 environmental management certification.

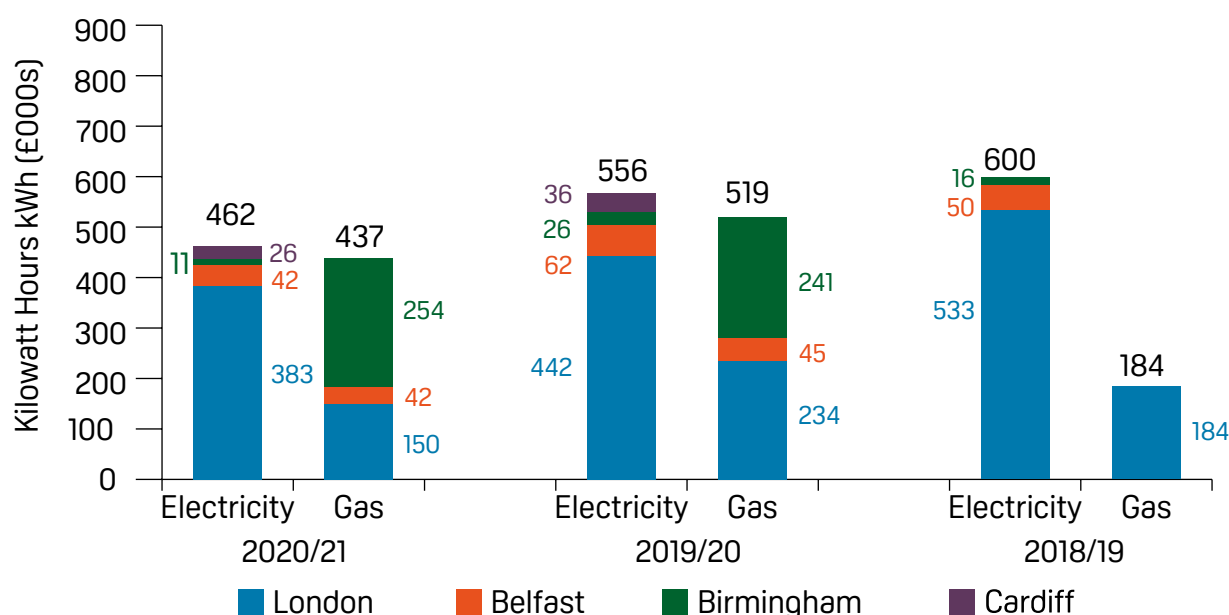
### Greenhouse gas emissions – Scope 2 (indirect)<sup>18</sup>

The COVID-19 pandemic required the switch to remote working for all of our office based staff which has driven a positive impact on our carbon emissions due to reduced travel over the period. There has however been less of a reduction in energy consumption in the majority of our offices, as FSA's energy consumption and the associated carbon emissions are calculated pro rata using the total building consumption emission and the FSA percentage area occupied. This has led to minimal reductions, particularly where other tenants have continued to operate out of those premises. The FSA are currently exploring options to reduce our emissions, including closer working with the landlords, or possibly the installation of meters on the floors we occupy to help provide greater control over our consumption and increase the accuracy of our emissions data. In the meantime we are working with our landlords and co-tenants, seeking to switch our energy tariffs to greener energy. We will continue engaging with our government landlords via sustainability forums to explore value for money measures that we can introduce across our estate.

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<sup>18</sup> Data relates to FSA London, Birmingham, Wales and Northern Ireland only. Data for office in York is accounted for by Defra.

Fig.13: Energy Consumption across our Estate



### Greenhouse gas emissions – Scope 3 (indirect)<sup>19</sup>

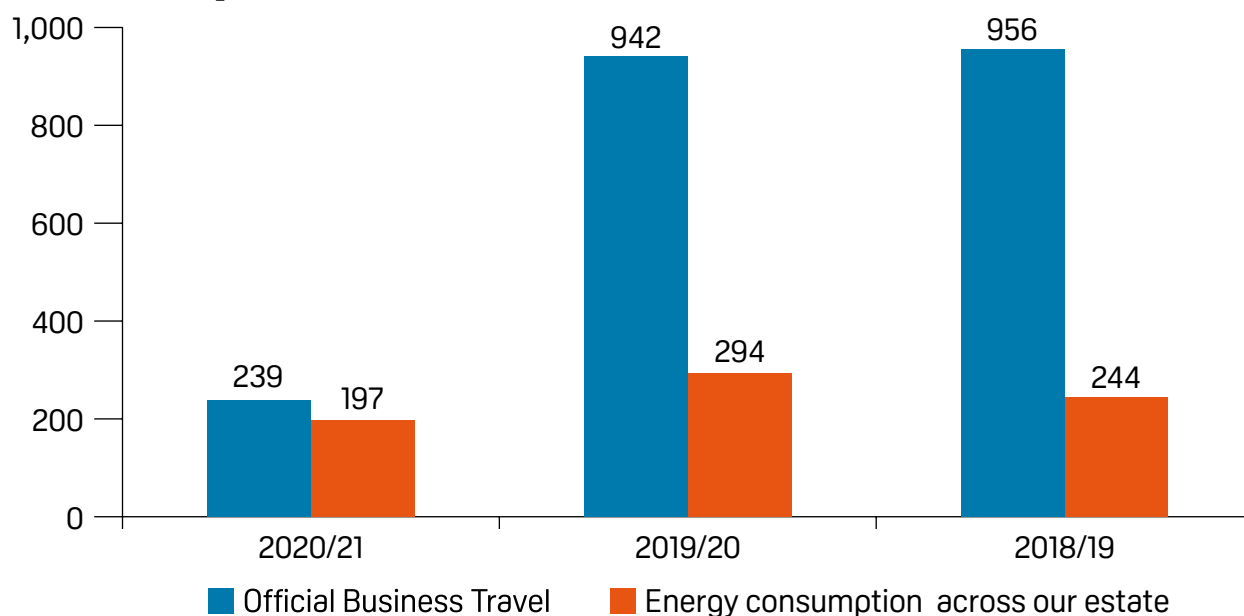
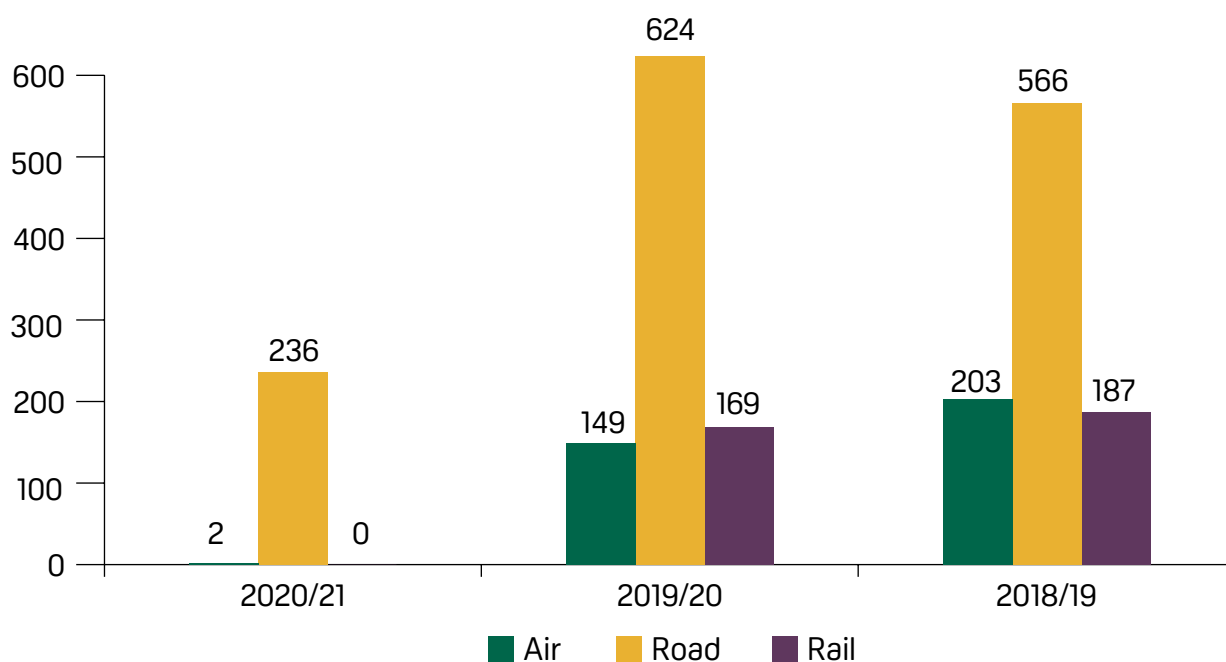
#### Total CO<sub>2</sub>e Tonnes (Scope 2 + Scope 3)

During the COVID-19 pandemic the switch to remote working for all but critical field-based staff has reduced business travel and had a positive impact on our carbon emissions. As we adapt post-pandemic, we plan to seize the opportunity to embed environmental sustainability into the way we think and work.

The last 12 months has given the FSA the opportunity to review our workplace strategy and how this can support a reduction in our carbon footprint. We aim to maximise our flexible working offer to office based staff, supported by our suite of modern digital collaboration tools, and keeping travel to a minimum. This includes a move away from issuing office-based contracts which will help the FSA to shrink its office footprint and help reduce energy consumption.

Road travel will still be required due to the business critical need for field based staff to deliver front line services, with staff needing to travel to sites in remote rural areas. The FSA are looking at opportunities to reduce road CO<sub>2</sub> emissions including the option to transition its fleet of lease cars to a combination of ultra-low emission and electric vehicles.

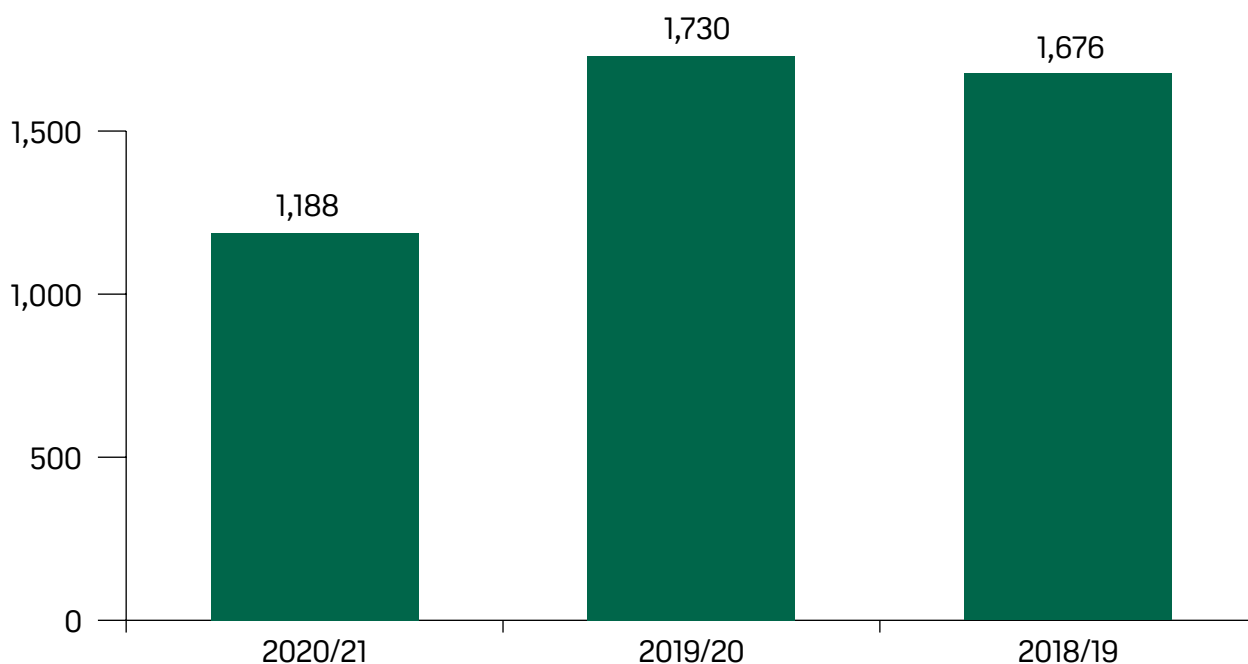
<sup>19</sup> UK-wide data.

Fig.14: Total CO<sub>2</sub>e TonnesFig.15: Breakdown of CO<sub>2</sub>e Tonnes by Travel

## Finite resource consumption

### Water consumption m<sup>3</sup>

Total water consumption has decreased in this reporting year as a result of staff working away from the office environment. This trend presents an abnormality driven by COVID-19 and we aim to keep water use below 19/20 levels moving forward by working with our government landlords to introduce water saving measures across our offices.

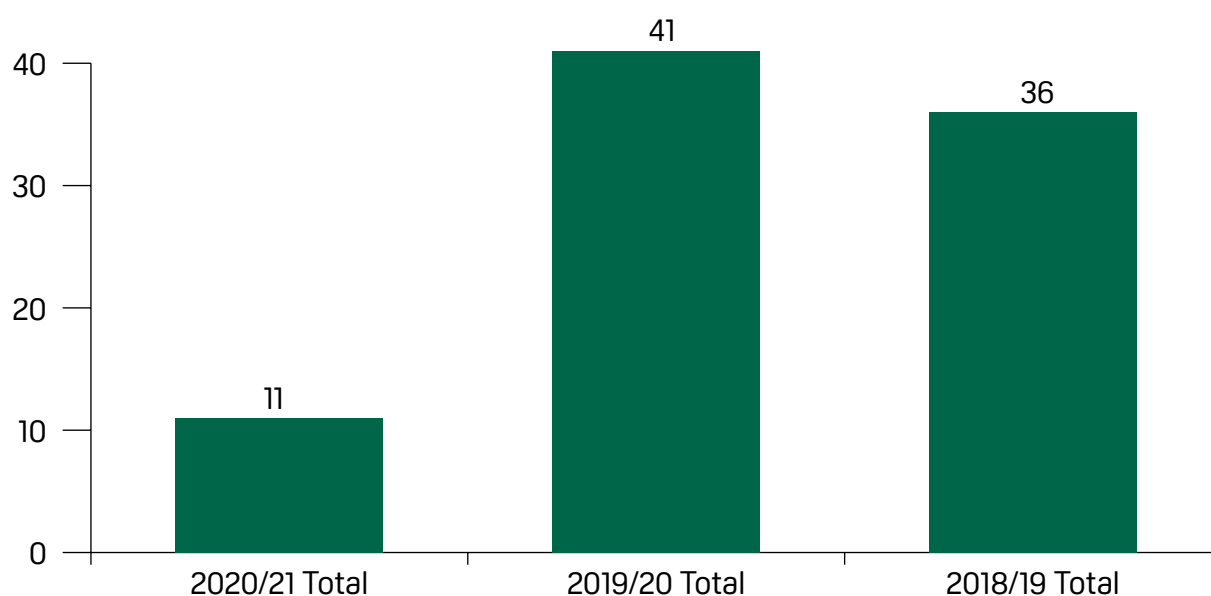
**Fig.16: Water consumption m<sup>3</sup>**

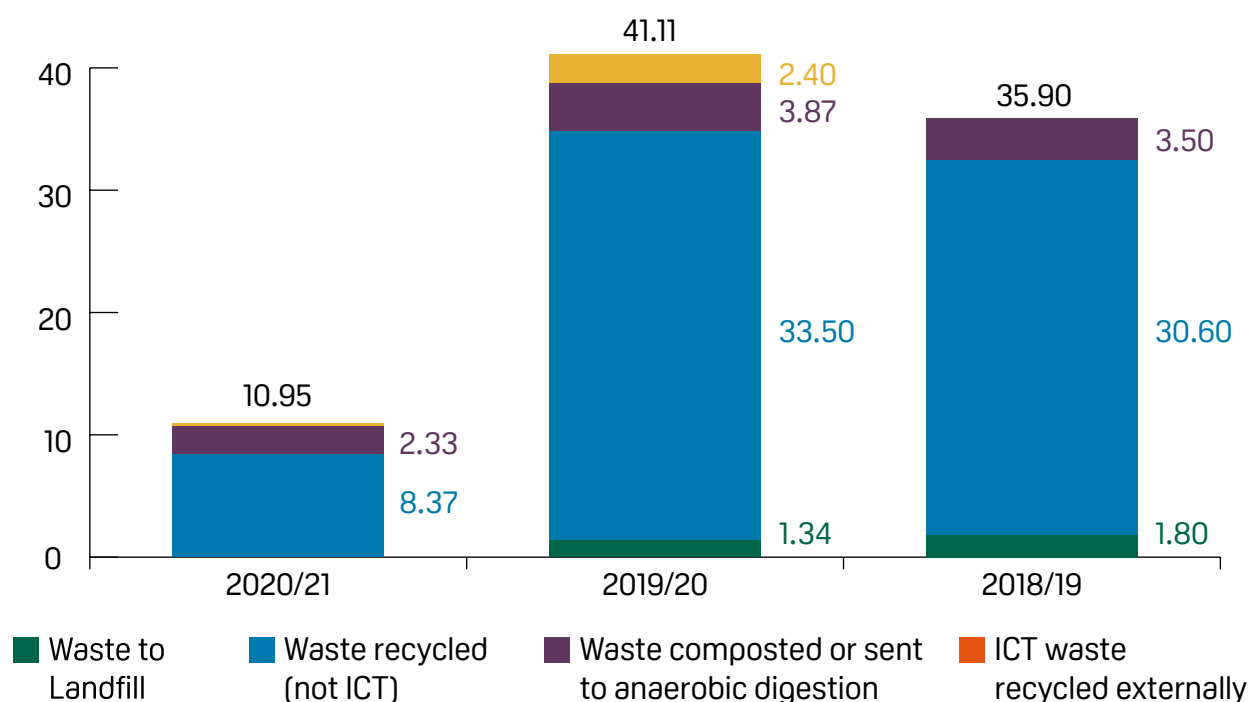
## Waste minimisation and management

### Waste (Tonnes)

Total waste consumption has decreased in this reporting year because of staff working away from the office environment. The FSA's Climate & Environment Action Group (CEAG) has a dedicated workstream for waste and recycling and will be looking at ways that we can improve our existing processes which are already effective i.e. use of colour coded bins to sort waste for efficient disposal/recycling.

We are working with our Government landlords to reduce the overall amount of waste generated.

**Fig.17: Waste (Tonnes)**

**Fig.18: Breakdown of waste (Tonnes)**

Under the new accommodation arrangements, as part of a multiple-occupancy site, the waste figures reported for 2019/20 are a percentage split of the whole building figures, based upon our occupancy space. Therefore, whilst we can implement initiatives to reduce waste this may not always be reflected in our reported figures due to this allocation process. Costs have declined as FSA is no longer a landlord.

## Climate change adaptation

The FSA formed the Climate & Environment Action Group (CEAG) staff group to focus on the challenges posed by climate change and to limit any negative environment impacts of agency operations. The group has a remit to assess the current standing of the FSA on this issue, identify areas for improvement, make recommendations to the Executive Management Team and implement green initiatives across the organisation.

The work for the ISO 14001 has continued, completing our first internal FSA audit in 2021. The final audit to obtain certificate is scheduled for July 2021.

## Financial considerations

Going forward, the CEAG will focus on driving inclusion of environmental/sustainability factors through review and change to organisational policy across a range of business streams such as travel and subsistence, energy provision, estates and waste reduction/recycling.



**Emily Miles**

Chief Executive and Accounting Officer

9 November 2021



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# Accountability Report

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# Directors' report

The requirements of the accountability report are based on the matters required to be dealt within a Directors' Report, as set out in Chapter 5 of Part 15 of the Companies Act 2006 and Schedule 7 of SI 2008 No 410, and in a Remuneration Report, as set out in Chapter 6 of the Companies Act 2006 and SI 2013 No. 1981.

The FSA is a non-Ministerial Government Department. Staff are accountable through a Chief Executive to the Board, rather than directly to ministers. The Board consists of a Chair, Deputy Chair and up to 12 members. The Chair and Deputy Chair are appointed by the Secretary of State for Health and Social Care in agreement with health ministers in Wales and Northern Ireland. The Board is mainly appointed by the Secretary of State for Health, with one member appointed by the Welsh Health Minister and one by the Northern Ireland Health Minister.

The Board is responsible for the overall strategic direction of the FSA, ensuring that it fulfils its legal obligations so that its decisions or actions take proper account of scientific advice, the interests of consumers and other relevant factors. Day-to-day management of the FSA is delegated to officials through the Chief Executive. In addition to the FSA Board, the FSA has advisory committees, chaired by Board members, in Wales and Northern Ireland. The role of the committee in each country is to advise the Board. The Board is required by statute to take account of their advice in its work.

## Details of the Board and Directors

### The FSA Board<sup>20</sup>

During the year, the membership of the non-executive FSA Board was:

Member name	Member name
Heather Hancock LVO DL	FSA Chair until 31 January 2021
Dr Ruth Hussey CB OBE	Interim Chair from February 2021 Deputy Chair from July 2020 Chair of the Welsh Food Advisory Committee until June 2020 (then temporarily covered role until August 2020)
Peter Price	Chair of the Welsh Food Advisory Committee from September 2020
Colm McKenna	Chair of the Northern Ireland Advisory Committee (reappointed September 2020)
Margaret Gilmore	Board member

<sup>20</sup> More information about our organisation and structure can be found on our website: [www.food.gov.uk/about-us/who-we-are](http://www.food.gov.uk/about-us/who-we-are)

Member name	Member name
Mark Rolfe	Board member
Timothy Riley	Board member
David Brooks	Board member until March 2021
Mary Quicke MBE DL	Board member until August 2020
Stuart Reid CBE	Board member until August 2020

## Executive Management Team<sup>21</sup>

During the year, the membership of the Executive Management Team was:

Member name	Member name
Emily Miles	Chief Executive
Steven Pollock	Acting Director of Strategy, Legal & Governance from January 2021
Professor Robin May	Chief Scientific Adviser from July 2020
Dr Colin Sullivan	Incident Director COVID-19 Pandemic, returned to Chief Operating Officer from August 2020
Chris Hitchen	Director of Finance and Performance
Julie Pierce	Director of Openness, Data, Digital and Wales
Maria Jennings	Director of Regulation, Compliance, People and Northern Ireland
Rebecca Sudworth	Director of Policy
Paul Morrison	Director of Strategy, Legal & Governance until January 2021
Martin Evans	Acting Chief Operating Officer until August 2020
Professor Guy Poppy	Chief Scientific Adviser until June 2020

All senior officials have been appointed under the rules laid down by the Civil Service Commissioners. Salary and pension details of the Board and the EMT are disclosed in the Remuneration Report.

<sup>21</sup> More information about our Board members can be found on our website: [www.food.gov.uk/about-us/our-board](http://www.food.gov.uk/about-us/our-board)

## FSA advisory committees<sup>22</sup>

During the year, the membership of the food advisory committees was:

Northern Ireland member	Position
Colm McKenna	Chair
Fiona Hanna	
Lorraine Crawford	
Aodhan O'Donnell	
Dr Elizabeth Mitchell	
Greg Irwin	
Sara McCracken	
Phelim O'Neill	

Wales member	Position
Dr Ruth Hussey CB OBE	Chair until June 2020 (then temporarily covered role until August 2020)
Peter Price	Chair from September 2020
Alan Gardner	
Dr Philip Hollington	
Beca Lyne-Pirkis	
Dr Norma Barry	Until March 2021
David Peace	Until March 2021
Ronnie Alexander	Until March 2021

## Audit and risk assurance committee

Membership of the FSA Audit and Risk Assurance Committee:

Non-executive members	Position
Colm McKenna	Chair
Dr Ruth Hussey CB OBE	
Timothy Riley	
Mary Quicke MBE DL	Until August 2020
Peter Price	From September 2020

<sup>22</sup> More information about the committees of the FSA Board can be found on our website: [www.food.gov.uk/about-us/committees-of-the-fsa-board](http://www.food.gov.uk/about-us/committees-of-the-fsa-board)

# Management commentary

## Preparation of accounts

The Consolidated Resource Accounts have been prepared in accordance with the direction given by HM Treasury. They are presented to the House of Commons pursuant to Section 6(4) of the Government Resources and Accounts Act 2000. The costs of FSA offices in Wales and Northern Ireland are funded through the relevant devolved authority.

## Supplier payment policy

It is FSA policy to pay all invoices not in dispute within five days of receipt. During 2020/21, 79% of all invoices were paid within this target. The policy is to remain the same for 2020/21, and we aim to improve the results.

To support our suppliers' cashflow during the COVID-19 pandemic, and in alignment with the Cabinet Office issued PPN 02/20, invoices submitted by suppliers will be paid immediately on receipt between the period of March 2020 and June 2020. The duration of this temporary policy amendment will be reviewed and aligned to any changes covered in future PPN notices.

## Financial instruments

The FSA has no borrowings. It relies primarily on departmental grants for its cash requirements, and is therefore not exposed to liquidity risks. It also has no material deposits. All material assets and liabilities are in sterling, so the FSA is not exposed to significant interest rate risk or currency risk.

## Going concern

The FSA has significant net liabilities relating to the pension liabilities of staff who are members of the Local Government Pension Scheme (LGPS). The accounts, however, are prepared on a going concern basis since, as a government department, all liabilities will be met by future funding from Parliament.

## Pensions

FSA employees are civil servants. Most are members of the Principal Civil Service Pension Scheme (PCSPS) and Civil Servant and Other Pension Scheme (CSOPS). These are central government unfunded pension schemes. Pension payments are made through the resource account. Board members are not civil servants therefore they are not members of these schemes. However, some previously had similar pension arrangements independent of them. Some employees are members of the LGPS. This is a defined benefit scheme governed by the Local Government Pension Scheme Regulations 1995. It is administered by the London Pension Fund Authority (LPFA), whose financial statements are prepared for the whole LGPS.

## Disclosure of Board members' interests

Board members are appointed to act collectively in the public interest, not to represent specific sectors. Provisions for declaration of interests and withdrawal from meetings are intended to prevent the Chair, Deputy Chair, and members being influenced or appearing to be influenced, by their private interests in the exercise of their collective public duties. All personal or business interests which may, or in the judgement of the member may, be perceived by a reasonable member of the public to influence their judgement, should be declared. Such interests include, but are not limited to, involvement in the agriculture, food, and related industries. The Code of Conduct for Board members includes a guide to the categories of interest that must be declared. Details of Board members, their register of interests, and the Code of Conduct are on our website: [www.food.gov.uk/about-us/our-board](http://www.food.gov.uk/about-us/our-board)

## Auditors

The accounts have been audited by the Comptroller and Auditor General in accordance with Schedule 4 of the Food Standards Act 1999. The audit fee for all the FSA's accounts for the year was £95,000 (2019/20 £88,250). I have taken all necessary steps to make myself aware of relevant audit information and to ensure that information is made available to the auditors. The Comptroller and Auditor General contracted out delivery of the financial audit to Mazars in 2018/19. Mazars have delivered £8k of non-audit services in respect of taxation advice and auditing the Charge Out Rate calculation in 2020/21. No payments have been paid to the Comptroller and Auditor General for non-audit work in 2020/21 (2019/20 £nil).

## Important events which have occurred since the end of the financial year

No events have occurred since the end of the financial year.

## Departmental core tables – Westminster only

This information can be found on our website:  
[www.food.gov.uk/about-us/reports-and-accounts](http://www.food.gov.uk/about-us/reports-and-accounts)

## Performance in correspondence with public and MPs including Parliamentary Questions

The FSA does not centrally record all incoming and outgoing correspondence and contact with members of the public. Contact details for FSA business areas are available on the FSA website for members of the public and food businesses to contact directly. During 2020/21, the FSA's general enquiries helpline handled 7,279 emails and 3,550 phone calls from members of the public (in 2019/20, 5,421 emails and 4,918 phone calls were handled). The email increase was partly caused by an increase in the number of enquiries from people starting food businesses from home during COVID-19. The reduction in the number of helpline calls was partly caused by a change in February 2020 in the use of an existing outsourced answering service. This resulted in an extra 350 calls not for the FSA being filtered out each month.

Additionally, FSA Private Office managed 134 items of correspondence, including items sent by members of the public to Ministers, the FSA Chair, FSA Chief Executive or other, replying to 97% within target (in 2019/20, 213 items of correspondence were managed and 89.2% were replied to within target). During this period, the FSA Chair proactively wrote to Parliamentarians, Welsh Parliament and Northern Ireland Assembly Members, to keep them updated on the FSA COVID-19 response and explain that it is very unlikely that people can catch COVID-19 from food.

The FSA also drafted answers for 49 Parliamentary Questions, returning 95% on time to the Department of Health and Social Care to answer via their ministers.

## Better regulation

Better regulation is fundamental to our ambition to be an excellent, accountable and modern regulator and we apply the principles of good regulation to all our regulatory activities.

The FSA strives to take a clear, proportionate and risk-based regulatory approach to protecting public health. Excessive or unclear regulations place unnecessary burdens on business and hinder the intended regulatory benefits to consumers and business. All new regulations are subject to post-implementation reviews to ensure the objectives are being met and the regulations remain necessary.

## Business Impact Target (BIT) reporting

The FSA introduced no qualifying regulatory provisions under the BIT in the last Parliament. In line with our statutory reporting requirements the FSA published details of its regulatory activities in December 2020, as well as contributing to the Government's End of Parliament BIT Report. Details of the FSA BIT reporting are published on our website at [www.food.gov.uk/about-us/regulatory-approach#business-impact-target-reporting](http://www.food.gov.uk/about-us/regulatory-approach#business-impact-target-reporting)

# Statement of Accounting Officer's responsibilities

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Under paragraph 4(2) of Schedule 4 to the Food Standards Act 1999, HM Treasury has directed the Food Standards Agency (FSA) to prepare, for each financial year, consolidated accounts. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the FSA and of its income and expenditure, changes in taxpayers' equity and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- observe the Accounts Direction issued by HM Treasury, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the accounts; and
- prepare the accounts on a going concern basis.

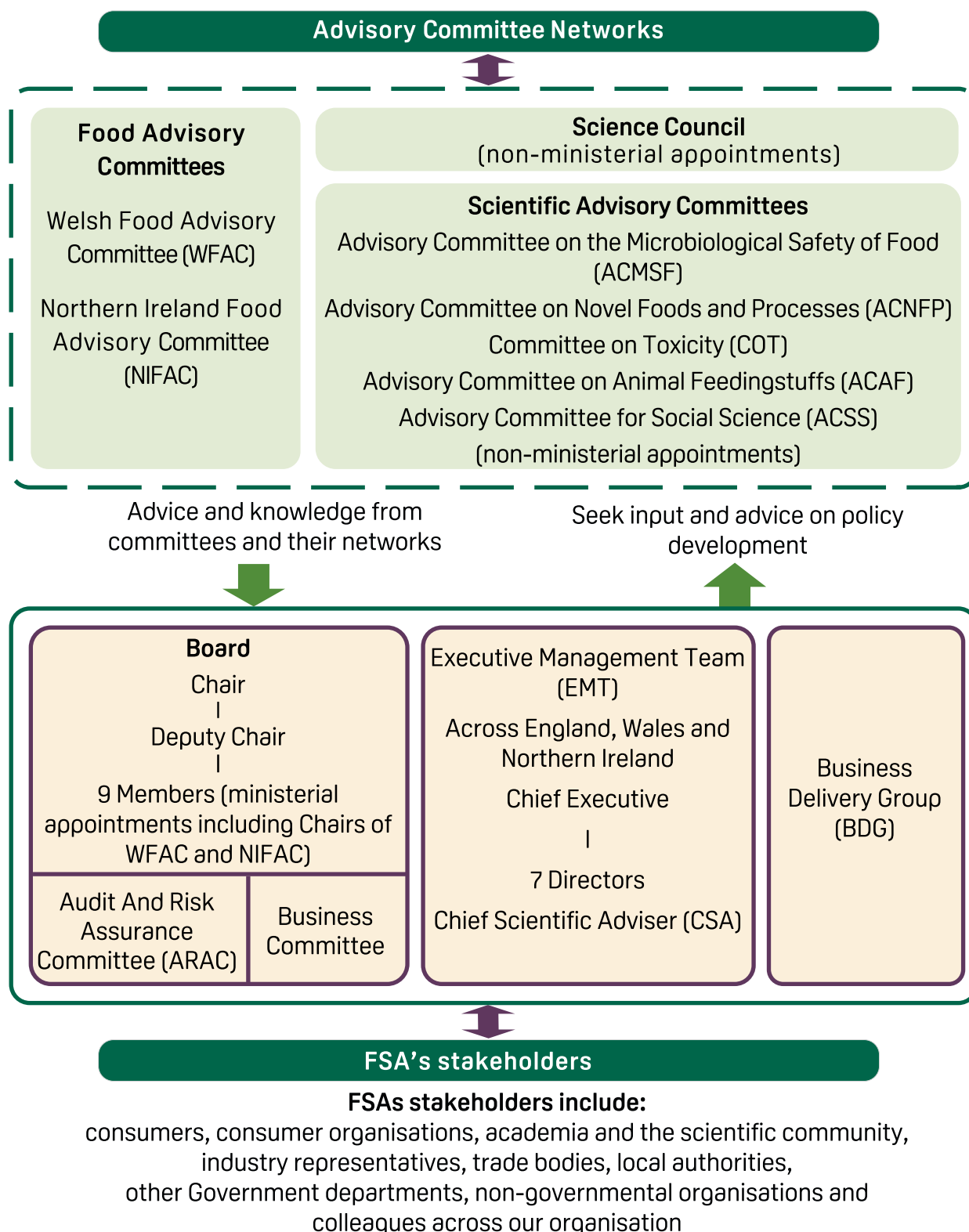
HM Treasury has appointed the Chief Executive as Accounting Officer of the FSA. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records, and for safeguarding the FSA's assets, are set out in Managing Public Money published by the HM Treasury.

The Accounting Officer is required to confirm that, as far as she is aware, there is no relevant audit information of which the entity's auditors are unaware, and the Accounting Officer has taken all the steps that she ought to have taken to make herself aware of any relevant audit information and to establish that the entity's auditors are aware of that information.

The Accounting Officer is required to confirm that the annual report and accounts as a whole is fair, balanced and understandable and that she has personal responsibility for the annual report and accounts and the judgments required for determining that it is fair, balanced and understandable.

# FSA governance statement

## Governance structure



1. As an independent, non-Ministerial Government Department, the FSA has a statutory obligation to protect public health and consumers' wider interests in relation to food. The FSA consists of a non-Executive Board which complies with the relevant requirements of the Corporate Governance Code for central Government Departments. In line with the FSA's culture of openness, the Board holds its decision-making meetings in public, and they are broadcast live via the FSA's website. The agendas and minutes of Board and Business Committee meetings are also published on the FSA website, where recordings of all meetings are also accessible.
2. Board members including the Chair and Deputy Chair are appointed by the Secretary of State for Health and Social Care, with Devolved Administration approval. One Board member is appointed by Welsh Ministers, and one Board member by Northern Ireland Ministers.
3. The Board has two Committees: The Business Committee comprises the full Board and members of the Executive, and the Audit and Risk Assurance Committee (ARAC) comprises a smaller number of Board members.
4. Board members review the impact and outcome measures set for the FSA strategic priorities, to track delivery of the annual business plan through the quarterly Performance & Resources Report to the Business Committee.
5. The Board takes advice from Food Advisory Committees (FACs) in each of the Devolved Administrations. The Chairs of these Committees report formally to each Board meeting on issues considered.
6. The Chair of ARAC provides the FSA Board with a written report following each Committee meeting and reports formally in writing annually.
7. As Accounting Officer, I attend all Board and Business Committee meetings, and I am invited to attend all ARAC meetings. Heather Hancock stepped down from her role as Chair of the FSA Board on 31 January 2021. Ruth Hussey was appointed Interim Chair of the FSA Board as of 1 February 2021 for three months or until the new FSA Chair of the Board was appointed, whichever was sooner.
8. Ruth Hussey's term of office as FSA Board Member for Wales and Chair of the Welsh Food Advisory Committee (WFAC) came to an end on 30 June 2020. As of 1 July 2020, Ruth was appointed FSA Deputy Chair for a three-year term. In addition to being Deputy Chair, Ruth also temporarily covered the WFAC Chair role while the campaign to recruit the new Board Member for Wales and Chair of WFAC was ongoing. Ruth's cover of the WFAC Chair role ended on 31 August 2020 upon the appointment of Peter Price as the new FSA Board Member for Wales and Chair of WFAC as of 1 September 2020. Colm McKenna was re-appointed as FSA Board Member for Northern Ireland and Chair of the Northern Ireland Food Advisory Committee (NIFAC) as of 1 September 2020 until a new FSA Board Member for Northern Ireland was appointed. The terms of office for FSA Board Members Stuart Reid and Mary Quicke came to an end on 31 August 2020. FSA Board Member David Brooks' term of office came to an end on 31 March 2021.

9. Ruth Hussey stepped away from her role on ARAC while she is acting as interim Chair of the FSA. Once the incoming Chair has been appointed, Ruth will resume her position as Deputy Chair and Member of ARAC.

## **FSA Board performance and effectiveness review**

10. Every year, the FSA Board reviews the effectiveness of the Board. In the last four years this has taken account of the changing demands on the FSA and the Board as a result of EU Exit. In 2020, the Board had expected to be able to review the effectiveness of the new arrangements made to enable the Board to play its full and proper role in risk management outside the EU. However, the delay to exiting the EU meant this was not possible, and the review had to be delayed. It remains on the Board agenda once the new arrangements have had the opportunity to be tested and bedded in beyond the transition period.
11. As a result of the COVID-19 pandemic, in line with Government advice on working from home, arrangements for Board meetings were adapted to ensure the continuing effectiveness of the Board. Our commitment to openness and transparency was maintained by live streaming the Board and Business Committee meetings which were conducted online as of June. To avoid lengthy virtual meetings, more meetings were held with each event being for a maximum of 2.5 hours. Questions from the public continued to be welcomed, addressed during meetings and written replies published on our website.
12. During its annual discussion of Governance in September, the Board revisited the powers and authority of the FSA in relation to Ministerial decision making, recognising that the scope and reach of FSA decision making and action is, in fact, unchanged by EU Exit, although the institutional framework through which, or with which, we achieve our statutory purposes has changed. The Board anticipates that the domestic landscape for regulatory and policy decisions on food and feed will become more complicated to navigate after the transition period. This is especially significant given the possibility of different decisions being reached in any of our three countries, and the complicating factor of the Northern Ireland Protocol. In debating the consequences of these changes, the Board reconfirmed its commitment to delivering a three-country approach, reaching a shared risk management position across England, Wales, and Northern Ireland. The Board is clear that there would need to be compelling evidence that a different approach is required, and that this evidence is different from and should not be confused with the complex political considerations that will now affect the way we assure food safety and the integrity of the regulatory regime. The Board is absolutely committed to maintaining a clear distinction between its science and evidence-based analysis, decisions and advice, which is led by the consumer interest, and political considerations which are the proper domain of Ministers.
13. In 2020, the Board expressed its concern at the scale of delays to appointment of its new Chair and of replacement Board members. These delays were outside the FSA's control but impacted on the effectiveness of the Board, on stakeholder relationships and on the FSA's staff.

14. In addition to the Science Council, the FSA is lead sponsor for five Scientific Advisory Committees (SACs): the Advisory Committee for Social Science (ACSS); the Committee on Toxicity (COT); the Advisory Committee on the Microbiological Safety of Food (ACMSF); the Advisory Committee on Novel Foods and Processes (ACNFP); and the Advisory Committee on Animal Feedingstuffs (ACAF). The Science Council and the ACSS are Departmental Expert Committees of the FSA and the other four SACs are Advisory Non-Departmental Public Bodies (ANDPBs). All the SACs continue to provide an independent expert advice, challenge and assurance function.
15. Professor Sandy Thomas, Chair of the Science Council gave her annual formal report to the FSA Board at the March Board meeting in 2021.
16. The Board agreed the FSA's priorities and high-level budget for the financial year 2020/21 at its March 2021 meeting.

## Attendance at Board and ARAC meetings 2020/2021

17. Records of each Board member's attendance at Board meetings and at ARAC meetings are detailed below.

### Record of Attendance FSA Board and Business Committee Meetings 2020/21

Board Member	June 2020 (Board and Business Committee)	August 2020 (Board)	September 2020 (Board and Business Committee)	November 2020 (Board)	December 2020 (Board and Business Committee)	March 2021 (Board and Business Committee)
Heather Hancock LVO DL	Yes	Yes	Yes	Yes	Yes	–
Ruth Hussey CB OBE	Yes	Yes	Yes	Yes	Yes	Yes
Colm McKenna	Yes	Yes	Yes	Yes	Yes	Yes
David Brooks	Yes	Yes	Yes	Yes	Yes	Yes
Mary Quicke MBE DL	Yes	Yes	–	–	–	–
Stuart Reid CBE	Yes	Yes	–	–	–	–
Timothy Riley	Yes	Yes	Yes	Yes	Yes	Yes
Mark Rolfe	Yes	absent	Yes	Yes	Yes	Yes
Margaret Gilmore	Yes	Yes	Yes	Yes	Yes	Yes
Peter Price	–	–	Yes	Yes	Yes	Yes

## Record of attendance ARAC meetings 2020/21

Board Member	May	June	September	November	January	February
Colm McKenna	Yes	Yes	Yes	Yes	Yes	Yes
Ruth Hussey CB OBE	Yes	Yes	Yes	Yes	Yes	–
Mary Quicke MBE DL	Yes	Yes	–	–	–	–
Peter Price	–	–	Yes	Yes	Yes	Yes
Timothy Riley	–	–	–	Yes	Yes	Yes

## Audit & Risk Assurance Committee

18. ARAC continued to meet, as scheduled, during the year with all meetings held remotely since the March 2020 meeting which met in person. ARAC considered a range of issues in the year including: the FSA's consolidated accounts for 2019/20; the National Audit Office's (NAO) Audit Completion Report; the Head of Internal Audit's annual opinion; and changes to the audit assurance plan for 2020/21 due to the pandemic.
19. The Committee discussed the Corporate Risk register at full meetings. Members' discussions focused on the Executive's assurance to ARAC that new and rapidly moving risks caused by the pandemic were being managed effectively, challenging executives' actions when needed.
20. Committee members had bilateral meetings with representatives of the FSA's external auditors, the NAO and their contractors Mazars, and with the Head of Internal Audit to ensure a clear understanding of expectations and current issues.
21. Committee members completed a self-assessment on the effectiveness of the ARAC in line with HM Treasury guidance which advises that a self-assessment is completed annually. Agreed actions from that assessment were implemented during the year. ARAC sought to comply with the requirements of HM Treasury's Audit and Risk Assurance Committee Handbook whilst undertaking its duties.
22. In the Committee's annual report to the FSA Board relating to 2019/20, ARAC Chair noted that sufficient and comprehensive work was undertaken by ARAC and that internal and external assurances were received during the year to adequately inform the Committee's assessment on the effectiveness of FSA risk management control and governance arrangements. Based on this, he concluded that the arrangements in place during the year 2019/20 were satisfactory.
23. Throughout the year ARAC reviewed and considered the management of risks associated with the FSA pandemic's response, the audit team's response and work. Regular communication between scheduled ARAC Committee meetings took place between the ARAC chair and Head of Audit.

24. Mary Quicke's term of office expired during the year; Ruth Hussey ceased to be a member of the Committee from 1 February 2021 whilst acting as Chair of the FSA Board. Peter Price was appointed to the Committee when he joined the FSA Board in September 2020.

## The Leadership Team

25. The Executive Management Team (EMT) provides corporate leadership to the FSA and supports me, as the FSA's Accounting Officer, in delivering the FSA strategy, directing the day-to-day business of the FSA and championing the values of the FSA. EMT moved to meeting weekly on a virtual basis in response to COVID-19 restrictions. This way of working has been found to be very effective and is set to continue throughout 2021. In addition, each Director has fortnightly check-ins with me.
26. On 31 March 2021 membership of the EMT comprised six Directors, including a suitably qualified Finance Director, the FSA's Chief Scientific Adviser and myself, Emily Miles as Accounting Officer. Professor Guy Poppy's term of office as the FSA's Chief Scientific Adviser came to an end on 30 June 2020. Professor Robin May was appointed as the FSA's Chief Scientific Adviser for a three-year term as of 6 July 2020.
27. On 23 March 2020, Colin Sullivan, Chief Operating Officer, took on the role of Incident Director as part of FSA's response to the COVID-19 pandemic. From 23 March 2020 until 3 August 2020 Martin Evans was Acting Chief Operating Officer. From 3 August 2020, Colin Sullivan, has undertaken the roles of Chief Operating Officer and Incident Director.
28. On 20 January 2021, Steven Pollock took up post as Interim Director of Strategy, Legal, Governance and Communications on temporary promotion as the previous postholder, Paul Morrison, left the FSA to join the Ministry of Housing Communities and Local Government (MHCLG).
29. EMT discuss the FSA's performance in public alongside Board members at the Business Committee meetings, which gives assurance over the FSA's delivery of the strategic plan, key objectives and value for money.

## Business Delivery Group

30. The Business Delivery Group (BDG) oversees and, where appropriate, actions the delivery of the FSA's priorities as set out in the annual business plan. The BDG meets fortnightly and is made up Deputy-Directors representing each Directorate. In 2020, the Chairmanship of the BDG moved from a Deputy-Director to an EMT member (the Director of Strategy Legal & Governance) and joint agenda planning sessions were established between both BDG and EMT. This, along with refreshing the BDG's Terms of Reference, has helped to distinguish more clearly between BDG and EMT. Its purpose is tactical, leading in developing the FSA's Business Plan, taking forward the implementation of key EMT decisions and ensuring the delivery of day-to-day business.

## Conflicts of Interest

31. The FSA has a conflicts of interest policy in place for all staff for the declaration and management of interests in adherence to the requirements of the Civil Service Management Code (section 4.3). All individuals must consider their personal interests upon joining the FSA and at all times if their business or personal circumstances change. Individuals should declare any interests to the FSA whereupon it will be decided if any further action is required and if so, what that action might be.
32. The review of any personal interests declared by an individual is considered against a number of criteria. Following discussion and consideration of the declaration of interest the outcome may be that the declared personal interest(s) is acceptable within the individual's current position in which case the risk should be assessed annually at a minimum; or the declared personal interests are not acceptable. Managers must consider and identify any changes to mitigate the risk. These might include a change of duty/responsibility, redeployment to another workplace, local protocols regarding communication and contact and/or regular and documented management checks.
33. The FSA conflicts of interest policy was audited in 2020/21.

## Business Appointment Rules

34. FSA employees who intend to leave the organisation are reminded of their obligations under the Business Appointment Rules. In compliance with Business Appointment Rules, the FSA is transparent in the advice given to individual applications for senior staff. Any advice given regarding specific business appointments for senior civil servants is published at <https://data.food.gov.uk/catalog/datasets?search=business+appointment+rules#results> on a quarterly basis.

## Post-EU transition

35. The FSA's priority remains to ensure that there continues to be a robust and effective regulatory regime for maintaining the safety of food and feed for the benefit of UK consumers and of the UK food industry. We are working closely with other government departments and the Devolved Administrations of the UK in order to fulfil this objective.
36. The UK has left the EU and the transition period ended on 31 December 2020. Shortly prior to this, the Trade and Cooperation Agreement (TCA) was reached and it came into effect from 1 January 2021. The FSA is now responsible for a range of previous EU functions such as risk analysis, and 2021 will be a period of stabilisation, reassessment and opportunity as we adjust to new systems and fully embed four country working via the UK Frameworks. The TCA meets the Board's guiding principles of ensuring there is no reduction in public health for UK consumers, it enables us to maintain and uphold the current regime without a requirement to align with EU law.

37. Although many of the post-EU changes were implemented from 1 January 2021, there remain areas of ongoing work where a phased implementation is taking place. This includes the Northern Ireland Protocol, changes to the importing of food and feed from the EU and the establishment of the UK Office of (Sanitary and Phytosanitary (SPS) Trade Assurance (UKOSPSTA). In these areas the FSA is working with Defra, the Devolved Administrations and other relevant departments, to progress the remaining work to be done.
38. As we move into this new phase, the FSA is both undertaking internal analysis of the many changes and impacts, and working across other government departments to ensure we are aligned to relevant approaches and continue to play a central role where decision making may impact food safety. In relation to the TCA, this includes fully exploring the impact on the FSA's work, seeking engagement with other government departments on interpretation of the TCA.
39. Part I of the TCA set out a new institutional framework and the implementation of the Sanitary and Phytosanitary (SPS) Measures chapter will be overseen by the Trade Specialised Committee on SPS. The FSA is working with Defra to establish how the TSC on SPS will operate and how we will feed into discussions.

## COVID-19 impact

40. The scale, intensity and duration of the COVID-19 pandemic caused the FSA to reassess our approach when responding to this incident. Therefore, the FSA has adopted modified response structures and measures to meet these challenges and respond effectively. Although these changes, which included the creation of a new temporary directorate to lead the response, deviated from our normal Incident Management Plan (IMP) for food and feed incidents, our approach has continued to be based upon C3 Emergency Response processes and central government CONOPs Guidance. These revised measures provide the necessary governance structures needed for a crisis of this scale.
41. The new framework consisted of four-tiers, namely:
  - a. Strategic Response Group (SRG) dealing with strategic issues and guiding principles including strategic intent, risk appetite, longer term opportunities and strategic priorities.
  - b. Immediate Response Group (IRG) focusing upon our tactical and operational response dealing with issues emerging in the short term (up to six weeks hence) including the collective demand for staff, immediate communications, operational and HR decisions, immediate prioritisation and incident response.
  - c. Daily Bird Tables (BT) to share and collect information between FSA staff, other government departments and industry.
  - d. Business Continuity (BC) arrangements across the FSA with directorate BC Champions in place to coordinate planning and activities.
42. A dedicated multi-disciplinary Briefing Cell was established during the COVID-19 pandemic, which was responsible for collating all relevant information, developing

briefing documents including regular situation reports, producing standard lines to take and drafting correspondence as required.

43. The FSA first initiated its Incident Response to the COVID-19 pandemic in late January 2020 and this was followed by the introduction of the above enhanced Emergency Response arrangements on 25 March 2020. This response was de-escalated on 1 September 2020 to allow for a period of winter contingency planning and then was reintroduced on 16 November 2020 as the second wave of the pandemic was realised. At this time the scope of the emergency response was extended in order to manage concurrent interdependent risks arising from the end of the EU exit transition period together with seasonal issues such as winter influenza, poor weather and flooding. The FSA's emergency response ended on 26 February 2021 with any remaining issues reverting to 'business as usual' management from that date.
44. I chaired the Strategic response meetings, the first of which was on the 6 March 2020, and gave regular updates to the Board. The FSA worked closely with industry stakeholders and officials from other Departments in Westminster, Wales, Northern Ireland and Scotland to ensure an effective response.
45. The challenge of COVID-19 required the FSA to thoroughly reassess its priorities and resources for the financial year to ensure an effective response. Through this work, the additional expenditure was able to be absorbed into the existing budgets, and meant some of our work programmes were unavoidably delayed.
46. From its COVID-19 lessons learned initiative we will look to embed positive change resulting from the incident.

## Select Committees

47. The FSA has provided the following evidence to Select Committees during 2020/21.

### Westminster

Committee	Inquiry title	Written evidence	Oral evidence
Environment, Food and Rural Affairs Committee	COVID-19 and Food Supply	Provided <sup>23</sup>	None
Lords EU Environment Sub-Committee	Agrifood and the Northern Ireland Protocol	Provided <sup>24</sup>	None
Common Frameworks Scrutiny Committee (Lords)	Post-Brexit Common Frameworks	Provided	None
Environment, Food and Rural Affairs (Commons)	COVID-19 and Food Supply (Follow-up)	Provided <sup>25</sup>	None

<sup>23</sup> <https://committees.parliament.uk/writtenevidence/5086/pdf/>

<sup>24</sup> <https://committees.parliament.uk/writtenevidence/7679/pdf/>

<sup>25</sup> <https://committees.parliament.uk/writtenevidence/22272/pdf/>

## NI Assembly

Statutory Committee	Topic	Written briefing	Oral evidence
Committee for Health, Northern Ireland Assembly	Parliamentary scrutiny of the Nutrition Labelling, Composition and Standards Common Framework	Committee previously provided with a summary of the Common Framework, Framework Outline Agreement and Concordat	Emily Miles and Sharon Gilmore, 5 November 2020
Committee for Health, Northern Ireland Assembly	Parliamentary scrutiny of the Food and Feed Safety and Hygiene Common Framework	Committee previously provided with a summary of the Common Framework, Framework Outline Agreement and Concordat	Emily Miles and Maria Jennings, 4 February 2021

48. As part of the scrutiny process for making a Statutory Rule (SR) in Northern Ireland the relevant Committee receives a SL1 letter and short accompanying brief to explain the policy background and impact of the SR. Each SL1 is considered by the Committee and an official from the FSA is asked to be available on the day if the Committee has any questions. The Committee is also notified after the SR is laid. During 2020/21, officials from the FSA in Northern Ireland have been asked to dial in for specific SR-related questions on two occasions.

## Senedd Cymru/Welsh Parliament

Committee	Topic	Written Evidence	Oral evidence
External Affairs and Additional Legislation Committee	Parliamentary scrutiny of the Food and Feed Safety and Hygiene Common Framework	Provided	Emily Miles and Nathan Barnhouse, 1 February 2021

## External Assurance Reviews

49. The FSA has undergone a number of external reviews. These reviews have contributed to assurance on the effectiveness of our governance framework and also identified some opportunities for improvement, which have been implemented.
50. Detail to be completed to include the current NAO report on COVID-19 preparedness and lessons learned
51. Other external reviews covered cyber security gap analysis, penetration testing and threat surface assessment (device security compliance), IT health checks, an audit of the controls in place for the regulated food products public facing digital service, activity based costing model for meat industry charges, and capability and capacity of the National Food Crime Unit.

## Internal management

### FSA risk management framework and capacity to handle risk

52. The FSA has a well-established risk management framework that is used to provide assurance to the FSA Board, ARAC and me as Accounting Officer that risks to achieving business objectives are being effectively identified and managed and that those involved understand their roles and responsibilities.
53. The framework is founded on a Risk Management Strategy, which outlines our plans for continuing to embed a risk management culture across the FSA and further raise the FSA's maturity in risk management as set out in HM Treasury's (HMT) Risk Management Assurance Framework. HMT guidance on risk, the 'Orange Book' has been reviewed and updated. The FSA's current approach is already well aligned to the new guidance and we are using this revised guidance as an opportunity to onward enhance our approach.
54. BDG's regular discussions of risk clearly drive mitigating actions that reduce the level of risk with strategic oversight by EMT. In addition, ARAC reviewed progress at their quarterly meetings. There was a joint Board and Executive workshop in January 2020 which considered the strategic risks the organisation faces. The Board reviewed and set the FSA's risk appetite which, as Accounting Officer, I find helpful when making key decisions throughout the year.
55. The high-level focus during the year by EMT and Board members on the corporate-level risk register was complemented by systematic risk management at different levels across the FSA. We have an established network of risk advisors, who engage with cross-Government risk management networks and who share best practice and help ensure that good risk management practice and processes are consistently embedded across the FSA.
56. Corporate-level risks are defined by the FSA as those which:
  - a. materially alter our ability to achieve our strategic outcomes; and/or
  - b. fundamentally damage the ability of the FSA to operate (including reputational risks); and/or
  - c. cannot be managed or mitigated at a lower level within the organisation
57. As Accounting Officer, I have overall responsibility for risk management, and each of the risks on the corporate risk register has an executive 'owner' and a mitigation plan. At the end of the financial year, the risks on the FSA's corporate level risk register included:
  - a. the risk of failing to provide an adequate response to a food incident;
  - b. the risk of failing to deliver a new regulatory model to ensure 'Food we can trust' in terms of food safety and authenticity, in a modern, sustainable global food system; and
  - c. Failure to have prepared the minimum requirements to ensure that food & feed safety and authenticity are not compromised

d. after the end of the transition period.

58. The Board considered Strategic Risk in its March meeting, recognising that the FSA is a risk-based organisation with our primary purpose being to protect consumers from unacceptable food safety risk.
59. Due to the unique risks that arose over the 2020/21 period, the FSA faced new challenges. Maintaining the usual high levels of food standards, whilst managing the emergency response to Covid-19 and navigating the EU Transition process required high staff resource, at a time when working itself was a challenge for some. We implemented measures to ensure staff were properly equipped and supported to maintain service delivery.

## Director assurance statements

60. In March 2020 the FSA Board approved the FSA budget, and the Accounting Officer notified Directors of their budget delegation to deliver the priorities agreed. Throughout the year the Accounting Officer ensured that the FSA has been on track to deliver its priorities within budget through performance management, monthly financial forecasting, and risk management, which is underpinned with corporate governance.
61. We have continued to increase our focus on performance management, and further improved the EMT performance report which is used to ensure key performance indicators are met.
62. Quarterly 'in-year' reviews are held to ensure key milestones for our corporate priorities are delivered and progress made each quarter in delivering our business plan. The reviews also identify any potential areas in need of extra support to deliver business objectives.
63. The FSA Investment Board has continued to improve the value for money the FSA delivers. It considers all material discretionary expenditure, in particular the strategic alignment, benefits and costs and priorities for each business case. Investment Board reports back to EMT on decisions made regarding programmes of work to start, or where programmes have changed or stopped, and continuously re-prioritises our work to align to our priorities.
64. To support the Governance Statement, we have continued to undertake an annual assurance framework mapping assessment of each directorate. In an environment of increasing expectations and declining resources, assurance maps are increasingly seen as a key part of good governance.
65. The assurance map is a structured means of identifying and mapping the main sources of assurance in the organisation, and it provides a holistic view of assurance being given and aids identification of where assurance is duplicated or absent. The use of the assurance maps has strengthened the FSA's existing assurance arrangements by providing a consistent, comprehensive overview of assurance provision across the organisation. It has aided Directors in completing their end of year assurance statement by setting out how an effective system of internal controls has been maintained. All the end of year assurance statements produced by my Directors were reviewed and I can confirm that no serious issues have been reported in relation to the effectiveness of our internal controls.

## Information security

66. The Director of Openness, Data and Digital is responsible for Information Security. Ensuring resilient security and safeguarding our services, technology and information assets against an evolving and changing cyber risk landscape continues to be a priority. We implement a risk-based approach to security based on the nature of our business, the information we handle, our risk appetite, and our approach to transparency.
67. All staff are required to complete the Responsible for Information e-learning course annually which is provided by Civil Service Learning. We also conduct an ongoing Security Education and Awareness programme.
68. We maintain cyber, personnel, physical and incident management governance and controls to enable FSA priorities, protect FSA services and to comply with HMG Government Standards.
69. There were no incidents that required reporting to the Information Commissioner's Office (ICO) in 2020/21.

## Effectiveness of the FSA whistleblowing and raising a concern policy

70. As Accounting Officer, it is important to me that the FSA has in place effective and trusted 'speak up' arrangements, where members of staff feel able to raise concerns, including a qualifying disclosure or a breach of the Civil Service Code, confident that they will be heard and that their complaint will be properly responded to.
71. In July 2020 we finalised a review of our provisions for raising a concern within the FSA and launched a revised policy. Greater emphasis was placed on making the process more accessible and providing support to the individual. We also added an additional feature in the form of a case review by a senior manager where the individual feels their concern was not properly addressed.
72. Once again, we hosted our annual 'Raising a Concern and Whistleblowing' awareness campaign in September, which this year included a live update and Q&A session, delivered by the FSA's Nominated Officer and open to all staff.
73. The Civil Service People Survey 2020 showed that we continue to maintain very high levels of awareness of the Civil Service Code (at 95%), and we returned another year-on-year increase in our staff's understanding of how to raise a concern under the Code (now at 77%) and also their confidence in the investigative process (now at 79%). Against all three indicators the FSA sits above the Civil Service benchmark. We are currently developing our plans to build on these results in 2021.
74. We presented annual update reports on Whistleblowing and Raising Concern to the Executive Management Team and the Business Committee of the FSA Board, ensuring that senior management continue to shape our approach in this important area.
75. In 2020/21 we handled three case referrals. One did not identify deliberate wrongdoing and two are currently ongoing.

## Shared Services

76. The FSA uses the Oracle Shared Service provided by Shared Services Connected Ltd (SSCL) for its Finance and Procurement systems. This system is being used by many other government departments including the Department for Work and Pensions and the Ministry of Justice.
77. A third-party assurance report for SSCL for the year ending 31 March 2021 qualified 15 control objectives out of a total of 57. The controls noted, mostly, are not applicable to FSA as these services have not been required. FSA, however, will continue to monitor such reports and work to mitigate any risks.

## Macpherson Review of Quality Assurance of Government models

78. In line with the recommendations of the Macpherson Review of Quality Assurance of Government, we maintain an up-to-date list of business-critical models (currently circa 10) and have processes in place to quality assure their inputs, methodology and outputs.

## Head of Internal Audit's opinion

79. During 2020/21, the COVID-19 pandemic impacted on the provision of internal audit services as follows:
  - Reduction in audit resource: two members of the team were seconded to pandemic response teams, reducing the audit delivery capacity.
  - Reduction in audit plan: more than 60% of planned audits have been started, by the end of month 10 in the period. Audit delivery has been concentrated in the second half of the year.
  - Alternative assurance was obtained by the Head of Audit through formal, documented conversations with Heads of Divisions where controls or processes were changed – temporarily or permanently – in response to the pandemic.
80. During the year, I have consulted and informed the Audit and Risk Assurance Committee about changes to the audit plan and audit resource to take account of the impact of COVID-19 on the organisation and the changing risk landscape.
81. My annual internal audit opinion reflects the revised audit plan and is not limited in scope, to the extent that the assurance provided by internal audit can only ever be reasonable, not absolute.
82. Based on the results of the audit work completed during the nine-month period to 31 March 2021 and understanding the FSA's control environment, the Head of Internal Audit's opinion is that the FSA has maintained adequate risk management, control and governance arrangements.

83. The majority of internal audits completed were placed in the top two categories of audit assurance opinions and none were in the lowest, fourth category. Where issues have been reported, management have taken appropriate actions to address these and have proactively involved Internal Audit where necessary in identifying root causes for the issues highlighted in Audit Reports.
84. Business planning and prioritisation of resources processes are now well established and ensure resources target key priorities. These are supported by maturing risk management and assurance frameworks which ensure risks at corporate, directorate and programme or project level are identified, assessed and mitigated appropriately.

### Significant internal control weaknesses

85. I am able to report that there were no significant weaknesses in the FSA's systems of internal controls in 2020/21 which affected the achievement of the FSA's key strategic outcomes, aims, objectives and policies.
86. I can also confirm that there have been no Ministerial Directions given during the course of the year.

### Looking ahead

87. In order to ensure the FSA had the finance capacity for the 2021/22 financial year a cross-functional Spending Review 2020 (SR20) working group delivered a bid in line with HMT requirements. We worked closely with HMT to agree secure £14.6m post EU exit funding as part of our baseline funding to help ensure the implementation of a solid and resilient regulatory regime following the departure from the EU, and a further £3m of in-year funding to support the transition. FSA will also be able to drive efficiencies and better prioritise after agreeing all RDEL will be classified as Admin.
88. To ensure value for money Programme, as Accounting Officer and CEO I Chaired the prioritisation discussions at EMT which set the budget recommended to Board for 2021/22. This constituted a review of the FSA priorities and resources. Directors discussed and challenged each other on the economy, effectiveness and efficiency of the priorities in order to make best use of limited resources. A first draft budget was presented to Business Committee for early comment at the January 2021 Board Retreat. Final revisions were made and presented for approval at the March 2021 Board meeting.
89. FSA has made good progress in increasing its future science capability. In particular, new sampling systems have been developed, for which testing is underway, which will enhance our efficiency and improve the way we collaborate with stakeholders. We will continue to improve the integration of the business planning and budgeting process and to continue to build the link to risk management all of which will support the delivery of the strategy within the FSA's Spending Review settlement to March 2022. The FSA is already planning for SR21 to ensure it has the resources to deliver its priorities beyond March 2022.

## Northern Ireland

90. The Assembly passed the Budget Act (Northern Ireland) 2021 in March 2021 which authorised the cash and use of resources for all departments for the 2020/21 year, based on the Executive's final expenditure plans for the year. The Budget Act (Northern Ireland) 2021 also authorised a Vote on Account to authorise departments' access to cash and use of resources for the early months of the 2021/22 financial year. This will be followed by the 2021/22 Main Estimates and the associated Budget (No. 2) Bill before the summer recess which will authorise the cash and resource balance to complete for the remainder of 2021/22 based on the Executive's 2021/22 Final Budget.

# Remuneration report

The remuneration of senior civil servants is set by the Prime Minister following independent advice from the Review Body on Senior Salaries. In reaching its recommendations, the Review Body has regard to the following considerations:

- the need to recruit, retain and motivate suitably able and qualified people to exercise their different responsibilities;
- regional/local variations in labour markets and their effects on the recruitment and retention of staff;
- Government policies for improving the public services including the requirement on departments to meet the output targets for the delivery of departmental services;
- the funds available to departments as set out in the Government's departmental expenditure limits; and
- the Government's inflation target.

The Review Body takes account of the evidence it receives about wider economic considerations and the affordability of its recommendations. Further information about the work of the Review Body can be found at [www.gov.uk/government/organisations/office-of-manpower-economics](http://www.gov.uk/government/organisations/office-of-manpower-economics)

## Service contracts

The Constitutional Reform and Governance Act 2010 requires Civil Service appointments to be made on merit on the basis of fair and open competition. The Recruitment Principles published by the Civil Service Commission specify the circumstances when appointments may be made otherwise.

Unless otherwise stated below, the officials covered by this report hold appointments which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

Further information about the work of the Civil Service Commission can be found at <https://civilservicecommission.independent.gov.uk/>

This report has been prepared in accordance with guidance EPN 626. The tables in the remuneration report are subject to audit.

Service contracts for Board members are listed below:

Name	1st Term of Appointment	Duration of 1st Term Contract	2nd Term of Appointment	Duration of 2nd Term of Contract
Dr Ruth Hussey CB OBE (Deputy Chair) <sup>1</sup>	01 July 2020	3 Years		
Dr Ruth Hussey CB OBE (FSA Board Member for Wales) <sup>1</sup>	01 July 2016	3 Years	01 July 2019	1 year
Heather Hancock DL LVO <sup>2</sup>	01 April 2016	3 Years	01 April 2019 <sup>3</sup>	3 years
Colm McKenna	01 September 2016	3 Years	01 September 2019 <sup>4</sup>	1 year
Mark Rolfe	18 November 2019	3 Years		
Timothy Riley	18 November 2019	3 Years		
Margaret Gilmore	18 November 2019	3 Years		
Peter Price	01 September 2020	3 Years		
David Brooks <sup>5</sup>	01 April 2016	3 Years	01 April 2019	2 years
Mary Quicke MBE DL <sup>5</sup>	01 September 2017	3 Years		
Stuart Reid CBE <sup>5</sup>	01 September 2017	3 Years		
Stewart Houston CBE <sup>6</sup>	01 June 2016	3 Years		
Paul Williams <sup>6</sup>	01 June 2016	3 Years		

#### Notes

1. Dr Ruth Hussey CB OBE served as the FSA Board Member for Wales until 30 June 2020, then began as Deputy Chair starting 1 July 2020 and as Interim Chair from 1 February 2021.
2. Heather Hancock DL LVO served as Deputy Chair from 14 September 2012 – 31 March 2016
3. Heather Hancock DL LVO stepped down as Chair as of 31 January 2021.
4. Colm McKenna was granted an extension to his second term as of 01 September 2020 for a short but indefinite period (until a replacement can be recruited and appointed).
5. Board Member who left during financial year 2020/21.
6. Board Member who left during financial year 2019/20.

Board members may serve a maximum of two terms, and length of term may vary.

All members of the Executive Management Team are permanent members of staff except Guy Poppy who was on secondment from Southampton University, Robin May who is on secondment from Birmingham University and Paul Morrison who was on a fixed term contract.

There is no provision made for compensation relating to the early termination of any board or executive management team members.

## Remuneration (including salary) and pension entitlements

The following sections provide details of the remuneration and pension interests of the most senior management of the department.

The annual increase in Board members' remuneration is based on that recommended for office holders by the Senior Salaries Review Body. Senior Civil Service (SCS) staff salaries are uplifted in line with the central (Cabinet Office) SCS performance-based pay and review system.

Full details of the remuneration and pension interests of Board members and the Executive Management Team are detailed below and are subject to audit.

### a) Remuneration

#### Executive Management Team

2020/21 figures (with 2019/20 comparators in brackets).

#### Single total figure of remuneration

	Salary (£000)	Bonus Payments (£000)	Benefits in kind (to nearest £100) <sup>1</sup>	Pensions benefits (to nearest £1,000) <sup>2</sup>	Total (£000)
Emily Miles (Chief Executive from 23/09/19)	120–125 (60–65)	5–10 (–)	– (–)	57 (62)	185–190 (120–125)
Dr Colin Sullivan (Incident Director Covid-19 Pandemic 01/04/20 – 03/08/20. Chief Operating Officer from 03/08/20)	110–115 (105–110)	0–5 (–)	– (–)	42 (42)	155–160 (145–150)
Maria Jennings (Director of Regulation, Compliance, People & Northern Ireland)	105–110 (100–105)	0–5 (–)	– (4,900)	44 (31)	150–155 (135–140)
Julie Kettell (Director of Openness, Data, Digital & Wales) (aka Pierce)	115–120 (110–115)	5–10 (10–15)	– (10,100)	45 (45)	165–170 (180–185)
Chris Hitchen (Director Finance & Performance)	100–105 (100–105)	– (–)	– (–)	40 (39)	140–145 (135–140)
Rebecca Sudworth (Director of Policy)	105–110 (105–110)	– (–)	– (–)	42 (41)	145–150 (145–150)
Paul Morrison (Director of Strategy, Legal & Governance from 02/12/19 to 20/01/21) <sup>3</sup>	80–85 (30–35)	– (–)	– (–)	38 (10)	115–120 (40–45)

	Salary (£000)	Bonus Payments (£000)	Benefits in kind (to nearest £100) <sup>1</sup>	Pensions benefits (to nearest £1,000) <sup>2</sup>	Total (£000)
Steven Pollock (Director of Strategy, Legal & Governance from 20/01/21) <sup>3</sup>	15–20	–	–	25	40–45
Martin Evans (Acting Chief Operating Officer 23/03/20 to 03/08/20) <sup>3,4</sup>	35–40	5–10	–	–	40–45
Jason Feeney CBE (Chief Executive to 28/06/19)	– (140–145)	– (15–20)	– (3,600)	– (2)	– (165–170)
Rod Ainsworth (Director of Strategy, Legal & Governance to 28/06/19, Acting Chief Executive 29/06/19 to 22/09/19)	– (60–65)	– (5–10)	– (–)	– (24)	– (95–100)
Catherine Bowles (Acting Director of Strategy, Legal & Governance from 04/07/19 to 30/11/19)	– (35–40)	– (–)	– (–)	– (101)	– (135–140)
Richard Mumford (Acting Director of Science from 01/09/19 to 31/01/20)	– (35–40)	– (–)	– (3,100)	– (13)	– (50–55)
Steve Wearne (Director of Science to 31/08/19, Director of Global Affairs from 01/09/19 to 31/01/20) <sup>5</sup>	– (100–105)	– (–)	– (6,500)	– (34)	– (140–145)

## Notes

1. Benefits in Kind relate to travel costs paid by FSA where officers regularly work at more than one FSA site, making the travel costs paid taxable.
2. The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights.
3. Where individuals served for only part of the year only their actual pay and benefits during the period of the role is reported. FTE equivalents are: 2019/20 Jason Feeney £140k–£145k, Rod Ainsworth £125k–£130k, Emily Miles £115k–£120k, Rebecca Sudworth £105k–£110k, Richard Mumford £85k–£90k, Catherine Bowles £70k–£75k, Paul Morrison £95k–£100k. 20/21 Paul Morrison £100k–105k, Steven Pollock £95k–100k and Martin Evans £90k–95k.
4. Martin Evans chose not to be covered by the Civil Service pension arrangements during the reported year. He took retirement upon his original leaving date but stayed on at the FSA and became Acting Chief Operating Officer because of the Pandemic. He didn't re-join a pension scheme when delaying his retirement though and so has no pension benefits during the time subject to disclosure.
5. Steve Wearne continues as Director, Global Affairs, however stopped being a member of EMT 31 January 2020. Figures are reported for the full 2019/20 year.

In addition to these members of the Executive Management Team, Guy Poppy was in the position of Chief Scientific Adviser from 01/08/2014 to 30/06/2020, on secondment from Southampton University. The FSA has been recharged salary costs by the university in the band £30-£35k for the period 01/04/20 – 30/06/20. FTE equivalent £135k-£140k. From 6th July 2020 Professor Robin May took over the position of Chief Scientific Adviser, on secondment from the University of Birmingham. The FSA has been recharged salary costs by the university in the band £55k-£60k for the period 06/07/2020-31/03/2021. FTE Equivalent £75k-£80k.

From 26 March 2020 to 3 August 2020 Colin Sullivan became the FSA lead director for the FSA response to the COVID-19 pandemic, leading the agency response to the implications for public health and food safety during that incident.

To support that work Martin Evans, Head of Field Operations stepped up as acting Chief Operating Officer until 3 August 2020. His 2020/21 figures are displayed in the table above.

Colin Sullivan returned to his Chief Operating Officer role from 3 August 2020. He was a member of EMT all year and his actual figures are displayed in the table above.

All pay received by Colin Sullivan and Martin Evans relating to these appointments was received in the 2020/21 financial year and is reported as such. The FTE for Colin Sullivan as COVID-19 Lead is £105k-£110k.

Jason Feeney was FSA Chief Executive from 1/4/2018 to 28/6/2019. He left under voluntary exit terms on 31/7/2019 after a period of annual leave in July. His exit costs were capped under the standard 2010 terms and are reported as salary in the remuneration table above.

## Pay Multiples

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

<b>Consolidated FSA</b>	<b>2020/21</b>	<b>2019/20</b>
Band of Highest Paid Director's Total Remuneration	<b>£125k – £130k</b>	£125k – £130k
Median Total Remuneration	<b>£38k</b>	£34k
Ratio	<b>3.35</b>	3.71
Remuneration Range	<b>£18k – £123k</b>	£19k – £115k

The banded remuneration of the highest paid director in the Food Standards Agency in the financial year 2020-21 was £125,000-£130,000 (2019-20, £125,000-£130,000). This was 3.35 times (2019/20, 3.71) the median remuneration of the workforce, which was £38,000 (2019/20, £34,000). The change in ratio is due to the median pay for staff increasing, resulting in the ratio decreasing.

Remuneration ranged from £18,000 to £123,000 (2019/20, £19,000-£115,000).

The remuneration range decreased due to new starters entering on the trainee/apprentice spot rate. The increase in the remuneration range is due to bonuses paid in 2020/21.

<b>Westminster</b>	<b>2020/21</b>	<b>2019/20</b>
Band of Highest Paid Director's Total Remuneration	<b>£125k – £130k</b>	£125k – £130k
Median Total Remuneration	<b>£38k</b>	£34k
Ratio	<b>3.36</b>	3.74
Remuneration Range	<b>£18k – £123k</b>	£19k – £115k

The banded remuneration of the highest paid director in the Food Standards Agency for Westminster in the financial year 2020/21 was £125,000-£130,000 (2019/20, £125,000-£130,000). This was 3.36 times (2019/20, 3.74) the median remuneration of the workforce, which was £38,000 (2019/20, £34,000). The change in ratio is due to the median pay for staff increasing, resulting in the ratio decreasing.

Remuneration ranged from £18,000 to £123,000 (2019/20, £19,000-£115,000).

The remuneration range decreased due to new starters entering on the trainee/apprentice spot rate. The increase in the remuneration range is due to bonuses paid in 2020/21.

<b>Wales</b>	<b>2020/21</b>	<b>2019/20</b>
Band of Highest Paid Director's Total Remuneration	<b>£80k – £85k</b>	£75k – £80k
Median Total Remuneration	<b>£38k</b>	£37k
Ratio	<b>2.16</b>	2.12
Remuneration Range	<b>£18k – £63k</b>	£20k – £59k

The banded remuneration of the highest paid director in the Food Standards Agency for Wales in the financial year 2020/21 was £80,000-£85,000 (2019/20, £75,000-£80,000). This was 2.16 times (2019/20, 2.12) the median remuneration of the workforce, which was £38,000 (2019/20, £37,000). The change in ratio is due to an increase in Salary of the highest paid Director for Wales, resulting in the ratio increasing.

Remuneration ranged from £18,000 to £63,000 (2019/20, £20,000-£59,000).

The remuneration range decreased due to new starters entering on the trainee/apprentice spot rate. The increase in the remuneration range is due to a salary increase.

<b>Northern Ireland</b>	<b>2020/21</b>	<b>2019/20</b>
Band of Highest Paid Director's Total Remuneration	<b>£105k – £110k</b>	£100k – £105k
Median Total Remuneration	<b>£38k</b>	£36k
Ratio	<b>2.80</b>	2.88
Remuneration Range	<b>£19k – £64k</b>	£19k – £63k

The banded remuneration of the highest paid director in the Food Standards Agency for Northern Ireland in the financial year 2020/21 was £105,000-£110,000 (2019-20, £100,000-£105,000). This was 2.80 times (2019/20, 2.88) the median remuneration of the workforce, which was £38,000 (2019/20, £36,000). The change in ratio is due to the median pay for staff increasing, resulting in the ratio decreasing.

Remuneration ranged from £19,000 to £64,000 (2019/20, £19,000-£63,000). The remuneration range has increased due to overtime paid in relation to COVID-19 response work and bonuses paid in 2020/21.

Total remuneration includes salary, non-consolidated performance-related pay, and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

This is different to the total remuneration reported for Executive Management Team members which includes a pension benefit valuation. This is to allow like for like comparison of average staff and highest paid director remuneration.

## Food Standards Agency Board

2020/21 figures with (2019/20) comparators in brackets.

### Single total figure of remuneration

	Salary (£000)	Benefits in kind (to nearest £100)	Pensions benefits (£000) <sup>1</sup>	Total (£000)
Dr Ruth Hussey CB OBE	25–30 (20–25)	– (–)	– (–)	25–30 (20–25)
Heather Hancock LVO DL, Chair (to 31/01/21) <sup>2</sup>	55–60 (65–70)	– (–)	– (–)	55–60 (65–70)
Colm McKenna	20–25 (20–25)	– (–)	– (–)	20–25 (20–25)
Mark Rolf <sup>2</sup>	5–10 (0–5)	– (–)	– (–)	5–10 (0–5)
Timothy Riley	5–10 (0–5)	– (–)	– (–)	5–10 (0–5)
Margaret Gilmore <sup>2</sup>	5–10 (0–5)	– (–)	– (–)	5–10 (0–5)
Peter Price (from 1/09/20)	5–10	– (–)	– (–)	5–10
David Brooks	10–15 (10–15)	– (–)	– (–)	10–15 (10–15)
Mary Quicke MBE DL (to 31/08/20) <sup>2</sup>	0–5 (10–15)	– (–)	– (–)	0–5 (10–15)
Stuart Reid CBE (to 31/08/20) <sup>2</sup>	0–5 (10–15)	– (–)	– (–)	0–5 (10–15)
Stewart Houston CBE (to 31/05/19) <sup>2</sup>	– (0–5)	– (–)	– (–)	– (0–5)
Paul Williams (to 31/05/19) <sup>2</sup>	– (0–5)	– (–)	– (–)	– (0–5)

### Notes

1. No FSA board members are in a pension scheme contributed to by FSA therefore there are no pension costs to report.
2. All starter and leaver salaries are shown for their actual period of employment. The corresponding full year equivalents for 2019/20 was £10–15k for Stuart Houston CBE, £10–15k for Paul Williams, £5–10k for Margaret Gilmore, £5–10k for Mark Rolf and £5–10k for Timothy Riley. Full year equivalents for 20/21 was for Heather Hancock DL LVO £65k–£70k, Mary Quicke MBE DL £10k–£15k and for Stuart Reid CBE £10k–£15k.

## **Salary**

Salary includes gross salary; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation. This report is based on payments made by the department and thus recorded in these accounts.

## **Benefits in kind**

The monetary value of benefits in kind covers any benefits provided by the employer and treated by HM Revenue and Customs as a taxable emolument.

### *Bonuses*

A Pay Committee is set up each year to assess implementation of pay awards including bonus payments in line with guidance provided by the Cabinet Office. Membership of the Pay Committee is made up of directors and one independent member. Pay recommendations are considered on the basis of review of individual performance against objectives as well as overall consistency.

The Committee provides a breakdown of awards to the Cabinet Office, covering performance group distribution, analysis of bonuses awarded and feedback on the operation of the system. The bonuses reported in 2020/21 relate to performance in 2019/20 and bonuses reported in 2019/20 relate to performance in 2018/19.

## (b) Pension benefits

## Executive Management Team

## Notes

\* As Premium PCSPS Scheme members, staff can choose, within a predetermined range, how their accumulated pension benefits are split between lump sum and annual pension.

1. There are no figures reported for Martin Evans as he took retirement upon his original leaving date but stayed on at the FSA and became Acting Chief Operating Officer because of the Pandemic. He didn't re-join a pension scheme when delaying his retirement though and so has no pension benefits during the time subject to disclosure.
2. The CSOPS CETV figure as at 31/03/20 for Paul Morrison has been amended by the pension provider. The amended figure is shown in this table while the CETV figure disclosed in the 2019/20 table below is the figure reported in the previous year's report.

		2020/21				
		Accrued pension at pension age as at 31/03/20 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/03/21	CETV at 31/03/20	Real increase in CETV
		£5,000 (£000)	£2,500 (£000)	(£000)	(£000)	(£000)
Emily Miles	Chief Executive (from 23/09/19)	30–35 plus lump sum of 50–55	2.5–5 plus lump sum of 2.5–5	487	435	30
Dr Colin Sullivan	Chief Operating Officer (from 03/08/20)	5–10	2.5–5	128	88	28
Maria Jennings*	Director of Regulation, Compliance, People & Northern Ireland	50–55	2.5–5	879	820	27
Julie Kettle (aka Pierce)	Director of Openness, Digital, Data & Wales	40–45	2.5–5	683	615	35
Chris Hitchen	Director of Finance & Performance	25–30	0–2.5	332	294	20
Rebecca Sudworth	Director of Policy	0–5	0–2.5	64	31	24
Paul Morrison	Director of Strategy, Legal & Governance (from 02/12/19 to 20/01/21)	30–35 plus a lump sum of 60 – 65	0–2.5 plus a lump sum of 0 – 2.5	547	505 <sup>2</sup>	21
Steven Pollock	Director of Strategy, Legal & Governance (from 20/01/21)	40– 5 plus a lump sum of 115– 20	0–2.5 plus a lump sum of 0–2.5	948	922	23
Jason Feeney CBE	Chief Executive (to 28/06/19)	–	–	–	1,497	–
Rod Ainsworth	Director of Strategy, Legal & Governance (to 28/06/19) then Acting Chief Executive (29/06/19 to 22/09/19)	–	–	–	469	–
Catherine Bowles	Acting Director of Strategy, Legal & Governance (04/07/19 to 30/11/19)	–	–	–	918	–
Richard Mumford	Acting Director of Science (01/09/19 to 31/01/20)	–	–	–	494	–
Steve Wearne	(Director of Science to 31/08/19, Director of Global Affairs from 01/09/19 to 31/01/20)	–	–	–	873	–

# Notes

\* As Premium PCSPS Scheme members, staff can choose, within a predetermined range, how their accumulated pension benefits are split between lump sum and annual pension.

1 Retrospective change required recalculation and restatement of 2018/19 figures in 2019/20.

2 The CSOPS CETV figure as at 31/03/20 for Paul Morrison has been amended by the pension provider. The figures shown in this table for Paul Morrison are those disclosed in last year's report, with the amended figures shown in the 2020/21 pension benefits table above.

		2019/20				
		Accrued pension at pension age as at 31/03/20 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/03/20	CETV at 31/03/19	Real increase in CETV
		£5,000 (£000)	£2,500 (£000)			
Emily Miles	Chief Executive (from 23/09/19)	25–30 plus lump sum of 50–55	2.5–5 plus lump sum of 2.5–5	435	378	39
Jason Feeney CBE	Chief Executive	65–70 plus lump sum of 195–200	0–2.5 plus lump sum of 2.5–5	1,497	1,484	1
Maria Jennings*	Director of Regulation, Compliance, People & Northern Ireland	45–50	0–2.5	820	766	14
Rod Ainsworth	Director of Strategy, Legal & Governance	20–25	2.5–5	469	423	21
Julie Kettle (aka Pierce)	Director of Openness, Digital, Data & Wales	30–35	2.5–5	615 <sup>1</sup>	550 <sup>1</sup>	34 <sup>1</sup>
Steve Wearne	Director of Science	40–45 plus lump sum of 95–100	0–2.5 plus lump sum of 0	873	814	18
Chris Hitchen	Director of Finance & Performance	20–25	0–2.5	294	255	20
Dr Colin Sullivan	Chief Operating Officer	0.5	0–2.5	88	51	27
Rebecca Sudworth	Director of Policy	0–5	0–2.5	31	0	23
Richard Mumford	Acting Director of Science (1/09/19 to 31/01/20)	25–30 plus lump sum of 60–65	0–2.5 plus lump sum of 0	494	482	7
Catherine Bowles	Acting Director of Strategy, Legal & Governance (4/07/19 to 30/11/19)	35–40 plus lump sum of 115–120	2.5–5 plus lump sum of 12.5–15	918	808	102
Paul Morrison	Director of Strategy, Legal & Governance (from 2/12/19)	30–35 plus lump sum of 60–65	0–2.5 plus lump sum of 0	375 <sup>2</sup>	375	(4) <sup>1</sup>

## Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or Alpha, which provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age (or 65 if higher). From that date, all newly appointed civil servants and the majority of those already in service joined Alpha.

Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: 3 providing benefits on a final salary basis (classic, premium or classic plus) with a normal pension age of 60; and one providing benefits on a whole career basis (nuvos) with a normal pension age of 65.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus, nuvos and alpha are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 switch into alpha sometime between 1 June 2015 and 1 February 2022. Because the Government plans to remove discrimination identified by the courts in the way that the 2015 pension reforms were introduced for some members, it is expected that, in due course, eligible members with relevant service between 1 April 2015 and 31 March 2022 may be entitled to different pension benefits in relation to that period (and this may affect the Cash Equivalent Transfer Values shown in this report – see below). All members who switch to alpha have their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes.) Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a defined contribution (money purchase) pension with an employer contribution (partnership pension account).

Employee contributions are salary-related and range between 4.6% and 8.05% for members of classic, premium, classic plus, nuvos and alpha. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years initial pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. classic plus is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 worked out as in premium. In nuvos a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation. Benefits in alpha build up in a similar way to nuvos, except that the accrual rate is 2.32%. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

The partnership pension account is an occupational defined contribution pension arrangement which is part of the Legal & General Mastertrust. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member). The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus, 65 for members of nuvos, and the higher of 65 or State Pension Age for members of alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes, but note that part of that pension may be payable from different ages.)

Further details about the Civil Service pension arrangements can be found at the website [www.civilservicepensionscheme.org.uk](http://www.civilservicepensionscheme.org.uk)

## Food Standards Agency Board

A number of former FSA Board members benefit from a by-analogy pension scheme similar to the PCSPS. The scheme is now closed to new members and there are no active scheme members.

## Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with the Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

## Real Increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

## Staff report

### Staff costs comprise:

The following section is subject to audit.

#### A Administration costs

	2020/21 £000					2019/20 £000
	FSA WESTMINSTER					
	STAFF	BOARD	SUB-TOTAL	DEVOLVED OFFICES	TOTAL	TOTAL
Wages and salaries	22,622	80	22,702	3,467	26,169	24,425
Social security costs	2,533	9	2,542	377	2,919	2,738
Other pension costs	5,847	–	5,847	923	6,770	6,340
<b>Sub total</b>	<b>31,002</b>	<b>89</b>	<b>31,091</b>	<b>4,767</b>	<b>35,858</b>	<b>33,503</b>
Other Staff	1,332	–	1,332	112	1,444	1,414
Inward Secondment	–	–	–	–	–	30
<b>Total</b>	<b>32,334</b>	<b>89</b>	<b>32,423</b>	<b>4,879</b>	<b>37,302</b>	<b>34,947</b>
Less recoveries in respect of outward secondments	(97)	–	(97)	–	(97)	(91)
<b>Total net costs</b>	<b>32,237</b>	<b>89</b>	<b>32,326</b>	<b>4,879</b>	<b>37,205</b>	<b>34,856</b>

#### B Programme costs

	2020/21 £000	2019/20 £000
Wages and salaries	23,804	21,038
Social security costs	2,619	2,264
Other pension costs	5,326	4,768
Other Staff	742	516
Contract inspectors and veterinary costs	27,979	24,775
<b>Total</b>	<b>60,470</b>	<b>53,361</b>
Less recoveries in respect of outward secondments	–	(6)
<b>Total net costs</b>	<b>60,470</b>	<b>53,355</b>

Programme wages and salaries includes the cost of employed meat hygiene inspectors, veterinary managers, Operations support staff, National Food Crime Unit and the Incidents Unit.

## C Civil Service Pension Schemes

The Principal Civil Service Pension Schemes (PCSPS) and the Civil Servant and Other Pension Scheme (CSOPS) – known as “alpha” are unfunded multi-employer defined benefit schemes in which the FSA is unable to identify its share of the underlying assets and liabilities.

The scheme actuary valued the scheme as at 31 March 2016 and you can find details in the resource accounts of the Cabinet Office: Civil Superannuation ([www.civilservicepensionscheme.org.uk](http://www.civilservicepensionscheme.org.uk)).

For 2020/21, employers’ contributions of £10.1m (2019/20 £9.2m) were payable to the PCSPS at one of four rates in the range of 26.6% to 30.3% of pensionable earnings, based on salary bands. The Scheme Actuary reviews employer contributions usually every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2020/21 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers’ contributions of £133,570 (2019/20 £85,173) were paid to one or more of the panel of three appointed stakeholder pension providers. Employer contributions are age-related and ranged from 8% to 14.75%. The FSA as an employer also matches employee contributions up to 3% of pensionable earnings. In addition, employer contributions of £4,282 (2019/20 £3,102) at 0.5% of pensionable pay, were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees.

### Reporting of Civil Service compensation scheme – exit packages

	2020/21		
Exit Package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
< £10,000	–	–	–
£10,000 – £25,000	–	–	–
£25,000 – £50,000	–	1	1
£50,000 – £100,000	–	1	1
£100,000 – £150,000	–	–	–
£150,000 – £200,000	–	–	–
£200,000 and above	–	–	–
Total number of exit packages	–	2	2
Total resource cost £	–	110,655	110,655

	2019/20		
Exit Package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
< £10,000	–	–	–
£10,000 – £25,000	–	2	2
£25,000 – £50,000	–	–	–
£50,000 – £100,000	–	4	4
£100,000 – £150,000	–	1	1
£150,000 – £200,000	–	–	–
£200,000 and above	–	–	–
Total number of exit packages	–	7	7
Total resource cost £	–	447,156	447,156

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme (CSCS), a statutory scheme made under the Superannuation Act 1972. The table above shows the total cost of exit packages agreed and accounted for in 2020/21 (2019/20 comparative figures are also given). £111k exit costs were paid in 2020/21, the year of departure (£447k in 2019/20). Where the department has agreed early retirements, the additional costs are met by the department and not by the Civil Service Pension Scheme. Ill-health retirement costs are met by the pension scheme and are not included in the table. All costs in relation to exit packages were not over the contractual amounts payable and appropriate authorisation sought when exceeding Cabinet Office limits.

In 2020/21 there was 1 early retirement on ill health grounds at a cost of £11,628 (2019/20 4 cases at a cost of £29,161).

## D Local Government Pension Scheme

The Local Government Pension Scheme is a defined benefit scheme which is administered by Local Pensions Partnership and governed through compliance with the relevant provisions of the Pension Schemes Act 1993, the Pensions Act 1995 and the Pensions Act 2004. For the year ended 31 March 2021, contributions of £1.8m (2019/20 £1.8m) were paid to the fund at the rate determined by the Actuary appointed to the fund. For the year ended 31 March 2021, this rate was 19.4% (2019/20 19.4%) of pensionable remuneration.

On the basis of the full actuarial valuation the FSA Fund surplus was £3.7m as at March 2019 (March 2016 deficit of £13.5m). During 2020/21 the FSA made additional deficit reduction payments of an amount of £1.5m and will pay £1.5m in 2021/22.

The next full actuarial review of the scheme will show the position at 31 March 2022. This triennial valuation process will be carried out in the summer of 2022 and will determine the FSA's employer contribution rate for a three year period starting 1 April 2023.

An updated valuation, under IAS19 criteria, resulted in a calculated deficit of £90.2m as at 31 March 2021 compared with a calculated deficit of £68.7m as at 31 March 2020. The projected unit method of valuation has been used to calculate the service cost under IAS19.

## E Average number of persons employed

The average number of whole-time equivalent persons employed during the year 2020/21 and 2019/20 was as follows.

	Average number of persons employed	
	2020/21	2019/20
<b>Westminster – permanent staff</b>		
Strategy, Legal and Governance Directorate	171	185
Policy Group	73	60
Science Group	57	53
Operations	598	0
Casual Meat Hygiene Inspectors	6	598
Finance & Performance	83	86
Information	57	50
Regulation, Compliance & People Division	103	83
Centrally Managed	7	0
<b>Westminster – permanent staff total</b>	<b>1,155</b>	<b>1,115</b>
<b>Westminster – temporary staff</b>		
Strategy, Legal and Governance Directorate	3	3
Policy Group	–	0
Science Group	–	1
Operations	466	496*
Finance & Performance	5	6
Information	2	0
Regulation, Compliance & People Division	1	0
Centrally Managed	–	0
	<b>477</b>	<b>506</b>
<b>Board</b>	<b>9</b>	<b>7</b>
<b>Devolved Offices – permanent staff</b>	<b>94</b>	<b>88</b>
<b>Devolved Offices – temporary staff</b>	<b>3</b>	<b>2</b>
<b>Total</b>	<b>1,738</b>	<b>1,718</b>

Temporary staff include agency staff, consultants, contractors and temporary staff on fixed term contracts.

\*In 19/20 Casual Meat Hygiene Inspectors were included in Operations Temporary Staff.

From the start of 20/21 staff on maternity leave have been transferred to Centrally Managed.

## Staff composition

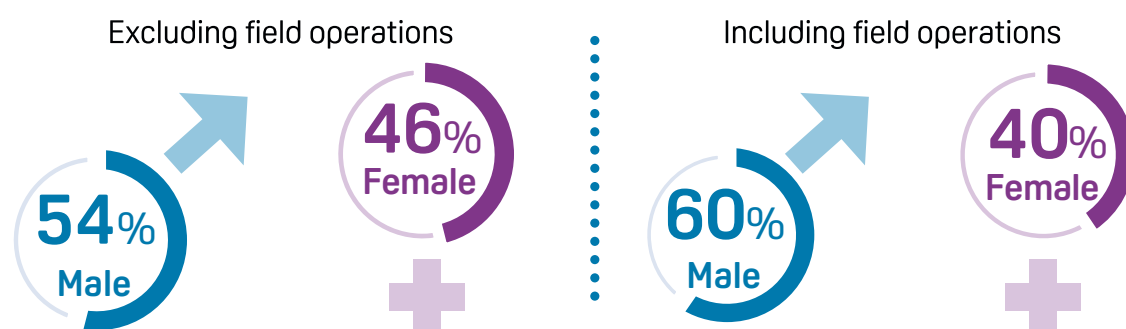
Number of SCS staff by pay band (as of 31 March 2021):

Pay band	Westminster	Wales	Northern Ireland	Total
SCS1	14	1	0	15
SCS2	6	0	1	7
SCS3	1	0	0	1

Number of persons of each sex (as of 31 March 2021):

	Male	Female
Executive members	3	4
Other Senior Civil Servants	10	5
Board members	4	4
Other employees	761	516

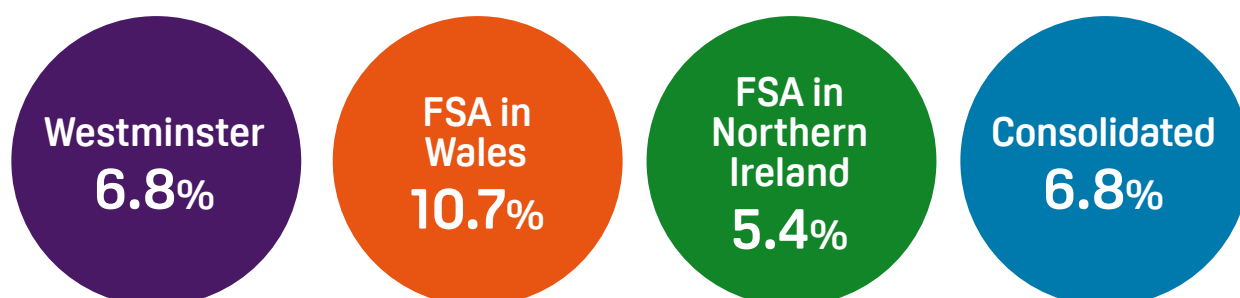
FSA employment % by gender as of March 2021



The FSA is working towards 50/50 gender parity. We are currently operating at 60/40 in favour of males.

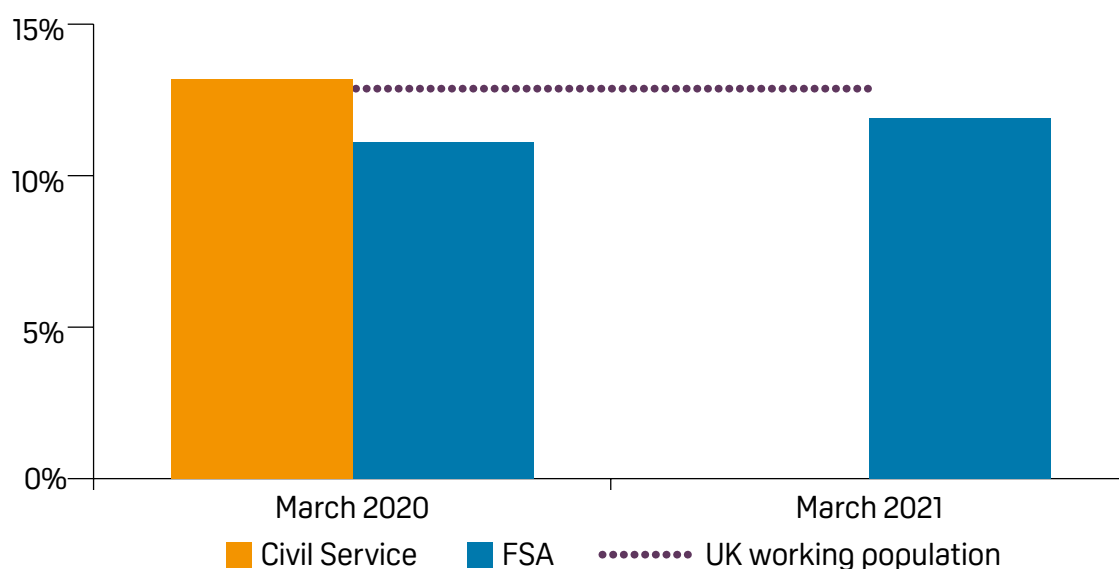
## Staff turnover

FSA staff turnover figures are calculated in line with Cabinet Office's guidance.



## Ethnicity

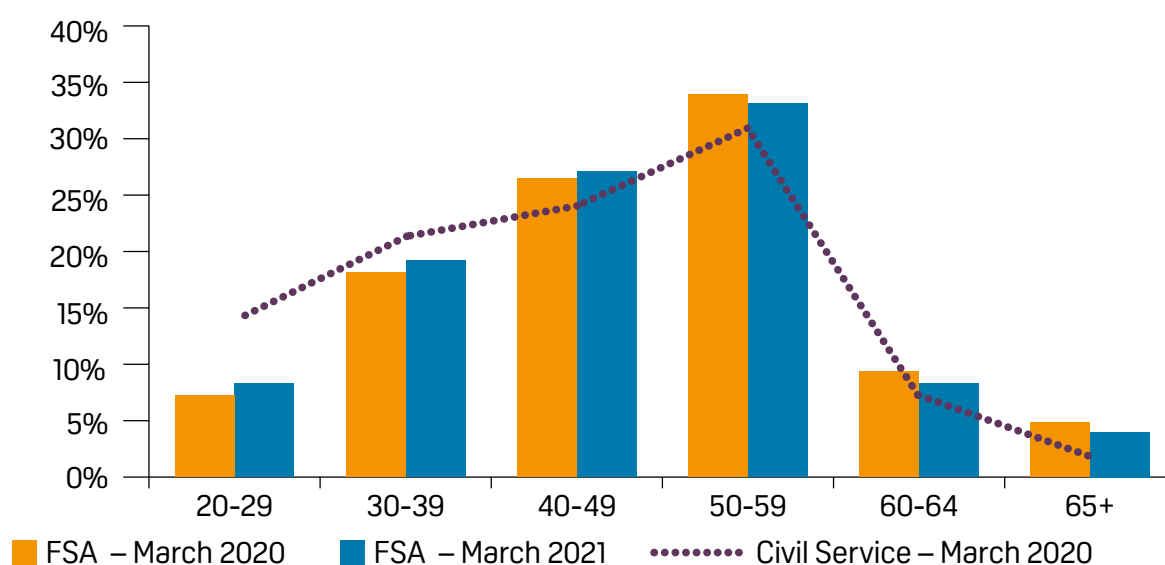
Fig.19: % Comparisons between FSA and Civil Service\* Declared Minority Ethnicity<sup>26</sup>



0.81% points increase in FSA declared minority ethnicity since March 2020

## Age

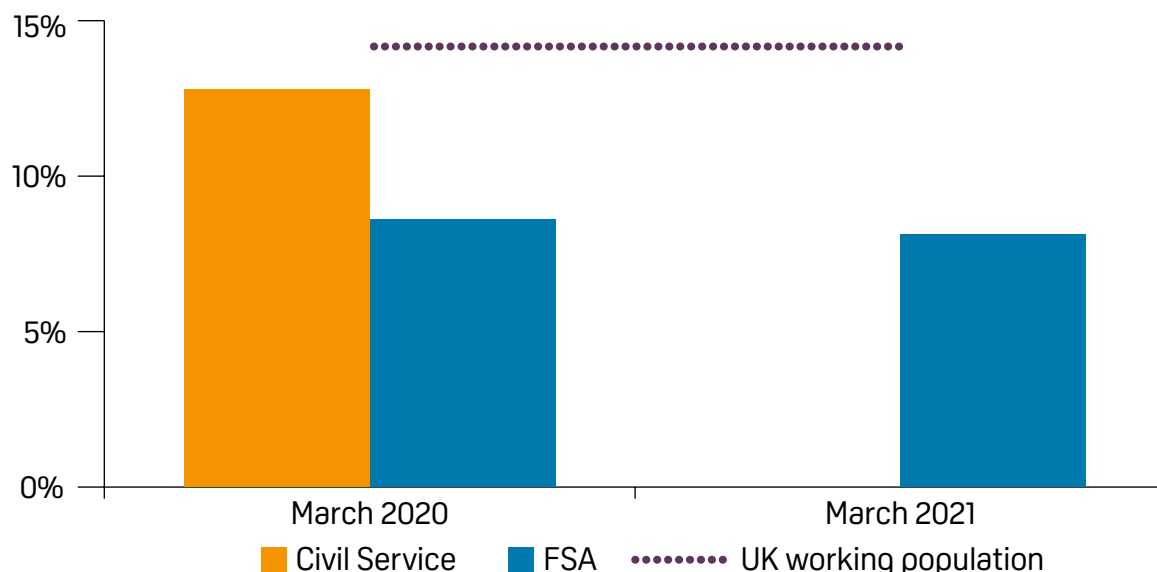
Fig.20: Age range by % for FSA staff from March 2020 and March 2021 compared to Civil Service Statistics UK March 2020



<sup>26</sup> Statistical Bulletin: Civil Service Statistics 2020 [www.gov.uk/government/statistics/civil-service-statistics-2020](http://www.gov.uk/government/statistics/civil-service-statistics-2020)

## Disability

**Fig.21: % Comparisons between FSA and Civil Service Declared Disability**



0.52% points decrease in FSA staff with a declared disability between March 2020 and March 2021

## Diversity and employment of disabled persons

The FSA maintains its commitment to providing equality of opportunity to all (including disabled persons) and is working to eliminate all forms of discrimination, harassment and bullying, to create a diverse workforce and an inclusive working environment in which everyone feels involved, respected and valued. The FSA's vision is for a workplace in which everyone feels:

- we can be ourselves
- our unique contribution is recognised and respected
- achieving a healthy balance between work and the rest of our lives is valued
- we can find meaning in our work
- we belong and there is space for us to grow
- we serve each part of the community in a way that reflects its needs

The Diversity Working Group discusses organisational priorities and initiatives that support the FSA's Diversity Vision. We report our diversity workforce information, recruitment statistics, along with a narrative on how we respect diversity and inclusion in ways that are non-HR related, in our Annual Diversity Report, which is available at [www.food.gov.uk/about-us/equality-and-diversity](http://www.food.gov.uk/about-us/equality-and-diversity).

The FSA applies the Recruitment Principles of the Civil Service Commission, appointing candidates based on merit through fair and open competition. The FSA is a Level 2 Disability Confident employer (working towards Level 3), which includes having a guaranteed interview scheme that encourages candidates with a disability to apply for our jobs. If an applicant declares a disability and meets the minimum standards required for a job, they are offered an interview. All our senior recruitment panels now include a BAME and/or disabled individual.

The FSA is committed to ensuring that disabled people have access to the same opportunities as other staff, not only when they first join but at all stages in their career. Our Health, Safety and Wellbeing team and Occupational Health provider provide assessments or advice on workplace adjustments, irrespective of whether their condition is pre-existing or acquired whilst employed by the FSA. We promote the use of passport forms which capture workplace adjustment plans and support staff moving between roles.

The FSA has an active disability network championed by a member of the executive management team. The network works to raise awareness of, and confidence in talking about, disability within the FSA. Mental Wellbeing Supporters are points of contact throughout the FSA for anyone who is experiencing mental health or emotional distress. They are able to signpost staff to a number of helpful resources. The FSA promotes a number of cross-government talent schemes that seek to attract staff with disabilities, amongst other protected characteristics.

## Employee involvement

The FSA provides employees with relevant information, and we invite responses and feedback through our intranet site (Digital Workplace) and through Yammer, an internal social media network.

Our external website ([www.food.gov.uk](http://www.food.gov.uk)) provides information on the Agency, including performance related and financial information. The FSA is committed to maintaining effective employee relations with staff and their trade union representatives. The FSA's Recognition and Facility Agreement looks to maintain effective arrangements for formally and informally communicating, consulting and negotiating with staff and/or their union representatives.

The FSA Staff Group is a consultative group that forms a link between staff and directors on a wide range of issues; and the Policy Advisory Group is a consultative group that helps to ensure that human resources policies reflect the structures, processes and culture within the FSA and supports effective people management. The Civil Service People Survey is a key tool for the FSA in understanding and improving employee engagement: all staff are invited to participate in this annual survey and contribute to follow-up action plans at both a local and organisation-wide level. In 2020, 87% of staff participated in the survey, providing a valuable insight into employee engagement and experience of working for the FSA, with engagement increasing to 70% (2019 67%).

## Reporting of sickness absence data

The provisional figure for staff absence as a result of physical and mental illness including injuries, disability or other health problems is approximately 5.1 days per employee, compared with 4.0 and 4.6 for the previous 2 years.

**Table 1: Sickness data by country**

	2020/21	2019/20	2018/19
Westminster	5.3	4.1	4.8
FSA in Wales	1.5	0.9	1.0
FSA in Northern Ireland	2.9	4.8	4.3
Consolidated	5.1	4.0	4.6

## Off-payroll engagements

The FSA is required to publish information on our highly paid and/or senior off-payroll engagements

**Table 1: For all off-payroll engagements as of 31 March 2021, for more than £245 per day and that last for longer than six months.**

	FSA
No. of existing engagements as of 31 March 2021	10
<b>Of which:</b>	
No. that have existed for less than one year at time of reporting	4
No. that have existed for between one and two years at time of reporting	4
No. that have existed for between two and three years at time of reporting	1
No. that have existed for between three and four years at time of reporting	1
No. that have existed for four or more years at time of reporting	0

All existing off-payroll engagements, outlined above, have at some point been subject to a risk-based assessment as to whether assurance is required that the individual is paying the right amount of tax and, where necessary, that assurance has been sought.

**Table 2: All temporary off-payroll workers engaged at any point during the year ended 31 March 2021, for more than £245 per day.**

	FSA
No. of off-payroll workers engaged during the year ended 31 March 2021	7
<b>Of which:</b>	
No. determined as in-scope of IR35	1
No. determined as out-of-scope of IR35	6
No. of engagements reassessed for compliance or assurance purposes during the year	1
Of which: no. of engagements that saw a change to IR35 status following review	1
No. of engagements where the status was disputed under provisions in the off-payroll legislation	0

**Table 3: For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2020 and 31 March 2021**

	FSA
No. of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year. (1)	0
Total no. of individuals on payroll and off-payroll that have been deemed “board members, and/or, senior officials with significant financial responsibility”, during the financial year. This figure should include both on payroll and off-payroll engagements. (2)	16

## Consultancy spend

Consultancy spend in 2020/21 was £23,950 relating to three suppliers with the greatest spend by one supplier being £13,750.

## Health and safety reporting

At a time so dominated by the impact of the COVID-19 pandemic, our Health, Safety and Wellbeing Unit (HSWU) have continued to provide competent advice to managers and staff to enable delivery of our duty of care and to ensure our ability to support the wellbeing of our employees.

Our National Health and Safety Committee continues to facilitate meaningful consultation with Trade Unions (TU's), enabling a platform for collaborative working, including with our Service Delivery Partner.

Progress against the 2017-23 Health and Safety ambition is as follows:

**Ambition 1** – is the reduction of employee lost days due to work related injury; seeking an overall reduction of 15% over the period 2020-23 when compared with the period 2017-20 (which was a total of 841 days). During 2020/21 there was a total of 161 lost days.

**Ambition 2** – is the elimination of accidents at work that cause harm serious enough to be reportable under RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013).

### Reportable Incidents, Diseases and Dangerous Occurrences (RIDDOR) 2018/19 – 2020/21

RIDDOR Category	2020/21	2019/20	2018/19
Fatal	0	0	0
Major	1	0	1
<7 day	4	3	2
Disease	13	0	1
Dangerous Occurrence	0	0	0
Total	18	3	4

In the above table there are 13 cases of COVID 19 infection, RIDDOR reported during 2020-21, within the disease category. These cases involved frontline staff carrying out their regulatory role at 3 approved food businesses and were RIDDOR reported based upon there being reasonable evidence that occupational exposure to COVID 19 had occurred, following reported COVID 19 outbreaks at those food businesses.

**Ambition 3** is to reduce the accident/incident rate (AIR) annually over 2020-23. The AIR rate for 2020/21 was 3,639, compared to 5,701<sup>27</sup> for 2019/20.

27 2019/20 AIR figure updated (previously 4,909) to include incidents closed following the Annual Report and Accounts 2019/20.

## Recruitment practice

The FSA recruitment policy follows the Civil Service recruitment principles and is based on appointment of the best candidate on merit, identified through a process of open and fair competition. The recruitment policy is set out on our intranet site and provides a transparent approach that identifies high calibre individuals and promotes equality and diversity.

All external recruitment is currently subject to internal approval by either the Director for FSA Northern Ireland, People & Organisational Change or the Head of People & Organisational Change. Occasionally we do appoint individuals by exception, and the use of exceptions along with external recruitment activity is reported to the Civil Service Commission on a quarterly basis.

Temporary agency staff are employed via an agency and are engaged on an ad hoc or temporary basis to fulfil requirements within established posts which involve providing cover (e.g. for a vacancy, holiday or sickness) or additional resource requirements.

These engagements can be either administrative or professional roles.

## Trade Union (Facility Time Publication Requirements) Regulations 2017

The Trade Union (Facility Time Publication Requirements) Regulations 2017 took effect from 1 April 2017. These regulations were laid following the enactment of the Trade Union Act 2016. The Trade Union Act was passed in May 2016; one of the elements of this Act is the requirement for employers in the public sector to publish information on facility time.

Facility Time is the provision of time off from an employee's normal role to undertake TU duties and activities when they are elected as a TU representative.

Trade Unions (TUs) play an important role in the modern workplace and there are considerable benefits to both employers and employees when organisations and unions work well together.

### Table 1 Relevant union officials

What was the total number of your employees who were relevant union officials during the relevant period?

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
22	21.6

**Table 2 Percentage of time spent on facility time**

How many of your employees who were relevant union officials employed during the relevant period spent a) 0%, b) 1%-50%, c) 51%-99% or d) 100% of their working hours on facility time?

Percentage of time	Number of employees
0%	16
1-50%	5
51%-99%	1
100%	0

**Table 3 Percentage of pay bill spent on facility time**

Provide the figures requested in the first column of the table below to determine the percentage of your total pay bill spent on paying employees who were relevant union officials for facility time during the relevant period.

First Column	Figures
Provide the total cost of facility time	£35,645
Provide the total pay bill	£69,145,000
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.05%

**Table 4 Paid trade union activities**

employees who were relevant union officials during the relevant period on paid trade union activities?

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as:  (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	0%
--	----

## Parliamentary Accountability Disclosures

### Losses and Special Payments

*The following sections are subject to audit.*

There are 15 reportable losses and special payments in 2020/21.

FSA made 5 special payments totalling £14k in 2020/21. No payment was in excess of £300k.

FSA made 8 special payments totalling £1,273k in 2019/20. One of these payments was in excess of £300k. Further details were not disclosed due to commercial sensitivity.

### Fees and Charges

*This section is subject to audit.*

An analysis of material programme income from services provided to external and public sector customers is as follows:

	2020/21			2019/20		
	£000	£000	£000	£000	£000	£000
	Income	Full Cost	Surplus/ (Deficit)	Income	Full Cost	Surplus/ (Deficit)
Industry	27,231	48,575	(21,344)	25,833	45,263	(19,430)
Other Government Departments	3,018	2,939	79	2,791	2,623	168
Meat Hygiene inspection in Northern Ireland	4,048	6,690	(2,642)	3,881	6,581	(2,700)
Assessments and consultations on radioactive discharges	1,001	1,046	(45)	1,063	1,201	(138)
	35,298	59,250	(23,952)	33,568	55,668	(22,100)

The above information is provided to meet the Fees and Charges disclosure requirements of the FReM and has not been provided for Segmental Analysis purposes under IFRS 8.

The FSA's financial objective is to recover costs fully. There currently remains a shortfall between the costs for the FSA of delivering meat official controls and the income received from Food Business Operators (FBOs) for these controls. This is effectively a subsidy of £21.4m from the FSA Westminster to the meat industry. It should be noted that this figure includes some costs which are not included in the hourly charge rates for meat official controls because they are not included in the budget that is used to calculate the charge rates. This is because the FSA does not include certain costs in its budgeting, such as severance costs for operational staff, even though they are costs of meat official controls. It also does not take account of some costs which would normally be included in the charge rates but were not anticipated when the charge rates for 2020/21 were calculated.

There was an increase in the full cost of the controls provided to the meat industry of over £3.4m from £45.3m in 2019/20 to £48.6m in 2020/21. This is largely due to increased contractor costs and Covid-19 pandemic related expenditure that was not anticipated prior to 2020/21.

## Remote Contingent Liabilities

*This section is subject to audit.*

In addition to contingent liabilities reported within the meaning of IAS 37 (Note 13), the department also reports liabilities for which the likelihood of a transfer of economic benefit in settlement is too remote to meet the definition of a contingent liability. As of 31 March 2021 there are four remote contingent liabilities concerning potential legal cases against the FSA (2019/20 three).



**Emily Miles**

Chief Executive and Accounting Officer

9 November 2021

# The certificate and report of the Comptroller and Auditor General to the House of Commons

## Opinion on financial statements

I certify that I have audited the financial statements of the Food Standards Agency (Consolidated) for the year ended 31 March 2021 under the Food Standards Act 1999. The financial statements comprise: Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes, including the significant accounting policies. These financial statements have been prepared under the accounting policies set out within them. The financial reporting framework that has been applied in their preparation is applicable law and International Accounting Standards as interpreted by HM Treasury's Government Financial Reporting Manual.

I have also audited the information in the Accountability Report that is described in that report as having been audited.

In my opinion, the financial statements:

- give a true and fair view of the state of the Food Standard Agency's (Consolidated) affairs as at 31 March 2021 and of net expenditure for the year then ended; and;
- the financial statements have been properly prepared in accordance with the Food Standards Act 1999 and HM Treasury directions issued thereunder.

## Opinion on regularity

In my opinion, in all material respects:

- the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

## Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate.

Those standards require us to comply with the Financial Reporting Council's Revised Ethical Standard 2019. I have also elected to apply the ethical standards relevant to listed entities. I am independent of the Food Standards Agency (Consolidated) in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled my other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Food Standards Agency (Consolidated) use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Food Standards Agency (Consolidated) ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to a going concern are described in the relevant sections of this certificate.

The Going Concern basis of accounting for the Food Standards Agency (Consolidated) is adopted in consideration of the requirements set out in HM Treasury's Government Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue in the future.

## Other Information

The other information comprises information included in the Annual Report but does not include the parts of the Accountability Report described in that report as having been audited, the financial statements and my auditor's certificate thereon. The Accounting Officer is responsible for the other information. My opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information then I am required to report that fact.

I have nothing to report in this regard.

## Opinion on other matters

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report to be audited have been properly prepared in accordance with HM Treasury directions made under the Food Standards Act 1999; and
- the information given in the Performance and Accountability Reports for the financial year for which the financial statements are prepared is consistent with the financial statements.

## Matters on which I report by exception

In the light of the knowledge and understanding of the Food Standards Agency (Consolidated) and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability Reports. I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the parts of the Accountability Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Report Manual are not made; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

## Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error; and
- assessing the Food Standards Agency (Consolidated) ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the Going Concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Food Standards Agency (Consolidated) will not continue to be provided in future.

## Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Food Standards Act 1999.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included the following:

- Inquiring of management, the Food Standards Agency's Head of Internal Audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Food Standards Agency (Consolidated) policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Food Standards Agency (Consolidated) controls relating to the Food Standards Act 1999 and Managing Public Money;
- discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition, posting of unusual journals and management override of controls;
- obtaining an understanding of the Food Standards Agency (Consolidated) framework of authority as well as other legal and regulatory frameworks that the Food Standards Agency (Consolidated) operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the Food Standards Agency (Consolidated). The key laws and regulations I considered in this context included Managing Public Money, employment law, and the Food Standards Act 1999 and
- other risk assessment procedures performed relating to fraud, non-compliance with laws and regulations and regularity.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Audit, Risk and Assurance Committee and in-house legal counsel concerning actual and potential litigation and claims.
- reading minutes of meetings of those charged with governance and the Board;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- other audit procedures responsive to the risk of fraud, non-compliance with laws and regulations or irregularity as appropriate.

I also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my certificate.

I am also required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

## Report

I have no observations to make on these financial statements.

**Gareth Davies**  
**Comptroller and Auditor General**  
National Audit Office  
157-197 Buckingham Palace Road  
Victoria  
London  
SW1W 9SP

17 November 2021

The background is a solid teal color with a repeating pattern of lighter teal circles arranged in a grid. The word "Accounts" is centered in the upper half of the image.

# Accounts

# Financial statements

## Consolidated Statement of Comprehensive Net Expenditure

For the year ended 31 March 2021

This account summarises the expenditure and income generated and consumed on an accruals basis. It also includes other comprehensive income and expenditure, which include changes to the values on non-current assets and other financial instruments that cannot yet be recognised as income or expenditure.

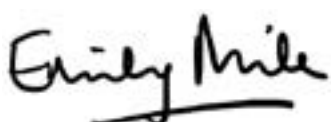
		2020/21	2019/20
	Note	£000	£000
Revenue from contracts with customers	4	(35,326)	(33,668)
Other operating income	4	(283)	(483)
<b>Total operating income</b>		<b>(35,609)</b>	<b>(34,151)</b>
Staff costs	3	97,772	88,308
Purchase of goods and services	3	22,790	21,385
Depreciation and impairment charges	3	2,628	2,203
Provision expense	3	(593)	3,954
Other operating expenditure	3	25,617	29,136
<b>Total operating expenditure</b>		<b>148,214</b>	<b>144,986</b>
<b>Net operating expenditure</b>		<b>112,605</b>	<b>110,835</b>
Finance expense	12	1,589	1,795
<b>Net expenditure for the year</b>		<b>114,194</b>	<b>112,630</b>
<b>Other comprehensive net expenditure</b>			
Actuarial (gain)/loss on pension scheme liabilities	12	19,913	(10,227)
<b>Comprehensive expenditure for the year</b>		<b>134,107</b>	<b>102,403</b>

# Consolidated Statement of Financial Position

As at 31 March 2021

This statement presents the financial position of the Food Standards Agency. It comprises three main components: assets owned or controlled; liabilities owed to other bodies; and equity, the remaining value of the entity.

	Note	2020/21 £000	2019/20 £000
<b>Non-current assets:</b>			
Property, plant and equipment	5	3,715	3,775
Intangible assets	6	4,524	4,293
<b>Total non-current assets</b>		<b>8,239</b>	<b>8,068</b>
<b>Current assets</b>			
Trade and other receivables	9	5,222	4,409
Other current assets	9	3,901	4,684
Cash	8	1,769	1,831
<b>Total current assets</b>		<b>10,892</b>	<b>10,924</b>
<b>Total assets</b>		<b>19,131</b>	<b>18,992</b>
<b>Current Liabilities</b>			
Trade and other payables	10	(2,581)	(2,284)
Provisions	11	(300)	(648)
Other liabilities	10	(16,920)	(16,690)
<b>Total current liabilities</b>		<b>(19,801)</b>	<b>(19,622)</b>
<b>Total assets less current liabilities</b>		<b>(670)</b>	<b>(630)</b>
<b>Non-current liabilities</b>			
Provisions	11	(944)	(2,912)
Other payables	10	(485)	(394)
Net pension liability	12	(91,049)	(69,581)
<b>Total non-current liabilities</b>		<b>(92,478)</b>	<b>(72,887)</b>
<b>Total Assets less total liabilities</b>		<b>(93,148)</b>	<b>(73,517)</b>
<b>Taxpayers' equity and other reserves</b>			
General fund		(93,148)	(73,517)
<b>Total taxpayers' equity</b>		<b>(93,148)</b>	<b>(73,517)</b>



**Emily Miles**  
Chief Executive and Accounting Officer

9 November 2021

## Consolidated Statement of Cash Flows

For the year ended 31 March 2021

The Statement of Cash Flows shows the changes in cash and cash equivalents of the Food Standards Agency during the reporting period. The statement shows how the department generates and uses cash and cash equivalents by classifying cash flows as operating, investing, and financing activities. The amount of net cash flows arising from operating activities is a key indicator of service costs and the extent to which these operations are funded by way of income from the recipients of services provided by the department. Investing activities represent the extent to which cash inflows and outflows have been made for resources which are intended to contribute to the Food Standards Agency's future public service delivery.

		2020/21 £000	2019/20 £000
<b>Cash flows from operating activities</b>	<b>Note</b>		
Net operating expenditure	SOCNE	(114,194)	(112,630)
Adjustments for non-cash transactions	3&11&12	7,874	10,131
(Increase)/Decrease in trade and other receivables	9	204	48
Increase/(Decrease) in trade and other payables	10	384	2,700
less movements relating to items not passing through the Statement of Comprehensive Net Expenditure	10	62	(684)
Use of provisions	11&12	(2,210)	(2,214)
Provisions not required written back	11	(2,201)	(207)
Cash contribution to pension deficit	12	(1,500)	(1,495)
<b>Net cash outflow from operating activities</b>		<b>(111,581)</b>	<b>(104,351)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	5	(1,584)	(396)
Purchase of intangible assets	6	(1,214)	(1,633)
<b>Net cash outflow from investing activities</b>		<b>(2,798)</b>	<b>(2,029)</b>
<b>Cash flows from financing activities</b>			
From the UK Consolidated Fund (Supply)		100,812	93,571
From Northern Ireland Assembly		9,818	9,882
From Welsh Parliament		3,687	3,611
<b>Net Financing</b>		<b>114,317</b>	<b>107,064</b>
<b>Net increase/(decrease) in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund</b>		<b>(62)</b>	<b>684</b>
<b>Cash at the beginning of the period</b>	8	<b>1,831</b>	<b>1,147</b>
<b>Cash at the end of the period</b>	8	<b>1,769</b>	<b>1,831</b>

## Consolidated Statement of Changes in Taxpayers' Equity

### For the year ended 31 March 2021

This statement shows the movement in the year on the different reserves held by the Food Standards Agency, analysed into 'general fund reserves' (i.e. those reserves that reflect a contribution from the Consolidated Fund). The General Fund represents the total assets less liabilities of a department, to the extent that the total is not represented by other reserves and financing items.

	Note	General Fund £000	Total Reserves £000
<b>Balance at 31 March 2019</b>		<b>(77,582)</b>	<b>(77,582)</b>
Net Parliamentary Funding		106,380	106,380
Comprehensive net expenditure for the year		(112,630)	(112,630)
Auditors remuneration	3	88	88
Actuarial gain/(loss)	12	10,227	10,227
<b>Balance at 31 March 2020</b>		<b>(73,517)</b>	<b>(73,517)</b>
Net Parliamentary Funding		114,380	114,380
Comprehensive net expenditure for the year		(114,194)	(114,194)
Auditors remuneration	3	96	96
Actuarial gain/(loss)	12	(19,913)	(19,913)
<b>Balance at 31 March 2021</b>		<b>(93,148)</b>	<b>(93,148)</b>

# Notes to the Consolidated Accounts

## 1 Statement of Accounting Policies

### 1.1 Basis of Preparation

These financial statements have been prepared in accordance with the 2020/21 Government Financial Reporting Manual (FReM) issued by HM Treasury and the Food Standards Act 1999. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the Food Standards Agency (FSA) for the purpose of giving a true and fair view has been selected. The particular policies adopted by the FSA are described below. They have been applied consistently in dealing with items which are considered material to the accounts.

### 1.2 Accounting Convention

These accounts have been prepared under the historical cost convention, modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and liabilities where material.

### 1.3 Basis of Consolidation

These accounts comprise the consolidation of the core FSA (Westminster funded) results and results from the FSA devolved offices in Northern Ireland and Wales for 2020/21. These are funded directly by the Northern Ireland Assembly and National Assembly for Wales respectively. The Westminster funded FSA and Food Standards Agency in Northern Ireland each produce and publish their own annual accounts. The FSA also prepares accounts for its activities which are funded by the National Assembly for Wales.

### 1.4 Significant Accounting Policies and Material Judgements

Estimates and the underlying assumptions are reviewed on a regular basis by the FSA's senior management. Areas of significant judgement made by management are:

- IAS19 Employee Benefits – FSA management are responsible for the assumptions and judgements behind the calculations of the defined pension liability. FSA management use professional experts to ensure the numbers in this report reflect a true and fair view of the liability. Sensitivity analysis is documented in note 12.2.5.
- IAS37 Provisions – judgement is made on the best estimate of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Note 11 of these accounts gives more details of the specific early retirement, legal and dilapidations provisions for the Agency and the basis for calculation.

## 1.5 Non-Current Assets

Non-current assets are items of the Agency's property that have a value greater than or equal to £5,000 (inclusive of irrecoverable VAT where applicable) and have a useful life of greater than one year. The capitalisation policy applies to all construction, capital improvements which enhance the functionality of a building, major equipment purchases and other capital projects totalling £5,000 or more. This also applies to multiple low cost items of a similar nature which are functionally interdependent or collectively improve efficiency within the FSA. When consolidated, these create an asset to the Agency. If these collectively have a cost in excess of £5,000 and an intended useful period in excess of a year then the items are usually consolidated as one asset.

## 1.6 Property, Plant and Equipment

The FSA does not currently own any land or buildings. All property, plant and equipment assets are carried at depreciated historic cost as a proxy for fair value. This is in accordance with FReM requirements as these assets have short useful lives or low values or both. Assets under construction are not depreciated until the month after they are brought into use. All assets are owned.

## 1.7 Intangible Assets

Computer software and software licences with a purchase cost in excess of £5,000 (including irrecoverable VAT and delivery where applicable) are capitalised at cost and amortised over the life of the licence, or over 7 years if the licence is bought in perpetuity. Intangible assets under construction are not amortised until the month after they are brought into use. The FSA has developed an external facing website ([www.food.gov.uk](http://www.food.gov.uk)) primarily for the promoting and advertising of its own services. This website will not generate future economic benefits and consequently all expenditure incurred on developing it is recognised as an expense as it occurs and is not capitalised.

## 1.8 Depreciation and Amortisation

Assets are depreciated from the month following the date of being available for use. Depreciation and amortisation are applied on a straight-line basis to write off costs evenly over the asset's anticipated life. Estimated useful lives are reviewed during the year and assets are assigned new end of useful life dates where applicable. The below information shows the useful lives of the assets currently on the non-current asset register.

	2020/21	2019/20
Property, plant and equipment		
Computer equipment	2 – 10 years	2 – 10 years
Office machinery	4 – 11 years	4 – 11 years
Furniture, fixtures and fittings	2 – 10 years	2 – 10 years
Intangible assets:		
Computer software and software licences	2 – 10 years	2 – 10 years

## 1.9 Research & Development Expenditure

Expenditure on research is not capitalised and is treated as an operating cost as it is incurred. Expenditure on development in connection with a product or service which is to be supplied on a full cost recovery basis is capitalised if it meets those criteria specified in IAS38.

Most research projects have a retention clause to ensure the satisfactory delivery of the final report. The FSA's policy is to accrue for the final retention amount if the work has been completed at the year end.

## 1.10 Revenue from Contracts with Customers and Other Income

In line with IFRS 15, the FSA recognises 'Revenue from Contracts with Customers' relating to its main operating activities and the associated contracts. These are classified by activity and grouped into revenue from meat official controls from industry, hygiene work carried out on behalf of other government departments, assessments and consultations on radioactive discharges and milk and dairy sampling.

FSA revenue is recognised when invoiced in arrears with accruals made for invoices not raised at the period end. More detail as to application of the 5 step model under IFRS 15 is detailed in note 4.1 of these accounts.

Other 'Operating Income', such as for secondments and non-contractual services is detailed separately from 'Revenue from Contracts with Customers' in note 4.2.

## 1.11 Pensions

FSA past and present employees are covered by the provisions of the Civil Servant and Other Pension Scheme (CSOPS) known as "alpha". The defined benefit schemes are unfunded. The Department recognises the expected cost of these elements on a systematic and rational basis over the period during which it benefits from employees' services by payment to alpha of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the alpha. In respect of the scheme, the Department recognises the contributions payable for the year. Further details can be found in the resource accounts of the Cabinet Office: Civil Superannuation and at [www.civilservicepensionscheme.org.uk](http://www.civilservicepensionscheme.org.uk).

There are currently 295 FSA employees who are active members of the Local Government Pension Scheme (LGPS). LGPS is a defined benefit scheme governed by the Local Government Pension Scheme Regulations 2005, and administered by Local Pensions Partnership. The scheme is subject to regular valuations by an independent, professionally qualified actuary. These determine the level of contributions required to fund future benefits. The LGPS changed to a career average revalued earnings basis as of 1 April 2014 with a change of retirement age from 65 to that of the individual member's state pension age. All pensions in payment or built up before April 2014 are protected.

Pension assets and liabilities attributable to the FSA in the LGPS are recorded in line with IAS19 with a valuation undertaken annually to measure the value of pension assets and liabilities at the Statement of Financial Position date, determining the benefits accrued in the year and the interest on assets and liabilities. The value of benefits accrued is used to determine the pension charge in the Statement of Comprehensive Net Expenditure and the interest on scheme assets and liabilities is included within interest receivable/payable. The change in value of assets and liabilities arising from asset valuations, changes in benefits, actuarial assumptions or change in the level of deficit attributable to members, is recognised in the Statement of Changes in Taxpayers' Equity. The resulting pension liability or asset is shown on the Statement of Financial Position. The IAS19 valuation includes sensitivity analysis and the potential impact and this information can be found in Note 12.2.5.

Pension liabilities in the Board Pension Scheme are calculated by the Government Actuary's Department and a valuation is undertaken annually. The change in value of pension liabilities arising from changes in benefits or actuarial assumptions is recognised in the Statement of Changes in Taxpayers' Equity. The resulting pension liability is shown in the Statement of Financial Position.

Further details about LGPS pensions can be found at the website [www.lgps.org.uk](http://www.lgps.org.uk).

The contributions to PCSPS are set out in the Accountability Report and the costs in relation to the LGPS scheme are in Note 12.

## 1.12 Operating Leases

All operating leases are accounted for under IAS17 Leases. Classification is made at the inception of the relevant lease.

Operating leases are charged to the Statement of Comprehensive Net Expenditure on a straight-line basis over the term of the lease. Operating lease incentives received are recognised as a reduction in the rental expenses and are allocated over the shorter of the lease or the period in which the rental has been reduced by the lessor. The allocation is on a straight line basis. The FSA does not currently have any finance lease liabilities.

## 1.13 Value Added Tax

The net amount of Value Added Tax (VAT) due to or from Her Majesty's Revenue and Customs is shown as a receivable or payable on the Statement of Financial Position. Irrecoverable VAT is charged to the Statement of Comprehensive Net Expenditure, or if it is incurred on the purchase of a non-current asset, it is capitalised in the cost of the asset where not recoverable.

## 1.14 Provisions

Provisions are recognised in accordance with IAS37. The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation, arising from a past event, at the Statement of Financial Position date.

### 1.15 Contingent Liabilities

In addition to contingent liabilities disclosed in accordance with IAS37, the FSA discloses, for parliamentary reporting and accountability purposes, certain contingent liabilities where the likelihood of a transfer of economic benefit is remote. The rules for notifying liabilities to parliament are:

- there is no need to tell parliament about:
  - new liabilities arising under statutory powers unless the legislation calls for it;
  - liabilities taken on in the normal course of business, except for those not in standard form and above £300,000;
- departments should notify parliament of:
  - statutory liabilities, in the form expected by the legislation;
  - any liability outside the normal course of business and above £300,000;
  - any liability of a non-standard kind undertaken in the normal course of business;
  - any liability which is novel, contentious or significant in relation to the organisation's (of the particular programme) expenditure, which is large and unquantifiable.

### 1.16 Financial Assets and Liabilities

The FSA holds the following financial assets and liabilities:

#### 1) Assets

- Trade and other receivables
- Other current assets
- Cash

#### 2) Liabilities

- Trade and other payables
- Provisions
- Other Liabilities

Financial Assets and Liabilities are accounted for under IFRS 9.

Cash balances are measured as the amounts received in FSA's bank account. The FSA does not currently have cash equivalents. Trade receivables are measured at fair value with an impairment review carried out on a monthly basis under IFRS 9. Trade and other payables are measured at fair value, with use of agreed invoiced amount, or management estimate in the case of accrued expenditure, forming the basis for valuation.

### 1.16 Early adoption of IFRSs, amendments and interpretations

The FSA have not adopted any IFRSs, amendments or interpretations early.

### 1.17 IFRSs, amendments and interpretations in issue but not yet effective, or adopted

There are two new Standards being introduced by the International Accounting Standards Board (IASB). IFRS 17 Insurance Contracts (expected to be adopted by FReM in 2023-24) is not likely to be applicable to the financial statements of the FSA. IFRS 16 Leases (expected to be adopted by FReM in 2022-23) is expected to have future impact on the financial statements of the FSA and will be reported in accordance with FReM. The material impact of IFRS 16 for the FSA's accounts will be in relation to the rentals under operating leases in Note 3. These costs will reduce significantly and the lease costs now reflected as depreciation and interest for the capitalised right of use asset (FSA rented office space). The right of use asset has not yet been measured, with the impact being quantified during 2021/22.

## 2 Net Costs by Group

Group	2020/21					2019/20
	Administration		Programme		Net operating cost	Net operating cost
	Costs	Income	Costs	Income	cost	cost
	£000	£000	£000	£000	£000	£000
Strategy, Legal & Governance (incl. EU Exit)	15,208	92	1,851	–	16,967	18,403
Openness, Data and Digital	10,636	–	1,956	–	12,592	10,116
Policy (Policy & Science were combined in 17/18)	4,266	57	2,793	918	6,084	3,958
Science	3,568	33	6,708	88	10,155	9,874
Operations (incl. NFCU)	470	–	62,685	30,308	32,847	30,564
Finance & Performance	8,408	20	549	–	8,937	9,028
Regulatory Compliance (incl. ROF and People & Organisational Change)	5,795	3	3,018	–	8,810	9,609
Centrally Managed	2,344	29	1,728	11	4,032	7,406
<b>Westminster Totals</b>	<b>50,695</b>	<b>234</b>	<b>81,288</b>	<b>31,325</b>	<b>100,424</b>	<b>98,958</b>
<b>Devolved Authorities</b>						
Wales	2,673	–	552	–	3,225	3,762
Northern Ireland	3,389	3	11,207	4,048	10,545	9,910
<b>Totals</b>	<b>56,757</b>	<b>237</b>	<b>93,047</b>	<b>35,373</b>	<b>114,194</b>	<b>112,630</b>

The FSA identifies reportable segments, Groups and Devolved Authorities, that reflect the organisational structure. The financial system also reflects the organisational structure and enables income and expenditure to be analysed and reported by segment. Segmental operating results are reviewed every month by the FSA Executive Management Team to make decisions on segmental resources and assess performance.

Groups derive income from the following activities or services;

Strategy, Legal & Governance – Sundry services

Openness, Data and Digital – Sundry services and secondments

Policy – Assessments / consultations on radioactive discharges and Integrated Advice for Consumers

Science – Assessments / consultations on radioactive discharges and Integrated Advice for Consumers

Operations – Meat hygiene inspections, approvals and delivery of official controls, testing and sampling

Finance & Performance – Sundry Services and Recovered court costs

Centrally Managed – Recovered court costs and fees

People & Organisational Change and Operations both have notional income for use of Apprentice Levy.

Inter-segmental transactions are accounted for within the financial system by way of journal between the relevant segments.

### 3 Expenditure

	2020/21 £000	2019/20 £000
<b>Staff Costs</b>		
Wages and salaries	49,973	45,463
Social security costs	5,538	5,002
Other pension costs	12,096	11,108
Agency Staff and Inward Secondments	2,186	1,960
Contract inspectors and veterinary costs	27,979	24,775
	97,772	88,308
<b>Goods and services</b>	22,790	21,385
	22,790	21,385
<b>Provision expense<sup>1</sup></b>	(593)	3,947
	(593)	3,947
<b>Other operating expenditure</b>		
Rentals under operating leases	2,114	2,074
ICT outsourcing, maintenance and support of networks and systems <sup>2</sup>	6,421	6,390
Travel & Subsistence, Hospitality and Conference costs	485	3,947
Accommodation costs including rates, estate management and security	3,492	2,779
Operational costs (laundry, sampling and equipment)	1,853	1,277
Grants	3,025	2,938
Research and Development expenditure	2,864	4,517
Training and Development	488	942
Legal costs	535	510
HR, Payroll and Pension services	302	294
Stationery, Printing and Postage	243	283
Welfare costs	92	129
Consultancy	24	105
Other Professional Services	2,759	1,155
Other	811	1,701
	25,508	29,041
<b>Non-cash Items</b>		
Depreciation	1,644	1,451
Amortisation	984	752
Auditors' remuneration and expenses	96	88
Apprentice Levy Utilisation	13	7
	2,737	2,298
	<b>148,214</b>	<b>144,979</b>

1 Interest cost from Board Pension and LPFA Pension Liability restated as a Finance cost and detailed in note 12

2 Relevant Central IT costs are recharged to Devolved Offices from FSA Westminster

## 4 Income

### 4.1 Revenue from Contracts with Customers

Operating income, analysed by classification and activity, is as follows:

	2020/21 £000	2019/20 £000
Income for official controls charged to industry	31,279	29,714
Income for meat hygiene work charges to other government departments	3,018	2,791
Assessments and consultations on radioactive discharges	1,001	1,063
Income from Joint Nutrition Projects	–	61
Milk and Dairy Hygiene– sampling	28	39
<b>Total income from contracts with customers</b>	<b>35,326</b>	<b>33,668</b>

IFRS 15 requires the FSA to recognise revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the FSA expects to be entitled in exchange for those goods or services. The breakdown above best reflects the income generated from FSA assessed against IFRS 15.

The £35.326m income from official controls charged to industry, milk and dairy inspections, meat hygiene work carried out for other government departments, radiological assessments and joint nutrition projects is contractual income that is invoiced in arrears and thus the performance obligation has already occurred.

There is no variable element to the transaction price. The transaction price is the cost of staff time carrying out services using an hourly rate for the grade of staff supplied/service provided. FSA does not accept non-cash consideration for payment nor does it offset consideration due to a customer against that due from the same party. Invoices are due on receipt and there is no time value of money or financing offered.

Payment terms are immediate on receipt of the FSA invoice as all invoices are issued in arrears for services carried out in the month or quarter before. There is no separation of price invoiced against performance obligation as the obligation has already occurred. Invoices are calculated on a time basis less discount as described in the Fees and Charges Note on page 155.

In line with IFRS 15, revenue is recognised at the point of service provided to the customer, at the point of invoice raised or by accrual for services performed in month to be invoiced in future. There is no invoicing in advance of service provision.

### 4.2 Other Operating Income

	2020/21 £000	2019/20 £000
Income for sub-letting of accommodation space, including dilapidations contributions	–	7
Secondment income	97	97
Other income	147	246
Income from sale of goods and services	26	126
Notional Income – Apprentice Levy Grant	13	7
<b>Total other operating income</b>	<b>283</b>	<b>483</b>

## 5 Plant and equipment

### Cost or valuation

Cost at 1 April 2020

Additions

Reclassification

Disposals

**At 31 March 2021**

### Depreciation

Cost at 1 April 2020

Charged in year

Disposals

**At 31 March 2021**

**Carrying amount at 31 March 2021**

**Carrying amount at 31 March 2020**

### Asset financing

Owned

**Carrying amount at 31 March 2021**

2020/21			
Fixtures and Fittings £000	Office Equipment £000	Computer Equipment £000	Total £000
4,628	37	4,864	9,529
32	–	1,552	1,584
–	–	–	–
–	–	–	–
<b>4,660</b>	<b>37</b>	<b>6,416</b>	<b>11,113</b>
2,760	23	2,971	5,754
374	12	1,258	1,644
–	–	–	–
<b>3,134</b>	<b>35</b>	<b>4,229</b>	<b>7,398</b>
<b>1,526</b>	<b>2</b>	<b>2,187</b>	<b>3,715</b>
<b>1,868</b>	<b>14</b>	<b>1,893</b>	<b>3,775</b>
1,526	2	2,187	3,715
<b>1,526</b>	<b>2</b>	<b>2,187</b>	<b>3,715</b>

### Cost or valuation

Cost at 1 April 2019

Additions

Reclassification

Disposals

**At 31 March 2020**

### Depreciation

Cost at 1 April 2019

Charged in the year

Disposals

**At 31 March 2020**

**Carrying amount at 31 March 2020**

### Asset financing

Owned

**Carrying amount at 31 March 2020**

2019/20			
Fixtures and Fittings £000	Office Equipment £000	Computer Equipment £000	Total £000
4,698	56	4,398	9,152
1	–	395	396
(71)	–	71	–
–	(19)	–	(19)
<b>4,628</b>	<b>37</b>	<b>4,864</b>	<b>9,529</b>
2,475	29	1,818	4,322
285	13	1,153	1,451
–	(19)	–	(19)
<b>2,760</b>	<b>23</b>	<b>2,971</b>	<b>5,754</b>
<b>1,868</b>	<b>14</b>	<b>1,893</b>	<b>3,775</b>
1,868	14	1,893	3,775
<b>1,868</b>	<b>14</b>	<b>1,893</b>	<b>3,775</b>

## 6 Intangible assets

Intangible assets comprise computer software and software licences

	2020/21 Computer software and software licences £000
<b>Cost or valuation</b>	
Cost at 1 April 2020	6,264
Additions	1,214
Disposals	–
<b>At 31 March 2021</b>	<b>7,478</b>
<b>Amortisation</b>	
Cost at 1 April 2020	1,971
Charged in year	983
Disposals	–
<b>At 31 March 2021</b>	<b>2,954</b>
<b>Carrying amount at 31 March 2021</b>	<b>4,524</b>
<b>Carrying amount at 31 March 2020</b>	<b>4,293</b>
	<b>2019/20</b>
<b>Cost or valuation</b>	
Cost at 1 April 2019	
Additions	4,631
Disposals	1,633
<b>At 31 March 2020</b>	<b>–</b>
	<b>6,264</b>
<b>Amortisation</b>	
Cost at 1 April 2019	
Charged in year	1,219
Disposals	752
<b>At 31 March 2020</b>	<b>–</b>
	<b>1,971</b>
<b>Carrying amount at 31 March 2020</b>	<b>4,293</b>

## 7 Financial Instruments

As the cash requirements of the department are met through the Estimates process, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body of a similar size. The majority of financial instruments relate to contracts for non-financial items in line with the FSA's expected purchase and usage requirements and the FSA is therefore exposed to little credit, liquidity or market risk.

## 8 Cash

	2020/21 £000	2019/20 £000
Balance at 1 April	1,831	1,147
Net changes in cash and cash equivalents	(62)	684
<b>Balance at 31 March</b>	<b>1,769</b>	<b>1,831</b>

	2020/21 £000	2019/20 £000
The following balances at 31 March were held at:		
Government Banking Service	1,769	1,831
<b>Balance at 31 March</b>	<b>1,769</b>	<b>1,831</b>

## 9 Trade receivables, financial and other assets

	2020/21 £000	2019/20 £000
<b>Amounts falling due within one year:</b>		
Trade receivables	2,387	1,831
VAT recoverable	2,762	2,432
Other receivables	73	146
	<b>5,222</b>	<b>4,409</b>
<b>Other current assets:</b>		
Prepayments	675	1,026
Accrued income	3,226	3,658
	<b>3,901</b>	<b>4,684</b>
<b>Total</b>	<b>9,123</b>	<b>9,093</b>

## 10 Trade payables and other liabilities

	2020/21 £000	2019/20 £000
<b>Amounts falling due within one year</b>		
Trade payables	2,523	2,251
Other payables	58	33
	<b>2,581</b>	<b>2,284</b>
<b>Other current liabilities:</b>		
Accruals	15,150	14,847
Deferred income	1	12
Amounts issued from the Consolidated Fund for supply but not spent at year end	1,769	1,831
	<b>16,920</b>	<b>16,690</b>
 Lease adjustment as per IAS 17	 485	 394
	<b>485</b>	<b>394</b>
<b>Total</b>	<b>19,986</b>	<b>19,368</b>

## 11 Early departure and other provisions

	2020/21 £000			2019/20 £000		
	Early departure	Legal claims	Dilapidations	Early departure	Legal claims	Dilapidations
Balance at 1 April	2,068	431	1,061	2,284	648	224
Provided in the year	5	–	82	46	20	837
Provisions not required written back	(1,871)	(131)	(199)	(81)	(126)	–
Provisions utilised in the year	(202)	–	–	(187)	(111)	–
Borrowing costs (unwinding of discount)	–	–	–	6	–	–
<b>Balance at 31 March</b>	<b>–</b>	<b>300</b>	<b>944</b>	<b>2,068</b>	<b>431</b>	<b>1,061</b>

### Analysis of expected timing of discounted flows

	2020/21 £000			
	Early departure	Legal claims	Dilapidations	Total
within one year	–	300	–	300
<b>Total current provisions liability</b>	<b>–</b>	<b>300</b>	<b>–</b>	<b>300</b>
between one and five years	–	–	232	232
between five and ten years	–	–	712	712
thereafter	–	–	–	–
<b>Total non-current provisions liability</b>	<b>–</b>	<b>–</b>	<b>944</b>	<b>944</b>
<b>Provisions balance at 31 March 2021</b>	<b>–</b>	<b>300</b>	<b>944</b>	<b>1,244</b>

The aforementioned respective provisions for early departure, dilapidations and legal claims have all been reviewed for the overall purpose of meeting reporting requirements outlined within IAS37 Provisions, Contingent Liabilities and Contingent Assets.

As a result it was confirmed that, under the existing accounting policy for Provisions, the appropriate recognition criteria and measurement bases are already being applied and that sufficient information has been disclosed.

### 11.1 Early departure costs

Early departure cost refers to liabilities to staff for early retirement. The FSA historically met the additional costs of benefits beyond the normal PCSPS and LGPS pension scheme benefits in respect of employees who retire early by paying the required amounts annually to the pension fund over the period between early departure and normal retirement date. The FSA provides for this in full when the early retirement programme becomes binding on the department by establishing a provision for the estimated payments discounted by the HM Treasury discount rate of (1.03%) (2019/20 (0.50%)) in real terms.

The Early departure costs provision is nil at 31 March 2021 as the future obligation is now included in the LGPS pension liability as disclosed in Note 12.

### 11.2 Legal Claims

A provision has been created to cover legal issues affecting the FSA. This is described below.

The FSA holds a provision for personal injury claims to cover the estimated amounts required to settle the claims and costs for which the FSA has admitted liability. Claims against the FSA where liability has been denied are not included.

### 11.3 Dilapidations

A provision has been created in respect of estimated dilapidation costs for Apex House in Birmingham, Clive House in London, Foss House in York, Clarendon House in Belfast and Southgate House in Cardiff. The Clive House, Apex House, Foss House and Southgate House provisions are all based on an independent survey carried out by a third party. The provisions have been inflated and discounted by the HM Treasury rates. Inflation at 1.99% for year 1 and 2.0% for year 2 onwards and discounted at 0.51% for years 1-5 and 0.55% for years 6-10.

## 12 Provisions for pensions liabilities and charges

### Pension provisions

	2020/21 £000			2019/20 £000		
	Board Pension	LGPS Pension	Total	Board Pension	LGPS Pension	Total
Net pension liability at 1 April	868	68,713	69,581	842	75,446	76,288
Total service and interest costs	15	5,048	5,063	24	6,913	6,937
Employer contributions	(34)	(1,974)	(2,008)	(33)	(1,889)	(1,922)
Deficit payment	–	(1,500)	(1,500)	–	(1,495)	(1,495)
Actuarial (gain)/loss	30	19,883	19,913	35	(10,262)	(10,227)
<b>Net pension liability at 31 March</b>	<b>879</b>	<b>90,170</b>	<b>91,049</b>	<b>868</b>	<b>68,713</b>	<b>69,581</b>

### 12.1 FSA Board Pension Provision

The FSA Board Pension provision relates to the by-analogy pension scheme with the Civil Service Pension Scheme that applies to former FSA board members' pension arrangements. The pension arrangements are unfunded with benefits being paid as they fall due and are guaranteed by the FSA. There is no fund and therefore no surplus or deficit. The payments are inflation-linked and are expected to be made over the remaining lifetimes of the current scheme members. The methodology and results of the assessment were undertaken by the Government Actuary's Department (GAD) and is in accordance with IAS19 and the FReM governing UK Accounting for Departments/NDPBs.

The capitalised value of the pension benefits payable by the FSA's Pension Schemes as at 31 March 2021 is £879,000 (2019/20 £868,000).

The scheme is closed and therefore it is likely that the current scheme liabilities will gradually decrease over time, as the expected pension payments are made to the scheme members.

In the short-term changes in the scheme liability may be primarily driven by the assumptions used for future assessments (particularly the financial assumptions prescribed by HM Treasury).

#### Financial assumptions

Liabilities are valued on an actuarial basis using the Projected Unit Method. The main actuarial assumptions are as follows:

	31/03/21	31/03/20
Discount rate	1.25%	1.80%
Rate of increase in salaries	n/a	n/a
Rate of increase in pensions in payment	2.22%	2.35%
CPI inflation assumption	2.22%	2.35%

## Mortality

Life expectancy is based on the actuarial PA92-10 tables. Based on these assumptions, the average life expectancies at age 65 are summarised below.

	31/03/21		31/03/20	
	Males	Females	Males	Females
Current Pensioners	22.0 years	23.7 years	21.9 years	23.5 years

## Present value of scheme liabilities

	Value at 31/03/21 £000	Value at 31/03/20 £000	Value at 31/03/19 £000	Value at 31/03/18 £000	Value at 31/03/17 £000
Liability in respect of					
Active members	—	—	—	—	—
Deferred pensioners	(236)	(229)	(216)	(221)	(235)
Current pensioners	(643)	(639)	(626)	(695)	(696)
	(879)	(868)	(842)	(916)	(931)

## Analysis of movement in scheme liability

	2020/21 £000	2019/20 £000
<b>Scheme liability at 1 April</b>	(868)	(842)
<b>Movement in the year:</b>		
Current service cost (net of employee contributions)	—	—
Interest cost	(15)	(24)
Actuarial (Loss)/Gain	(30)	(35)
Benefits paid	34	33
<b>Net pension liability at 31 March</b>	<b>(879)</b>	<b>(868)</b>

## Analysis of amount charged to operating profit

	2020/21 £000	2019/20 £000
Current service cost (net of employee contributions)	—	—
Interest cost	15	24
	15	24

## Analysis of amounts to be recognised in Statement of Changes in Taxpayers' Equity

	2020/21 £000	2019/20 £000
Experience (losses)/gains arising on the scheme liabilities	14	10
Changes in financial assumptions underlying the present value of scheme liabilities	(44)	(45)
Net total actuarial (loss)/gain recognised in the statement of changes in taxpayers' equity	(30)	(35)

### History of experience gains and losses

	2020/21	2019/20	2018/19	2017/18
Experience (losses)/gains on scheme liabilities:				
Amount (£000)	14	10	55	(40)
Percentage of scheme liabilities	1.59%	1.2%	6.5%	(4.4%)

### 12.2 Provision for LPFA Pension Liability

12.2.1 The Local Government Pension Scheme is a defined benefit scheme which is administered by Local Pensions Partnership and governed by the Local Government Pension Scheme Regulations 1995. For the year ended 31 March 2021, contributions of £1.8m (2019/20 £1.8m) were paid to the fund at the rate determined by the Actuary appointed to the fund. For the period ended 31 March 2021, this rate was 19.4% (2019/20 19.42%) of pensionable remuneration.

On the basis of the full actuarial valuation the FSA Fund surplus was £3.7m as at March 2019 (March 2016 deficit of £13.5m). During 2019/20 the FSA made additional deficit reduction payments of amount of £1.5m and will pay £1.5m in 2021/22.

The next full actuarial review of the scheme will show the position at 31 March 2022. This triennial valuation process will be carried out in the summer of 2022 and will determine the FSA's employer contribution rate for a three year period starting 1 April 2023.

An updated valuation, under IAS19 criteria, resulted in a calculated deficit of £90.2m as at 31 March 2021 compared with a calculated deficit of £68.7m as at 31 March 2020.

The projected unit method of valuation has been used to calculate the service cost under IAS19.

The actuary has estimated the employer's contributions for 2021/22 to be £1.9m.

### Financial Assumptions

The major financial assumptions used by the actuary when providing the assessment of the accrued liabilities as at the following dates for the Resource Accounting assessments were:

	31/03/21	31/03/20
Inflation/Pension increase rate (RPI)	3.25%	2.75%
Inflation/Pension increase rate (CPI)	2.85%	1.95%
Salary Increases	3.85%	2.95%
Pension Increases	2.85%	1.95%
Discount Rate	2.00%	2.35%

## Mortality

The post retirement mortality is based on the Club Vita mortality analysis then projected using the Continuous Mortality Investigation (CMI) model. The impact of the coronavirus pandemic had a disproportionate impact on this weighting therefore the 2020 model has been updated with a weight parameter of 25%. Based on these assumptions, the average life expectancies at age 65 are summarised below.

	31/03/21		31/03/20	
	Males	Females	Males	Females
Retiring today	21.0	23.2	21.2	23.3
Retiring in 20 years	22.4	25.9	22.7	26.0

## Movement in liabilities

	2020/21 £000	2019/20 £000
<b>Opening Defined Benefit Obligation</b>	<b>225,243</b>	<b>241,594</b>
Current service cost	3,271	3,459
Interest cost	5,216	5,718
Change in financial assumptions	50,284	(20,159)
Change in demographic assumptions	(2,347)	(809)
Experience loss/(gain) on defined benefit obligation	(2,863)	735
Liabilities assumed/(extinguished) on settlements	–	–
Estimated benefits paid net of transfers in	(7,119)	(7,242)
Past service costs, including curtailments	–	1,467
Contributions by Scheme participants	635	607
Unfunded pension payments	(127)	(127)
<b>Closing Defined Benefit Obligation</b>	<b>272,193</b>	<b>225,243</b>

## Movement in assets

	2020/21 £000	2019/20 £000
<b>Opening Fair Value of Employer's Assets</b>	<b>156,530</b>	<b>166,148</b>
Interest on assets	3,642	3,947
Return on assets less interest	25,191	(4,559)
Other actuarial gains/(losses)	–	(5,412)
Administration expenses	(203)	(216)
Contributions by Employer including unfunded	3,474	3,384
Contributions by Scheme participants	635	607
Estimated benefits paid plus unfunded net of transfers in	(7,246)	(7,369)
Settlement prices received/(paid)	–	–
<b>Closing Fair Value of Employer Assets</b>	<b>182,023</b>	<b>156,530</b>

The assets in the scheme and the expected rate of return were:

	Value at 31/03/21 £000	% at 31/03/21	Value at 31/03/20 £000	% at 31/03/20
Equities	102,019	56%	84,483	54%
Target return portfolio	41,473	23%	40,329	26%
Infrastructure	15,415	8%	11,405	7%
Property	15,647	9%	15,537	10%
Cash	7,469	4%	4,776	3%
Market value of assets	182,023	100%	156,530	100%
Present value of scheme liabilities	(272,193)		(225,243)	
<b>Net pension liability</b>	<b>(90,170)</b>		<b>(68,713)</b>	

### 12.2.2 Movement in deficit during the year

	2020/21 £000	2019/20 £000
Scheme liability at 1 April	(68,713)	(75,446)
Service cost	(3,271)	(3,459)
Administration expenses	(203)	(216)
Employer contributions	1,974	1,889
Payment of deficit	1,500	1,495
Past service cost	–	(1,467)
Other finance net interest charged (note 12.2.3)	(1,574)	(1,771)
Actuarial (loss)/gain (note 12.2.4)	(19,883)	10,262
<b>Net pension liability</b>	<b>(90,170)</b>	<b>(68,713)</b>

### 12.2.3 Analysis of the amount charged to operating deficit

	2020/21 £000	2019/20 £000
Service cost	3,271	3,459
Administration expenses	203	216
Past service cost	–	1,467
	3,474	5,142
Employer contributions to be set off	(1,974)	(1,889)
<b>Amount (credited)/charged to operating cost</b>	<b>1,500</b>	<b>3,253</b>

### Analysis of the net amount charged to operating cost

	2020/21 £000	2019/20 £000
Net interest on the defined liability/(asset)	1,574	1,771

### 12.2.4 Analysis of amount recognised in Statement of Changes in Taxpayers' Equity

	2020/21 £000	2019/20 £000
Return on Fund assets in excess of interest	25,191	(4,559)
Other actuarial gains/(losses) on assets	–	(5,412)
Changes in financial assumptions	(50,284)	20,159
Change in demographic assumptions	2,347	809
Experience gain/(loss) on defined benefit obligation	2,863	(735)
Actuarial gain/(loss) recognised in the Statement of Changes in Taxpayers' Equity	<b>(19,883)</b>	<b>10,262</b>

### 12.2.5 Sensitivity Analysis

	£000	£000	£000
Adjustment to discount rate	+0.1%	0.0%	-0.1%
Present value of Total Obligation	267,528	272,193	276,945
Projected Service Cost	4,228	4,332	4,438
Adjustment to long term salary increase	+0.1%	0.0%	-0.1%
Present value of Total Obligation	272,728	272,193	271,661
Projected Service Cost	4,334	4,332	4,329
Adjustment to pension increases and deferred valuation	+0.1%	0.0%	-0.1%
Present value of Total Obligation	276,366	272,193	268,093
Projected Service Cost	4,437	4,332	4,229
Adjustment to mortality age rating assumption	+1 Year	None	-1 Year
Present value of Total Obligation	285,207	272,193	259,793
Projected Service Cost	4,530	4,332	4,141

## 13 Contingent liabilities

The Department has the following contingent liabilities:

There are a number of claims being made by employees and others for injuries sustained in the workplace totalling approximately £0.3m. No provision has been made for these cases, however, a provision of £0.3m has been made for personal injury claims where liability has been admitted (Note 11).

In addition to the personal injury cases, the nature of the work carried out by the FSA can mean that it may be subject to various claims and legal actions in the ordinary course of its activities with the position being uncertain and therefore unquantifiable. The FSA has two unquantified contingent liabilities for which no claims have been received:

- ongoing discussions with Meat Industry over differing interpretations of the charging regulations introduced in 2019
- a historic staff benefits dispute.

The total quantified contingent liabilities are £0.3m (2019/20 £0.6m).

## 14 Commitments under leases

### 14.1 Operating leases

Total future minimum lease payments under operating leases are given in the table below for each of the following periods.

	2020/21 £000	2019/20 £000
<b>Obligations under operating leases comprise:</b>		
Land and buildings:		
Not later than one year	1,846	1,846
Later than one year and not later than five years	6,827	6,991
Later than five years	2,582	4,264
	<b>11,255</b>	<b>13,101</b>
Other:		
Not later than one year	89	142
Later than one year and not later than five years	20	125
	<b>109</b>	<b>267</b>

The FSA lease arrangements do not contain any contingent rents payable, terms of renewal or purchase options, escalation clauses or any imposed restrictions (such as those concerning dividends, additional debt or further leasing).

### 14.2 Other financial commitments

The FSA did not have any other financial commitments as at 31 March 2021.

## 15 Capital commitments

At 31 March 2021 there were no commitments for the purchase of capital items (31 March 2020 £nil).

## 16 Related-Party Transactions

None of the Board Members, key managerial staff or related parties have undertaken any material transactions with the FSA during the year.

In July 2020 the Director for Regulatory Compliance, People and NI has taken up an unpaid role as a Non-Executive Director with the Council for the Homeless NI (CHNI). The FSA in NI contributes £40,000 per year to the NI Fareshare Project within CHNI to help tackle food poverty. The Director has and will continue to remove herself from any discussions at CHNI Board Meetings regarding the funding of Fareshare and declares her interest in relation to the funding of Fareshare by the FSA. She has also removed herself as authorising officer for the FSA's funding of Fareshare. This responsibility has moved to the Director of Finance & Performance.

The FSA had a number of significant transactions with other Government Departments and other central Government bodies including Defra and its agencies, Ministry of Justice, Public Health England, Cabinet and its public bodies and agencies and the Department of Health and Social Care.

Details of remuneration provided to Senior Civil Servants and Board Members can be seen in the Remuneration Report on page 129.

## **17 Entities within the Departmental Boundary**

The FSA has no other entities within the Departmental Boundary.

## **18 Events after the reporting period**

In accordance with the requirements of IAS10, Events after the Reporting Period are considered up to the date on which the accounts are authorised for issue. This is interpreted as the date of the Certificate and Report of the Comptroller and Auditor General.

There are no reported events after the reporting period.

## Accounts Direction given by the Treasury in accordance with Paragraph 4(2) of Schedule 4 to the Standards Act 1999

1. This Accounts Direction applies to the consolidated accounts of the Food Standards Agency prepared in accordance with Schedule 4, section 1 of the Food Standards Act 1999 (“the Act”). These consolidated accounts report spending approved by the House of Commons under section 39 of the Act; the sums paid by the Welsh Assembly Government under section 39(3)(a) of the Act; the sums paid out of the Scottish Consolidated Fund under section 39(3)(b) of the Act; and the sums appropriated by an Act of the Northern Ireland Assembly under section 39(3)(c) of the Act.
2. The Foods Standards Agency shall prepare consolidated accounts (excluding the Statement of Parliamentary Supply and supporting notes) for the year ended 31 March 2013 and all subsequent years in compliance with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual issued by HM Treasury (“the FReM”), which is in force for that year.
3. The consolidated accounts shall be prepared so as to:
  - (a) give a true and fair view at 31 March of its income and expenditure and its overall state of affairs for that financial year then ended; and
  - (b) provide disclosure of any material expenditure or income that has not been applied to the purposes intended by, or material transactions that have not conformed to, the authorities which govern them.
4. Compliance with the requirements of the FReM as far as is consistent with the preparation of Consolidated Accounts will be necessary for the accounts to give a true and fair view. If compliance with the requirements of the FReM is inconsistent with the requirement to give a true and fair view, the requirements of the FReM should be departed from only to the extent necessary to give a true and fair view. In such cases, informed and unbiased judgement should be used to devise an appropriate alternative treatment, which should be consistent with both the economic characteristics of the circumstances concerned and the spirit of the FReM. Any material departure from the FReM should be discussed in the first instance with HM Treasury.
5. This Accounts Direction supersedes the Accounts Direction issued by HM Treasury on 14 November 2007.

**Karen Sanderson**  
**Deputy Director, Government Financial Reporting**  
**Her Majesty’s Treasury**

21 February 2013

