

# **Consultation on Early Proposals for a Future Delivery Model for FSA-Delivered Official Controls in the Meat Sector**

**Launch date: 28<sup>th</sup> May 2021**

**Respond by: 23<sup>rd</sup> July 2021**

## **This consultation will be of most interest to**

- Consumers
- The meat industry (Food Business Operators, meat industry Trade Bodies), Third party assurance organisations for meat, Professional and other Trade Bodies (veterinary, meat hygiene, food safety, trading standards, business interests), Commercial providers of meat hygiene inspection and veterinary resources
- International trade partners
- Retailers (supermarkets)
- Government regulatory and policy departments (veterinary and food safety inspection, EU Secretariat, devolved administrations, environmental and public health, trade, and others), and Local Authorities
- Trade Unions

## **Consultation subject**

Consultation on early proposals for the development of a Future Delivery Model for FSA-delivered Official Controls in the meat sector.

## **Purpose of the consultation**

The purpose of this consultation is to gather stakeholders' views on an early proposal for reform of FSA-delivered Official Controls in the meat sector as part of our wider evidence gathering process. These early proposals have been developed by the FSA's Operational Transformation Programme and are set out in a Future Delivery Model (FDM) which covers seven key areas.

The formulation of an outline future delivery model is the first stage of this reform activity and it is important that we work collaboratively with a wide range of stakeholders to help shape the future. The FDM is not a set plan. It is our view of where the current system of regulation in this area could be enhanced and modernised. We want to gain insight into how the proposals would affect consumers, industry, retailers, other parts of government and Local Authorities, and to gather feedback, suggestions, and alternative proposals from interested parties before progressing further with this work. These proposals are iterative and will continue to take shape as we develop the FDM. Once aspects of the FDM have been designed in more detail we will be holding further consultations on any options or recommendations prior to implementation.

## **How to respond**

Responses to this consultation should be sent to [OTP@food.gov.uk](mailto:OTP@food.gov.uk).

## Details of the consultation

### Introduction

The Operational Transformation Programme (OTP) aims to modernise the regulatory framework for the Official Controls delivered directly by the FSA in the meat, dairy and wine sectors, although given the relative scale, the initial reform activity is focused on the meat sector to achieve maximum impact.

The programme has agreed a set of principles that are central to this programme to support our mission to ensure that food is safe and is what it says it is, and to be the trusted voice on food standards in the consumer interest.

Our principles are: -



The proposed model explores possible areas of reform to be phased in over the coming years and is about using modern ways of working, including technology and intelligence, as well as a more risk-based and proportionate approach, to make the work we do more effective. We recognise that at some stage this may mean that bespoke aspects of the

overall delivery of official controls may evolve for domestic and export markets. We also recognise that importing countries set their own expectations for the way that food safety is assured by exporters and we will factor these in as we develop our ideas further.

## Case for Change

Over the last twenty years, the FSA has striven to keep consumers safe, improved UK consumer trust in food safety, supported export-led growth and operated a successful food regulation model.

However, there are ever changing global and domestic developments, which are rapidly reshaping the UK's food system. Our evidence and research demonstrates that there are several factors that are increasing pressure on our current delivery model, including:

- Technology is changing the speed and methods of food production.
- In recent years there has been a significant increase in the availability of data, through supplier/customer relationships, that is being used across the industry.
- COVID-19 has highlighted the challenges caused by the resource-intensive nature of the current model, as well as offering opportunities to work differently.
- The current model does not strongly incentivise compliance, as regulatory activity experienced by compliant vs non-compliant Food Business Operators (FBOs) is not significantly different. The regulatory regime does not adequately take into account consistent compliance and reflect this in the nature, intensity and frequency of Official Controls.
- The end of the Transition Period has had a significant impact on the resources required to provide trading partners with the necessary assurances about the UK's food control system, including through increased import and export controls and, in parallel, has affected the arrangements for recruitment of veterinary resources from EU member states. This has led to increased pressure on the availability of resource needed to carry out Official Controls and ensure the maintenance of the current high levels of food safety, a baseline that the FSA is unwilling to compromise on in the best interests of consumers.

These developments, along with rising delivery costs mean that now is the opportune time to progress the FSA's Operational Transformation Programme.

Domestically, whilst departure from the EU and the terms of the EU/UK Trade Cooperation Agreement (TCA) create the opportunity to review the Official Controls regime for England and Wales, the programme should deliver within the context of the UK's Four Country frameworks and recognise the importance of meeting the requirements of international trading partners.

The FSA recognises that the current food regulatory system has remained relatively unchanged for several years and in 2019 the National Audit Office commented in relation to the delivery of Official Controls: "the existing [food] regulatory system has not kept pace with technological change, or the changing environment, and is becoming unsustainable"<sup>1</sup>.

In summary, the current model was not designed as an end-to-end system and many additional processes have been 'bolted on' over a number of years to remedy specific problems. Consequently, the resulting model has become cumbersome, complex, and not always in line with FSA's strategic direction of travel. These complex processes have many hand-offs which introduce additional risk and inefficiency which need to be addressed by the Operational Transformation Programme.

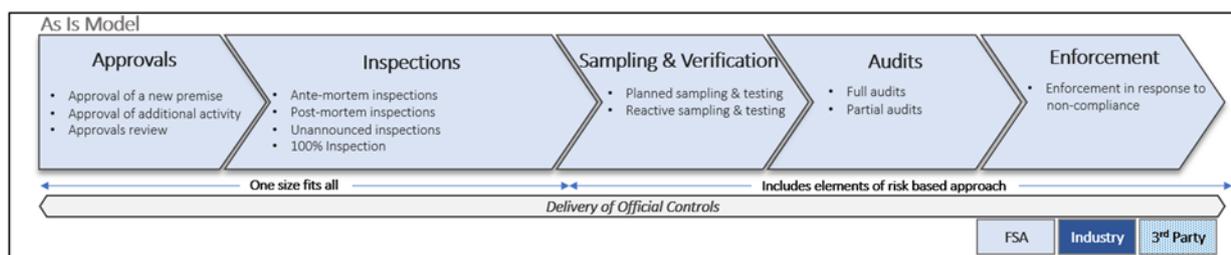
This consultation is intended to gather early views from stakeholders on the proposals set out below, before progressing work on the FSA's future vision in this area.

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<sup>1</sup> NAO Report on Ensuring food safety and standards, June 2019

## The early proposals

### As-is and to-be delivery model



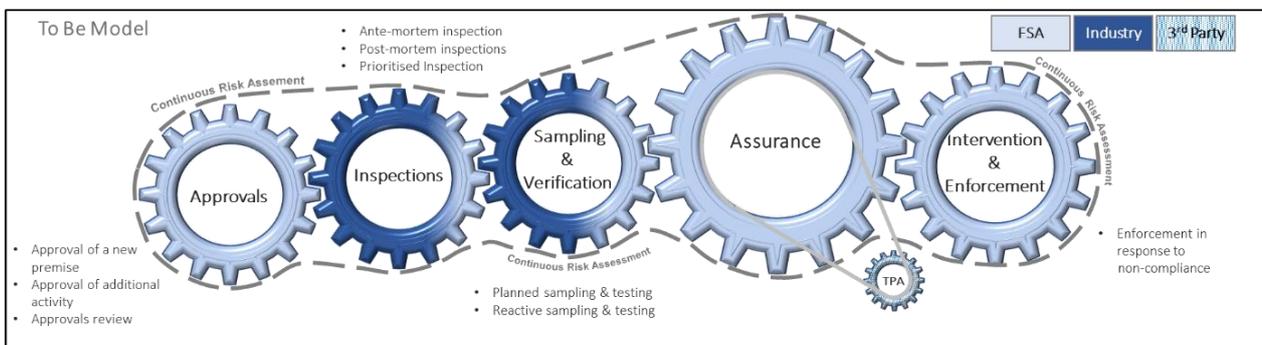
The end-to-end process for the current delivery of Official Controls by the FSA, can be broken up into five stages:

- **Approvals** –Initial approval of the premises to operate. Approvals set the foundation for the future regulatory regime to be applied and are vital in ensuring that food businesses are run by suitable individuals, in appropriate premises capable of operating an effective Food Safety Management System with proper processes and controls.
- **Inspections** – Physical inspection of the products and processes is the most resource intensive part of the current model (approx. 1.2million hours per year are spent on inspection). Inspection is necessary to ensure that products consistently meet the appropriate hygiene, safety and where appropriate, welfare standards.
- **Sampling & verification** – Official sampling activity for a range of requirements. This is a small part of the current model and provides a snapshot that certain key specified standards are being met in a small sample of products being produced, usually at the end of a production process.
- **Audits** – Risk-based veterinary / technical audits of processes through an on-site visit are an important part of the delivery model that allows FSA to validate that FBOs have all the necessary systems and controls in place to ensure consistently high levels of compliance with food safety law. Audits assess what an FBO says they will do to comply with required standards against what they actually do. Audits are also an opportunity to interact with and educate the producer in a partnership manner to achieve optimum outcomes.
- **Enforcement** – Informal and formal enforcement procedures allow the FSA as the regulator to support businesses to rectify any areas of non-compliance, and to take quick and effective action to halt production, if required. Enforcement is taken in a

risk-based and proportionate way in line with the Civil Service Enforcement Concordat and only after other approaches have been exhausted, unless issues arise which are so serious that immediate enforcement action is required.

In the as-is model, the bulk of these controls are undertaken by the FSA's employed and contracted staff, with very little extending to industry or 3rd parties (3rd parties refers to private assurance schemes for example, Red Tractor Assurance). There is a need to create more of an onus on industry to enact their primary responsibility for consistently producing food to the required standards, with the FSA as the regulator, monitoring and verifying that this is the case. As represented in the diagram above, FSA inspection is currently the largest activity in terms of resources, primarily due to the legislative requirement to have ante / post mortem inspection.

The to-be diagram, below, proposes a move away from the existing FSA controlled largely 'one size fits all' model, by taking a tailored, risk-based approach and moves towards industry having responsibility and accountability for parts of carcass inspection. This will require legislative change, the details of which have yet to be defined. From the FSA's perspective, a much greater emphasis will be placed on assurance activities – of which audit is just one component.



### The Future Delivery Model (FDM)

The Future Delivery Model (FDM) has been designed to be consistent with the design principles and objectives of the OTP. The key facets of the model can be summarised, as follows:

- As the Regulator, the FSA should set the robust framework of core standards and work with industry in a flexible partnership approach to ensure the regulatory regime is proportionate, flexible and targeted whilst removing unnecessary burdens /

barriers. This will **make it easier** for industry to maintain compliance whilst the FSA continues to be robust in its approach to those businesses that do not follow the rules.

- Acting in the **consumer interest**, the FSA will be the **trusted voice** on food safety and animal welfare standards. Robust, new assurance mechanisms will verify that food safety standards are being met.
- FBOs will continue to be expected to produce safe food to the required and agreed standards of hygiene and safety.
- There will be joint initiatives between the FSA and FBOs based on “earned recognition” to protect public health and consumer interests. Data sharing and transparent compliance will identify best practice (to be shared) as well as where improvements are required.
- FSA will have **increased efficiency** in resource deployment, and interventions will be targeted at those areas known to pose higher food safety risks.
- Optimised inspection and assurance, alongside a robust, transparent charging regime will enable the new model to **make a difference** by continuing to protect consumer interest and public health whilst promoting growth and supporting trade.

The early design of the proposed FDM has been developed through careful engagement with key stakeholders both internal and external, and with representative industry bodies (via a Joint Industry Working Group) helping us to understand and shape the elements. We are also engaging with consumer groups and other appropriate government departments and Devolved Administrations. The model has been categorised into **seven key elements**, to facilitate transformation and aid planning, delivery, and monitoring:



These elements have been identified by the OTP as the key components required to deliver the desired transformation within the FSA and broader regulatory environment.

### Clearer Accountability

Industry remains accountable for producing safe food, and FSA will monitor and verify this, as the regulator. This will allow both FSA and industry to be clearer about accountability and work more effectively together in the consumer's best interests. In practical terms this means FBOs taking more responsibility for daily inspection activities, with the FSA, as regulator, responsible for assuring this activity. A stronger collaborative relationship will ensure clear regulator/FBO roles and responsibilities and aim to deliver increased levels of compliance, ultimately bolstering consumer trust and confidence in food safety standards.

### Evidence to Support This:

OTP commissioned research has identified that the following incentives motivate UK FBOs to improve compliance:

- Positive relationships with the regulatory authorities and their willingness to engage in discussion.
- Less frequent audit, more transparency, and greater understanding of enforcement activities.
- Highly regulated environment which leads to increased business / safety related ethics as it increases probability of detection).

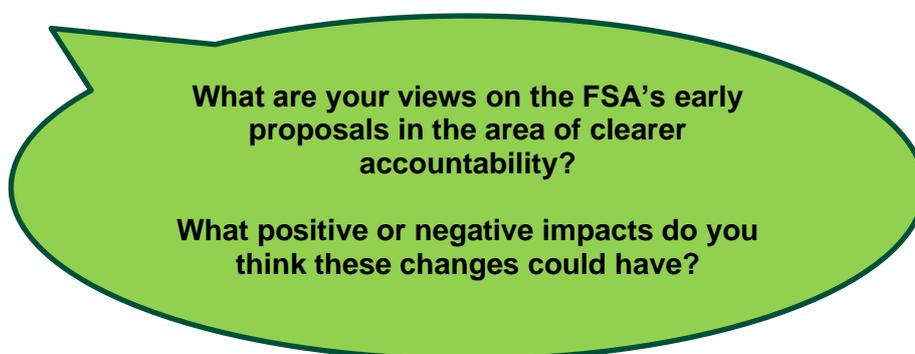
OTP commissioned international benchmarking of other meat regulators has also identified that clearer accountability is likely to deliver the best outcomes for consumers and industry.

### Benefits:

- Demonstrable joint initiatives will make it easier for businesses to understand their role in the food system, which should help to **improve compliance** and drive higher levels of **consumer confidence and trust**.
- **Improved value for money** – clearer accountability can lead to a more efficient distribution of costs, helping to avoid any disproportionate impact on businesses of different sizes.
- Clearer accountability will encourage industry **innovation** in seeking, proposing, and creating new, efficient ways of working.

### Challenges:

- Embracing collaborative working – a culture of trust needs to be nurtured across all sides. We cannot force collaboration and therefore significant engagement and influencing is required to ensure industry understand their role and how the FSA can continue to support them going forward.
- Misconception that clearer accountability will reduce regulatory effectiveness.



### Tailored Presence

FSA presence will be tailored in line with the risk of individual premises / products (based on relative assessments via an objective, standardised and transparent segmentation methodology). Resources will be weighted more towards premises that pose a higher food safety risk, with some lower risk premises that have demonstrated systematic and long-

term compliance being subject to lower levels of FSA presence than under the current model.

#### Evidence to Support This:

- The FSA has seen a significant increase in operational costs over the last 4 years whilst throughput has increased only marginally, and compliance levels have remained flat.
- The OTP commissioned international benchmarking of other meat regulators (and the UK Regulator's Code) also identify that regulation is more effective when it is outcome focused and risk based.
- Cabinet Office has requested the FSA design a new delivery model to reduce dependency on a single market supplier for the meat inspection service. Tailoring the FSA's presence will contribute towards a reduction in this dependency.

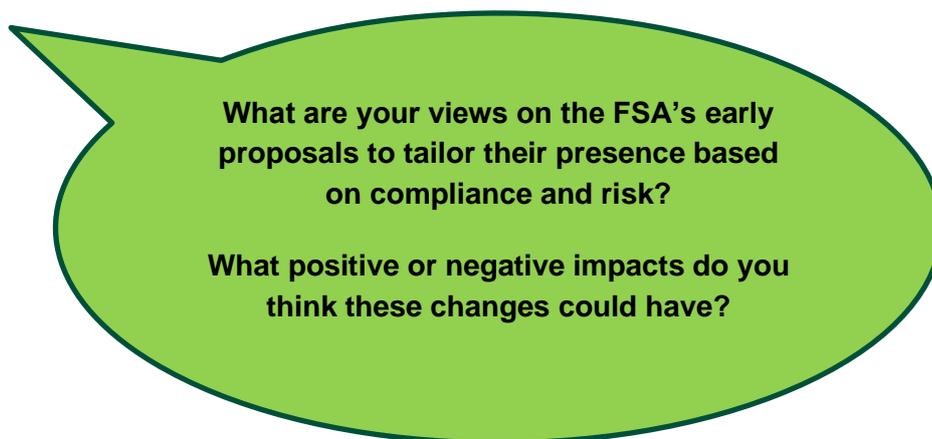
#### Benefits:

- Targeting FSA presence in the areas of highest risk will continue to ensure that **food is safe** in a changing world.
- Appropriate regulatory presence, with reductions for compliant businesses, could drive improvements in overall compliance levels. This could remove the burden from compliant FBOs potentially leading to business and economic growth.
- **Increased efficiency** by better utilisation of the FSA's expertise and resources.

#### Challenges:

- Reduced presence at some premises could, potentially, have an effect on compliance levels in that location, however more robust and intelligence-led assurance regime will mitigate this risk.
- Failure to secure changes to legislation will mean that FSA cannot achieve the compliance benefits and financial and resource efficiencies that tailoring regulatory presence will allow.

- Moving away from full-time inspection could jeopardise trade (which accounts for £15.7BN per year to the UK economy) if our ambitions are misconstrued as a lowering of standards. Close engagement with international trade partners, particularly the European Union, as well as a very clear narrative around the new approach to increasing compliance levels, is critical to risk mitigation.
- It is recognised that bespoke approaches may be required in the future for the domestic and export markets. It should be emphasised that there is no planned reduction in domestic standards but rather an intention to increase compliance levels.



### Robust Assurance Regime

The FSA will deploy a robust and clear set of tools and techniques to ensure a high level of assurance across all stages of Official Controls delivery. A single, highly skilled, and experienced FSA Assurance function will work with FBOs, remotely and on-site, on a risk and intelligence-led basis, to raise standards, identify and share best practice and take the appropriate action in instances of non-compliance. The FSA will work with other assurance organisations and retailers to share data and intelligence to better target our assurance activities.

### Evidence to Support This:

- The existing FSA Audit Programme has demonstrated good assurance over recent years, with compliance levels raising to 98.5% on average. However, despite improvements in audit techniques, 1.5% of premises are still assessed as

'Improvement Necessary' and 'Urgent Improvement Necessary' at any given time and require further attention.

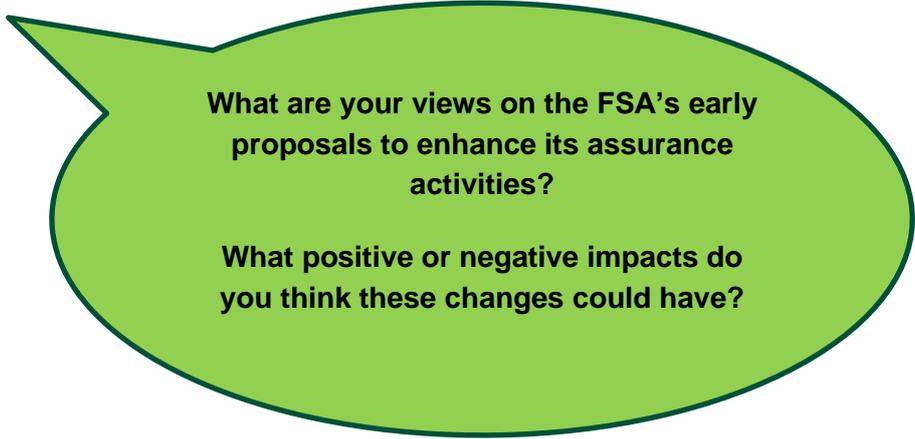
- Research commissioned by OTP has identified that the frequency of audit, transparency, and enforcement activities as well as a highly regulated environment motivate UK FBOs to comply.

#### Benefits:

- A range of assurance methods will provide greater intelligence that will help the FSA continue to ensure that **food is safe** in a changing world.
- Increased assurance is a motivator for FBOs to **improve compliance rates**, leading to improved outcomes.
- End-to-end assurance activity will **increase the existing skills and capability** of FSA officials, **increasing future responsiveness**.

#### Challenges:

- An increase in assurance activity is resource dependent (people, IT, and data). We aim to further modernise our operational capability to ensure we are making the best use of our people, their experience and their skills through the removal of non-value add activities.
- Increased assurance activity could result in the identification of an upturn in non-compliant premises, initially resulting in a short term increase in resource required to address the non-compliance . Whilst this may appear negative from a statistical perspective, this will ultimately help us in our regulatory capacity by giving us a better picture and increasing the level of assurance we can provide.



**What are your views on the FSA's early proposals to enhance its assurance activities?**

**What positive or negative impacts do you think these changes could have?**

## Transparent Compliance

The FSAs intention is to work with industry on how best to publish and share compliance information to encourage an overall increase in standards and to provide consumers with increased confidence.

### Evidence to Support This:

- International benchmarking has identified that publishing compliance data can have a positive effect on compliance rates. For example, the United States publishes all compliance data online, and New Zealand shares compliance data between identified peers (those producing similar things) – both to good effect.
- Research commissioned by OTP has identified that transparency with compliance data has a positive impact on the FBOs' reputation, and therefore consumer trust in the quality of the product and arguably enhances FSA's reputation as an effective regulator. This can result in higher demand and profitability for the FBO.

### Benefits:

- Improved ability for retailers and consumers to make an **informed choice**.
- **Business growth** opportunity for FBOs who can demonstrate high levels of compliance.
- Direct demonstration of regulatory impact, resulting in **increased confidence in the FSA**.

### Challenges:

- Industry may challenge what / how / when data is published. FSA will need to undertake comprehensive formal consultation in advance of implementation.
- Unintended consequences of data sharing – for example, the market impact of publishing data relating to poor performers and an increase in appeals. FSA will

need to fully explore and mitigate these issues in advance of implementation, whilst maintaining the benefits of sharing performance data transparently.



### Digitised 'Real Time' Data by Default

The FSA and FBOs should collect data once, and use it multiple times for multiple purposes, either in a single system, or via systems that can 'speak' to one another.

### Evidence to Support This:

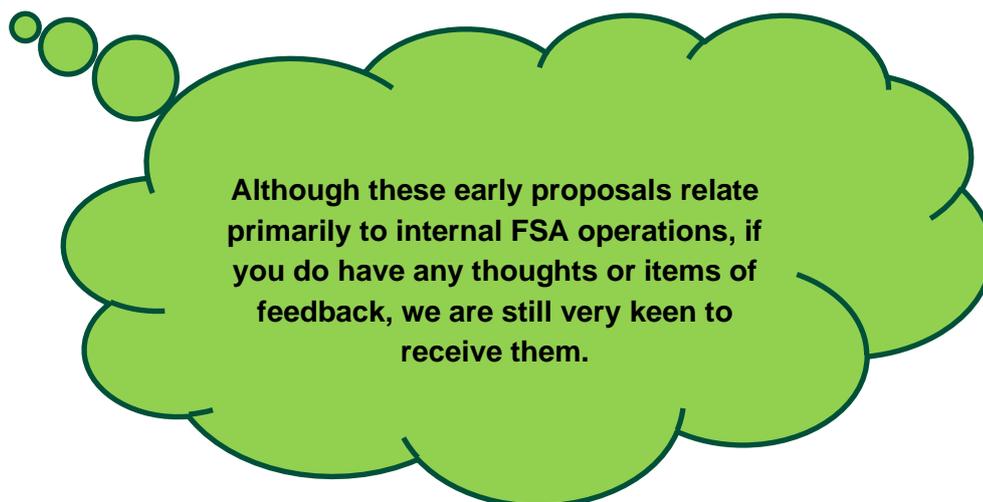
- Existing FSA legacy systems are inefficient, and don't all connect in a way that enables the FSA to gather data in a single space or format that can be used to produce meaningful information.
- Data collection at point of entry (i.e. in the slaughterhouse) is mixed and, whereas in some premises there are digital systems in place, in others we are dependent on capturing data manually and transferring the data onto a system, creating risk of inaccuracy and inefficiency.

### Benefits:

- **Improved intelligence**, analysis, and forecasting.
- Access to real-time, accurate intelligence will enable **faster, robust decisions** to be made.

## Challenges:

- Cost of investment in new systems might be perceived as being disproportionate to the benefits.
- Better data could identify additional (previously unseen) non-compliances at the outset, risking short-term reputational damage. This will be offset by the ability to increase assurance in the longer-term.



## Modernised Management

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

## Evidence to Support This:

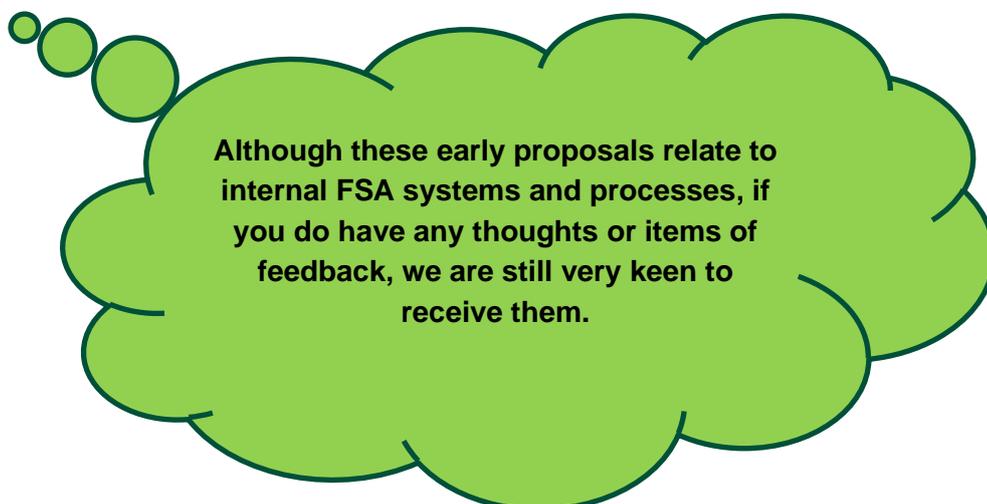
- Some automation opportunities have been identified in existing operational processes that could increase efficiency and release resource to undertake higher priority work.
- Other organisations successfully utilise resource allocation systems and digital solutions to manage workflows and resource deployment, with improvements in efficiency.

## Benefits:

- **Increased resilience and flexibility** in response to incidents and outbreaks. Digital systems will increase our ability to move people to the work to meet demands as quickly as possible.
- **Increased efficiency** in business as usual resource deployment, to ensure the right people are in the right place, at the right time. This will **lower costs and increase our understanding** of the required skills and numbers of people to undertake operational activity.
- **Increased efficiency will increase opportunities** to undertake additional valuable work that will bring wider benefits.
- **Improved Health and Safety assurance** – digital resource deployment will enable the FSA to identify where people are working (for example, lone workers) and effectively support them as necessary.
- **Improved forecasting** – as data trends develop, we will be able to better plan for peaks and troughs in activity (for example, seasonal variation).

## Challenges:

- Trade Unions and FSA staff may have concerns which need to be addressed as a result of changes to job roles and organisational design. This will require significant consultation and buy-in to be successful.
- Industry will expect any increase in efficiency to be taken account of in FSA charges. FSA will need to manage this expectation.



## Resource Capability and Capacity

A more skilled and resilient workforce capable of undertaking a wide range of activities, flexing to changing business requirements and based on a resource delivery model designed to support our future ambitions.

### Evidence to Support This:

- Evidence demonstrates that current resource levels are at risk due to age demographics.
- Service Delivery Partners (SDP) recruitment and retention figures continue to pose a risk – we are dependent on the SDP for 99% of our Official Veterinarians and over half of our Meat Hygiene Inspectors.
- The current recruitment landscape for Official Veterinarians requires a more balanced and resilient solution.

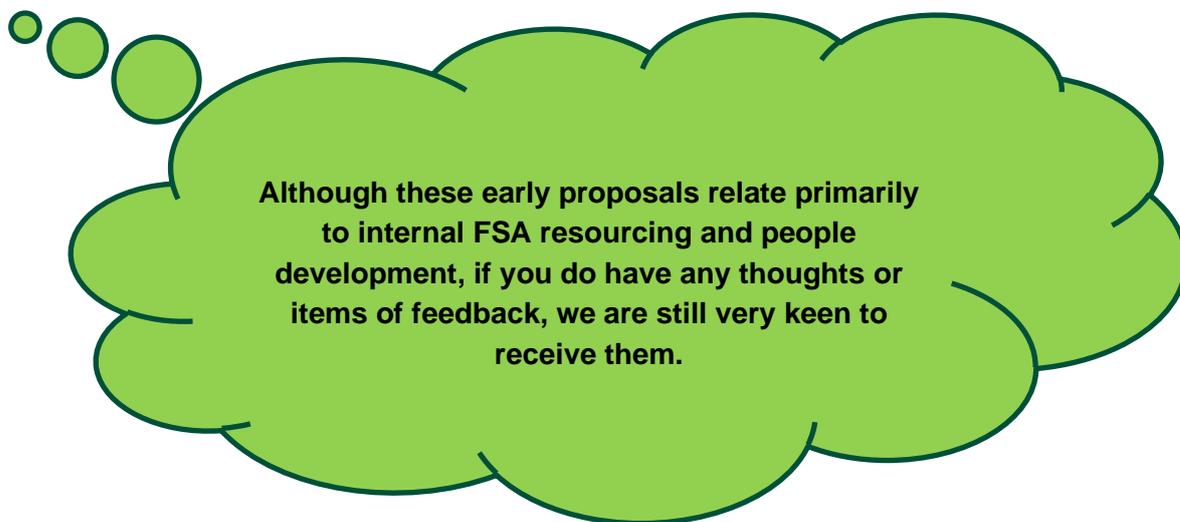
### Benefits:

- **Improved career pathways**, resulting in improved recruitment and retention.
- **Improved resource management** through increased understanding of our people's skills and experience to align them to appropriate roles.
- This will also enable the FSA to have **greater assurance** that we have the right people in place and **improve performance management** to support career development for our people (through diversification etc).
- **Increased engagement** through increased job satisfaction from a more varied, skilled role and investment in our people.

### Challenges:

- Revised roles and responsibilities may be less attractive to some people, adversely affecting retention.

- Potential for increased costs in the short term however these should be offset in the future.



## Engagement

The FSA already has several established industry stakeholder groups, and these have already been involved in early engagement on this work: Joint Industry Working Group, Partnership Working Group, and the Small Abattoirs Group. The FSA has also engaged with other relevant government departments, consumer representatives and other interested parties.

Further engagement sessions will take place during the consultation period with specific stakeholder groups to focus in more detail on our early proposals.

Once the public consultation period has ended, all responses will be collated and evaluated by the Operational Transformation, Analytics and Policy teams. The responses will then be summarised and published on the FSA's website. The results of the exercise will be used to determine the next steps in progressing the FDM.

As the FDM develops further, the FSA will continue to collaborate with stakeholders to validate findings and co-create options for change, utilising existing engagement channels and forums where possible, and additional workshops and focus groups. As we develop

aspects of the FDM in more detail we will be holding further consultation on any options or recommendations prior to implementation.

#### **Summary Questions:**

- 1. Having considered the early proposal for the FSA's Future Delivery Model (FDM), is the FSA's case for change clear to you? If not, what are the areas that would benefit from further clarification?**
- 2. What positive outcomes and benefits do you feel the proposed FDM will deliver?**
- 3. The objectives of the proposed changes to the delivery model are to increase compliance, enable business growth and increase consumer confidence. Have these aspirations been communicated clearly? Do you feel the elements detailed here outline these aspirations sufficiently?**
- 4. Having seen the seven principles that underpin the FDM, do you feel anything essential is missing or needs to be articulated more clearly?**
- 5. We recognise that we may need to consider implementing bespoke delivery regimes for domestic production and export. What do you see as the key challenges with this approach?**
- 6. As an interested party do you feel that your interests are reflected in these draft proposals?**

## **Impacts**

As we are not proposing any specific reforms at this stage, no cost benefits analysis has been included. As specific options are developed, these will be assessed and consulted on as standard practice and a cost benefit analysis included at that stage.

## Responses

Responses are required by close 23<sup>rd</sup> July 2021. Please state, in your response, whether you are responding as a private individual or on behalf of an organisation / company (including details of any stakeholders your organisation represents).

**Please send responses to [OTP@food.gov.uk](mailto:OTP@food.gov.uk)**

For information on how the FSA handles your personal data, please refer to the Consultation privacy notice at <https://www.food.gov.uk/about-us/privacy-notice-consultations>.

## Further information

If you require a more accessible format of this document, please send details to the named contact for responses to this consultation and your request will be considered. This consultation has been prepared in accordance with [HM Government consultation principles](#).

Thank you on behalf of the Food Standards Agency for participating in this public consultation.

Yours,

Colin Sullivan  
Chief Operating Officer

## **Annex A: List of interested parties** (this is not an exhaustive list, but based on previous or recent engagement)

### **Consumers**

- Which? Consumer Group
- Citizen panel

### **Industry**

- Abattoir Sector Group
- Agriculture & Horticulture Development Board (AHDB)
- Association of Independent Meat Suppliers (AIMS)
- British Meat Processors Association (BMPA)
- British Poultry Council (BPC)
- Hybu Cig Cymru (HCC)
- Livestock & Meat Commission Northern Ireland (LMCNI)
- Northern Ireland Meat Exporters Association (NIMEA)
- National Pig Association (NPA)
- National Sheep Association (NSA)
- Welsh Lamb & Beef Producers (WLBP)
- Scottish Association of Meat Wholesalers (SAMW)
- National Craft Butchers (NCB)
- International Meat Trade Association (IMTA)
- National Farmers Union (NFU)
- Sustainable Food Trust
- National Farmers' Union (NFU)
- National Farmers' Union Cymru (NFU Cymru)
- National Farmers' Union Scotland (NFU Scotland)
- Farmers' Union Wales (FUW)
- Ulster Farmers' Union (UFU)
- Unison

### **Third Party Assurance**

- Red Tractor
- RSPCA Assured
- Safe And Local Supplier Approval (SALSA)

### **Trade and Professional Bodies**

- Association of Meat Inspectors (AMI)
- Chartered Institute of Environmental Health (CIEH)
- Royal College of Veterinary Surgeons (RCVS)
- Veterinary Public Health Association (VPHA)
- British Veterinary Association (BVA)
- Chartered Trading Standards Institute (CTSI)

### **Government Departments & Devolved Administrations**

- No. 10 Europe Secretariat
- Cabinet Office
- UK Mission (UKMIS)
- Department of International Trade (DIT)
- Chief Veterinary Officers (CVOs)
- Defra (animal health and welfare, trade, SPS departments)
- DAERA
- Northern Ireland Executive
- Welsh Government
- Food Standards Scotland (FSS)
- Scottish Government
- Animal & Plant Health Agency (APHA)
- National Food Hygiene Focus Group (LAs)
- Wales Food Advisory Committee (WFAC)
- Northern Ireland Food Advisory Committee (NIFAC)
- Public Health England (PHE)
- Public Health Wales (PHW)

## **International**

- International trade partners

## **Retailers**

- British Retail Consortium (BRC)
- Major supermarkets