

Title: The Feed Law Code of Practice and Feed Law Practice Guidance Review (England)

CONSULTATION SUMMARY PAGE

Date launched:	23 October 2017	Closing date:	15 December 2017
Who will this consultation be of most interest to?			
Local Authorities (in England). Feed Industry stakeholders may also have an interest in relation to the proposed benefits of reduced Local Authority interventions for lower risk compliant businesses.			
What is the subject of this consultation?			
A review of the Feed Law Code of Practice and Feed Law Practice Guidance for England			
Direction and guidance on the approach that local authority feed law regulatory services should take is given in a statutory Code of Practice. The Code sets out instructions and criteria to which feed authorities must have regard. The Code requires periodic revision to ensure that it reflects current enforcement practices and supports delivery by local authorities of their official control obligations. It aims to ensure that enforcement is effective, consistent, risk-based and proportionate.			
What is the purpose of this consultation?			
The FSA welcomes stakeholder views on its proposed amendments to the Feed Law Code of Practice and Practice Guidance, in particular proposals to:			
<ol style="list-style-type: none"> 1. Revise and simplify the current Code and associated Practice Guidance to promote consistency in the interpretation and implementation of official feed controls; 2. Reduce the frequency of official controls at certain lower risk feed business establishments who are members of a recognised FSA Approved Assurance scheme and achieving at least satisfactory levels of compliance with feed law from 2% to 1%; 3. Simplify the feed businesses establishment (FeBEs) categories for risk rating purposes from 20 to 11; 4. Introduce a National Targeted Monitoring Strategy (NTMS) allowing flexibility in the type and frequency of interventions at low risk compliant livestock and arable farms (R13, R14); and 5. Remove the 2 Tier approach to Alternative Enforcement Strategies (AES) and replace with a single official control intervention every 10 years. 			
Responses to this consultation should be sent to:			
Carol Wittrick: Regulatory Delivery Division Feed and Primary Production Delivery Team Email: feedreview2017@foodstandards.gsi.gov.uk Tel: 020 726 8537		Postal address: Food Standards Agency Aviation House 125 Kingsway London WC2B 6NH	
Impact Assessment included?	Yes <input checked="" type="checkbox"/>	No	<input type="checkbox"/>

The Feed Law Code of Practice and Feed Law Practice Guidance Review (England)

DETAIL OF CONSULTATION

Introduction

1. In England, Local Authorities (LAs) are the Competent Authority responsible for the verification of compliance with feed law in feed business establishments (FeBEs). Direction and guidance on the approach that LAs should take is laid out in the statutory Feed Law Code of Practice (the Code). The Code sets out instructions and criteria to which LAs must have regard when discharging their duties in relation to the delivery of official controls. The Code requires periodic revision to ensure that it reflects current enforcement policies so that enforcement action taken by LAs is effective, consistent and proportionate.
2. The Food Standards Agency (FSA) needs to develop an innovative and radically different 'whole system' strategy in respect of feed controls:
 - especially in the face of changing circumstances of reduced budgets;
 - the United Kingdom's impending exit from the European union (EU); and
 - in line with the FSA's;
 - ambition to be an 'excellent accountable modern regulator'; and
 - Regulating Our Future Programme¹.
3. This review of the [Code](#) and [Practice Guidance](#) has been informed by:
 - the outcomes of 11 local authority audits of official feed controls², in England;
 - an internal FSA review in 2016 in England, to assess the effectiveness of the New Feed Delivery Model (NFDM);
 - seeking views from LAs through the National Agriculture Panel (NAP) and National Animal Feed Ports Panel (NAFPP) and industry stakeholders.
4. Recommendations from these reviews and feedback from stakeholder consultation have been considered as part of the Code and Practice Guidance revisions resulting in:
 - a simplified Code and Practice Guidance further clarifying requirements in a number of areas including:
 - earned recognition;
 - application of the animal feed risk rating system;
 - authorisation of officers;
 - approval of feed establishments;

¹ <https://www.food.gov.uk/enforcement/regulation/regulating-our-future>

² https://www.food.gov.uk/sites/default/files/feed_audit_prog_report_2016.pdf

- internal monitoring; and
 - Service Planning and implementation of the National Enforcement Priorities (NEPs) as part of a LAs official feed control programme.
- a Code that makes greater use of intelligence to inform the type and frequency of official controls to more effectively target resources;
 - reduced burdens on business by giving greater recognition to lower risk businesses who demonstrate satisfactory or good levels of compliance with feed law; and
 - a simplified animal feed law risk rating scheme.
5. **Annex A** to this consultation document provides an overview of the main changes between the current and new Code and Practice Guidance. **Annex B** is further information regarding publication of personal data and confidentiality of responses.
6. An Impact Assessment has been prepared and is enclosed at **Annex C** of this consultation package.

Proposals

7. The overall objective for this initiative is improving consistency of approach to enforcement and reducing the regulatory burden, while maintaining a high level of public and animal health protection.
8. This consultation focuses on five main areas addressed by the proposed new Code and Practice Guidance:

1. A revised and simplified Code with associated Practice Guidance to promote consistency in the interpretation and implementation of official feed controls.
2. Changes to the frequency of official controls at FeBEs who are members of a recognised FSA approved scheme, supplying former foodstuffs, distributing, transporting, storing, transporting or mixing feed on-farm, from 2% to 1%, the intention being to further reduce burden on compliant businesses and target scarce LA resources on higher risk and non-compliant FeBEs.
3. Simplification of the premises categories for risk rating purposes from 20 to 11, to assist LAs in consistent application and reduce unnecessary administrative burdens in ensuring their databases are up to date and accurate.
4. The introduction of a NTMS applicable to FeBEs who undertake activities R13 or R14 (livestock and arable farms) and are achieving at least a satisfactory level of current compliance with relevant feed law. The intention being to drive a flexible and intelligence led approach to interventions, while maintaining an appropriate level of monitoring of compliance.
5. The removal of the 2 Tier approach to AES, replaced with a single official control intervention every 10 years at FeBEs, supplying former foodstuffs, distributing, transporting, storing or mixing feed on-farm, and achieving a broad level of current compliance with relevant feed law. The intention being to reduce administrative burdens on LAs and further recognise broadly compliant businesses.

Revised Code with associated Practice Guidance

9. The new Code is a simplified version with a revised structure and format to present clear, concise information to improve readability, including:
 - clarification of text where necessary to facilitate consistent interpretation and approach by authorised officers;
 - dedicated chapters for Feed Incidents and Alerts and Earned Recognition; and
 - clearer links to the requirements of Regulation (EC) 882/2004 the [Framework Agreement on Official Feed and Food Controls by Local Authorities](#).
10. The separate Practice Guidance, providing detail on specific sections of the Code, has also been revised to reflect the changes in this new Code.

Consultation Questions:

Q1. Does the layout/presentation of the new Code make the document easier to use and improve readability? How else might it be improved?

Q2. Does the new layout/presentation of the new Practice Guidance make the document easier to use? How else might it be improved?

Q3. Do you agree that the clarified text of the Code and Practice Guidance facilitates consistent interpretation? If not, how could they be improved?

Q4. At paragraph 44 of the Impact Assessment we have estimated that the number of officers requiring familiarisation with changes to the Code was 367. Do stakeholders feel that the estimated number of officers is reasonable?

Q5. Do stakeholders agree with the costs as set out in paragraphs 44 of the Impact Assessment or envisage any additional costs (monetised or non-monetised) to Local Authorities, businesses or consumers, resulting from the proposed changes to the Code?

Q6. We estimate that the revisions to the Code and Practice Guidance will result in a reduced burden through simplification in time savings to LAs equivalent to 3 hours per officer, as set out in paragraph 52 of the impact assessment. Do stakeholders agree that the estimate of 3 hours is reasonable?

[In order that we fully understand your responses, and adequately take account of them, please explain, and where possible evidence, any answers that contradict the assumptions we have made in this consultation]

Changes to Frequencies of interventions/ Recognised FSA Approved Assurance Scheme Members

11. April 2014 saw the introduction of earned recognition at FeBEs that operate to standards set out by an accredited assurance scheme, which meets the criteria set

out by the FSA. Allowing them to be inspected less frequently provided they remain compliant with feed law requirements, assessed as part of their assurance scheme arrangements.

12. The new Code proposes to reduce further the minimum intervention frequency, from 2% to 1% by giving greater recognition to those businesses who are:
 - members of a recognised FSA Approved Assurance Scheme;
 - supplying former foodstuffs, distributing, transporting, storing, transporting or mixing feed on-farm; and
 - achieving at least satisfactory levels of current compliance with relevant feed law.

13. A 1% intervention frequency will continue to provide the FSA with an assurance on the robustness of recognised schemes and LAs will be able to target their resource towards higher risk non-compliant FeBEs. The effect of this proposal are summarised in Table 1.

Table 1: Impact of proposals by type of feed business establishment

Feed business establishment type (achieving at least satisfactory levels of current compliance)	Frequency of intervention in current Code	Proposed frequency of intervention in new Code
Manufacturers - All Approved Codes plus R1, R2, R3, R4 and R6, R7 (manufacturer of feed materials)	4	4 (No change)
Importers	5	5 (No change)
R4 - Mobile Mixer	5	5 (No change)
Distributors - All approved codes plus R1, R2, R3, R5, R7 (placing on the market feed materials other than surplus food)	2%	1%
R7 - Supplier of Surplus Food	2%	1%
R8 - Transporters	2%	1%
R9 - Stores	2%	1%
R10/R11 - On-Farm Mixer	2%	1%
R12 - Co-Product Producers	2%	1%

Consultation Questions:

Q7. Do you agree that the amendments proposed to the frequencies of intervention enable local authorities to focus resources on higher risk activities and those businesses with poor or varying compliance? If not, what else is needed?

Q8. Do you feel that the assumption of a saving for industry of £1.5 million (see paragraph 50 of Impact Assessment) is reasonable? If not, please provide us with detailed information and evidence of the cost impact for industry.

Q9. Do you agree with our assumption that further reductions in the frequency of official controls (as outlined above) will benefit businesses with a reduction in the time needed to prepare and deal with officials during interventions? If not, please provide us with detailed information and evidence as to why.

Q10. Do you agree that the changes described in the Impact Assessment will lead to an opportunity for more efficient resource allocation and use by LAs?

[In order that we fully understand your responses, and adequately take account of them, please explain, and where possible evidence, any answers that contradict the assumptions we have made in this consultation]

Simplification of the premises categories for risk rating purposes

14. The current animal feed law inspection risk-rating system takes account of the following parameters when arriving at the overall score for a FeBE:
 - risk to animal/human health and/or other businesses;
 - extent to which the activities of the business affect any hazard;
 - ease of compliance;
 - animals and people at risk;
 - level of current compliance; and
 - confidence in management/control systems.
15. As a consequence there are currently 20 different categories of business type with distinct frequencies of inspection depending on the establishment's level of current compliance. For example transporters have 4 segmented categories, manufacturers 3, importers, surplus food suppliers, and stores all have 2. See Table 2 which highlights the categories (in RED) which will be removed.
16. The reduction in the number of business categories to 11 will assist LA's in consistent application of the Animal Feed Law Risk Rating Scheme and reduce unnecessary administrative burdens validating the accuracy of LA databases.
17. Table 3 shows the effect of the proposed changes which are highlighted in RED.

Table 2: Current Animal Feed Law Risk Rating Scheme

Approval/Registration Codes Applicable to the Business	A. Risk to Animal/Human Health and/or Other Businesses	B. Extent to Which the Activities of the Business Affect any Hazard	C. Ease of Compliance	D. Animals and People at Risk	Total Potential Risk Score	Poor Compliance Frequency of inspections/audits in Years Level of (Current) Compliance Score = 100	Varying Compliance Frequency of inspections/audits in Years Level of (Current) Compliance Score = 70	Satisfactory Compliance Frequency of inspections/ audits in Years Level of (Current) Compliance Score = 42	Broad Compliance or better Frequency of inspections/ audits in Years /AES Level of (Current) Compliance Score = 21	Earned Recognition for Members of Approved Assurance Schemes Frequency of inspections/audits in Years/% annual inspection/audit sample Level of (Current) Compliance Score = 0
Manufacturers - All Approved Codes plus R1, R2, R3, R4 and R6 – Manufacturers of additives or bio proteins and compound feed containing additives	30	30	20	20	100	1	1	2	3	4
Manufacturers not using additives (R4 and R6) - and manufacturers of feed materials (R7)	20	30	20	20	90	1	1	2	3	4
Manufacturers - All Approved Codes plus R1, R2, R3 to R4 and R6 - Small Scale local manufacture (in region only)	30	30	20	10	90	1	1	3	4	5
Importer (out of region) – Various	30	30	0	20	80	1	1	2	4	5
Importer (in of region) - Various	30	30	0	10	70	1	2	3	4	5
R4 - Mobile Mixer	20	30	20	10	80	1	1	2	4	5
Distributor - All approved codes plus R1, R2, R3, R5, R7 -	10	5	5	5	25	2	4	5	10	2%
R7 - Supplier of Surplus Food (keeps products not permitted for use with all animals)	10	10	5	5	30	2	4	5	AES	2%
R7 - Supplier of Surplus Food (keeps products not permitted for use as feed)	10	20	10	5	45	2	3	5	AES	2%

Approval/Registration Codes Applicable to the Business	A. Risk to Animal/Human Health and/or Other Businesses	B. Extent to Which the Activities of the Business Affect any Hazard	C. Ease of Compliance	D. Animals and People at Risk	Total Potential Risk Score	Poor Compliance Frequency of inspections/audits in Years Level of (Current) Compliance Score = 100	Varying Compliance Frequency of inspections/audits in Years Level of (Current) Compliance Score = 70	Satisfactory Compliance Frequency of inspections/audits in Years Level of (Current) Compliance Score = 42	Broad Compliance or better Frequency of inspections/audits in Years /AES Level of (Current) Compliance Score = 21	Earned Recognition for Members of Approved Assurance Schemes Frequency of inspections/audits in Years/% annual inspection/audit sample Level of (Current) Compliance Score = 0
R8 - Transporters (who only transport feed and in region)	5	10	10	10	35	2	4	5	AES	2%
R8 - Transporters (who only transport feed and out of region)	5	10	10	20	45	2	3	4	AES	2%
R8 - Transporters (who carry other products and out of region)	5	20	10	20	55	1	2	4	AES	2%
R8 - Transporters (who carry other products and in region)	5	20	10	10	45	2	3	4	AES	2%
R9 - Stores (in region distribution)	5	10	5	10	30	2	3	5	AES	2%
R9 - Stores (out of region distribution)	5	10	5	20	40	2	4	5	AES	2%
R10/R11 - On-Farm Mixer	10	10	5	5	30	2	4	5	AES	2%
R12 - Co-Product Producers (products traded inside the region)	20	30	10	10	70	1	2	3	4	5
R12 - Co-Product Producers (products traded outside the region)	20	30	10	20	80	1	1	2	4	5
R13 - Livestock Farms	10	10	0	0	20	3	4	5	AES	2%
R14 - Arable Farm	10	5	0	0	15	3	4	5	AES	2%

Table 3: The new proposed Animal Feed Law Risk Rating Scheme

Approval/Registration Codes Applicable to the Business	Potential Risk					Level of Current Compliance				
	A. Risk to animal/human health and/or Other businesses	B. Extent to which the activities of the business affect any hazard	C. Ease of compliance	D. Animals and people at risk	Total Potential Risk Score	Poor Compliance	Varying Compliance	Satisfactory Compliance	Broad Compliance or Better	A minimum of Satisfactory Compliance and a member of a FSA Approved Assurance Scheme
						Type of intervention, minimum intervention frequency in years, % check or NTMS applies				
						Inspection or Audit	Inspection or Audit	Inspection or Audit	Any official control	Any official control
Manufacturers of feed - All Approved Codes plus R1, R2, R3, R4 and R6, R7 (manufacturer of feed materials)	30	30	20	20	100	1	1	2	3	4
Importers	30	30	0	20	80	1	1	2	4	5
R4 - Mobile Mixers	20	30	20	10	80	1	1	2	4	5
R12 - Co-Product Producers	20	30	10	20	80	1	1	2	4	5
R9 – Stores	5	10	5	10	30	2	3	5	10	1%
Distributors of feed - All approved codes plus R1, R2, R3, R5, R7 (feed materials other than surplus food)	10	5	5	5	25	2	4	5	10	1%
R7 – Placing Surplus Food on the market	10	10	5	5	30	2	4	5	10	1%
R8 - Transporters	5	10	10	10	35	2	4	5	10	1%
R10/R11 - On-Farm Mixers	10	10	5	5	30	2	4	5	10	1%
R13 - Livestock Farms	10	10	0	0	20	3	4	NTMS	NTMS	NTMS
R14 - Arable Farms	10	5	0	0	15	3	4	NTMS	NTMS	NTMS

Consultation Questions:

Q11. Do you agree that the amendments proposed to the premises categories, type and frequency of interventions will assist LAs in the accurate management and validation of their feed establishment databases? If not, what else is needed?

Q12. Do you agree that the removal of the subdivision of certain premises categories will have negligible impact on the risk to feed safety?

[In order that we fully understand your responses, and adequately take account of them, please explain, and where possible evidence, any answers that contradict the assumptions we have made in this consultation]

Introduction of a National Targeted Monitoring Strategy

18. The Code proposes a new concept of a NTMS, which allows the FSA based on intelligence and risk, the flexibility to set intervention activity type and frequency, as well as the ability to vary, up or down, the percentage or number businesses subject to official controls as part of a LA's official control programme.
19. The NTMS will:
 - apply to low risk farms (R13 and R14), including those that are members of a recognised FSA approved assurance scheme, who are achieving at least a satisfactory level of current compliance with relevant feed law;
 - be implemented through the NEPs;
 - makes use of data, information, intelligence and the UK National Feed Threat Assessment to inform the NTMS approach;
 - detail how NTMS activities are to be evaluated to determine they appropriately validate compliance, with feed law or support improvements in business compliance, when the planned activities are not official controls; and
 - have regard to:
 - whether a FeBE benefits from Type 1 or Type 2 Earned Recognition;
 - the [Farm Regulators' Charter](#); and
 - available Competent Authority resources.
20. This will enable better targeting of resources through greater use of information and intelligence, allowing more time to undertake robust official controls in higher risk and non-compliant FeBEs.

The proposed type and frequency of intervention for 2018/19 will be agreed and finalised through the established National Enforcement Priorities sub group (NEPSG), consisting of FSA, National Trading Standards and LA representatives. Examples of NTMS activities, although not an exhaustive list, may include any of the following or a combination of:

- project based approaches across all nine English Regions or only some regions, delivered as part of the NEPs and based on information and intelligence;
- regional or nationally targeted sampling project(s);
- a percentage or number of businesses receiving an official control or other intervention, regionally or nationally, to establish levels of compliance, either generally or in respect of specific legal requirement(s); and
- a targeted educational campaign delivered through the NEPs, informed by information and intelligence from the National Feed Threat Assessment regarding key areas of non-compliance.

Table 4: For illustration only: A possible example of the proposed NTMS

Feed business establishment type	Satisfactory compliance (not a member of an FSA Approved Assurance Scheme)		Broad compliance (not a member of an FSA Approved Assurance Scheme)		Member of an FSA Approved Assurance Scheme and at least satisfactory compliance	
	Current code frequency and type of intervention	Proposed frequency and type of intervention	Current code frequency and type of intervention	Proposed frequency and type of intervention	Current code frequency and type of intervention	Proposed frequency and type of intervention
R13	5 years Inspection	0.75% Inspection or audit	Tier 1 AES Every 5 years Tier 2 AES every 10 years	0.5% Inspection or audit	2% Inspection or audit	0.25% Inspection or audit
R14	5 years Inspection	0.75% Inspection or audit	Tier 1 AES/ Every 5 years Tier 2 AES/ Every 10 years	0.5% Inspection or audit	2% Inspection or audit	0.25% Inspection or audit

Consultation Question:

Q13. Do you agree that the proposed concept of a NTMS enable local authorities to focus resources on higher risk and non-compliant businesses while still maintaining an appropriate level of monitoring of compliance? If not, what else is needed?

[In order that we fully understand your responses, and adequately take account of them, please explain, and where possible evidence, any answers that contradict the assumptions we have made in this consultation]

Removal of the 2 Tier Alternative Enforcement Strategies

21. The revised Code proposes to replace the current two tier system of AES, with a single official control intervention every 10 years at FeBEs:
 - supplying former foodstuffs, distributing, transporting, storing and mixing feed on-farm); and
 - achieving a broad level of current compliance with relevant feed law.
22. The current system is administratively burdensome for LAs due to the present need to establish, through questionnaires, any change in business activity as part of the Tier 1 intervention. FeBOs already have a legal obligation under Article 9 of Regulation (EC) No 1831/2003, laying down the requirements of Feed Hygiene, to notify the Competent Authority of any significant change or closure of an existing establishment.
23. Removal of the 2 Tier system gives greater recognition to the fact that these businesses are achieving good levels of compliance. This will release capacity to better target LA resources in higher risk and non-compliant FeBEs.

Consultation Question:

Q14. Do you agree the removal of the 2 Tier approach to AES will enable local authorities to focus resources in higher risk and non-compliant FeBEs?

[In order that we fully understand your responses, and adequately take account of them, please explain, and where possible evidence, any answers that contradict the assumptions we have made in this consultation]

Engagement and Consultation Process

24. We have sought views from local authorities through the National Agriculture Panel (NAP) and National Animal Feed Products Panel (NAFP) and industry stakeholders about the main revisions prior to this public consultation. We are consulting for a period of eight weeks, which we consider to be proportionate to the changes proposed and in consideration of the extent of informal consultation.
25. Information gathered from this consultation will be considered when preparing a finalised version of the Code for submission to the Minister of State for approval. Information supplied by consultees will also inform any assessment of the impact these revisions will have.
26. At the end of the consultation period, the FSA will analyse the responses, make any relevant amendments to the Code and within three months of a consultation ending we aim to publish a summary of responses received and provide a link to it on our website.

Other relevant documents

- 1) Proposed Feed Law Code; and
- 2) Draft Practice Guidance.

Responses

27. **Responses are required by 15 December 2017.** 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).
28. Thank you on behalf of the Food Standards Agency for participating in this public consultation.

Yours

Carol Wittrick

Feed Delivery Officer

Food Standards Agency

Enclosed

Annex A: List of changes to the current Code

Annex B: Standard Consultation information

Annex C: Impact Assessment

Annex D: List of interested parties

Annex A

Summary of main changes to Feed Law Code of Practice

Reference	Change in the Code	Where located in new Code	Where located previously in current Code
COP1	Clarification that the Code applies when Competent Authorities deliver official feed controls with regard to the Animal Feed (Hygiene, Sampling etc. and Enforcement) (England) Regulations 2015 and where relevant to feed law.	Chapter 1	Chapter 1
COP2	The new Code is a simplified version with a revised structure and format to present clear, concise information to improve readability including layout in a more 'to do' style, changes to the sequence of some chapters, movement of the detailed competency requirements to the Practice Guidance along with the detail of the potential risk score tables for the different types of FeBE. Aligned to the Food Code of Practice, as appropriate.	Throughout document	NA
COP3	Clarity provided on when an 'initial inspection/audit' is required, when a FeBO first comes to the attention of a LA or is 'known' but never inspected or a change in FeBO.	5.3.3	5.7
COP4	Ability to revise Level of current Compliance score as part of any official control/NTMS (intervention) providing the level of current compliance has been adequately assessed.	Annex 1	NA
COP5	Requirement to undertake subsequently planned interventions with 28 days of due date removed and replaced with 'as soon as practicable' after the next intervention due date.	Section 5.3.1	Section 5.8
COP6	Liaison with Member States omitted from the previous Code reinstated and aligned to the Food Code.	Section 3.8	NA
COP7	The previous requirement to require inspection forms to be sent to Head Office has been changed to give LAs the discretion to decide when it might be appropriate to do so.	Section 5.3.7	2.9.2
COP8	Now included to make clear that CAs must apply official feed controls to exports outside the Community, with the same care as to the placing on the market within the Community.	Section 5.3.1	NA

Reference	Change in the Code	Where located in new Code	Where located previously in current Code
COP9	Inclusion of the need for Competent Authorities to have regard to the Farm Regulators' Charter, where applicable, when planning their intervention programme.	Section 5.3.1	NA
COP10	New section on National Food Crime Unit included.	3.11	NA
COP11	Clarity that the requirement to have a documented procedure regarding interventions also covers official controls at Point of Entry.	5.2.2	5.5
COP12	Introduction of the need for a Competent Authority with a Point of Entry (POE) to have a nominated officer for POE controls, aligning the food and feed Code requirements.	5.4.1	NA
COP13	Section added to underpin the importance of Communications at Points of Entry and with Inland Competent Authorities.	5.4.3	NA
COP14	Requirements around Service Plans made clearer.	5.2.1	5.1
COP15	Clarity provided around feed business establishment records and period of retention.	2.12	2.9.1
COP16	Risk based approach introduced with regard to the required action to be taken by CAs when a FeBO has left a FSA approved assurance scheme for a reason other than non-compliance (i.e. left for another reason').	6.2.3	NA
COP17	Simplification of the feed businesses establishment categories for risk rating purposes from 20 to 11.	Annex 1 Figure 1	Annex 2

Reference	Change in the Code	Where located in new Code	Where located previously in current Code
COP18	Changes to the frequency of official controls at FeBEs who are members of a recognised FSA approved scheme, supplying former foodstuffs, distributing, transporting, storing or mixing feed on-farm, from 2% to 1%.	Annex 1 Figure 1	Annex 2
COP19	Removal of the two tier AES regime to a simple 10 year intervention cycle.	Annex 1 Figure 1	5.4
COP20	Removal of references to Home Authority.	Throughout document	4.2.1 and various
COP21	Introduction of the National Targeted Monitoring Strategy (NTMS) for low risk livestock and arable farms achieving at least satisfactory levels of compliance.	5.3.4	NA
COP22	Inclusion of recognition of Primary Authority national inspection strategies.	2.6	NA
COP23	The Lead Feed Officer does not need to hold an 'appropriate qualification' where only competency is required to undertake a specific official control activity. This will enable LAs to be flexible and have multiple Lead Feed Officers sharing different aspect of the role and who undertake different control activities.	4.5.1	3.3
COP24	Earned Recognition has been removed from chapter 5 and has its own chapter.	Chapter 6	Chapter 5
COP25	Liaison and communication now part of Chapter 2.	Chapter 2	Chapter 4
COP26	Incidents chapter revised and now a separate Chapter 'Feed Incidents and Alerts'.	Chapter 3	4.3

Summary of main changes to the Feed Law Practice Guidance

Reference	Change in the Practice Guidance	Where located in new Practice Guidance	Where located previously in current Practice Guidance
PG1	Additions of guidance on internal monitoring with regard to service delivery, database management, interventions, follow up action and enforcement.	2.8	NA
PG2	Made clear that contractors are subject to the same competency and qualification requirements and LAs should not engage contractors who are unable to evidence this, with regard to the work they are undertaking.	4.1	NA
PG3	Created flexibility to allow Competent Authorities (Feed authorities) to approach the FSA, on a case by case basis, to utilise officers who do not hold the 'appropriate qualification' but who hold the baseline or equivalent qualification stated in Section 4.4 of the Food Law Code of Practice (England) to undertake official hygiene controls.	4.4	NA
PG4	Addition of a competency requirement for officers undertaking official controls at primary and non- primary producers in respect of earned recognition.	Annex 4	NA
PG5	The addition of a competency requirement with regard to lead feed officers in respect of monitoring delivery of a LAs intervention programme.	Annex 4	NA
PG6	Provided practical advice on what achieving the competency requirements in practice might look like and how they can be evidenced.	Annex 4	NA
PG7	Significantly expanded section on Import Controls particularly with regard to the importance of communication between Competent Authorities inland.	5.8	5.8.3 and 5.8.4

Reference	Change in the Practice Guidance	Where located in new Practice Guidance	Where located previously in current Practice Guidance
PG8	Provided greater clarification on the action required by the Competent Authority, when earned recognition is removed from a member of an approved assurance scheme, where they fail to apply with scheme standards as opposed to having left for another reason.	NA	6.3.2, 6.3.3 and 6.3.4
	Including the information Competent Authorities will receive from the FSA or a FSA approved assurance scheme.	NA	6.3.5
PG9	Inclusion of a section covering a new National Targeted Monitoring Strategy.	5.5	NA
PG10	Significantly expanded section on Approval of Feed business establishments including template approval documentation, and given clarity to the process of approval.	2.5	2.6
PG11	The addition of a section giving guidance on multiple premises constituting a single feed establishment.	2.4.4	NA
PG12	Additional guidance on drafting and service of enforcement notices.	Chapter 7 Annex 4	Chapter 6 Annex 2
PG13	Inclusion of guidance around intervention types, HACCP flexibility and updated model intervention forms.	5.3 to 5.4 Annex 5	Chapter 5 Annex 1
PG14	Practical examples provided of when it may be appropriate to provide prior notice of officer's an intention to carry out an intervention other than an audit.	5.4.2	NA

Annex B

Standard Consultation Information

Publication of personal data and confidentiality of responses

1. In accordance with the FSA principle of openness we shall keep a copy of the completed consultation and responses, to be made available to the public on receipt of a request to the [FSA Consultation Coordinator](#) (020 7276 8308). The FSA will publish a summary of responses, which may include your full name. Disclosure of any other personal data would be made only upon request for the full consultation responses. If you do not want this information to be released, please complete and return the Publication of Personal Data form, which is on the website at <http://www.food.gov.uk/multimedia/worddocs/dataprotection.doc> Return of this form does not mean that we will treat your response to the consultation as confidential, just your personal data.
2. In accordance with the provisions of Freedom of Information Act 2000/Environmental Information Regulations 2004, all information contained in your response may be subject to publication or disclosure. If you consider that some of the information provided in your response should not be disclosed, you should indicate the information concerned, request that it is not disclosed and explain what harm you consider would result from disclosure. The final decision on whether the information should be withheld rests with the FSA. However, we will take into account your views when making this decision.
3. Any automatic confidentiality disclaimer generated by your IT system will not be considered as such a request unless you specifically include a request, with an explanation, in the main text of your response.

Further information

4. A list of interested parties to whom this letter is being sent appears in Annex D. Please feel free to pass this document to any other interested parties, or send us their full contact details and we will arrange for a copy to be sent to them direct.
5. Please contact us if you require this consultation in an alternative format such as Braille or large print.
6. This consultation has been prepared in accordance with HM Government consultation principles³.

³ <http://www.bis.gov.uk/policies/bre/consultation-guidance>

Annex C: Impact Assessment		Impact Assessment (IA)			
Title: The Feed Law Code of Practice and Feed Law Practice Guidance Review (England) IA No : FOOD0161 RPC Reference No: N/A Lead Department or Agency: Food Standards Agency Other departments or agencies: N/A		Date: 23/10/2017			
		Stage: Consultation			
		Source of Intervention: Domestic			
		Type of measure: Other			
		Contact for enquiries: Julie Benson feedreview2017@foodstandards.gsi.gov.uk 07500951312			
Summary: Intervention and Options		RPC Opinion: RPC Opinion Status N/A			
Cost of Preferred (or more likely) Option					
Total net Present value £13.1m	Business Net Present Value £13.2m	Net Cost to business per year (EANDCB in 2014 prices) -£1.4m	One-in, Three-Out Not applicable	Business Impact Target Status To be determined	
What is the problem under consideration? Why is government intervention necessary? An FSA Audit of official controls on Feed in 2016 of 11 Local Authorities (LA) identified inconsistencies in application of the provisions of the Code of Practice. Central government intervention is necessary to ensure consistency in the interpretation and implementation of the Code among LAs in England. The proposals seek to: <ul style="list-style-type: none"> simplify the Code and associated Practice Guidance to ensure there is consistency in the interpretation and implementation of the Code among LAs in England; and re-shape the animal feed law risk rating scheme to focus Local Authority official controls at higher risk and non-compliant feed business establishments. 					
What are the policy objectives and the intended effects? 1. Maintain and enhance the level of public and animal health protection by allowing LAs to target their resources more effectively on higher risk feed establishments. 2. Promote consistency in LA interpretation and implementation of official feed controls. 3. Promote compliant business growth by reducing the burden on compliant businesses. 4. Drive a flexible and intelligence led approach to interventions, while maintaining an appropriate level of monitoring of compliance					
What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base) 1. Option 1: Do nothing – The current Code is not amended and Local Authorities are required to fulfil the programmed intervention quota. This option was considered but rejected as this would not meet the policy objectives; further details are in the evidence base. 2. Option 2: Amend the current Code – the preferred option. In line with the Food Standards Agency’s (FSA) ambition ‘to be an excellent, accountable modern regulator’.					
Will the policy be reviewed? It will/will not be reviewed. If applicable, set review date: Month/Year					
Does implementation go beyond minimum EU requirements			Yes/No/N/A		
Are any of these organisations in scope?		Micro Yes	Small Yes	Medium Yes	Large Yes
What is the CO2 equivalent change in greenhouse gas emissions?			Traded		Non-traded

I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.

Signed by the responsible SELECT SIGNATORY: _____

Date: _____

Summary: Analysis & Evidence

Policy Option 1

Description: The current Code is not amended and Local Authorities are required to fulfil the programmed intervention quota

FULL ECONOMIC ASSESSMENT

Price Base Year 2017	PV Base Year 2017	Time Period Years 10	Net Benefit (Present Value (PV)) (£m)		
			Low: 0	High: 0	Best Estimate: 0

COSTS (£m)	Total Transition (Constant Price) Years		Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low	0	0	0	0
High	0		0	0
Best Estimate	0		0	0

Description and scale of key monetised costs by 'main affected groups'

This is the baseline against which other options are compared.

Other key non-monetised costs by 'main affected groups'

This is the baseline against which other options are compared.

BENEFITS (£m)	Total Transition (Constant Price) Years		Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low	0	0	0	0
High	0		0	0
Best Estimate	0		0	0

Description and scale of key monetised benefits by 'main affected groups'

None. This is the baseline against which other options are compared.

Other key non-monetised benefits by 'main affected groups'

None. This is the baseline against which other options are compared.

Key assumptions/sensitivities/risks

Discount rate (%)

3.5

The current Feed Law Code of Practice is not amended. This means that identified issues around consistency, quality and frequency of animal feed controls would persist.

BUSINESS ASSESSMENT (Option 1)

Direct impact on business (Equivalent Annual) £m:			Score for Business Impact Target (qualifying provisions only) £m	
Costs: 0	Benefits: 0	Net: 0	Yes	Zero net cost

Description: Amend the current Code – the preferred option

FULL ECONOMIC ASSESSMENT

Price Base Year 2017	PV Base Year 2017	Time Period Years 10	Net Benefit (Present Value (PV)) (£m)		
			Low: N/A	High: N/A	Best Estimate: -£13.1

COSTS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low	N/A	N/A	N/A
High	N/A	N/A	N/A
Best Estimate	£0.1	£0.00	£0.1

Description and scale of key monetised costs by ‘main affected groups’
 Local Authorities: one-off familiarisation £48,818.34 (PV); one off database amendments £66,646.08 (PV).

Other key non-monetised costs by ‘main affected groups’
 None

BENEFITS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low	N/A	N/A	N/A
High	N/A	N/A	N/A
Best Estimate	£15.3	£1.5	£13.2

Description and scale of key monetised benefits by ‘main affected groups’
Industry: reduction in the time that a FBO needs to allocate and prepare for an inspection and deal with officials during the site visit and follow up; we envisage a saving of approx. £1.5m p.a.
Local authorities: reduced familiarisation time generates a total one-off benefit to LAs of approx. £19k.

Other key non-monetised benefits by ‘main affected groups’
Consumers: Enhanced consumer protection through more efficient allocation of resources by LAs on higher risk and non-compliant businesses.

Key assumptions/sensitivities/risks **Discount rate (%)** 3.5
 Local authorities: average familiarisation time of 7.5 hours; average time for amendment of LA database 30 hours.

BUSINESS ASSESSMENT (Option 2)

Direct impact on business (Equivalent Annual) £m:			Scope for Business Impact Target (qualifying provisions only) £m	
Costs: £0.00	Benefits: £1.5	Net: £1.5	Yes	IN/OUT/ Zero Net Cost

EVIDENCE BASE

PROBLEM UNDER CONSIDERATION

1. Feed is a critical input to food products of animal origin and feed law is in place to ensure that harmful toxins or other illegal substances that can be found in animal feed are controlled and pose no risk to human health. Animal feed is “upstream” in food production and any contaminated or unfit animal feed provides a potential for undesirable effects far and wide throughout the food chain in the UK and beyond.
2. The UK consumption of global feed production accounts for 21 million tonnes with a value of approximately £4.4bn⁴. The UK has approximately 204,000 feed business establishments of which 140,000 are located in England⁵. These include a diverse population of businesses involved in the importation, production and distribution of feed, including farms that produce and use animal feeds and on farm mixing of feeds.
3. FSA is the Central Competent Authority⁶ responsible for the delivery of official feed controls within the UK. 146 LAs in England have been designated to deliver official feed controls on those matters which are not the remit of the Veterinary Medicines Directorate (VMD) or the Animal Plant and Health Agency (APHA). In England the FSA directs and maintains the consistency of delivery of feed controls by LAs through a statutory Feed Law Code of Practice (the Code).
4. The revised Code is intended to drive consistency with regard to animal feed controls as well as deliver a fully risk based official control programme, while recognising good levels of business compliance with feed law.

RATIONALE FOR INTERVENTION

5. In line with the Food Standards Agency’s (FSA) ambition ‘to be an excellent, accountable modern regulator’, we need to develop an innovative and radically different ‘whole system’ strategy in respect of feed controls, in the face of changing circumstances of reduced budgets and our impending exit from the European Union (EU).
6. An FSA Audit of official controls on Feed in 2016, in England, of 11 Local Authorities⁷ identified inconsistencies in application of the provisions of the Code⁸. The report made a Recommendation that the FSA should review:

⁴ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/82818/defra-stats-foodfarm-crosscutting-auk-auk2011-120709.pdf

⁵ FSA Feed Law Enforcement Return 2015-16

⁶ Article 2 Paragraph 4 of Regulation (EC) NO 882/2004

⁷ https://www.food.gov.uk/sites/default/files/feed_audit_prog_report_2016.pdf

⁸ Summary Report - Audit of Local Authority Official Controls on Feed of Non-Animal Origin (FNAO) and Feed Establishments, including Primary Producers - https://www.food.gov.uk/sites/default/files/feed_audit_prog_report_2016.pdf

- the Code to further clarify requirements and responsibilities placed on LAs in respect of:
 - Service Plans, earned recognition, application of the animal feed risk rating system, accuracy of feed establishments registers, approval of feed establishments, authorisation of officers, internal monitoring and implementation of the National Enforcement Priorities (NEPs) as part of an LAs official feed control programme; and
 - The Practice Guidance in order to provide LAs with further support and guidance in these areas.
7. An internal FSA review, carried out in 2016, in England, to evaluate: the effectiveness to date of the New Feed Delivery Model; (NFDM) the roles and responsibilities of the parties involved in the coordination, planning, and monitoring of the delivery of official feed controls; the implementation of earned recognition; and the value for money achieved by the programme.
 8. The proposal is, to amend the Code and Practice Guidance, to provide local authorities with clear and helpful guidance, to assist them in ensuring intelligence led, consistent and proportionate official feed law controls.
 9. Based on certain recommendations from the Review the FSA is proposing to simplify its animal feed risk rating system and introduce changes to the frequency and type of intervention at lower risk feed businesses establishments. See **Annex 1** for details of those recommendations the proposed Code seeks to address.
 10. Central government intervention is necessary to ensure there is consistency in the interpretation and implementation of the Code among LAs in England.

POLICY OBJECTIVES

PROPOSALS

11. The amended Code and Practice Guidance seeks:
 - a) maintain and enhance the level of public and animal protection by allowing LAs to target their resources more effectively on higher risk feed establishments and those with poor or varying levels of compliance;
 - b) promote consistency in LA interpretation and implementation of official feed controls;
 - c) promote growth by reducing the burden on compliant businesses; and
 - d) drive a flexible and intelligence led approach to interventions, while maintaining an appropriate level of monitoring of compliance.

OPTIONS CONSIDERED

Option 1: Do nothing - The current Code is not amended and Local Authorities are required to fulfil the programmed intervention quota

12. This is the baseline against which all other options are appraised.
13. As part of this option, we considered requiring LAs to fulfil the programmed intervention quota required by the current Code. However, this would not meet our Policy objectives nor be in the spirit of the recently published Farm Regulators' Charter, in England, which is aimed at. Its aim is to reduce the footfall on farms and regulatory burden on compliant farm businesses:
 - by making better use of intelligence to focus visits on non-compliant farm businesses and areas and activities of highest risk; and
 - increasing the use of information from Farm Assurance schemes to reduce the need for, or frequency of, visits from Farm Regulators.
14. Given the:
 - potential for the increased financial burden on all feed businesses this option imposes;
 - scarcity of LA resources to achieve this option; and
 - FSA's reluctance to impose the provisions of a Code that is acknowledged as not offering a fully risk based and intelligence led approach for compliant businesses.

This option has been considered and rejected.
15. The costs and benefits of this option are detailed in **Annex 2**.

Option 2: Amend the current Code

16. EU requirements for the delivery of official controls for food and feed are set out in Regulation (EC) No 882/2004 and are applicable to all EU member states. Among other things, the Regulation requires member states to ensure that:
 - official controls are carried out in accordance with documented procedures to ensure that;
 - they are carried out uniformly and are of a consistently high quality;
 - staff performing official controls are competent; and
 - Official controls are carried out regularly, on a risk basis and at an appropriate frequency.
17. Feed businesses are responsible for ensuring that the production and use of feed is safe.

18. The frequency of official controls is not prescribed, but Regulation (EC) No 882/2004, Article 3, requires member states to consider a number of parameters when determining the frequency based on risk. These parameters should take into account the risk associated with the type of business activity; a business operator's past record of compliance; the reliability of any own checks that the business carries out and any information that might indicate non-compliance.
19. While the frequency of delivery is not determined by any one of the parameters described above, importantly it does include the taking into account of feed business operator own checks. There is no definition of own checks in the Regulation, but Recital 13 to Regulation (EC) No 882/2004 states that "The frequency of official controls should be regular and proportionate to the risk, taking into account the results of the checks carried out by feed and food business operators under HACCP based control programmes or quality assurance programmes, where such programmes are designed to meet requirements of feed and food law".
20. In recognising this regulatory provision, the revised Code, proposes further recognition for compliant businesses whilst protecting consumers by taking necessary action to remedy deliberate, persistent or serious non-compliance. Better targeting of resource is likely to improve controls in the feed sector.
21. The revised Code continues to facilitate Competent Authorities' ability to direct resource towards areas where non-compliance is more likely to occur. The ultimate impact is protecting the health and safety of consumers while also recognising the importance of maintaining a level playing field for honest and diligent FeBOs, which is in the interests of the feed industry as a whole.

The following amendments to the Code and Practice Guidance are proposed

Revised New Code with associated Practice Guidance

22. The new Code is a simplified version with a revised structure and format to present clear, concise information to improve readability, including:
 - clarification of text where necessary to facilitate consistent interpretation and approach by authorised officers;
 - dedicated chapters for Feed Incidents and Alerts and Earned Recognition; and
 - clearer links to the requirements of Regulation (EC) 882/2004 the Framework Agreement on Official Feed and Food Controls by Local Authorities.

Changes to Frequencies of interventions/ FSA Approved Assurance Scheme Members

23. April 2014 saw the introduction of earned recognition at feed establishments that operate to standards set out by an accredited assurance scheme which meets criteria set out by the FSA allowing them to be inspected less frequently provided they remain compliant with feed law requirements, assessed as part of their assurance scheme arrangements.

24. The new Code proposes to reduce further the minimum intervention frequency, from 2% to 1% at lower risk feed establishments by giving greater recognition to those businesses who are:
- members of a recognised FSA Approved Assurance Scheme;
 - supplying former foodstuffs, distributing, transporting, storing, transporting or mixing feed on-farm; and
 - achieving at least satisfactory levels of current compliance with relevant feed law.
25. A 1% intervention frequency will continue to provide the FSA with an assurance on the robustness of recognised schemes and LAs will be able to target their resource towards higher risk non-compliant feed businesses.

Simplification of the premises categories for risk rating purposes

26. The current animal feed law inspection risk-rating system takes account of the following parameters when arriving at the overall score for a feed business:
- risk to animal/human health and/or other businesses;
 - extent to which the activities of the business affect any hazard;
 - ease of compliance;
 - animals and people at risk;
 - level of current compliance; and
 - confidence in management/control systems.
27. As a consequence there are currently 20 different categories of business type with distinct frequencies of inspection depending on the establishment's level of current compliance. For example transporters have 4 segmented categories, manufacturers 3, importers, surplus food suppliers, and stores all have 2. See Table 2 which highlights the categories (in RED) which will be removed.
28. The intention is to reduce the number of business categories to 11. This will assist LA's in consistent application of the Animal Feed Law risk rating scheme and reduce the unnecessary administrative burden validating the accuracy of their databases.

Introduction of a National Targeted Monitoring Strategy

29. The Code proposes a new concept of a National Targeted Monitoring Strategy (NTMS), which allows the FSA based on intelligence and risk, the flexibility to set intervention type and frequency, as well as the ability to vary, up or down, the %/number of businesses to be inspected as part of a LA's official control programme.
30. The NTMS will:
- apply to low risk farms, including those that are members of a recognised FSA approved assurance scheme, who are achieving at least a satisfactory level of current compliance with relevant feed law;

- be implemented through the NEPs;
 - makes use of data, information, intelligence and the UK National Feed Threat Assessment to inform the NTMS approach;
 - detail how NTMS activities are to be evaluated to determine they appropriately validate compliance, with feed law or support improvements in business compliance, when the planned activities are not official controls; and
 - have regard to:
 - whether a FeBE benefits from Type 1 or Type 2 Earned Recognition;
 - the [Farm Regulators' Charter](#); and
 - available Competent Authority resources.
31. This will enable better targeting of available LA resources through greater use of information and intelligence, allowing more time to undertake robust official controls in higher risk and non-compliant FeBEs.

Removal of the 2 Tier Alternative Enforcement Strategies

32. The revised Code proposes to replace the current system of Alternative Enforcement strategy (AES), with a single official control intervention every 10 years at feed establishments:
- supplying former foodstuffs, distributing, transporting, storing or mixing feed on-farm; and
 - achieving a broad level of current compliance with relevant feed law.
33. The current system is administratively burdensome for local authorities due to the present need to establish, through questionnaires, any change in business activity as part of the Tier 1 intervention. FeBOs already have a legal obligation under Article 9 of Regulation (EC) No 1831/2003, laying down the requirements of Feed Hygiene, to notify the Competent Authority of any significant change or closure of an existing establishment.
34. Removal of the 2 Tier system, gives greater recognition to the fact that these businesses are achieving broad levels of compliance. This will release capacity to better target LA resources in higher risk and non-compliant FeBEs.

SECTORS AND GROUPS AFFECTED

Local Authorities

35. LA feed officers will have to familiarise themselves with the amendments of the Code. The estimated number of TSOs affected by the changes is 367.

Industry

36. As can be seen in Table 2, arable farms (R14) and livestock farms (R13) are the focus of 86% (18,298 out of 21,368) of official feed controls interventions each year under the current Code and therefore the major beneficiaries of the changes proposed to the Animal Feed Law Risk Rating Scheme.
37. Many arable and livestock farms will be small and medium enterprises. For those achieving at least satisfactory levels of compliance and/or currently participating in assurance schemes that are recognised by the FSA, there will be a reduction in the programmed official inspection frequency as a consequence of the proposed NTMS.
38. It has already been mentioned that much of the reduction in overall inspection volume as a result of these amendments has already been realised through an already-reduced level of LA inspection activity through the FSA funded Feed Delivery Programme.
39. The new arrangements will ensure that the continued focus is firmly on inspection of higher risk and non-compliant businesses with a reduced burden on those demonstrating membership of a recognised assurance scheme or continuous good compliance.

Consumers

40. We do not envisage that the amendments to the Code will have any significant impact in terms of costs or benefits to consumers, nor will they affect the level of consumer protection.

COSTS AND BENEFITS OF OPTIONS

OPTION 1: Do nothing - The current Code is not amended and LAs are required to fulfil the programmed intervention quota

41. There are no costs and benefits associated with this option; it is the current situation that provides a baseline for comparison.
42. The costs and benefits of the discarded option, requiring LAs to fulfil the programmed intervention quota, are in **Annex 2**.

OPTION 2: Amend the current Code

Costs

Costs to industry

43. The Code is concerned with the execution and enforcement of official controls, to which competent authorities must have regard. As such there is no requirement or expectation that feed industry stakeholders will need to familiarise themselves with requirements of the Code or to undertake any action in relation to this. No costs have therefore been identified to industry from the new Code.

Cost to local authorities

Familiarisation costs (one-off cost)

44. The changes to the Code and Practice Guidance will generate a cost for LAs to familiarise their staff with the amendments. FSA data shows that there are 77⁹ full time equivalent (FTE) staff engaged in feed law enforcement and from this we estimate that around 367 officers will be authorised to carry out official feed controls. We envisage that it will take an officer 7.5 hours¹⁰ to read and familiarise themselves with the amendments. The median hourly wage rate of a Trading Standards Officer (TSO) is £17.74¹¹. Multiplying the wage rate with the number officials required for familiarisation (367) and again by the number of hours per officer generates a total cost of familiarisation to LAs of £48,818.

Amendment to Local Authorities' database (one-off Cost)

45. Changes to the risk based frequency of intervention according to the amended Code will require adjustments to local authority feed business premises records. The FSA estimate that each of the 146 feed authorities will invest 30 hours in implementing the adjustments.
46. This can be monetised by multiplying the number of feed authorities (146) by 30 hours and again by the wage rate of an administrative grade officer (£15.22)¹². This generates a total cost of database amendment to LAs of £66,646.

Summary of Total Costs under Option 2

⁹ Local authority Feed law Enforcement Return 2015/16

¹⁰ Impact Assessment No. FOODSA0137 20th March 2014: Feed Law Code of Practice Review

¹¹ Wage rate obtained from Annual Survey of Hours and Earnings, 2016, "Inspectors of standards and regulations",

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/dataset/s/occupation4digitsoc2010asetable14>

Wage rate has been uplifted by an overhead of 20% (14.78*1.2=17.74)

¹² Wage rate obtained from Annual Survey of Hours and Earnings, 2016, "Local government administrative occupations"

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/dataset/s/occupation4digitsoc2010asetable14> Wage rate has been uplifted by an overhead of 20%

(12.68*1.2=15.22)

47. The overall cost to local authorities of the Code changes (including familiarisation of officers and update to local authorities' databases) is estimated to be £115,464 (present value). Table 1 below shows these costs over a ten year period.

Table 1: Summary of Total Costs under Option 2

Costs	0	1	2	3	4	5	6	7	8	9	Total	Present Value
Industry	£ 0	£ 0	£ 0	£ 0	£ 0	£ 0	£ 0	£ 0	£ 0	£ 0	£ 0	£ 0
Local Authorities:												
Familiarisation (One-off cost)	£ 48,818	£ 0	£ 0	£ 0	£ 0	£ 0	£ 0	£ 0	£ 0	£ 0	£48,818	£ 48,818
Database amendments (one-off cost)	£66,646	£ 0	£ 0	£ 0	£ 0	£ 0	£ 0	£ 0	£ 0	£ 0	£66,646	£ 66,646
Total Costs	£115,464	£ 0	£ 0	£ 0	£ 0	£ 0	£ 0	£ 0	£ 0	£ 0	£115,464	£115,464

Benefits

Benefits to industry

Reduction in official controls intervention burden (ongoing benefit)

48. We have calculated the impact of making changes to the Animal Feed Law Risk Rating Scheme by comparing the number of interventions (inspections and AES) required per year under the current Code with the number of interventions required under the amended Code. The estimated effect is an overall 83% reduction in inspections (17,773) required per year. See (Tables 2 and 3).
49. Compared to the existing Code the new Code provides a benefit to industry from further reductions in official controls for consistently compliant feed businesses and those that are members of a recognised assurance scheme. This benefit arises from a reduction in the time that a FeBO needs to allocate and prepare for inspection and deal with officials during the site visit and follow up.
50. It can be monetised by multiplying the reduction in local authority interventions under the new Code by the estimated feed business hours required per intervention and again by the wage rate of a feed business manager (£26.11¹³). We estimate this to be £1.53 million (see Table 4).

¹³ Wage rate obtained from Annual Survey of Hours and Earnings, 2016, "Production managers and directors"
<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/dataset/occupation4digitsoc2010ashtable14>. Wage rate has been uplifted by an overhead of 20% (21.76*1.2=26.11)

Table 2: Reduction in programmed inspections by feed business type

Feed business type in current LA enforcement returns	Total No of Premises	Required number of inspections required as per the Current Code	Required number of inspections per year under New Code	Inspection reduction under new Code compared to the current Code	Business time cost per inspection intervention (hours)	Current Code costs to businesses (time cost x £26.11)	New Code costs to businesses (time cost x £26.11)	Cost decrease to business (time cost x £26.11) under the New Code compared to the Current Code
Feed Manufacturers A01-08, A11 & R01-04, R7	478	185	185	0	6	£28,982	£28,982	£0
Co-Product Producers R12	1,220	512	512	0	6	£80,210	£80,210	£0
Mobile Mixer R04	33	15	15	0	6	£2,350	£2,350	£0
Importers	108	43	43	0	6	£6,736	£6,736	£0
Stores R09	853	92	79	13	3	£7,206	£6,188	£1,018
Distributors A01-08, A11, R01-03 & R05	1,329	218	183	35	3	£17,076	£14,334	£2,742
Transporters R08	1,602	198	167	31	3	£15,509	£13,081	£2,428
On-Farm Mixers R10 & R11	10,948	738	549	189	3	£57,808	£43,003	£14,806
Pet Food Manufacturers R06	512	86	78	8	3	£6,736	£6,110	£627
Suppliers of Surplus Food/ Feed Materials R07	5,222	983	822	161	3	£76,998	£64,387	£12,612
Livestock Farms R13	104,721	16,611*	876	15,735	3	£1,301,140	£68,617	£1,232,617
Arable Farms	15,572	1,687*	86	1,601	3	£132,143	£6,736	£125,416
Grand Total	142,598	21,368	3,595	17,773		£1,732,895	£340,736	£1,392,266
				Percentage Reduction				83%

* Reference Paragraph 36: Arable farms (R14) and livestock farms (R13) are the focus of 86% (18,298 out of 21,368) of official feed controls interventions each year under the current Code

Table 3: Reduction in programmed Alternative Enforcement interventions by feed business type

Feed business type in current LA enforcement returns	Total No of Premises	Required number of AES under the Current Code	Tier 1	Tier 2	Required number of AES per the New Code	AES reduction under new Code compared to the Current Code	Business Time cost per tier 1 intervention (hours)	Business time cost per tier 2 intervention (hours)	Tier 1 Current Code costs to businesses (time cost x £26.11)	Tier 2 Current Code costs to businesses (time cost x £26.11)
Feed Manufacturers A01-08, A11 & R01-04, R7	478	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Co-Product Producers R12	1,220	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Mobile Mixer R04	33	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Importers	108	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Stores R09	853	35	18	18	0	35	1	3	£457	£1,371
Distributors A01-08, A11, R01-03 & R05	1,329	70	35	35	0	70	1	3	£914	£2,742
Transporters R08	1,602	58	29	29	0	58	1	3	£757	£2,272
On-Farm Mixers R10 & R11	10,948	217	109	109	0	217	1	3	£2,833	£8,499
Pet Food Manufacturers R06	512	23	12	12	0	23	1	3	£300	£901
Suppliers of Surplus Food/ Feed Materials R07	5,222	323	162	162	0	323	1	3	£4,217	£12,651
Livestock Farms R13	104,721	1,865	933	933	0	1,865	1	3	£24,348	£73,048
Arable Farms	15,572	111	56	56	0	111	1	3	£1,449	£4,348
Grand Total	142,598	2,702	1,351	1,351	0	2,702			£35,275	£105,832

Table 4 – Summary of Benefits to Industry under Option 2

Intervention Type	Number of interventions under Current Code	Number of Interventions under New Code	Reduction in interventions under new Code compared to the Current Code	Current Code costs to businesses (time cost x £26.11)	New Code costs to businesses (time cost x £26.11)	Cost decrease to business (time cost x £26.11) under the New Code compared to the Current Code
Inspections	21,368	3,595	17,773	£1,732,895	£340,736	£1,392,266
Tier 1 AES	1,351	0	1,351	£35,275	0	£35,277
Tier 2 AES	1,351	0	1,351	£105,824	0	£105,832
Totals	24,070	3,595	20,475	£1,873,993	£340,736	£1,533,375

Benefit to Consumers

More efficient resource allocation

51. The reduction in the programmed frequency of official controls, in particular, with respect to lower risk establishments, means consumers will benefit from enhanced consumer protection through more efficient allocation of resources by LAs on higher risk and non-compliant businesses. This ongoing benefit is however, difficult to monetise and monetisation has therefore not been attempted.

Benefit to Local Authorities

Consistent interpretation and application of the new Code

52. The simplification, rationalisation and clarification of the Code in order to assist local authorities in consistent interpretation and application, has resulted in a reduction of 2948 (16.6%) words and 16 (27%) pages. We believe this will result in a reduced burden in the time taken to familiarise, interpret and consistently apply the Code and estimate the benefit to be 3 hours. This can be monetised by multiplying (367) by 3 hours and again by the wage rates of Trading Standards Officers (TSO) in time per LA feed officer (367). This generates a total one-off benefit to LAs of £19,527.

Summary of total costs and benefits

53. As shown in Table 5, the total net benefit is £13,102,874 (present value).

Table 5 Summary of Total costs and benefits under Option 2

	0	1	2	3	4	5	6	7	8	9	Total	Present Value
Costs												
Industry	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
Local Authorities:												
Familiarisation (One-off cost)	£48,818	£0	£0	£0	£0	£0	£0	£0	£0	£0	£48,818	£48,818
Database amendments (one-off cost)	£66,646	£0	£0	£0	£0	£0	£0	£0	£0	£0	£66,646	£66,646
Total cost	£115,464	£0	£0	£0	£0	£0	£0	£0	£0	£0	£115,464	£115,464
Benefits												
Industry:												
Reduction of interventions burden	£1,392,266	£1,392,266	£1,392,266	£1,392,266	£1,392,266	£1,392,266	£1,392,266	£1,392,266	£1,392,266	£1,392,266	£13,922,657	£11,984,187
Reduction in programmed Alternative Enforcement interventions (Tier 1)	£35,277	£35,277	£35,277	£35,277	£35,277	£35,277	£35,277	£35,277	£35,277	£35,277	£352,773	£303,656
Reduction in programmed Alternative Enforcement interventions (Tier 2)	£105,832	£105,832	£105,832	£105,832	£105,832	£105,832	£105,832	£105,832	£105,832	£105,832	£1,058,319	£910,968
Local Authorities:												
Page Reduction (one-off)	£19,527	£0	£0	£0	£0	£0	£0	£0	£0	£0	£19,527	£19,527
Total Benefit	£1,552,902	£1,533,375	£1,533,375	£1,533,375	£1,533,375	£1,533,375	£1,533,375	£1,533,375	£1,533,375	£1,533,375	£15,353,277	£13,218,338
Net Cost / Benefit												
Industry	£1,533,375	£1,533,375	£1,533,375	£1,533,375	£1,533,375	£1,533,375	£1,533,375	£1,533,375	£1,533,375	£1,533,375	£15,333,750	£11,984,187
Local Authorities	-£95,937	£0	£0	£0	£0	£0	£0	£0	£0	£0	-£95,937	-£115,464
Grand Total	£1,437,438	£1,533,375	£1,533,375	£1,533,375	£1,533,375	£1,533,375	£1,533,375	£1,533,375	£1,533,375	£1,533,375	£15,237,813	£13,102,874

RISKS AND ASSUMPTIONS

Risks

54. The main risk to any change in the arrangements for the delivery of official controls is that the new system will not afford at least the same level of public health protection as that which is being replaced. There are a number of manageable risks within the proposed option that will be addressed during implementation to ensure that official resource is targeted in the most effective manner towards the feed establishments that pose the greatest risk.

Assumptions

55. This impact assessment is based on the assumption that the required levels of interventions as per the current Code are being undertaken by Local Authorities as opposed to actual levels of interventions, as reported in the 2015-16 Annual Feed Law Enforcement Return to the FSA.

Review

56. Throughout its life the amended Code will be continually reviewed and updated as circumstances require ensuring its applicability and relevance.

Wider Impacts

Sustainable development

57. Impacts under the three pillars of sustainable development (environmental, economic and social) have been considered in this Impact Assessment and in presenting the main evidence base. Option 2 is the more sustainable option because it reduces the cost of inspection for individual feed businesses that are compliant, and those that are members of a recognised assurance scheme, without compromising consumer safety.
58. The use of feed business audit information from visits that are already being carried out through assurance schemes will reduce the number of official inspection journeys and therefore overall vehicle mileage, with a consequent positive effect on the environment. However, it is extremely difficult for the FSA to quantify this beneficial effect and this has not been attempted.

Competition considerations

59. The preferred option should benefit compliant businesses in recognition of their investment in the safe production and handling of feed. This should encourage less compliant feed businesses to adopt better controls, which in turn will enable LAs to better target their resources to the areas of most risk.

Small and Micro Business Assessment (SaMBA)

60. The Code is concerned with the execution and enforcement of official controls, to which competent authorities must have regard. As such there is no requirement or expectation placed on feed industry stakeholders. Reference to Table 2 and paragraph 36, however, shows that arable (R14) and livestock farms (R13) are the feed business categories that bear 86% of the current official controls burden. This type of business is likely to be a micro or small/medium enterprise (SME) and this will result in a proportionally greater benefit for compliant micro or SME businesses compared to the wider feed industry.

Annex 1

Recommendations acted on in the Feed Law Code of Practice Review (England) from the internal FSA Review undertaken in September 2016

Recommendation 9: FSA to simplify the risk rating and earned recognition systems to ensure official inspections are risk based and to improve consistency and ease of application by LAs.

Recommendation 10: FSA to explore scope for reducing the need for official interventions, in particular by having more regard to sources of assurance other than official inspection, working to an initial 10% target for reduced interventions and associated costs in 2018/19.

Recommendation 13: FSA to ensure the planned programme of official feed controls is flexible enough to enable resources to be re-routed quickly to higher priority work in response to intelligence.

Recommendation 18: FSA to undertake a fundamental review of ER to explore opportunities to further reduce the need for official intervention and to simplify the approach to ER.

Recommendation 19: FSA to review the official inspection frequencies of FSA AAS member businesses to ensure full regard is had to the assurance of business standards provided by the assurance scheme.

Recommendation 20: FSA to review the need for 2% (one in fifty years) sample official inspections and whether assurance of FSA AAS standards might be achieved in other ways.

Recommendation 22: FSA to review the need for five yearly questionnaires under Alternative Enforcement Strategy (AES) arrangements for Type 2 ER businesses.

Recommendation 26: FSA to consider whether a reduced risk factor should be applied to feed businesses in PA partnerships such that less frequent official inspections would be required, and to consider whether and how the benefits of PA might be promoted to feed businesses.

Recommendation 29: Alongside the proposed fundamental review of the approach to ER, FSA to undertake a fundamental review of the approach to risk rating feed businesses/farms to simplify the approach and, on a risk basis, to reduce the need for official inspections of compliant businesses/farms.

Recommendation 32: FSA to review the appropriateness of the reduced risk factor for businesses that feed their own animals, taking account of the scale of some of these businesses and the potential impact should feed incidents occur at these businesses.

Recommendation 33: FSA to review the use of intelligence in the feed official control system in light of the planned strategic threat assessment of the UK feed environment.

Annex 2

Costs and benefits of retaining the current Code and requiring LAs to fulfil the programmed intervention quota under the current Code of Practice in England¹⁴

This option was discarded because it would not meet the policy objectives.

Costs

Costs to industry

We have to consider that if the current Code remains along with an EU expectation that LAs should deliver the number of interventions required, if this represents an opportunity cost for feed businesses should the proposed amendments to the Code are not introduced.

The opportunity cost can be monetised by multiplying the required increase in LA inspections to meet the existing inspection burden by the estimated feed business hours required per inspection and again by the wage rate of a feed business manager (£26.11). Tables 1 and 2 show the calculation for the required increase in inspections and AES interventions and Table 3 shows the calculation of the opportunity cost to industry of £1.5 million.

Table 1: Increase in inspections required to meet current Code

Feed business type in current LA enforcement returns	Total No of Premises	Required number of inspections as per year under the current Code	Required Number of inspections under the New Code	Required Inspection Increase per year to meet the Current Code
Feed Manufacturers A01-08, A11 & R01-04, R7	478	185	185	0
Co-Product Producers R12	1,220	512	512	0
Mobile Mixer R04	33	15	15	0
Importers	108	43	43	0
Stores R09	853	92	79	13
Distributors A01-08, A11, R01-03 & R05	1,329	218	183	35
Transporters R08	1,602	198	167	31
On-Farm Mixers R10 & R11	10,948	738	549	189
Pet Food Manufacturers R06	512	86	78	8
Suppliers of Surplus Food/ Feed Materials R07	5,222	983	822	161
Livestock Farms R13	104,721	16,611	876	15,735
Arable Farms	15,572	1,687	86	1,601
Grand Total	142,598	21,368	3,595	17,773

¹⁴ This estimate does not include revisits, enforcement actions, point of entry controls, sampling, maintenance of premises registers or other activities necessary to comply with the Code except interventions

Table 2: Increase in alternative enforcement interventions required to meet current Code

Type of AES	Required number of AES as per year under the current Code	Required AES increase per year to meet the Current Code
Tier 1	1,351	0
Tier 2	1,351	0
Total	2,702	0

Table 3: Summary of opportunity cost to feed businesses if the new Code was not introduced and LAs fulfilled their programmed intervention quota under the current Code of Practice in England

Intervention Type	Interventions Required Under the Current Code	Number of Interventions under New Code	Increased number of Interventions	Business Time cost per intervention	Total time cost (hours)	Cost increase (time cost x £26.11)
Inspections	21,368	3,595	17,773	6 hours for feed manufacturing and importers including mobile mixers/3 hours all other FeBOs	53,319	£1,392,266
Tier 1 AES	1,351	0	1,351	1	1351	£35,277
Tier 2 AES	1,351	0	1,351	3	4053	£105,832
Totals	24,070	3,595	24,070		58,723	£1,533,375

Costs to LAs

LAs would need to significantly increase their supporting resource and official control activity to meet the full official control burden imposed by the current Code. The increase in cost can be monetised by calculating the required increase in the number of official interventions and the number of administrative staff and authorised officials required to support that activity. The number of additional staff required is then multiplied by the respective annual salary plus on costs. The increase in cost to LAs in achieving the full official controls burden of the current Code is around £5.9 million. This is set out in Table 4.

Table 4: Estimated annual LA costs of fully achieving the animal feed controls interventions requirement under the current Code of Practice in England

Local Authority Workload	Current Code of Practice Requirement	New Code of Practice Requirements
Number of Feed Authorities	146	146
Total number of premises	142,598	142,598
Number of inspections	21,368	3,595
Number of AES	2,702	0
Total interventions	24,070	3,595
Enforcement FTE	172.04	25.69
Admin FTE	39.95	5.97
Inspections per Enforcement FTE	139.91	139.91
Inspections per Admin FTE	602.53	602.53

Estimate of Local Authority Costs	Total Current Code of Practice Requirements	New Code of Practice Requirement
Enforcement FTE Cost PA @ TSO Standard Cost £34,124 (includes on costs)	£5,793,242	£876,813
Admin Cost Per Annum @ Admin Standard Cost £29,276 (includes on costs)	£1,145,043	£174,673
Estimated Total Cost of Interventions	£6,938,285	£1,051,486

Summary	Total Current Code Requirement	New Code of Practice Requirement	Increase
Indicative increase in interventions	24,070	3,595	20,475
Indicative increase in costs (£)	£6,938,285	£1,051,486	£5,886,799

Benefits

There are no identified benefits associated with this option.

Annex D

EXTERNAL INTERESTED PARTIES

Interested Parties Contact	Organisation
Jim Moseley	Red Tractor Assured Food Standards
Philippa Wiltshire	Red Tractor Assured Food Standards
Catherine Lehane	Red Tractor Assured Food Standards
George Perrott	Agricultural Industries Confederation
Claire Williams	British Equestrian Trade Association
Geoff Brown	British Association of Feed Supplement and Additive Manufacturers
Ruth Evans	Brewing, Food & Beverage Industry Association
Maire Burnett	British Poultry Council
Richard Griffiths	British Poultry Council
Richard Warren	Dairy UK
Mark Williams	British Egg Industry Council
Ruth Graham	Diageo
Hera Yanikian	Food and Drink Federation
Monika Prenner	Purina Nestle
Karen Percival	Nestle UK
Ian Beck	UK Fats and Oils Association
David Howells	UK Fats and Oils Association
Jaine Chisholm Caunt	Grain and Feed Trade Association
June Arnold	Grain and Feed Trade Association
Duncan Russell	National Association of Agricultural Contractors
Martin Savage	National Association of British and Irish Millers
Tim Brigstocke	Royal Association of British Dairy Farmers
Helen Ferrier	NFU
John Royle	NFU
Donal Murphy	NOAH
Bryan Lovegrove	AHDA
Zoe Davies	National Pig Association
Lorraine Chambers	Kiwa PAI
Marcus Wood	SAI Global
Michael Bellingham	Pet Food Manufacturers Association
Lynn Insall	Pet Food Manufacturers Association
Liz Colebrook	Mars Petcare
Angela Bowden	The Seed Crushers and Oil Processors Association
Paul Featherstone	UKFFPA
Robert Brocklesby	Adams and Green
Elizabeth Andoh-Kesson	British Retailer Consortium
David Mackley	AC Shropshire
Robin Crawshaw	RC Feed
Angela Booth	AB Agri
Kevin Wardle	Public Analyst Services
Nikki Robertson	FABRAUK
Ann Davison	Consumer Representative on ACAF
Other non-FSA Government Officials	
Giles Davis	VMD
Nina Dorian	VMD
Clare Wild	APHA
Carmen Marco	APHA
Adrian Charlton	FERA

