

**MINUTES OF THE FSA BUSINESS COMMITTEE MEETING HELD ON 16 MARCH  
2016 IN AVIATION HOUSE, LONDON FROM 12:55 – 13:45**

**Present:**

Tim Bennett, Chair  
Rod Ainsworth, Director of Legal and Regulatory Strategy  
Catherine Brown, Chief Executive  
Jason Feeney, Chief Operating Officer  
Ram Gidoomal  
Jeff Halliwell  
Heather Hancock, Deputy Chairwoman  
Chris Hitchen, Director of Finance and Performance  
Maria Jennings, Director FSA Northern Ireland and Organisational Development  
Heather Peck  
Julie Pierce, Director of Openness, Data and Digital  
Guy Poppy, Chief Scientific Adviser  
Nina Purcell, Director FSA Wales and Local Delivery  
Roland Salmon  
Jim Smart  
Steve Wearne, Director of Policy  
Paul Wiles

**Apologies:**

Henrietta Campbell

**In attendance:**

Richard McLean, Head of Planning, Performance and Change  
Rebecca Merritt, Head of Private Office  
Liz Olney, Head of Operations Assurance

**WELCOME AND ANNOUNCEMENTS**

1. The Chair welcomed everyone to the meeting.
2. The Chair noted that there would be one item under Any Other Business from Rod Ainsworth.

**MINUTES OF BUSINESS COMMITTEE MEETING HELD ON 18 NOVEMBER (FSA  
16/03/08)**

3. There were no amendments to the minutes and these were accepted as an accurate record of the 18 November Business Committee meeting.

**ACTIONS ARISING (FSA 16/03/09)**

4. There were no comments on the Actions Arising.

**PERFORMANCE AND RESOURCES UPDATE – MARCH 2016 (FSA 16/03/10)**

5. The Chair invited Richard McLean to introduce the paper. Richard drew attention to three aspects of the Report:
  - The ongoing development of links in the Report between internal measures, such as the FSA's good People Survey results, and external measures benefiting consumers, such as the FSA's work on reducing *Campylobacter* in chickens;
  - The FSA forecast spend being within HM Treasury limits; and
  - The inclusion of a Forward Look of measures to be reported on.
6. Richard noted that the data on shellfish bed closures and prohibitions for January – March 2016 had been unavailable at the time of putting this Report together and would be in the next Report.
7. In response to a question, Liz Olney said that the increases in critical operational non-compliances for red meat species and in major non-compliances for poultry species in December 2015 were linked to the higher throughput of animals and birds during that month.
8. Heather Peck noted the additional impacts of breaches to welfare regulations for those animals slaughtered without stunning and asked that work be done to enable this to be reflected more clearly in the report. The Chair said as the FSA had a zero tolerance approach to abuses of animal welfare all information should be in the Report. Liz said she would get back to the Committee on how non-compliances for animals that were slaughtered without stunning could best be reported.

**ACTION: Liz Olney**

9. Jeff Halliwell said it was not helpful to have quarterly *Campylobacter* Retail Survey data in the Report as the data in this Report was for quarter 1 even though we had published the data for quarter 2 of the survey in February. Catherine said the Committee had previously agreed the quarterly survey data should be in the quarterly Report and agreed to look at timings of Business Committee meetings and the production of Committee papers going forward.
10. Jim Smart noted the increase in allergy alerts and recall information notices raised in 2015. Jason said we had expected a reaction to the introduction of the legislation and we would expect to see the number of alerts reducing as people became familiar with the legal requirements and improved the controls over packaging and labelling.
11. Jim commended the continuing improvement of the FSA's engagement score in the Civil Service People Survey and asked what we were doing to improve performance in the areas of the Survey where we had scored the lowest. Maria Jennings said we were drawing up action plans at team level and at Directorate level to focus on three areas: how we lead and manage change; bullying and harassment; and safe to challenge.
12. Ram commented on the information in the Report on public awareness, trust and reputation of FSA. Catherine said while it should be relatively easy to establish a trend and a benchmark against which to measure the public awareness metric, we

would have to take a closer look at the trust metric to better understand what was driving people's responses to it and this may be more difficult to benchmark.

13. In conclusion the Chair said the Business Committee had noted the contents of the Report.

### **FSA PRIORITIES AND BUDGET 2016/17**

14. The Chair invited Chris Hitchen and Richard McLean to introduce the paper. Chris said the FSA budget was within the remit of the spending review settlement with Treasury for the four years 2016/17 to 19/20. The budgets for the devolved offices had yet to be set beyond 2016/17. The FSA's Westminster settlement was challenging as it equated to a real-terms reduction of 7% over the period.
15. Chris said the FSA needed to prioritise resources based on the outcomes we wanted for consumers and the newly created Investment Board would improve the level of challenge brought to bear on programmes of work to have clearly defined consumer benefits.
16. The budget allocation included new work such as investment in the National Food Crime Unit (NFCU) funding for which increased from £500 000 in 2015/16 to £1.2 million in 2016/17. Money was not a proxy for outcomes and in looking at what we wanted to deliver and why, we would look for value for money.
17. Richard said the integration of the business plan and the budget was something to be proud of as it allowed us to prioritise our resources effectively. Annex A to the paper gave an overview of where we were in terms of delivering the Strategy at the end of year 1 and provided the basis on which to move forward.
18. The four priorities for the coming year were: reducing human illness from Campylobacter; implementing our Regulatory strategy; becoming a data-driven organisation; and our ways of working. These were not the only activities we would be undertaking as a huge amount of work would go towards routine business.
19. In response to comments on the visibility of spend on the NFCU in light of the upcoming review on progress in this area, Chris agreed to make it easier to identify expenditure on the NFCU.
20. In discussing the proportion of the FSA's budget spent on the shellfish industry, Catherine agreed to come back to the Committee on the annual turnover of the shellfish industry in England, Wales and Northern Ireland.

### **ACTION: Richard McLean**

21. Jeff noted that less than 1% of the FSA's budget was going towards reducing Campylobacter, the FSA's number one priority. Catherine said if we thought there was something not being done to reduce Campylobacter and we were the right people to do it, we would allocate the money for it to be done but that was not the

case; there was not a resource constraint issue around the Campylobacter campaign but there are other areas of work where we do need to increase our investment in the interests of consumers for example potentially in anti-microbial resistance.

22. Steve Wearne said the money allocated for the Campylobacter campaign was programme spend i.e. the retail survey and research because our Campylobacter campaign was established policy and so had low reliance on new science. This was in comparison to the increased investment in strategic science spend e.g. on sensors to help us get ready for the next strategic challenges we would face.
23. Guy Poppy said there was still a lot of money being invested into research on Campylobacter even if it was not the FSA doing it. The FSA was linked in to those routes of intelligence and so would benefit from them.
24. The Chair said we had put a lot of resource into our Campylobacter campaign over the last few years and the next phase was for industry to increase its contribution; one benefit of that was a reduction in spend on Campylobacter from our budget. It would not be smart to duplicate work being done elsewhere when we had scarce resource. We had to look at the total strategic package and that was why he was comfortable with the proposed budget.
25. Jim noted that this paper presented a one year budget and that in its next planning round the FSA intended to develop the financial plan covering three financial years. Jim asked if we were happy that there was enough activity in year 1 to deliver savings for years 2 and 3 and Chris referred to the fact that he was encouraged by the work we were doing around estates and innovation in field operations.
26. The Business Committee agreed the FSA's high level priorities and budget for 2016/17.

## **ANY OTHER BUSINESS**

27. Rod said we were expecting the outcome of the Newby judicial review case the following week.
28. The case had arisen because, following an inspection by the Food and Veterinary Office, the European Commission threatened to take emergency action preventing the sale of a wide range of meat products within or from the UK if the UK did not take immediate action to stop the production of what was at that time described as "desinewed meat" (DSM).
29. With the agreement of other government departments the FSA introduced a moratorium on the production of "DSM". Newby Foods, who had been one of the largest producers of DSM and had produced DSM from ruminants, sought to have the FSA's decisions quashed by judicial review. The case necessitated a referral by the High Court to the European Court of Justice (ECJ) which rejected Newby's arguments.

30. The hearing in the High Court on the ECJ's judgement had taken place the previous week and the outcome of that hearing was expected the following week. Rod said he would let the Business Committee know the outcome, and if possible the FSA's assessment of the outcome, immediately.

**ACTION: Rod Ainsworth**

**DATE OF NEXT MEETING**

31. The next meeting of the Business Committee would take place on Wednesday 18 May 2016 in the Hilton Hotel, Belfast.