
PERFORMANCE AND RESOURCES REPORT: Q2 2016/17

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INTRODUCTION

1. The accompanying report updates the Business Committee on the FSA's performance, use of resources, and progress in implementing key initiatives from the 2015-2020 strategic plan.
2. This cover paper picks out some of the key points from the quarterly report and adds some context. The paper is in two parts:
 - Food system outcomes: the FSA is working to improve food-related outcomes for consumers. The outcome measures in the report are an indicator of the FSA's effectiveness. The FSA has a joint responsibility with others – including industry, consumers, and other areas of government – to improve outcomes in the food system. The FSA seeks to influence these measures; we cannot control them.
 - FSA performance: the report includes efficiency measures and information on the FSA spends its budget. The FSA is responsible for the outputs it produces.

FOOD OUTCOMES

Food safety

3. Industry compliance with hygiene controls continues to improve:
 - Reducing human illness from Campylobacter is one of the FSA's top four priorities for 2016/17, and the FSA is leading a [programme](#) bringing together the whole food chain to tackle campylobacter, from farm to fork. In Q1 we reported significant reductions in the percentage of chicken (skin samples) with high levels of campylobacter. We now have a positive indication (slide 3) that this reduction is feeding through into a reduction in human illness. The last 12 months for which we have data show a significant (16%) drop from the baseline in the number of laboratory confirmed cases of Campylobacter in the UK. Therefore, according to our own analysis and estimates, it appears that we are on track to achieve our corporate objective that by the end of March 2017 there should be 100,000 fewer cases of human campylobacteriosis, measured against a counterfactual of how many cases there would have been without the industry action that has resulted from the FSA's campaign.
 - The trend of improving FHRs ratings continued in Q2 2016/17 (slide 4). All sectors increased the percentage of businesses with an FHRs rating of 3 and above ratings since last quarter. The greatest improvement in Q2 was in Northern Ireland (where 70% of premises achieved a FHRs 5 rating), ahead of display becoming mandatory. This improvement repeats the pattern when

display of FHRS scores became mandatory for FBOs in Wales. This evidence appears to support the argument that mandatory display drives up hygiene standards, strengthening the case for mandatory display to be introduced in England.

- The increase in the proportion of meat food business operators achieving 'good' compliance with regulations continued in Q2 (slide 5). There has also been a reduction in establishments identified as having the highest average carcass contamination levels in Q2 2016-17 compared with the same period last year (slide 6). Average contamination levels measured by throughput in cattle, sheep, goats and pigs also fell from the same period last year.

Animal Welfare

4. In both red meat and poultry sectors, there has been a reduction in both the overall number of major and critical non-compliances and the number of establishments where non-compliances were reported in Q2 2016/17 compared to the previous quarter (slide 8). This reduction reflects the increased focus on improving welfare standards through the FSA's 'Deter, Prevent, Detect, Enforce' programme. The FSA continues to work closely with the relevant agricultural departments who lead on policy to drive further improvements in animal welfare standards across the sector.

FSA PERFORMANCE

Delivering the FSA's business plan

5. The FSA delivered 59 of the 67 milestones in quarters 1 and 2 of its corporate business plan for 2016/17 (slide 10). Work started but was not complete on 5 further milestones. 3 milestones were not delivered in Q2: all 3 were related to a change in senior staffing. The FSA has a new Director of Science, Evidence & Research. As this Director is also the Senior Responsible Owner (SRO) of two of the projects in the FSA's change portfolio, this staffing change has had a knock-on effect, slightly delaying 3 project milestones:
 - The FSA has started a project to develop a new strategic approach to surveillance, which meets the WHO definition of the ongoing systematic collection, collation, analysis and/or interpretation of data, followed by dissemination of information so that directed action may be taken. The executive management team agreed the project mandate in Q2, but the planned engagement of key public sector and industry stakeholders is delayed but will happen on 29 November.
 - The FSA is running a programme to implement our Science, Evidence & Information strategy. An update on the FSA's science is on the Board's agenda for this November meeting. Due to the change in the programme's governance, an independent 'gate' assurance review of the programme and a new mechanism of reporting science activity are delayed but will be in place shortly.
6. The Committee [set](#) the FSA four top priorities in our business plan for 2016/17:

- Regulating our future programme
 - Reducing human illness from Campylobacter
 - Becoming a data-driven organisation
 - Our ways of working
7. There was good progress across all four priorities in Q2 (slides 11 and 12). In particular, the Regulating Our Programme has a new programme manager and new governance arrangements in place, and further recruitment is underway. Further work on the future operating model was completed and links strengthened with the work to improve the inspection model for meat controls.

Open Data

8. Openness is central to the FSA's strategic plan, and the FSA is working to become a data-driven organisation. We aim to publish 95% of all our datasets by March 2017. We published 33 of our 226 datasets in Q2 (slide 13), bringing the total published to date to 56 (25%). FSA Directors are reviewing plans for publishing remaining datasets to ensure that we meet our target.

Incidents

9. The FSA is dealing with an increasing number of food incidents (slide 14). The FSA received 550 notifications of food incidents Q2 2016/17, a 75% increase on Q4 2014/15. In Q2, EMT agreed the mandate for a new project to improve food withdrawal and recall procedures in the food retail sector so that consumers are protected.

Budget

10. The FSA's overall finance performance remains on track, with forecast outturn projected to be within budget for all the major items of programme and admin expenditure (slide 18).



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FSA 16/11/13

FSA Business Committee

Performance & Resources report

November 2016

2016/17 Quarter two results and forecast

**Outcomes: Shared responsibility
(businesses, FSA, consumers)**

Outputs: FSA Performance

Efficiency: FSA Efficiency & Resources

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Outcome: Food is safe - Reducing cases of Campylobacter

FSA Lead: Director of Policy

The FSA has a multi-year programme of work to promote industry and consumer change to reduce Campylobacter. This work includes undertaking a microbiological survey of Campylobacter contamination in fresh whole UK produced chilled chickens at retail sale. As a result of the retail survey, several retailers are now taking enhanced action and publicising their intentions.

Retail survey: sampling of chicken skins

The level of Campylobacter contamination on chicken skin is measured in terms of the number of colony forming units per gram of skin (cfu/g). The primary focus of attention is on high levels of Campylobacter – namely, those over 1000 cfu/g.

The FSA ran a first survey from February 2014 to February 2015 and a second survey from July 2015 to February 2016. The chart below compares three month windows between July and February, where there are comparable data for each year.

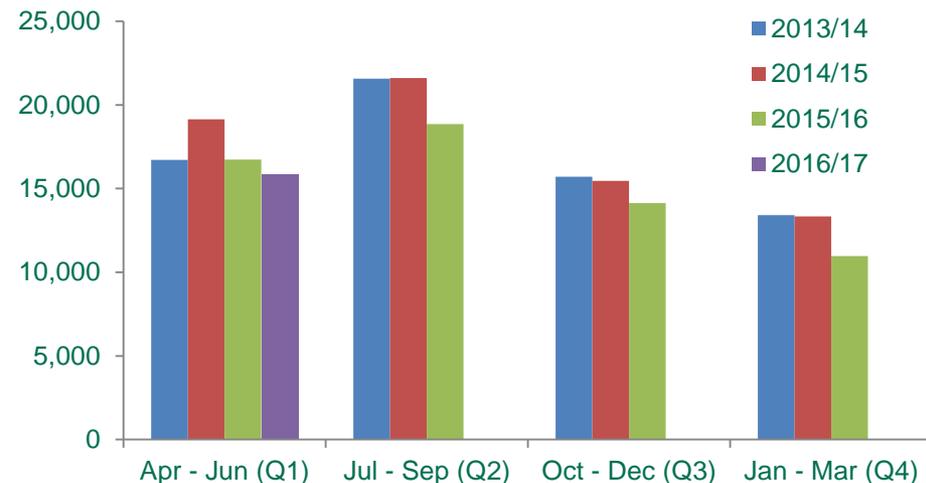
% of chicken skin samples with over 1000 cfu/g Campylobacter



Confirmed cases of Campylobacter

For the last 12 months for which we have data (July 2015 to June 2016) confirmed lab reports of Campylobacter for the UK dropped by 11,438 (16.1%) from the baseline (2009 to 2013) of 71,261 confirmed lab reports to 59,823 confirmed lab reports. This is estimated to be equivalent to 106,375 cases.

Campylobacter lab reports by quarter

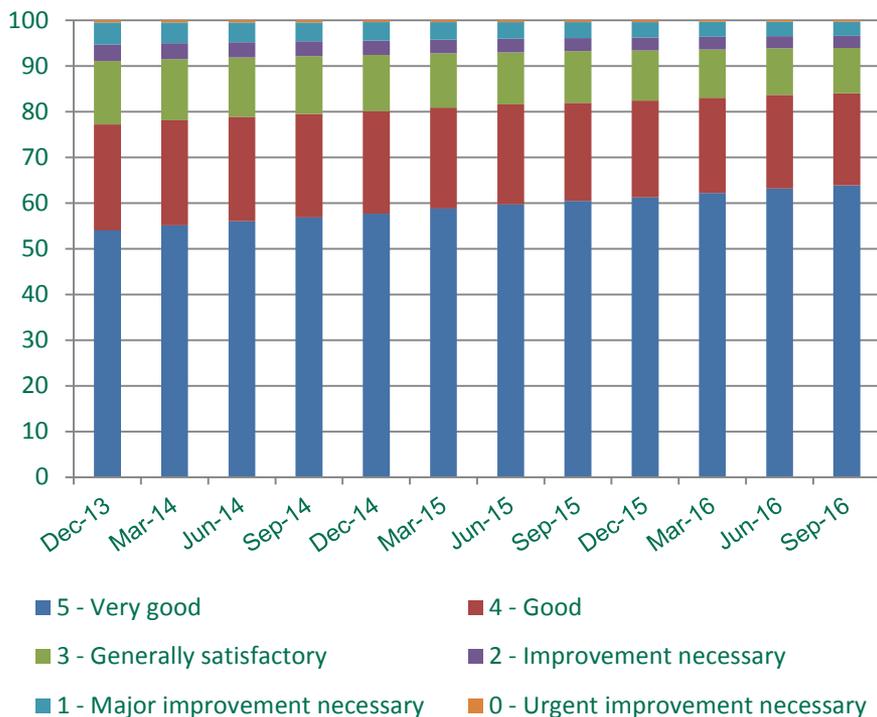


Outcome: Food is safe - Food Hygiene Ratings Scheme

FSA Lead: Director of Wales and Regulatory Delivery Division

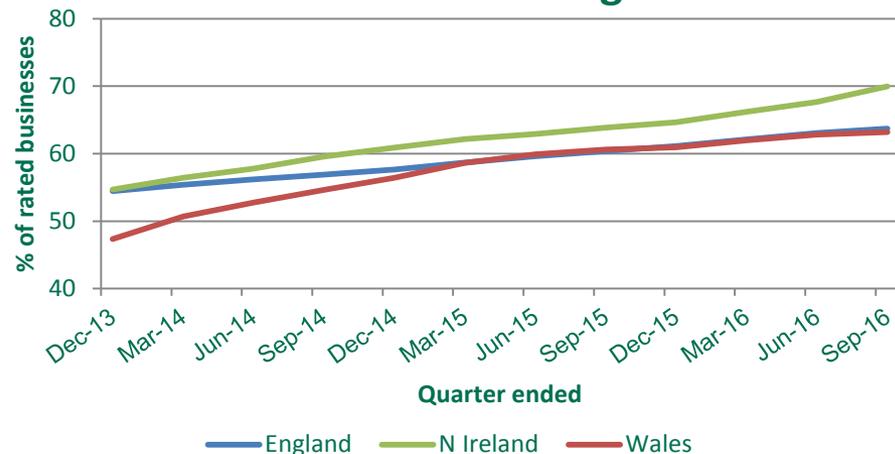
FHRS is operated in partnership with local authorities in England, Northern Ireland and Wales. Ratings visits are carried out by Local Authorities. The FHRS ratings range from 5 ('Very good') to 0 ('Urgent improvement necessary').

% distribution of FHRS ratings

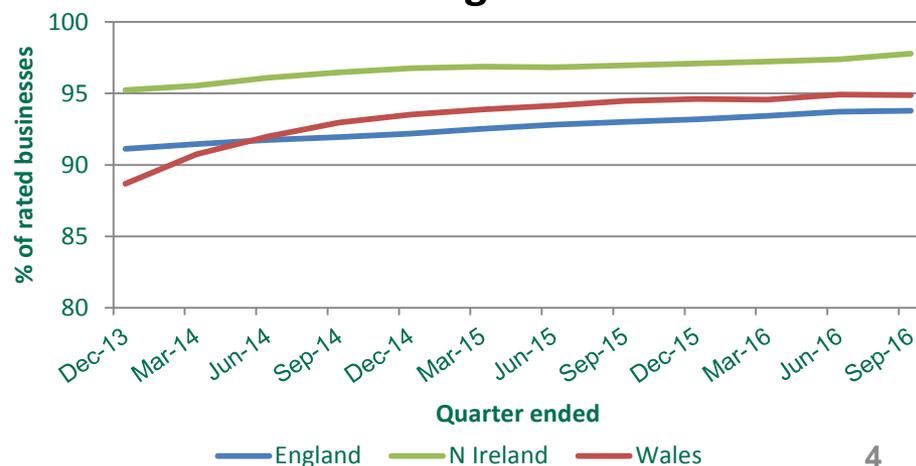


The percentage of food business with a '5' rating in Northern Ireland increased from 68% to 70% into Q2. It is likely that this increase is linked to the display of ratings becoming mandatory there from October.

% of FHRS 5 Ratings



% of FHRS Ratings 3 and above



Outcome: Food is safe

Meat Food Business Operator compliance with regulations

FSA Lead: Chief Operating Officer

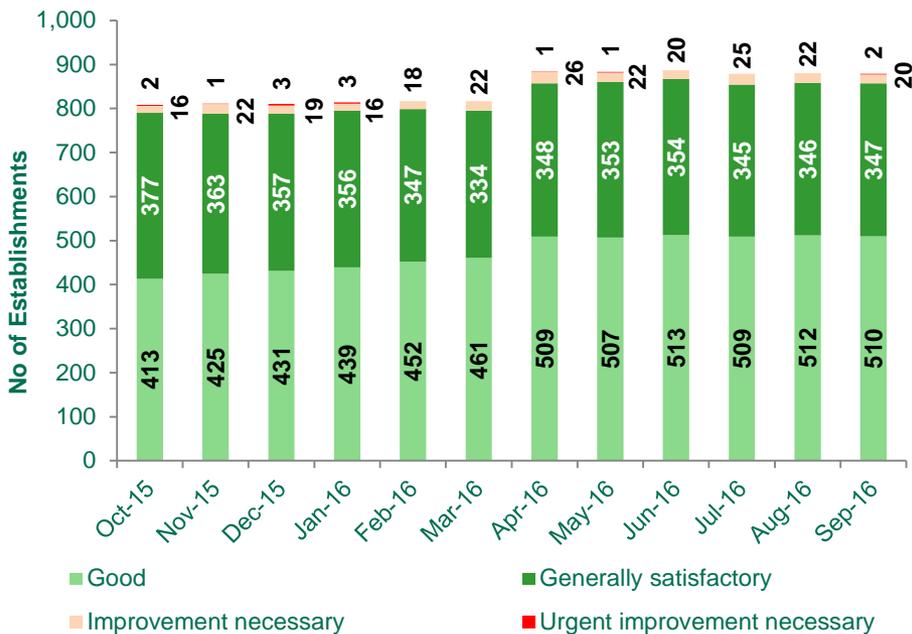
It is the responsibility of food business operators to comply with regulations. In addition to routine official controls and inspections, the FSA carries out audits to verify compliance and works with FBOs to identify where improvements are necessary. Where an audit finds that a food business operator is non-compliant with regulations, urgent improvement is necessary.



increase in establishments achieving 'Good'.

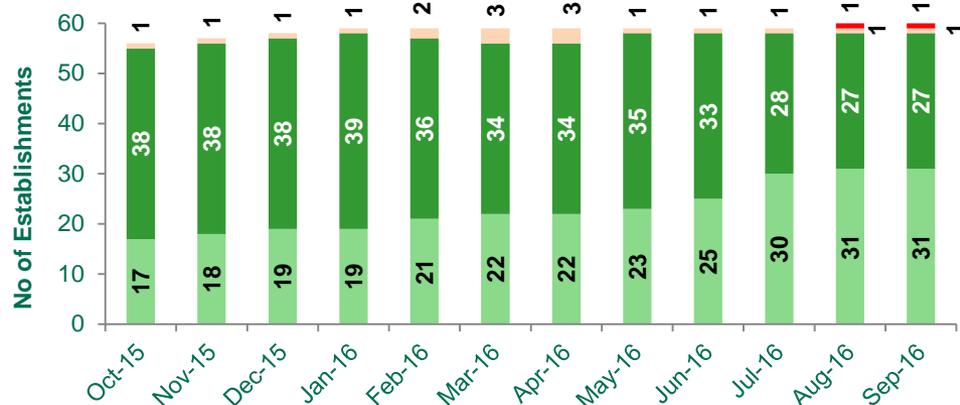
England, Wales & Northern Ireland since October 2015.

England



Audits for market stalls at Smithfield (London), Birmingham and Liverpool are included in these figures.

Wales



Northern Ireland



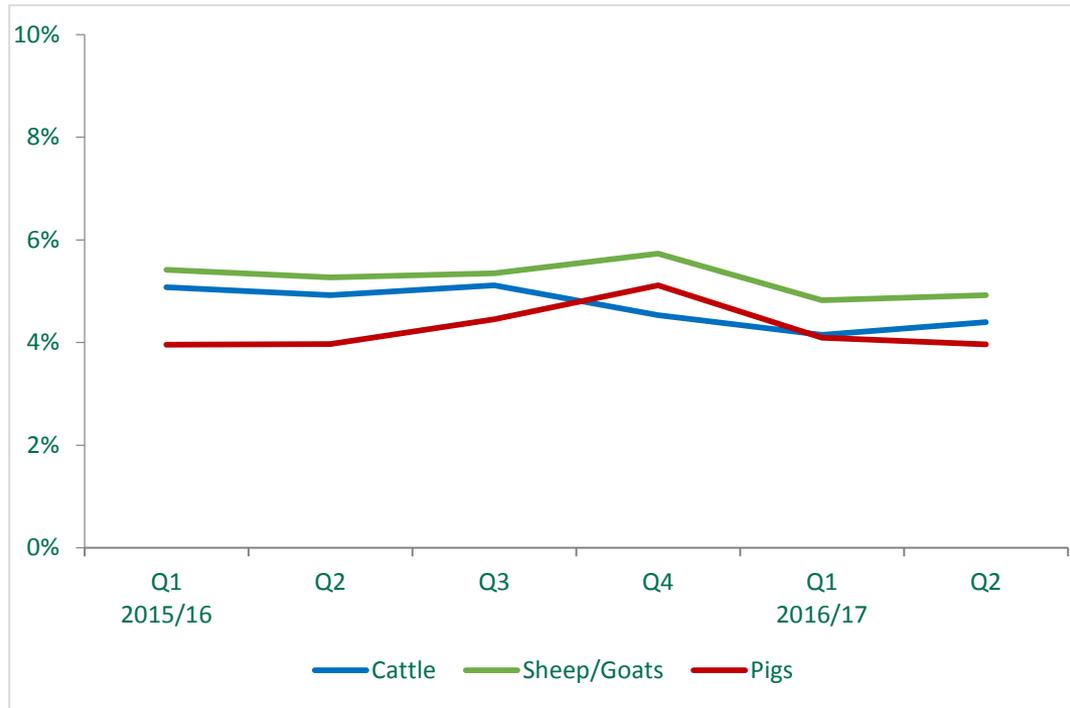
Outcome: Food is safe – Meat Inspection

Contamination identified at final FBO inspection point

FSA Lead: Chief Operating Officer

Average carcass compliance levels in England and Wales following post-mortem inspection verification checks are used as a measure of how well an FBO's food safety management controls have worked. Where contamination is observed, the FBO has to take rectification before meat may pass into the food chain. Traffic light banding is used to direct FSA inspection resource to those FBOs who are least compliant. There is no acceptable level of contamination.

Average contamination levels recorded by throughput



Contamination level recorded by establishment



In all NI approved red meat slaughterhouses contamination levels are recorded at final inspection with monitoring and follow up action undertaken by DARD Veterinary Public Health Programme (VPHP). Data is also provided to FSA in NI for discussion and trend analysis on a monthly basis.

| Contamination levels | | | |
|----------------------|-----|------|------|
| Cattle | <6% | <10% | 10%+ |
| Sheep/Goats | <6% | <10% | 10%+ |
| Pigs | <3% | <6% | 6%+ |

Output: Food is safe – Meat Inspection

Accuracy assessment of FSA teams carrying out Post-Mortem Inspection

FSA Lead: Chief Operating Officer Forecast cost (net) meat official controls 16-17: £30m

An important function for FSA inspectors is to inspect carcasses and offal at post-mortem inspection. At slaughterhouses in England and Wales, as part of our qualitative performance monitoring, an Official Veterinarian (OV) will check a sample of carcasses and offal that have been health marked (or inspected, in the case of poultry). In NI, post mortem inspection is carried out by Official Auxiliaries from DARDs VPHP, accuracy is verified on a daily basis by DARD OVs or Senior Meat Inspectors.

| 2016 - 17 Quarter 2 | Cattle | Sheep/ Goats | Pigs | Poultry |
|---------------------------------|--------------|--------------|--------------|--------------|
| Average carcass accuracy | 99.9% | 99.9% | 99.9% | 99.9% |
| Number of carcasses checked | 45,397 | 87,022 | 46,156 | 1,060,567 |
| Average offal accuracy | 99.9% | 99.9% | 99.9% | - |
| Number of offal checked | 44,698 | 82,923 | 44,944 | - |

Management guidelines for accuracy of Post Mortem Inspection

≥98%

<98%

Output: Animal Welfare – Non compliances

FSA Lead: Chief Operating Officer

The FSA enforces animal welfare legislation at slaughterhouses in England and Wales and reports instances of non-compliance. The data below show the instances categorised as either ‘major’ (i.e. likely to compromise animal welfare but where there is no immediate risk to animals, may lead to a situation that poses a risk to animals) or ‘critical’ (i.e. poses a serious and imminent risk to animal welfare or one where avoidable pain distress or suffering has been caused). Reported non-compliances are followed up by appropriate enforcement action.

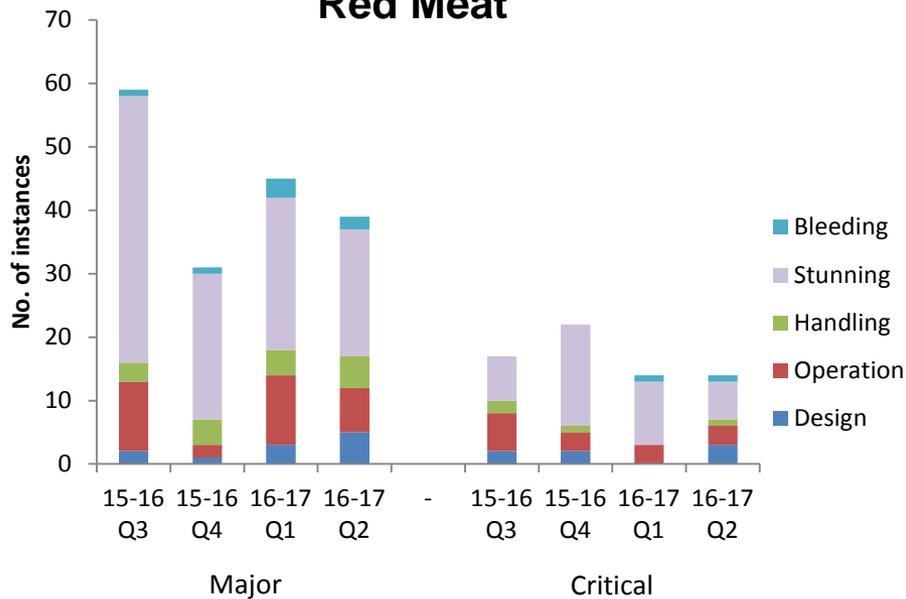
Q2 Red meat (includes cattle, calves, goats, pigs, sheep)

| Number of instances recorded | Number of animals slaughtered | Number of establishments recording issues |
|--------------------------------|-------------------------------|---|
| 53 (39 Major & 14 Critical) | 6,095,424 | 26 (out of 208 Approved) |

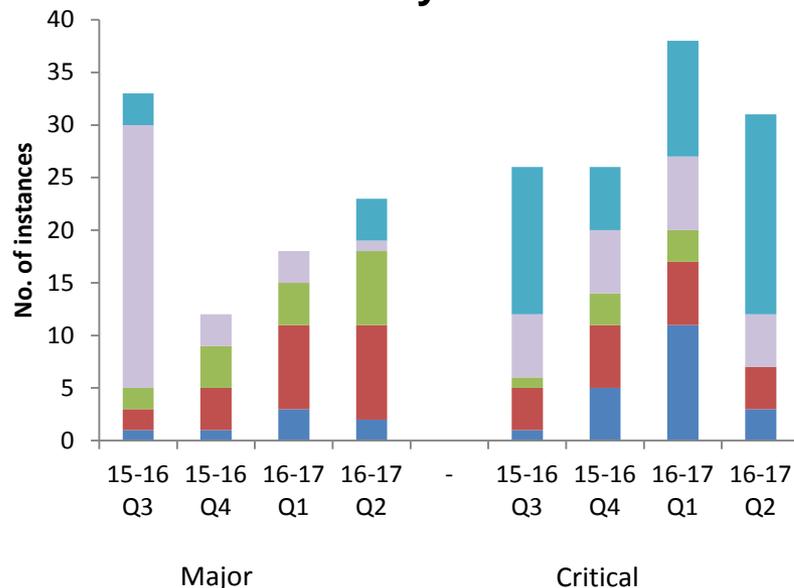
Q2 Poultry (includes broilers, ducks, guinea fowl, hens, turkeys)

| Number of instances recorded | Number of birds slaughtered | Number of establishments recording issues |
|--------------------------------|-----------------------------|---|
| 54 (23 Major & 31 Critical) | 230,970,323 | 20 (out of 73 Approved) |

Operational non-compliances Red Meat



Operational non-compliances Poultry

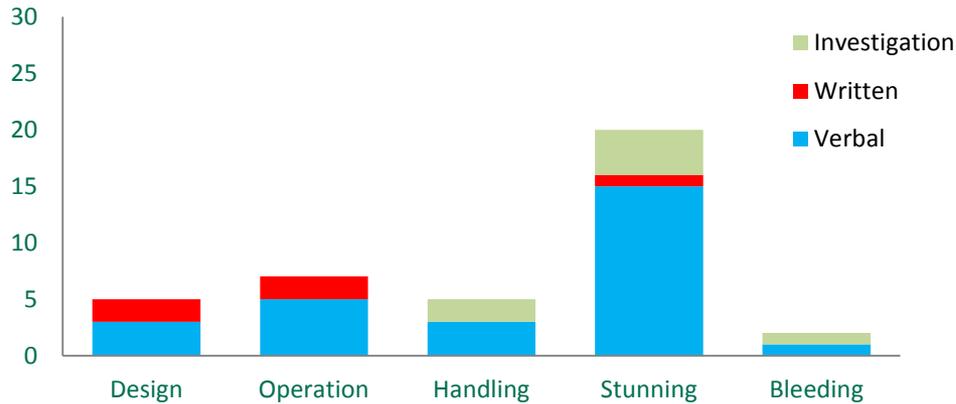


We began collecting data in the new Enforcement & Animal Welfare Reporting System during August 2016. The first full month of data in the new system was captured in September and we will begin reporting under the new system in Q3 2016/17. This new, single system approach is leading to significantly improved, cross-referenced reporting.

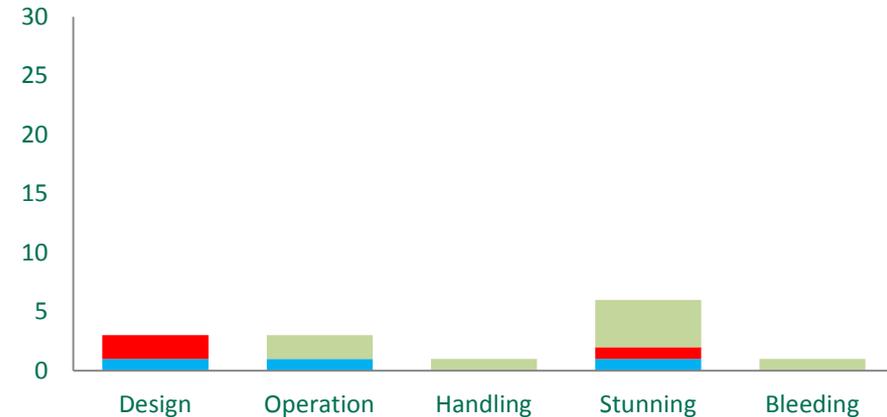
Output: Animal Welfare – Enforcement Activity

FSA Lead: Chief Operating Officer

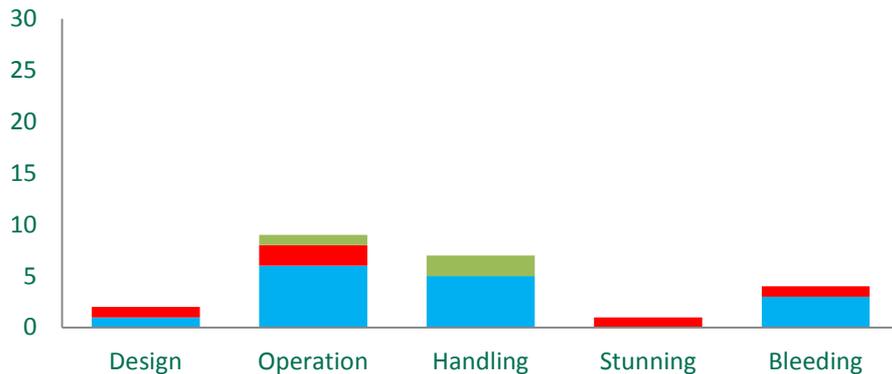
Q2 Enforcement activity Red Meat (Major)



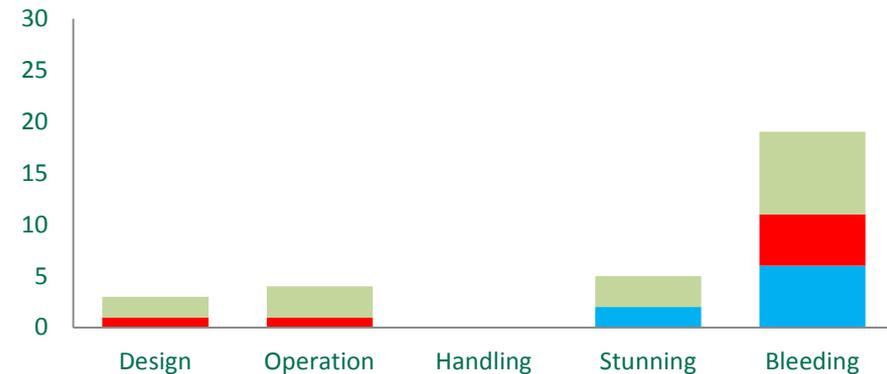
Q2 Enforcement activity Red Meat (Critical)



Q2 Enforcement activity Poultry (Major)



Q2 Enforcement activity Poultry (Critical)



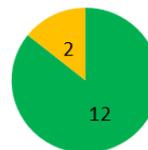
- There are **24** establishments using the non-stun slaughter method
- **2** of these establishments had major or critical breaches in Q2 (**8%**)
- There are **19** establishments using a combination of non-stun and stun slaughter methods
- **6** of these establishments had major or critical breaches in Q2 (**32%**)
- There are **235** establishments using the stun only slaughter method
- **38** of these establishments had major or critical breaches in Q2 (**16%**)

Outputs: FSA Corporate Business Plan 2016/17

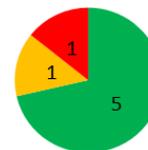
Delivering the corporate priorities



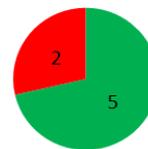
- Reducing human illness from Campylobacter
- Interests of vulnerable people
- Product recalls project



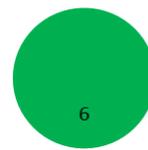
- Fighting food fraud: the next steps for the National Food Crime Unit
- Surveillance



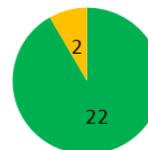
- Science, Evidence and Information Strategy implementation programme
- Our Food Future



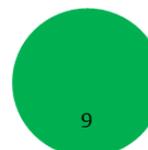
- Implementation of our communications strategy



- Regulating Our Future Programme



- Our Ways of Working Programme
- Becoming a Data-driven Organisation

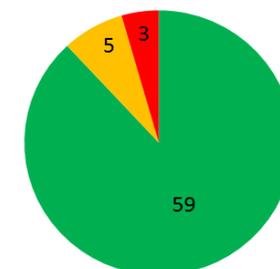


The FSA's corporate business plan for 2016/17 includes 11 priority activities, across the 6 areas of our strategic plan.

Progress in delivering these activities is measured by quarterly milestones:

- Green: Delivered to plan
- Amber: Delivery underway but not complete / Delivered in part
- Red: Not delivered – see explanation in cover note

Milestone Summary



Outputs: FSA Corporate Business Plan 2016/17

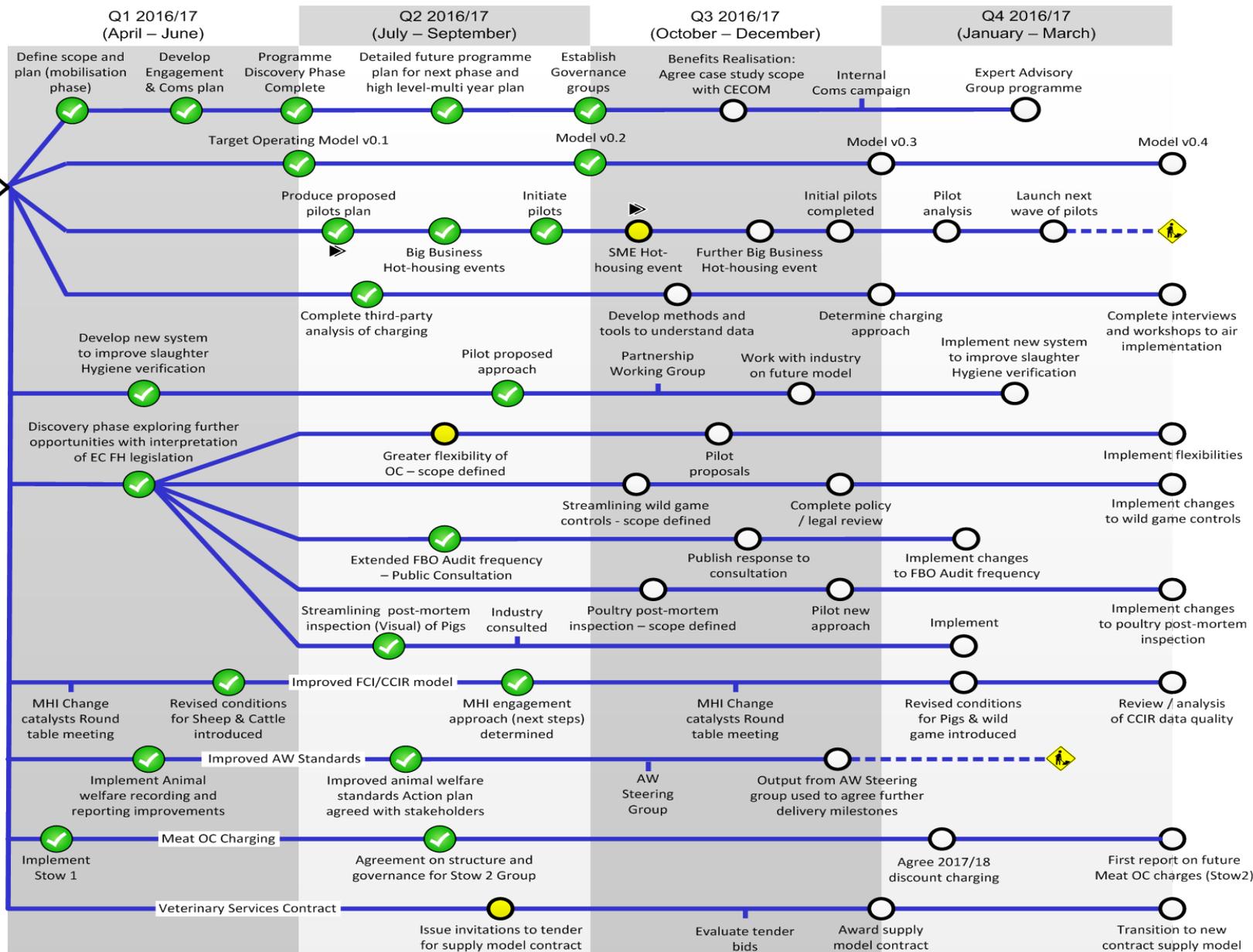
Delivering the top corporate priorities

Regulating Our Future Programme



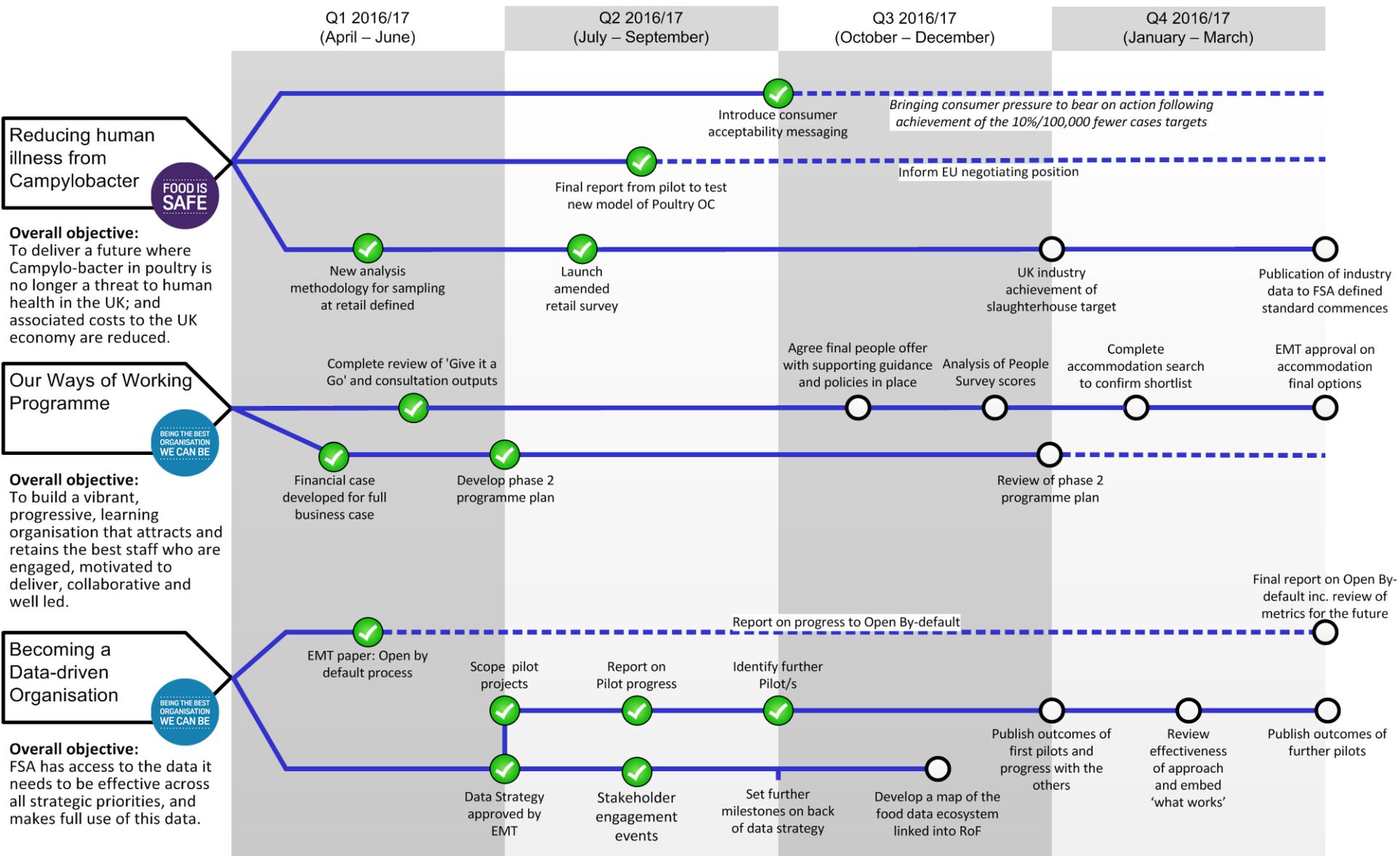
Overall objective:
To develop and implement a new and sustainable approach to regulation that leverages business behaviour change to deliver benefits for consumers. Building and applying effectively a regulatory toolkit that ensures a long term sustainable delivery approach to regulating food, including the development of complementary or alternative delivery models - including their sustainable funding - for meat

The FSA has four top corporate priorities for 2016 / 17. This slide and the next show our progress in delivering the milestones for those four priorities.



Outputs: FSA Corporate Business Plan 2016/17

Delivering the top corporate priorities (continued)



Efficiency: Open Data

FSA Lead: Director of Openness, Data and Digital

Overview of delivery progress towards Open by Default

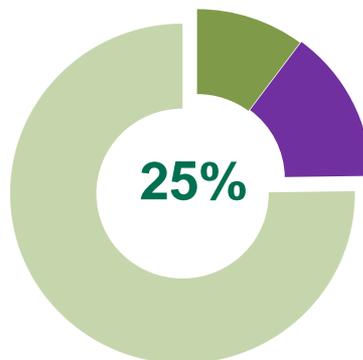
Open Data is data that everyone can access, use and share. One of the FSA's objectives is to become a data-driven organisation that uses data that is 'open by default'. Using open data is one of the ways that the FSA will achieve its commitment in the strategic plan of making information available to consumers in a way that is accessible

Our open data journey so far...

56

**datasets published
(out of 226)**

=



Target: 95% of datasets to be published as open data by the end of 2016/17

... of which in 2016/17 Q2

33

data sets were published

The FSA's average openness rating



Datasets are given an 'openness rating' to give a simple indication of how well the dataset has been made open. The criteria are based on the Five Stars of Openness developed by Sir Tim Berners-Lee.

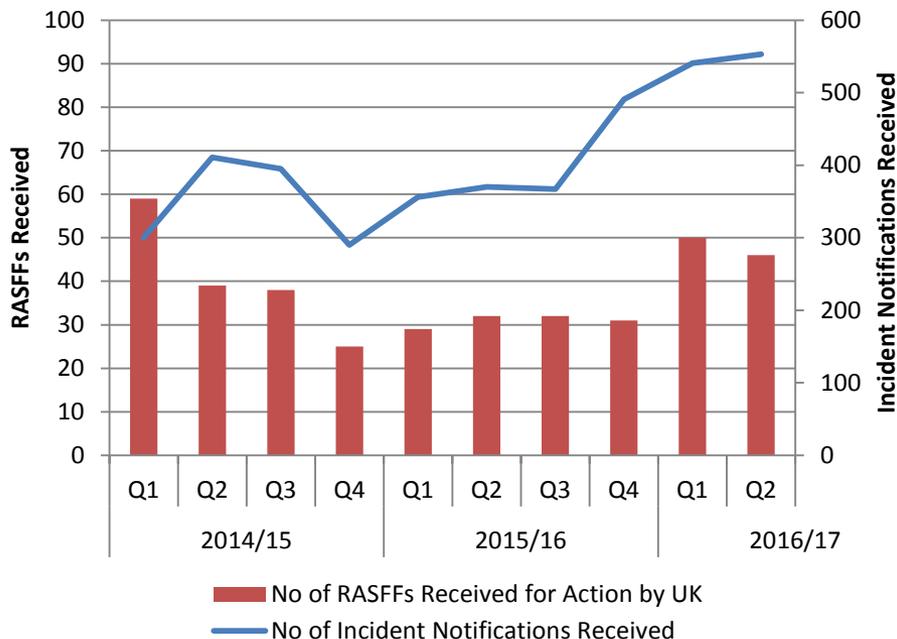
- The FSA is increasing the number of datasets published as Open Data.
- As part of this work there has been a significant emphasis on understanding the breadth of our datasets. These were published in July at: <http://www.food.gov.uk/about-us/data-transparency-accounts/information-asset-list>
- In order to simplify the process, development work on infrastructure is ongoing. This will increase the rate of progress in future quarters.
- We are committed to moving the average openness rating to 3 stars (machine readable re-use).

Output: Food is what it says it is - Incidents

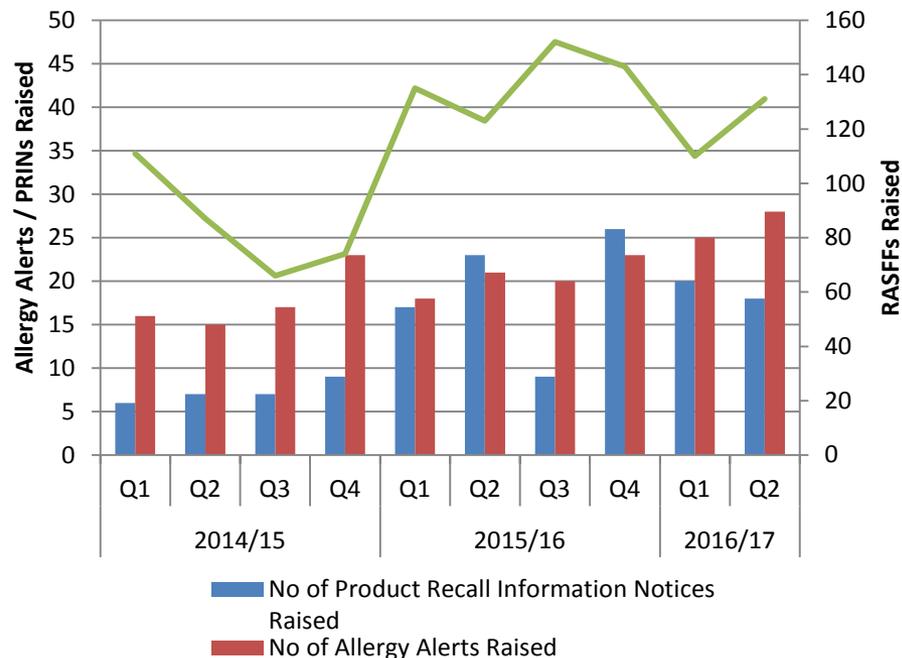
FSA Lead: Chief Operating Officer

An incident is defined by the FSA as: 'Any event where, based on the information available, there are concerns about actual or suspected threats to the safety or quality of food and feed that could require intervention to protect consumers' interests.'

Notifications Received



Alerts Raised



Further information about incidents in Q2 can be found at:

<https://www.food.gov.uk/news-updates/news/2016/15641/fsa-publishes-list-of-incidents-for-july-to-september-2016>

Food business operators are required, under Article 19 of European Regulation No. 178/2002, to inform the competent authorities where they have reason to believe that a foodstuff that they have imported, produced, manufactured or distributed is not in compliance with food safety requirements. In the case of the UK, the competent authorities are the Food Standards Agency and the food authorities (local and port health authorities). Food safety information is communicated between the European Commission and Member States using the Rapid Alert for Food and Feed (RASFF) system.

Efficiency: Organisational Development and Diversity

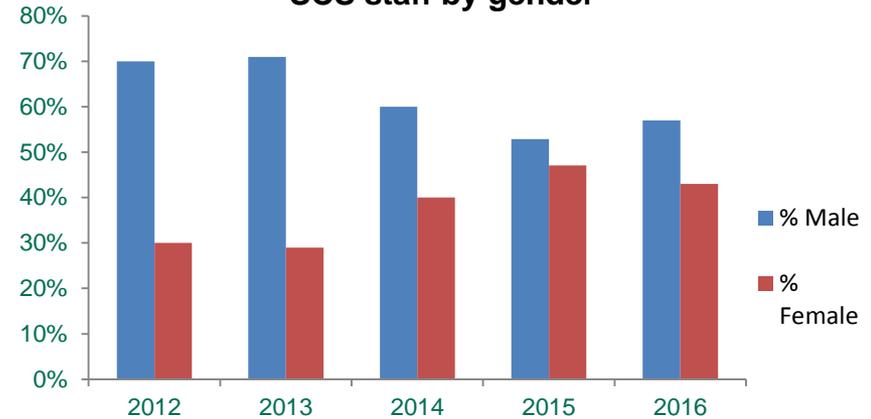
Being the best organisation we can

FSA Lead: Director of FSA Northern Ireland and Organisational Development

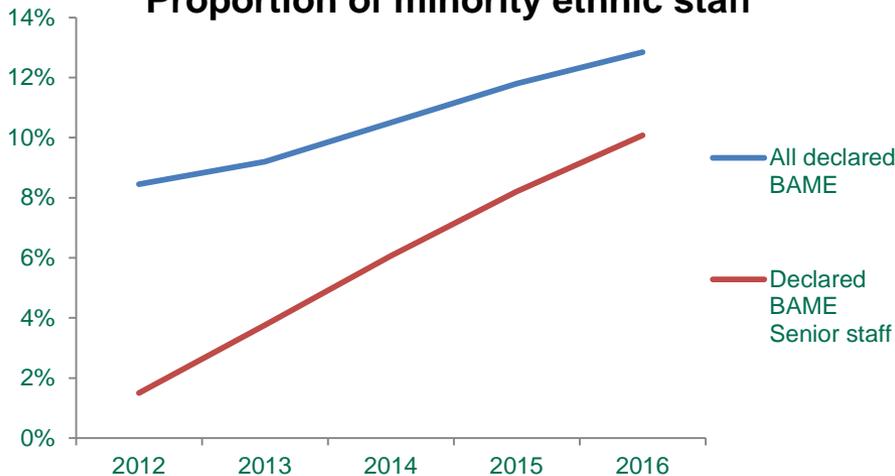
Increasing Diversity & Inclusivity

- From 2012 to 2016 female representation at Senior Civil Service (SCS) level has increased from 30% to over 40%.
- Our representation of minority ethnic staff has increased.
- One of our key priorities still remains to improve access to progression for BAME (Black, Asian and Minority Ethnic) staff.
- Over the past year a positive indicator has been the rise in minority ethnic employees in senior management roles.
- There remains an imbalance of appointments by ethnicity. Following BAME focus groups earlier this year, we have launched a networking scheme (available to all staff) and we are amidst development of our own BAME employee network.

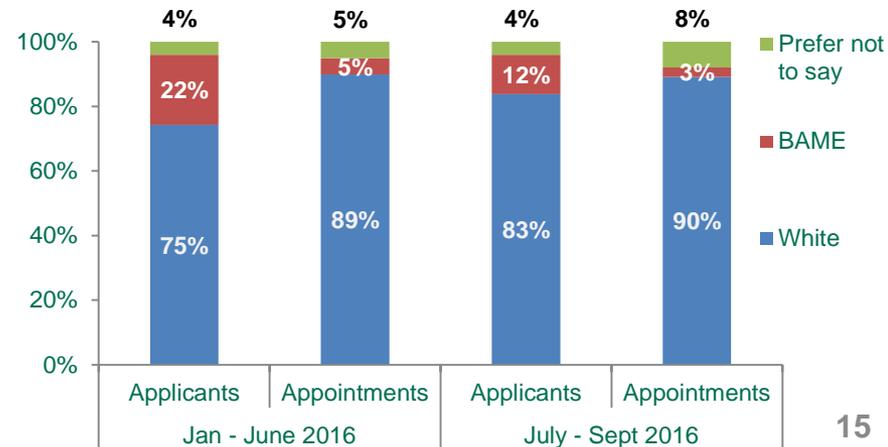
SCS staff by gender



Proportion of minority ethnic staff

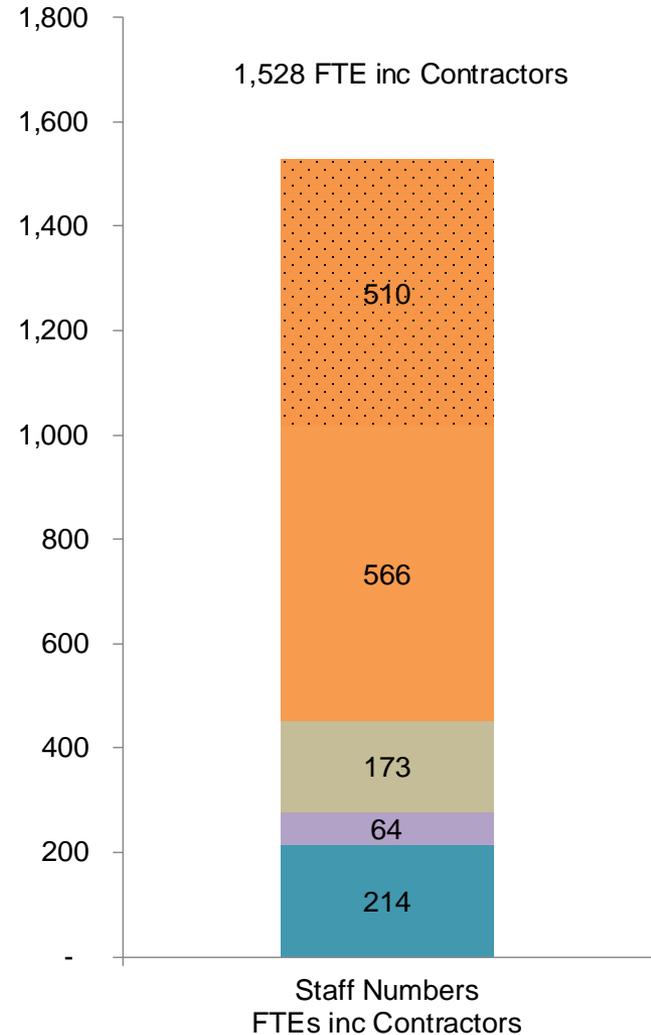
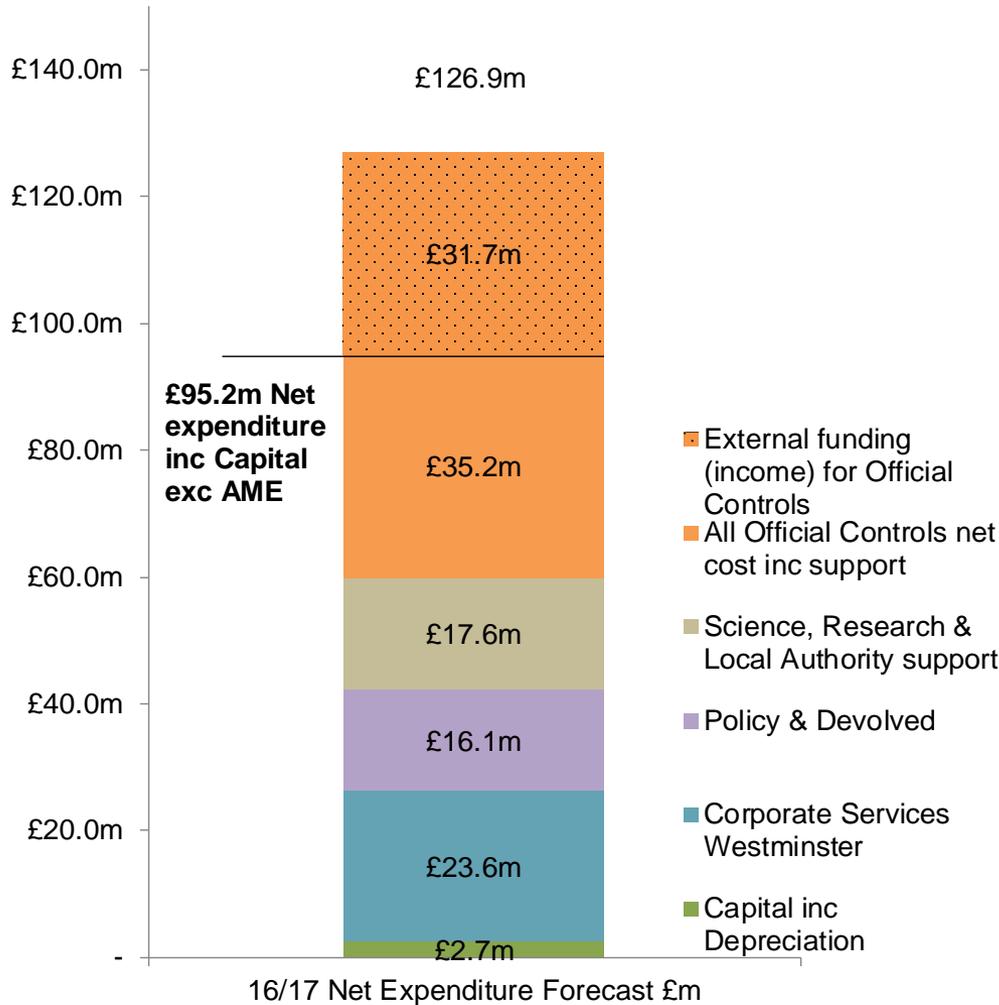


Applicants to appointment ratios by declared ethnicity



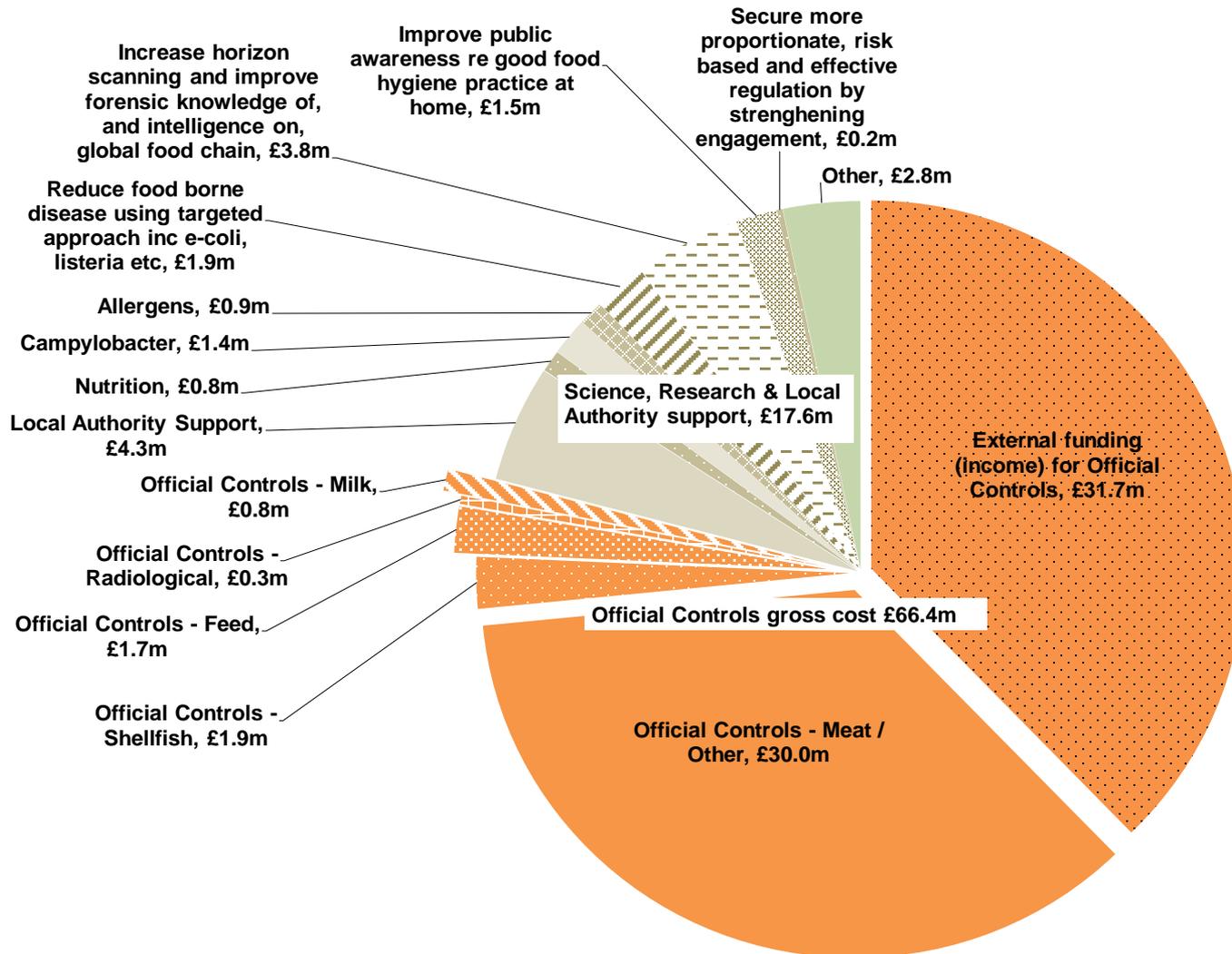
Efficiency: Resources used: FSA 16/17 Net expenditure (excluding AME) £m and Staffing FTEs

FSA Lead: Director of Finance and Performance



Efficiency: Analysis of Official Controls and Science, Research & LA Support FSA £m Forecast

FSA Lead: Director of Finance and Performance



Efficiency: Financial Performance



FSA Lead: Director of Finance and Performance

| FSA | 16/17 Forecast £m | 16/17 Budget £m | Var £m | Var % | |
|---------------------------------|-------------------|-----------------|--------|-------|--|
| FSA Total inc Capital & AME | 97.2 | 106.0 | 8.8 | 8.3% | |
| Northern Ireland | 8.1 | 8.3 | 0.1 | 2% | |
| Wales | 3.5 | 3.5 | - | - | |
| Westminster total including AME | 85.6 | 94.1 | 8.5 | 9% | |
| - Programme expenditure | 45.8 | 46.5 | 0.7 | 2% | |
| - Programme depreciation | 0.3 | 0.3 | - | - | |
| - Admin expenditure | 35.2 | 35.3 | 0.1 | 1% | |
| - Admin depreciation | 1.8 | 1.8 | - | - | |
| - Resource AME | 2.0 | 9.6 | 7.6 | 80% | |
| - Capital DEL | 0.6 | 0.7 | 0.1 | 16% | |

FSA is on track to meet all HMT 16/17 limits

Northern Ireland and Wales are within limits

Westminster is within limits.

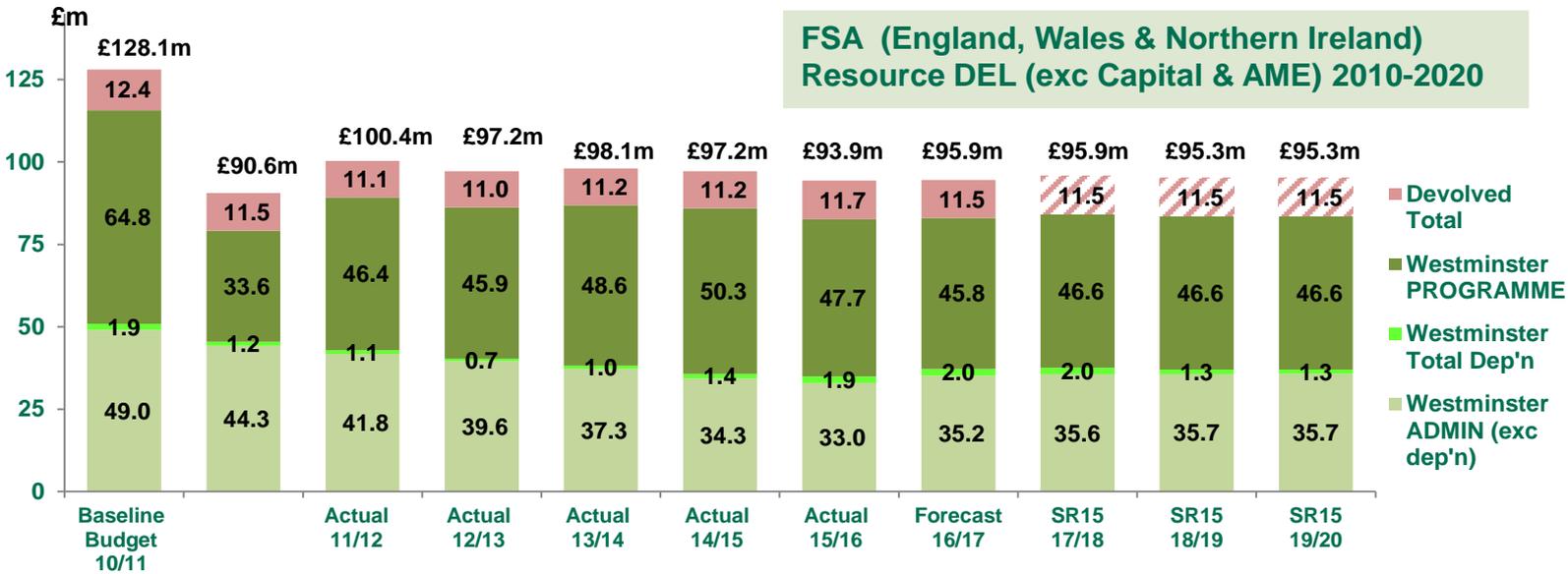
- Westminster Programme, Admin and Capital expenditure is being managed closely within the overall control limits set by HM Treasury
- AME is non-controllable expenditure largely relating to pensions and cannot be switched into other budget categories
- Capital is predominantly for IT initiatives and drives depreciation

Note : Favourable / (Adverse)

Efficiency: SR 2010 & 2015 Trend

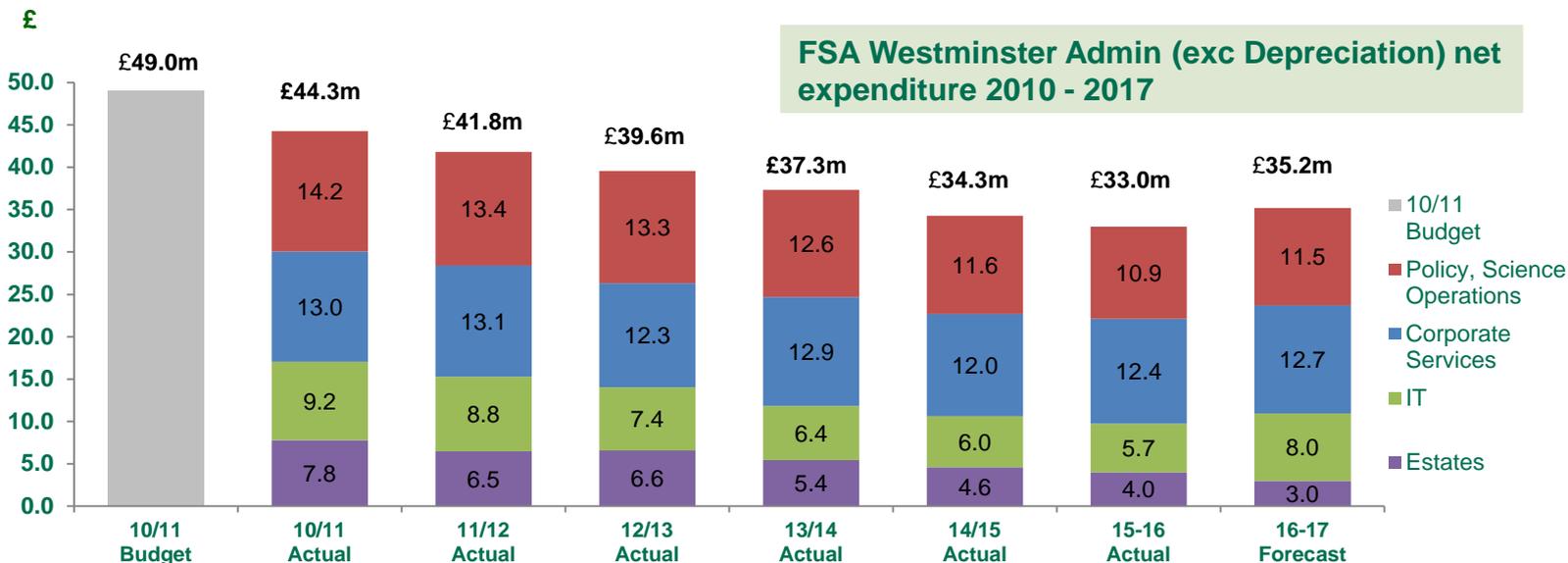


FSA Lead: Director of Finance and Performance



The FSA has maintained 'Programme' expenditure on front line delivery.

FSA has reduced 'Admin' expenditure whilst maintaining the resources dedicated to supporting Science, Research & Local Authority support.



Devolved budgets for 17/18 to 19/20 have not been set

Reduced 'Admin' expenditure delivered through a reduction mainly in IT and Estates expenditure