
PERFORMANCE AND RESOURCES REPORT: Q3 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 how 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. In Q2, we reported a positive indication that this reduction was feeding through into a reduction in human illness. The latest data we had at that time showed a significant drop from the baseline in the number of laboratory confirmed cases of Campylobacter in the UK. In Q3, Public Health England published [data](#) showing there had been 55697 laboratory confirmed cases in England and Wales in 2015 (11% down from 62494 in 2014). Research commissioned by the FSA [estimated](#) that for every laboratory confirmed case of Campylobacter, there are 9.3 cases in the community, so that would equate to approximately 63000 fewer people getting ill from Campylobacter in those two countries. We cannot be certain how much of the drop in human cases is due to the work the FSA has led, as opposed to other factors that may influence campylobacter, but the fact that that contamination levels in poultry have decreased over the same period as

human cases is a positive indicator of our impact. Given the trend, 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 across the UK, measured against a counterfactual of how many cases there would have been without the industry action that has resulted from the FSA's campaign.

- **FHRS – FBO performance:** The trend of improving FHRS ratings continued in Q3 2016/17 (slide 6). As in Q2, across the three countries both the highest level of performance and the greatest rate of improvement in performance in Q3 was in Northern Ireland (where 98.7% of premises achieved a FHRS rating of 3 or above, up from 97.8% at the end of Q2, and where 72.4% of premises achieved a 5 rating, up from 70% at the end of Q2). This strong performance appears to be linked to the display of FHRS scores becoming mandatory there. The improvement in Northern Ireland repeats the pattern when the statutory scheme came into force 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 – an issue the FSA is considering as part of our Regulating Our Future programme.
- **FHRS – Consumer awareness:** The FSA has new data on consumer awareness of the FHRS scheme (slide 7). People are increasingly aware of the scheme, and – of those people who report being aware of hygiene standards when they buy food – the proportion of those who are influenced by hygiene stickers continues to rise.
- **Hygiene standards in the meat industry:** Across the three countries, there was little change in the proportion of meat food business operators achieving 'good' compliance with regulations in Q3. However, the number of meat businesses achieving this level of compliance by the end of 2016 had increased by 7% from the start of the year (slide 9).

Animal welfare

4. The FSA continues to focus on animal welfare in slaughter houses. Reported non-compliances have fallen on the equivalent quarter last year, and we are working closely with the poultry industry to explore sharing of best practice to address the higher proportion of establishments in this sector reporting incidents (30% in Q3, up from 27% in Q2, compared to 14% in Q3 for red meat slaughterhouses).
5. Whilst the report provides the total number of animals slaughtered in the quarter for red meat and poultry, the number of non-compliances does not directly equate to the number of animals involved, because an incident can affect more than one animal. The data of how many animals are involved in each instance is not currently recorded. The new welfare reporting system, Chronos, will allow the OV to record the number of affected animals by a welfare incident in a separate field. The plan is to start using Chronos as the data source for this section of the

Performance report from Q4, providing the Business Committee with a clearer picture of how many animals (and percentage of throughput) are affected.

FSA PERFORMANCE

Delivering the FSA's business plan

6. The FSA delivered 93 of the 105 milestones in quarters 1-3 of its corporate business plan for 2016/17 (slide 15). Work started but was not complete on 5 further milestones. 7 milestones had not been delivered by the end of Q3:
 - 1 was delivered in January;
 - 2 were on the FSA's surveillance programme, due to the new SRO and the executive management team implementing change to the programme in Q3 in order to meet the new strategic approach to [surveillance](#) that the Board agreed in November. A new programme manager is now in place, a new project mandate has been produced, the programme held a successful summit¹ with a wide range of external delegates, and both the milestones should be delivered in Q4;
 - work on 3 of the milestones (on improving the inspection model for meat, the implementation of the FSA's communications strategy, and a piece of consumer research) is underway and should be completed in Q4;
 - 1 (on the science, evidence and information programme) was put on hold due to other priorities.
7. The Business 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
8. There was good progress across all four priorities in Q3 (slides 16 and 17). The Regulating Our Future programme held an event with SMEs, completed the programme's initial pilots, and continued to refine the target operating model.
9. In January, the FSA announced the [outcome](#) of the tender for the supply of Official Meat Control services in meat plants. The tendered service will begin on 27 March under a two-year tender valued at £43.4 million.

Preparing to leave the EU

10. In Q3, the FSA continued detailed planning to prepare to leave the European Union. The FSA is one of the departments with the most legislation originating from the EU, and we are assessing how no longer being a member of the EU will impact our work.

¹ <https://www.food.gov.uk/news-updates/news/2016/15753/food-surveillance-summit-get-involved>

11. Extensive engagement with businesses has highlighted opportunities and risks, which the FSA has incorporated into its thinking. We ran a series of round tables with businesses of all sizes across England, Wales and Northern Ireland, and held bilateral meetings with representatives of the most affected sectors.
12. We undertook consumer research to identify how views have shifted since the referendum, to ensure that we and others in government are working with the most up-to-date information about the interests of consumers in relation to food.
13. We held detailed discussions with our Local Authority delivery partners, including Port Health Authorities, on how we will continue to work together to deliver our regulatory responsibilities in the lead up to, and after, leaving the EU. The outcome of this work is being drawn together to inform the FSA's EU Exit Programme, which will be incorporated in our change portfolio.

Public trust and awareness

14. The FSA exists to protect consumers' interests in relation to food, and providing people with information and advice is a critical part of how the FSA fulfils its statutory duties.² For this reason, key performance measures for the FSA include our reputation and public trust and awareness.
15. In Q3, public awareness of the FSA was down slightly from Q1 (from 78% to 76% – see slide 8). However, there has been no change in the level of public trust in the FSA, which remains at 66% – the highest it has been since we started measuring it 6 years ago.

Open data

16. Openness and transparency are 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. We published 36 datasets in Q3 (slide 18), bringing the total published to date to 92 (34%). FSA Directors are reviewing plans for publishing remaining datasets to ensure that we meet our target, and we have the infrastructure in place and tried and tested publication processes.
17. The total number of datasets rose by 20% in Q3 (from 226 at the end of quarter 2 to 269 by the end of quarter 3). Increasing the number of datasets identified for publication as open data affects the overall rate of progress to the final target of 95%, but this is outweighed by the benefit of having an accurate and complete list of the data we hold so we can better exploit and utilise it, or consider whether there is an ongoing need for it.
18. A significant proportion of the data not yet published is in preparation, and while the target is ambitious, we are still striving to achieve it by the end of 2016/17. We will review the target with the Business Committee at the end of Q4.

² For example, Section 7(2) of the Food Standards Act (1999) states that the Agency has the function of "ensuring that members of the public are kept adequately informed about and advised in respect of matters which the Agency considers significantly affect their capacity to make informed decisions about food."

People Survey

19. The FSA has a corporate objective to continue to improve staff engagement levels to be on a par with the high performing units in the Civil Service as measured in the People Survey. It is therefore disappointing that following last year's great improvement, we have not managed to build on that momentum and our staff engagement score has dropped slightly (from 60% to 58%), although it remains much better than it was in 2013 and 2014 (slide 19). The executive management team have produced an action plan with the aim of improving scores next year.

Budget

20. The FSA's overall financial performance remains on track for 2016/17, with forecast outturn projected to be within budget for all the major items of programme and admin expenditure (slide 23).

Next steps

21. Once the Business Committee has agreed the FSA's priorities for the remainder of the Strategic Plan, Board Members will discuss KPIs for those priorities with the executive, including the new CEO. We will then monitor performance against those KPIs in this report, together with a refresh of the style.