
CHIEF EXECUTIVE'S REPORT TO THE JUNE BOARD

GENERAL ACTIVITY UPDATE

1. In this, my first update to the Board, I can report that I have spent my first few weeks in post meeting with staff and a range of key stakeholders. I have also made changes to the way we manage our people, our money and our change programme.
2. I have continued to build on the Food Standards Agency's (FSA) close working relationships with Other Government Departments, through meetings with the Department for Environment and Rural Affairs (Defra), Food Standards Scotland (FSS) and the Department of Health (DH), to discuss a range of shared interests, including Regulating Our Future (ROF), and the UK's exit from the European Union (EU).
3. I have also met with Which? to discuss areas of mutual interest including food safety for consumers in light of modernising regulation.
4. I accompanied the Chairman, Heather Hancock, to a number of meetings including the Royal College of Veterinary Surgeons (RCVS) and the British Veterinary Association (BVA), the Department for Business, Education and Skills (BEIS) and the Public Bodies Reform team in Cabinet Office.
5. Earlier this month, I attended the British Meat Processors Association (BMPA) Annual Conference, where it was helpful to discuss with industry experts the issues and challenges facing the meat industry, and I met with Lord Rooker to discuss the future of meat inspection. I also had the pleasure of attending the Food and Drink Federation (FDF) Industry Dinner last week.

OUR PEOPLE

Our Priorities

6. Last month, together with Directors, I held a series of all-staff meetings ('Strat Chats') across the FSA's four office locations (Belfast, Cardiff, London and York) to talk about our strategic priorities, set by the Board in March. These meetings provided an opportunity to celebrate the FSA's many successes in the first two years of our strategic period and to also explain more about our priorities going forward. We also used them to launch a series of visuals that we have produced to help people engage with the FSA's strategic priorities and understand more about them.

7. Staff feedback has been positive, 87% found the 'Strat Chats' useful with 76% having a better understanding of corporate priorities. People were proud to hear more about our achievements, pleased to have clarity about our priorities, and glad of an opportunity to raise any questions about our future plans direct with the Executive Management Team (EMT). To ensure that a consistent message on our achievements and plans was also delivered to our Operations colleagues, all materials, including a video message from me and the presentation from the meetings were shared with managers in Field Operations. As part of our plan to respond to feedback and increase the visibility of our senior leaders and understanding of our corporate priorities, these meetings will now form a regular element of our internal engagement with the next meetings planned for September and December.

Physical spaces

8. The FSA has agreed in principle with the Government Property Unit (GPU) in Cabinet Office, to take all of the seventh (top) floor and most of the sixth floor of Clive House (Petty France, Westminster) for 10 years. We are planning to move in November this year.

People Offer

9. The People Offers and associated guidance were successfully launched on 21 March 2017. This included: creation of Our Ways Of Working (OWOW) hub on FoodWEB for all guidance; targeted emails to all staff; live Yammer chats and drop in sessions for staff and managers. Feedback on the launch and the detailed guidance has been resoundingly positive with over 80% of staff surveyed stating that they have the right amount of information about OWOW and the People Offers.

Business Continuity and Aviation House closures

10. The FSA's business continuity plans were invoked over the Easter period when Aviation House was closed due to electrical faults. The plans worked well, with full functionality restored to Aviation House during the week commencing 24 April. Feedback following the incident however, identified that improvements to internal messaging would benefit future incident management. A week of internal communications activity to promote greater awareness of business continuity plans and procedures was held during the week commencing 15 May.

EXIT FROM THE EU

11. Work continues in preparation for the UK's exit from the EU. As the regulator for the food industry and the UK's Central Competent Authority for food safety regulation, the UK's departure from the EU will have a very significant impact on the FSA. Around a third of the food we consume in the UK is imported from the EU; food safety regulation is largely EU based and a significant number of the officials who carry out controls on behalf of the FSA in approved food businesses are nationals of other EU Member States.
12. As previously reported to the Board, we have established an EU Exit programme within the FSA's change portfolio. The EU Exit Programme Board, which is made up of our EMT, also includes the FSA Chairman as a non-executive Programme Board Member.

REGULATING OUR FUTURE

13. Regulating Our Future (ROF) continues to make good progress across the breadth of its scope¹ and has recently undertaken a full review of its overall delivery plan. The programme has been structured in two phases based on delivery up to EU exit (phase 1) and Post EU exit (phase 2).
14. The latest wave of nationwide Local Authority engagement, which was delayed due to the constraints of Purdah, began on 16 June. These sessions will update delivery partners on our latest thinking and allow them an opportunity to provide their views and contribute to the ongoing development of the future operating model.
15. Representations have been made to Rebecca Evans AM, Minister for Health and Social Services, National Assembly for Wales, about the direction of travel of the FSA's ROF programme. The Welsh Local Government Association and Directors of Public Protection Wales have expressed concerns relating to the engagement process and concerns about possible implications they foresee for the cohesive and robust regulatory regime which exists in Wales. As a consequence of these concerns, and mindful of Welsh Government's position statement of December 2016 on the ROF proposals, the Minister has commissioned a new working group to consider wider engagement with the ROF programme, particularly in respect of the Welsh Local Government landscape and Local Authority updates and consultations. Terms of reference and membership of the group are currently being drawn up by Welsh Government

¹ June 2017 Board paper - FSA 17-06-10 Regulating Our Future Programme Update:
<https://www.food.gov.uk/sites/default/files/fsa170610.pdf>

officials. The working group will be led by the Chief Environmental Health Officer for the Welsh Government. The FSA will be an integral part of the group.

EFFICACY OF RECALLS PROJECT

16. The Efficacy of Recalls project remains on track. Field work for the research phase of the project and analysis of the findings was completed in May. The External Stakeholder Reference Group (ESRG) was presented with the findings on 15 June and their views were gathered on what the research shows as being priority areas for improvement, as well as suggestions as to how these might be implemented.
17. The project team will now be finalising these findings, developing a prioritised implementation plan for further discussion with stakeholders and EMT over the summer, and then presenting to the FSA Board in September.

CAMPYLOBACTER

18. I am delighted to report that the latest figures from our *Campylobacter* retail survey published last week show that overall 6.5% of chickens tested positive for *Campylobacter* within the highest band of contamination (more than 1000 colony forming units per gram (cfu/g)). This is down from 9.3% for the same period in 2016. Looking at that result in more detail, among the nine retailers with the highest market share, this drops even further to 5% of chickens tested positive for *Campylobacter* within the highest band of contamination.
19. *Campylobacter* reductions remain one of the FSA's important policy objectives and we will continue to encourage industry action so that the reductions achieved so far are not only maintained but that overall levels continue to fall.

FOOD HYGIENE RATING SCHEME

20. In Northern Ireland (NI), the vast majority of food businesses within scope have now received their statutory rating under the statutory food hygiene rating scheme (FHRS) introduced in October 2016. The remaining businesses will receive their statutory rating by October 2017 (in line with the 12 month transition period). For the first time since the introduction of FHRS in 2010, 99% of rated businesses in NI have a rating of 3 or better (compared to 95% in Wales and 94% in England). This increase in standards can largely be attributed to the FSA and District Councils' preparatory work and assistance provided to businesses in the run up to introducing the statutory scheme.
21. FSA NI has recently launched a public consultation on the Food Hygiene Rating (Online Display) Regulations which will require those businesses that provide food by means of an online ordering facility to display a valid rating on such a

platform. This consultation will end on 14 July 2017 and covers the key principles of the requirement as well as the prototypes for the online display icon. Further details on the consultation can be found here: <https://www.food.gov.uk/news-updates/consultations/2017/fhrs-online-2017>

22. FSA Wales is continuing its review, in collaboration with Welsh Government officials, of the statutory guidance on the Food Hygiene Rating (Wales) Act and associated regulations. The revised guidance will reflect changes since the legislation came into force, and include advice on the Food Hygiene Rating (Promotion of Hygiene Rating) (Wales) Regulations 2016 which requires takeaways to provide a bilingual statement on publicity materials directing customers to the food hygiene rating website.
23. The new Public Health Bill, passed by the National Assembly for Wales on 16 May, enables a 'food authority' under the Food Hygiene Rating (Wales) Act 2013 to retain fixed penalty receipts resulting from offences under that Act, for the purpose of enforcing FHRS. Currently, Local Authorities are not permitted to retain these receipts. This will assist Local Authorities in recovering the costs associated with addressing cases of non-compliance and help maintain the ongoing success of FHRS in Wales.
24. Work to develop proposals for the delivery of a statutory scheme in England continues in alignment with the ROF programme. The FSA has introduced the policy to allow Local Authorities to use powers under the Localism Act (2011) to charge a fee for re-inspections requested by food businesses to re-assess their Food Hygiene Rating. This should assist Local Authorities by allowing more timely re-inspections. The decision to charge on a cost recovery basis, and the calculation of the costs, is a matter for each Local Authority. This aligns the scheme in England with the statutory schemes in Wales and Northern Ireland where a charge is already made for this service. The Brand Standard has been amended to reflect this change.

SCIENCE UPDATE

Surveillance

25. The surveillance programme will deliver a new strategic approach which meets the World Health Organization (WHO) definition of the "on-going systematic collection, collation, analysis and/or interpretation of data, followed by dissemination of information so that directed action may be taken".
26. A new surveillance concept has been developed to ensure that the FSA has a foundational capability in place to drive Agency priorities. Our approach will be

based on iteration of the key phases of scan, spot, narrow and evaluate. This will involve the following activities as part of four main work streams:

- i. Analysis of existing approaches and new surveillance concept through a series of different pilots;
- ii. Development of an internal data and intelligence assuring network;
- iii. Identification, analysis and engagement of external stakeholders for the development of a data and intelligence sharing network;
- iv. Engagement of industry experts to survey near-future data and intelligence technology to enhance the FSA's capability.

27. The aim of the programme is to have a new functioning surveillance system in place by March 2019. Once fully operational, the programme will provide the FSA and other stakeholders across the food system with novel insights, which will drive a prioritised action in the protection of consumers. Further detail about the programme is set out in the annex to the Board paper on Horizon scanning² to be discussed today by the Board.

AMR Surveillance Study on Retail Chicken and Pork

28. The FSA is commissioning a UK-wide baseline study in 2017 on antimicrobial resistance (AMR) on *Campylobacter* in retail chicken and *Salmonella* in retail pork to fill the evidence gap identified as a surveillance priority following the AMR systematic review.³ Selected commensal organisms (e.g. *E.coli*, *Klebsiella*, *Enterococcus* spp.) will also be included, as AMR is not an issue restricted to pathogens. The study will complement the survey already being undertaken as co-ordinated action across the European Union.⁴ The main outcome of this study will be to support future on-going surveillance work on AMR, monitor trends in emerging risks from AMR and to help inform our risk assessment on AMR in food.

29. Market share data will be used to determine the sampling plan which will include both UK produced and imported meat. This baseline study will be statistically powered on selected matrix/bacterium/drug combinations that provide a reasonable level of prevalence to enable valid analysis of data and comparison with future surveys to be made.

² June 2017 Board paper -FSA 17/06/06 Developing Our Approach to Identifying Risks and Issues Across the Food System: <https://www.food.gov.uk/sites/default/files/fsa170606.pdf>

³ <https://www.food.gov.uk/science/research/foodborneillness/b14programme/b14projlist/fs102127/a-systematic-review-of-amr-in-pork-and-poultry-dairy-products-seafood-and-fresh-produce>

⁴ <https://www.food.gov.uk/science/research/foodborneillness/b14programme/fs102109>

30. All results from the survey will be published in the final AMR Survey report. Any found exceeding legislative food safety limits, or those of significant concern in relation to public health (e.g. colistin resistance, carbapenemase), will be notified to the FSA and brand owners and we will take appropriate action in line with our incident protocols.
31. In line with the FSA's policy on open data, and as part of the final report, we will be publishing a simple list of all the samples we collected and analysed, including information on their provenance (brand data), simply as a matter of factual record. Brand owners will be provided with their individual results during the Survey and will be given the opportunity to comment. We plan to work with retailers on a communication plan before publication of the final report in early 2018.

Science Council Update

32. The inaugural meeting of the FSA Science Council took place on the 16 June with all 7 members and the Chair (Professor Sandy Thomas) in attendance. FSA Chairman Heather Hancock and Chief Scientific Adviser (CSA) Professor Guy Poppy attended and set out the FSA's strategic and science priorities, and its priority questions for the Council. The Council was formally established on 1 April 2017 and completes implementation of the key recommendation from the Triennial Review of the FSA's Scientific Advisory Committees.
33. Details of forthcoming meetings including agendas, papers and minutes will be published on food.gov.uk⁵. Further details about the Council's June meeting are set out in the Board paper FSA 17/06/06⁶ which discusses the FSA's work to develop its approach to identifying risks and issues across the food system, and the central role of the Council in this work.

Chief Scientific Adviser's report on Data Science

34. The sixth CSA's report, on Data Science⁷, was published in April 2017. It highlighted how FSA is working towards its objective of being a data-driven organisation. The FSA works collaboratively with multidisciplinary teams across academia, industry and government brings together a range of data including economic conditions and consumer preferences, information on allergy, nutrition and surveillance. This enables FSA to predict areas of risk and vulnerabilities, which in turn help inform appropriate intervention strategies and approaches to ensure food safety for consumers.

⁵ <https://science-council.food.gov.uk/science-council-meetings>

⁶ June 2017 Board paper - FSA 17/06/06: Developing our Approach to Identifying Risk and Issues Across the Food System: <https://www.food.gov.uk/sites/default/files/fsa170606.pdf>

⁷ <https://www.food.gov.uk/sites/default/files/chiefscientificadviserssciencereport.pdf>

35. The report highlights how the FSA can use data generated by cost-effective technologies such as sensors to gain a comprehensive view of emerging risks in the food chain, and take the necessary immediate steps. In addition, the FSA's ambition is to use similarly generated data from a range of sources to improve the current surveillance approach. We are using data generated from internal and external dashboards to help improve FSA's engagement strategy and identify emerging areas of risks and vulnerability in the UK's import and export markets.

Risk Assessment Unit Review

36. The FSA recently initiated a review of its risk assessment functions (chemical and microbiological). An external reviewer, Professor Paul Leinster from Cranfield University, is leading the review, which will include a series of interviews with internal and external stakeholders. The external reviewer will also consider key background documentation. The review will last for approximately three months until the end of August. The output will be a report with recommendations to the FSA's Chief Scientific Adviser. FSA plans to respond and start implementing the recommendations as appropriate during the autumn.

Research on the Indirect Costs of Foodborne Disease for Consumers

37. Research commissioned by the FSA's Analytics Team provided new estimates of pain and suffering imposed by foodborne diseases (FBD) for ten pathogens deemed to be the most material for FSA and for consumers in terms of the severity of the illness and the cost of FBD to the UK. The corresponding report is due to be published in August 2017.

38. The pain and suffering associated with illnesses caused by these pathogens were estimated using two metrics: Quality Adjusted Life Years (QALYs) and Willingness to Pay (WTP); the latter gives an equivalent monetary value for these costs. Both metrics provide a means to assess and compare impacts across different pathogens and potential control measures. These can be used to improve our impact assessments and economic evaluations for our strategic priorities and policy options to reduce FBD risks, allowing us to compare options and priorities on a more robust basis, helping us target the biggest risks in the most effective ways.

FOOD CRIME

39. In April, at an international conference in Canada, the Head of Food Crime launched the 'Global Alliance' on food crime, in recognition of the borderless nature of the threat. Using law enforcement strategies, techniques and tactics the

Global Alliance, with multi-sector support, will help coordinate and strengthen international activity to prevent, detect and disrupt food crime. Its strategic objectives are to:

- i. prevent food rendered unsafe or inauthentic through dishonesty from entering food supply chains;
- ii. increase the number of offenders apprehended and brought to justice; and
- iii. build global counter-fraud capability and capacity in this area.

40. Work is underway to identify a suitable location to host the inaugural meeting in late 2017. The National Food Crime Unit (NFCU) will chair the Global Alliance for the first three years.

41. The NFCU co-ordinated the UK wide response to Operation Opson, the joint Interpol/Europol initiative to remove counterfeit or substandard food from global markets. As its operational contribution to this initiative, the Unit led a highly successful proactive operation targeting inauthentic product entering the UK. NFCU enquiries are on-going with results due for publication in July 2017.

42. The 2017 Food Crime Strategic Assessment (FCSA), a high level picture of the threat co-authored with Food Standards Scotland, is complete and scheduled for distribution amongst law enforcement and other public sector partners this month.

ANIMAL WELFARE

43. I am pleased to report that the joint industry/FSA protocol on use of CCTV footage will be signed off later this month. We will be working with industry in other welfare areas including poultry transport and cattle and sheep lameness. Our “Deter, Prevent, Detect, Enforce” programme is well under way and is achieving positive results.

NORFOLK MEAT TRADERS LTD

44. We have been successful in a high profile case defeating an appeal by Norfolk Meat Traders against the decision not to grant them full approval. Great Yarmouth Magistrates’ Court ruled that the FSA’s decision was lawful and that neither full nor conditional approval should be granted. The judgement was very complimentary on the consistency and professionalism of the FSA’s witnesses. Costs of over £10,000 were awarded to the FSA. Norfolk Meat Traders are still pursuing legal avenues to challenge our decision.

NEWBY FOODS LTD JUDICIAL REVIEW

45. Newby Foods brought Judicial Review proceedings against the FSA following a UK moratorium in 2012 which meant certain of their products were classified as mechanically separated meat (MSM). The High Court's judgement of 23 March 2016 found that the specific process used by Newby Foods did not result in its pig and poultry products being classified as MSM within the meaning of the definition of MSM in EU food hygiene law. The High Court granted the FSA permission to appeal. The appeal hearing was heard in the Court of Appeal on 9 and 10 May 2017.
46. On 25 May 2017 the Court of Appeal issued its judgment on the appeal of the Judicial Review case brought by Newby Foods Ltd against the FSA. The Court reversed the judgment of the High Court and has found that Newby products in question are MSM. The Court also issued an Order on 25 May under which the pig and poultry products in question produced by Newby must be labelled as MSM from the date of the Order. Newby could sell such pig and poultry products produced before 25 May to meet contractual obligations without labelling them as MSM. The Court refused Newby's request for permission to appeal to the Supreme Court. Under the appeal process Newby can apply direct to the Supreme Court for permission to appeal.

SENTENCING FOR FOOD HYGIENE AND FOOD SAFETY OFFENCES

47. A number of successful prosecutions have been undertaken recently.
48. At Newton Aycliffe, Magistrates Court on 29 March, J A Jewitt (Meat) Limited, the FBO of an approved red meat slaughterhouse, pleaded guilty to two offences under the Transmissible Spongiform Encephalopathies (England) Regulations 2010. The offences concerned the consignment of meat from bovine animals containing those parts of the vertebral column that are specified risk material to premises that were not authorised to remove vertebral column. The company was fined £4,000 and ordered to pay prosecution costs of £2,661.
49. Forest of Dean District Council completed a very complex and in depth investigation lasting over 2 years. Mr David Tomlins trading as "The Country Butcher", of Gloucestershire pleaded guilty to 7 hygiene offences, 1 offence of non-compliance with a Hygiene Improvement Notice, and 2 offences of supplying meat and meat products to restaurants in London without approval. He received fines that totalled £24,000 and the judge awarded the Council full costs amounting to £30,000. Failure to pay the fines within the allotted time scales (28 days for the hygiene offences, 12 months of the non-approved trade, and 24 months for costs) will lead to Mr Tomlins being imprisoned for 12 months.

50. Sefton Borough Council investigated a complaint from a consumer who had an allergic reaction after eating a takeaway meal from Nasib Tandoori in Birkdale, Southport. The customer was reassured her dish would not contain nuts but suffered a serious allergic reaction that required hospital treatment after just one forkful of the lamb bhuna and rice. Tests of the meal were positive for peanut protein. Subsequent investigations also found the premises to be filthy with floors and surfaces covered in dirt and grease. Lal Miah was fined £12,900 and the court was told it was a sad end to a 30 year old business.
51. Trading Standards officers from Leicester City Council prosecuted businessmen who fraudulently sold turkey as halal lamb meat. The Judge commented that “a large number of people have eaten meat that offends their cultural and religious needs” and that their “trickery had seriously impacted upon victims”. Mahmudar Rohmn and Kamal Rahman were each jailed for 5 years after denying the offences at Leicester Crown Court in April. They had passed off 160,000 kilos of non-halal turkey as expensive boneless halal lamb to butchers, takeaways and restaurants in the East Midlands and as far north as Middlesbrough and south to Portsmouth. Estimated profits of between £380,000 - £700,000 were made in the scam that was identified during investigations following the horsemeat incident.