



# Working in partnership

Edition 2  
November 2007

## The MHS Transformation Programme - an update.

In May, the MHS put forward a proposal for transforming the MHS as part of the FSA's review of the delivery of official controls led by Geoff Tierney. The report of the review was discussed by the FSA Board at its meeting in July. The Board decided to back the transformation of the MHS on the understanding that the changes delivered would be even more radical.

Since July, the Transformation programme has been established and a great deal of work done to improve on our initial proposals. We are now assessing what these improvements will deliver in terms of reducing the cost of the MHS and improving the quality of service that we will provide. Information on the individual workstreams of activity is included on page 6.

True transformation will require the MHS to work in close collaboration with FBOs to modernise and rationalise the delivery of official controls in approved meat premises. A key component of this is the opportunity to implement greater flexibilities in the delivery of official controls. To kick off work in this area, two workshops hosted jointly by the FSA and MHS have taken place to look at opportunities for flexibility within the current system and areas where we would like to see efforts to change legislation. The workshops, focusing on red meat and poultry and game, included industry representatives, contractor organisations and the devolved administrations, as well as the FSA and MHS.

It was agreed that the workshops were a great starting point, but work now needs to progress to understand the implication of changes and what needs to be done to deliver them. This is now being tackled jointly by the FSA and MHS.

The guiding principles for a transformed MHS for the next five years were agreed by the MHS Board when it met in November.

The delivery of official controls must:

- Be risk-based, proportionate and consistent;
- Be cost-effective;
- Be proactive in encouraging and improving compliance;
- Be proactive in identifying opportunities for increased efficiency and effectiveness;
- Be delivered in cooperation with FBOs to improve their compliance and efficiency through earned autonomy and effective enforcement;
- Be funded through charging FBOs an increasing proportion of the cost;
- Meet FSA and MHS financial targets; and
- Encourage continuous improvement.

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The MHS business strategy is based on: a focus on quality and price; excellent customer service; effective IT; a single, standard way of working; full funding by industry and Government.

### **Operational delivery**

Official controls will be veterinary-led, with a Lead Veterinarian (LV) managing a 'cluster' of OV-led teams in approved establishments. Field management will be supported by effective mobile IT. The MHS will be viewed by stakeholders as one business. Attendance at approved premises will be risk-based. There will be a reduction in managerial overheads. Administrative tasks will be completed in establishments using effective IT.

Centralised contract management will ensure value for money and greater consistency from contractors, our commercial partners. Flexibility of working will be promoted through having a mixed operational workforce of employed and contract staff. MHS workforce will be efficient, effective and flexible in delivering operational requirements and will be fairly rewarded.

### **Corporate Services**

The services offered by the transformed MHS must be affordable and efficient, and corporate and support services provision must be optimised with a drive for continuous improvement of standard business processes. The continuous drive for efficiency involves:

- 1) Stopping unnecessary tasks
- 2) Adding value
- 3) Simplifying
- 4) Standardising
- 5) Automating
- 6) Sharing services.

The Corporate Services function in MHS Head Office, is currently under review. Andrew Christy, a consultant commissioned by the Food Standards Agency, recently delivered the first draft of his review of FSA and MHS corporate service functions to Steve McGrath, MHS Chief Executive, and Richard Calvert, FSA Director of Strategy and Resources. Andrew has been asked by Steve and Richard to include additional information and evidence in the review to support any conclusions and recommendations. A re-draft is expected within the next two weeks.

### **Transformation programme summary**

The MHS must achieve demanding efficiency and financial targets this year in order to meet the requirements of the FSA Board. These requirements are even more stringent than those we set out in our original proposal. This has made the Transformation programme even more challenging. Therefore, it is pleasing to report that the MHS remains on track with the Transformation programme and we are in line to deliver the efficiencies and cost-savings that our stakeholders are demanding this year.

Transforming the MHS will lead, in the longer-term, to:

- A lean, flexible organisation
- Outcome-focused
- People-focused
- Making effective use of science and technology
- Delivering value for money for FBOs and the taxpayer
- Forming strategic partnerships with external stakeholders

### **MHS response to disease outbreak**

During the current unparalleled situation of disease outbreaks in GB we have been working closely with industry partners to maintain a 'business as usual' approach to supporting industry.

Whilst most restrictions relating to the Foot and Mouth outbreak have been relaxed, there are still a number of restrictions relating to Bluetongue and Avian Influenza in place.

The MHS has continued to communicate with FBO's and members of the Industry Forum through regular updates by letter, email and SMS text alert.

Our aim throughout has been to inform and advise industry as the situation has developed, giving the same information to them as we have given to MHS staff and contractors. This 'one message' approach has been welcomed and feedback received from industry members has been positive.

## Changes to sheep and goat identification rules

FBOs are being invited to discuss the forthcoming changes to sheep and goat identification with OVVs. Defra has issued a letter to FBOs outlining their requirements for identification and we have ensured that all OVVs have a copy.



The changes have come about following the removal in June 2007 of the UK derogation from double tagging, as set out in European Council Regulation (EC) 21/2004.

The EU Commission Food and Veterinary Office (FVO) visited the UK in February 2007 to evaluate our systems for the identification of sheep and goats. The outcome of the mission was that, although improvements in identification systems were noted, overall our systems continue to be inadequate. As a consequence the derogation has been lost and the UK is therefore now obliged to introduce a system of double tagging.

Defra has produced draft guidance for keepers on the rules for identifying sheep and goats in England and this was circulated for comment on 6<sup>th</sup> November at: [www.defra.gov.uk/corporate/consult/double-tagging/index.htm](http://www.defra.gov.uk/corporate/consult/double-tagging/index.htm)

Also included in the consultation were the draft Statutory Instrument and a Regulatory Impact Assessment (RIA) document which considers the possible impact of the proposals, as well as outlining three further options.

### Proposed National Measures

The Food Standards Agency (FSA) wrote to the Commission in February 2007 to advise of their intention to introduce national measures under the Hygiene Regulations. The FSA has now launched a public consultation on a draft to introduce these changes.

The draft Food Hygiene (England) (Amendment) Regulations 2008 also propose a number of national measures in relation to minced meat, certain fresh meat and game meat production.

Details of the consultation, which will close on 4 January 2008, can be found on the FSA website: [www.food.gov.uk/consultations/](http://www.food.gov.uk/consultations/)

The key proposals are:

- changes regarding the number of days between slaughter and the mincing of chilled meat;
- to allow certain slaughterhouses formerly classified as low throughput to be exempt from the requirement to have facilities for detained meat and facilities for cleansing and disinfection of livestock vehicles;
- to prescribe the format for a special health and identification mark to be used on carcasses of animals subject to emergency slaughter outside a slaughterhouse and on the meat derived from such carcasses;
- to provide a legislative framework for carrying out a pilot project at certain low-throughput approved game handling establishments.

## Review of OV audits of FBOs

During 2005, the MHS, FSA and the industry developed procedures to conduct OV audits of FBOs' food safety management systems under the new EU Hygiene package. From the implementation date in January 2006 it was agreed that these procedures would have to be reviewed.

The MHS started the review process in July 2006, running several workshops and meetings involving MHS staff, contractors and industry representatives. MHS internal auditors and FSA auditors also examined the procedures and made recommendations.

As a result of this review, the MHS amended the current audit instructions and audit report form, taking into account the feedback received and the recommendations made.

The changes in the instructions and audit report form were communicated directly to MHS contractors and published in the MHS Manual for Official Controls (MOC) in September. At the same time the MHS ran a 10 week public consultation through which different stakeholders have had the opportunity to comment on the revised instructions.

Following the public consultation period, the Veterinary and Technical Department of the MHS will launch the final version of the MOC audit chapter containing instructions for OVs and a revised audit report form by the beginning of 2008.

Thank you to everyone who took the time to respond to the consultation.

## Changes to the domestic TSE Regulations

The Food Standards Agency is currently consulting on proposed changes to the domestic TSE Regulations in light of the Commission's proposal to increase the age at which bovine vertebral column (VC) is classified as specified risk material (SRM). This is likely to raise the age at which VC is SRM to 30 months.

Details of the consultation for England can be found here:

[www.food.gov.uk/consultations/consulteng/2007/tseamends02eng07](http://www.food.gov.uk/consultations/consulteng/2007/tseamends02eng07)

Details of the consultation for Scotland can be found here:

[www.food.gov.uk/consultations/consultscot/2007/tsescotamend2007](http://www.food.gov.uk/consultations/consultscot/2007/tsescotamend2007)

A Welsh consultation will follow in due course.

## Charging update

Following the FSA board decision in July to approve the 'Transformed MHS' bid, work has begun on developing the proposed time based charging strategy to commence in April 2009 at the latest. A joint letter from the FSA and MHS was sent to FBOs on 28 September explaining that the aim is to develop, in liaison with stakeholders, a new UK wide approach to charging that satisfies the policy framework that was enclosed with the letter.



The MHS Board is currently reviewing the MHS Transformation programme including its cost reduction strategy in parallel with proposed increased revenue recovery targets. Detailed proposals will be announced once the MHS Board has approved the financial targets. At the same time, discussions will be held with industry representatives after the busy Christmas period. Current intentions are to hold the first meeting as early as possible in January and at regular intervals thereafter.

## On the way – FCI / CCIR for pigs!

Pig slaughterhouse operators will know that, from 1 January 2008, Food Chain Information (FCI) will need to be provided for all pigs you receive for slaughter. The MHS will also start feeding back our inspection results (CCIR) to FBOs, producers and their vets on this date.

We are keen to make the process as simple as possible, using electronic methods if we can. So what are the 'e-options' for you and your producers?

**BPEX website** – Particularly if you are a larger slaughterhouse operator receiving a number of pig consignments a week from different producers, you may be interested in signing up to use the new web-based system that BPEX has developed, and encouraging your producers to do the same.



Producers using the system will be able to complete their FCI reports in three simple steps, giving you and your MHS team the FCI details you need electronically before the animals are processed. MHS inspection results will then automatically be emailed back to the FBO, the producer and the producer's vet via the BPEX exchange.

Following initial pilots this year, this system will be open to BPEX assured FBOs/ producers and also non-assured / independent producers and slaughterhouse operators in England and Wales.

If you or your producers would like to sign up to use the system, please email Andrew Knowles at BPEX ([Andrew\\_knowles@bpex.co.uk](mailto:Andrew_knowles@bpex.co.uk)).

The system will be trialled from January until March 2008. If there is sufficient interest, it will be formally launched after March.

**MHS extranet** – As an alternative approach, FBOs may choose to receive hard copy or emailed FCI reports from their producers. These will need to be shared with the slaughterhouse OV. We will then make inspection results available via our new Extranet, which we are preparing for launch in January.

In the run up to Christmas, we will be giving all pig slaughterhouse operators a user name and password so that they can register on our Extranet and access these results. We will also be contacting pig producers to let them know how they can register themselves and their vets onto the system.

Initially, producers in Scotland will be providing FCI by including additional information on movement documents. If the BPEX trials are successful in England and Wales, the system may be extended to Scotland. The MHS extranet will be available to all FBOs and their producers throughout Great Britain.

If you are not able to rely on electronic methods, please discuss local arrangements for feeding back inspection results with your OV.

If you have any general questions about the new requirements and how you can get ready for them, please get in touch with Kenneth Clarke at the FSA ([kenneth.clarke@foodstandards.gsi.gov.uk](mailto:kenneth.clarke@foodstandards.gsi.gov.uk)) or Liz Olney ([liz.olney@mhs.gov.uk](mailto:liz.olney@mhs.gov.uk)).

## Overview of MHS Transformation projects

Workstream	Activity
Contracting	Tendering a new series of contracts for the provision of veterinary and inspection services.
Charging	Examines MHS charging policy, due to change from April 2009.
MHS Structure	Includes the 'Clusters' project, which focuses on the best way to revise the operational structure of the MHS to reduce costs and improve performance.
Internal Support Structures Project (ISSP)	The Internal Support Structure Project is looking at operational activities the MHS currently undertakes and developing options for how these could be carried out in the future.
Corporate Services Review	The CS Review is examining the opportunities for increasing the efficiency and effectiveness of corporate service functions within the FSA and the MHS, and assessing future options.
Veterinary Standards & Operational Policy	To deliver increased flexibility in the delivery of official controls and implementation of improved veterinary management through the development of Lead Veterinarian and Official Veterinarian roles.
eMHS	eMHS is developing and delivering improvements in the electronic MHS systems we use to make them more user-friendly, less-labour intensive and ultimately focused on the needs of the MHS.
IT	The IT workstream covers a range of projects which will ensure that the hardware and software infrastructure gives the MHS the ability to deliver a modern joined-up 'e' enabled service.
Human Resources	Delivering projects looking at a range of issues including; terms and conditions of employment, reward systems, performance management and organisational behaviours and values.
Stakeholder Management	This workstream coordinates all communications with internal and external stakeholders, and provides advice on how messages can be best communicated with optimum speed and accuracy.

## Letter from the Editor

I hope you have found this edition of Link newsletter helpful. We aim to keep FBOs up to date on the latest news and information from the MHS.

Link will keep you up to date on EU policy changes, notifiable diseases, changes within the MHS, and other issues that affect your business, as well as providing advice on compliance and best practice, so we can work together effectively to ensure that you produce safe meat. In response to your feedback, we will now issue the newsletter on a monthly basis. We want Link to be a useful and informative publication. Please contact us with any suggestions, comments or ideas for articles via the dedicated Link mailbox [link@mhs.gov.uk](mailto:link@mhs.gov.uk) or call 01904 455558. This is your opportunity to tell us about the issues most important to you.

We look forward to hearing from you.

**The MHS Communications Team.**