
PERFORMANCE AND RESOURCES REPORT Q3 2017/18

Food Standards Agency
Business Committee
14 March 2018



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FOREWORD

BY CHRIS HITCHEN, DIRECTOR OF FINANCE AND PERFORMANCE



THE FSA's PERFORMANCE IN THE 3RD QUARTER OF 2017/18 saw further good progress being made against the 3 strategic priorities set by the Board; Exiting the EU, Regulatory Reform (Regulating Our Future) and Doing the day job exceptionally well.

On its 1st strategic priority, the FSA has seen good progress made on its EU exit programme (page 9). The FSA has re-prioritised some of its own resources to support the EU exit Programme, and continues to work closely with HM Treasury on the bid for the additional resource needed in 18/19, in addition to the 17/18 funding already approved by HM Treasury, all of which supports the FSA expenditure committed. We continue to develop detailed EU Exit plans for all scenarios. We've also been engaging with counterparts from the Devolved Administrations on related food safety matters as well as finalising the business case and plans for Phase II of the National Food Crime Unit.

On its 2nd strategic priority of regulatory reform the Regulating Our Future programme has also seen significant progress, with completion of the latest Alpha phase on the Registration workstream being completed. A decision to move to the Beta phase of Registration will be made by the Programme Board in March. FSA continue to work closely with the Cabinet Office Regulatory Futures team on its sustainable funding workstream, and are working closely with a partner organisation on how best report the performance measures and benefits of the RoF Programme.

Good progress has also been made on the 3rd priority of doing the day job exceptionally well. Peoples' Awareness and Trust in the FSA continues to be strong – with the FSA now ranking 10th of 64 government organisations (slide 5). FHRS performance shows overall business compliance improving - the number of ratings of 2 and below continue to fall - down 0.1bps since Q2 (slide 6); those rated 5 increased 0.6bps from Q2. Food Business Operator Compliance also continues to improve, with a 50bps in Q3 (slide 7).

The People Survey was conducted in October 2017, highlights of those results have been included as additional slides (slides 12-14). The FSA's staff engagement score increased from 58% in 2016 to 60% in 2017 (slide 12). The FSA's action plan is in place - working with staff, focusing in particular on the 2 aspects of engagement which dropped in the survey to support further improvements in engagement (slide 14). Staff attrition dropped to 3.2% for the quarter (annualised), with headcount increasing in the quarter and a new recruitment process in Policy was an extensive campaign (using strength-based interviewing) to fill 7 vacancies. It resulted in 100% of the posts being filled, as well as generating a significant number of suitable reserves as well.

The FSA also saw key milestones delivered on other key Programmes (slide 10). On the Our Ways of Working Programme - Physical Spaces workstream, the FSA successfully relocated to its new London HQ at Clive House, reducing its space by 34% - this was in addition to the reduction of 40% achieved at the York HQ re-stack of Foss House, also in Q3. Evolve IT saw the FSA's successful off-boarding of its Capita IT contract in February delivering underlying future savings of 20%. On the People Strategy Programme, the Executive Team approved the new staff performance management system to move to delivery stage and to be implemented from 1 April 18.

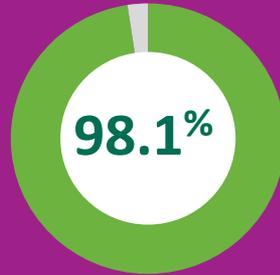
Resources remained on track with FSA spending forecast to be within all HMT limits - a separate March paper summarises the priorities and resources.

78%

of people are aware of the FSA

70%

of those aware trust the FSA to do its day job



98.1%

meat FBOs rated Satisfactory or above for compliance

67.5%

of total food businesses achieved an FHRS rating of 5 ('very good')

EXECUTIVE SUMMARY

OUR PERFORMANCE IN Q3 2017/18



Food Standards Agency
food.gov.uk

10th

Out of 64 other government agencies for FSA's public reputation



Public Reputation up 1 place from 11th to 10th

60%

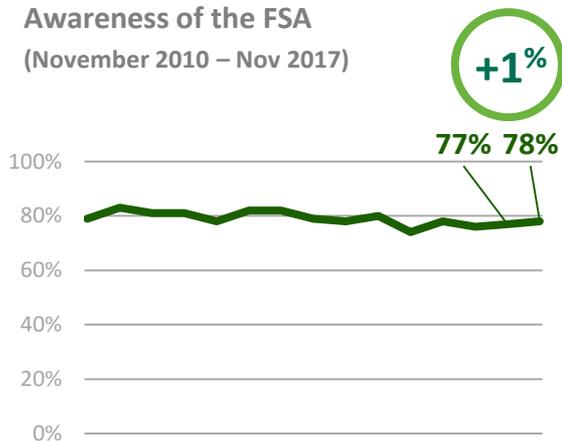
2% increase in staff engagement since 2016 people survey

Only 5% away from Civil Service high performers

FOOD IS SAFE
AND WHAT IT
SAYS IT IS

PEOPLE ARE AWARE OF AND TRUST THE FSA

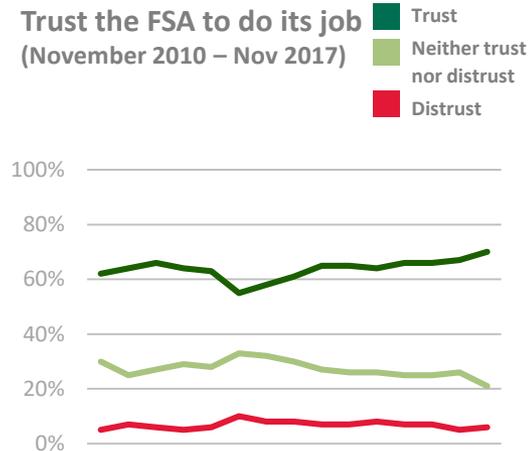
Awareness of the FSA
(November 2010 – Nov 2017)



78%

Are aware of the
FSA

Trust the FSA to do its job
(November 2010 – Nov 2017)



70%

of those aware of
the FSA trust the
FSA to do its job

UK Public Reputation
April 14 – Nov 2017



10th

out of **64**
government
organisations



11th to 10th place on public reputation

FOOD IS SAFE
AND WHAT IT
SAYS IT IS

FOOD HYGIENE RATING SCHEME



% of food businesses within the scope of FHRs achieving FHRs rating of '5 – very good'
December 2016 – December 2017 (England, Wales and Northern Ireland consolidated)



Food businesses rated as part of the scheme are achieving a rating of '5 - very good



% of food businesses within the scope of FHRs achieving FHRs rating of 2 or lower
December 2016 – December 2017 (England, Wales and Northern Ireland consolidated)



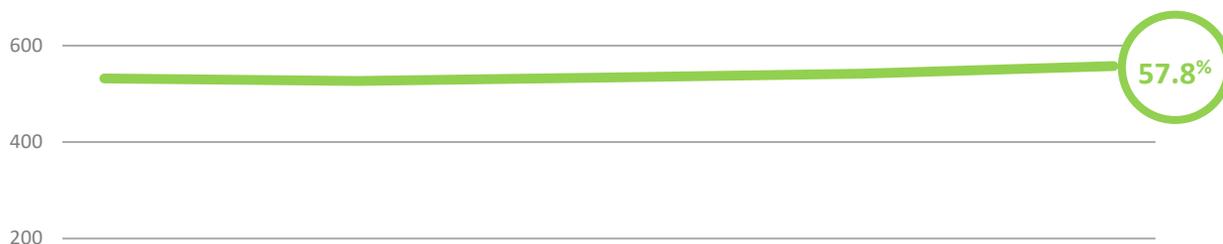
+0.6% increase of 5 ratings since Q2

-0.1% decrease in ratings of 2 or lower since Q2

FOOD IS SAFE
AND WHAT IT
SAYS IT IS

MEAT FOOD BUSINESS OPERATOR (FBO) COMPLIANCE

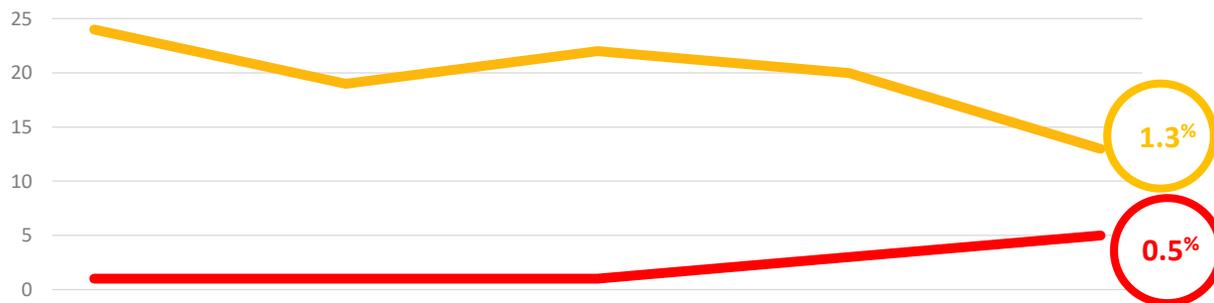
Number of Meat FBOs rated 'good' since December 2016 – December 2017 (England, Wales and Northern Ireland consolidated)



98.1%

FBOs rated
satisfactory or above
for compliance

Number of Meat FBOs rated 'improvement necessary' or 'urgent improvement necessary'
December 2016 – December 2017 (England, Wales and Northern Ireland consolidated)



18

FBOs rated
improvement
necessary or below
for compliance



+0.5% increase in compliance since Q2

Q3 2017/18 (October - December)

Q4 2017/18

Target Operating Model

Prioritised Requirement List for each quadrant of the model
 **Delivered**

Enablers

User stories v1
 **Delivered**

Charging Feasibility Review (baseline)
 **Delivered**

Change Management

CECAN Case Study
 **Delivered**

Revision of Logics Benefits Model to reflect TOM and KPI
 **Delivered**

Operating Model (field operations)

Agree plan and methodology
 **Delivered**

Gap analysis (Used to inform operating model, contracting arrangements and services)
 **Delivered**

As-is Operating Model articulated to stakeholders
 **Delivery underway***

Future proof contractual arrangements

Agree scope and define requirement
 **Delivered**

Pipeline current commercial arrangements
 **Delivered**

Industry strategic review of official controls

FSA Engagement with strategic review regarding recommendation
 **Delivered**

Key

-  Delivered to schedule
-  Off track but no overall delay anticipated
-  Off track

DELIVERING OUR CORPORATE PRIORITIES

Q3 2017/18 (October - December)

Q4 2017/18

EU EXIT

Detailed delivery planning (process design v1)

✓ Delivered

Internal Audit on Planning for Exit

✓ Delivered

Assess web analytics including new website

✓ Delivered

Evaluate IOA publication and if effective roll out

✓ Delivered

Complete roll-out of IOA publication

✓ Delivered

Food.gov.uk Beta (private)

✓ Delivered

Access to new external data sources

✓ Delivered

Stakeholder engagement on 4 phase model (scan, spot, narrow and evaluate)

✓ Delivered

Initiate operating model design & capability planning

✓ Delivered

Pilots commissioned, results received and summarised into recommendation to inform a future operating model

✓ Delivered

Playback POCs & start developing future POCs with in/external networks

✓ Delivered

Data & Digital

Surveillance

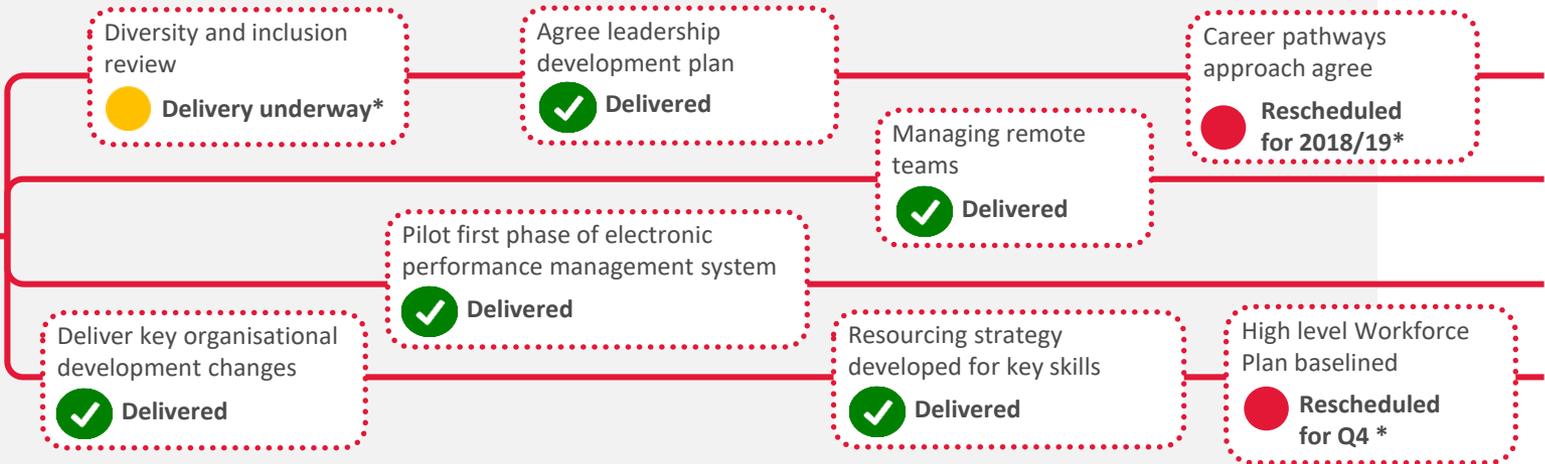
DELIVERING OUR CORPORATE PRIORITIES

Q3 2017/18 (October - December)

Q4 2017/18



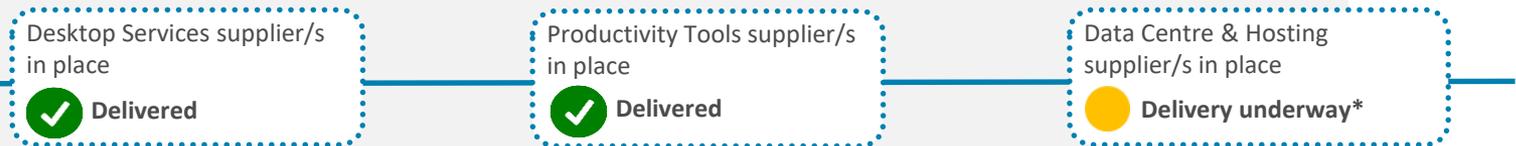
People Strategy



Our Ways of Working



Evolve IT



BEING THE BEST ORGANISATION WE CAN BE

Modern, Accountable Excellent Regulator

FORWARD LOOK TO 2020 (MILESTONES)

2017

2018

2019

2020

EU EXIT

EU EXIT

- Scenario planning
- Preparations to ensure food law continues to function properly from day one

REGULATING OUR FUTURE

REGULATING OUR FUTURE

- Discovery phase for enhanced registration and segmentation
- National Inspection Strategy pathfinders
- Develop revised segmentation policy



SURVEILLANCE

- Proof of concepts inform new approach to surveillance and information gathering



OUR WAYS OF WORKING

- New people offer contracts
- Launch our ways of managing
- Foss House evolution



EVOLVE IT

- Improved digital productivity tools
- New laptops and tablets



DATA & DIGITAL

- Publish open data sets



PEOPLE STRATEGY

- FSA Values
- Our ways of working management toolkit
- Design management development programme
- 1st apprenticeship programme

EU EXIT

EU EXIT

- Delivery plans approved
- Business case to HMT
- Legislate using the powers of the European Union (Withdrawal) Bill

REGULATING OUR FUTURE

REGULATING OUR FUTURE

- Field trials for registration
- Formal consultation for segmentation
- Define future roles of FSA, Local Authorities and private assurance



SURVEILLANCE

- Prototype model for surveillance



OUR WAYS OF WORKING

- New London office
- Consolidated contracts for plant-based operational staff



EVOLVE IT

- Exit from Capita contract
- FSA-owned IT model in place



DATA & DIGITAL

- New Food.gov.uk Digital Workplace



PEOPLE STRATEGY

- 2020 Workforce plan
- Senior Leadership programme
- New performance management scheme
- Talent management
- Diversity strategy and roadmap

EU EXIT

EU EXIT

- UK exits the EU: implement FSA exit plan
- Functioning domestic food law

REGULATING OUR FUTURE

REGULATING OUR FUTURE

- Implement digital solution for enhanced registration
- Apply Food Business Operator segmentation
- Develop standards for regulated private assurance



SURVEILLANCE

- New functioning surveillance system in place

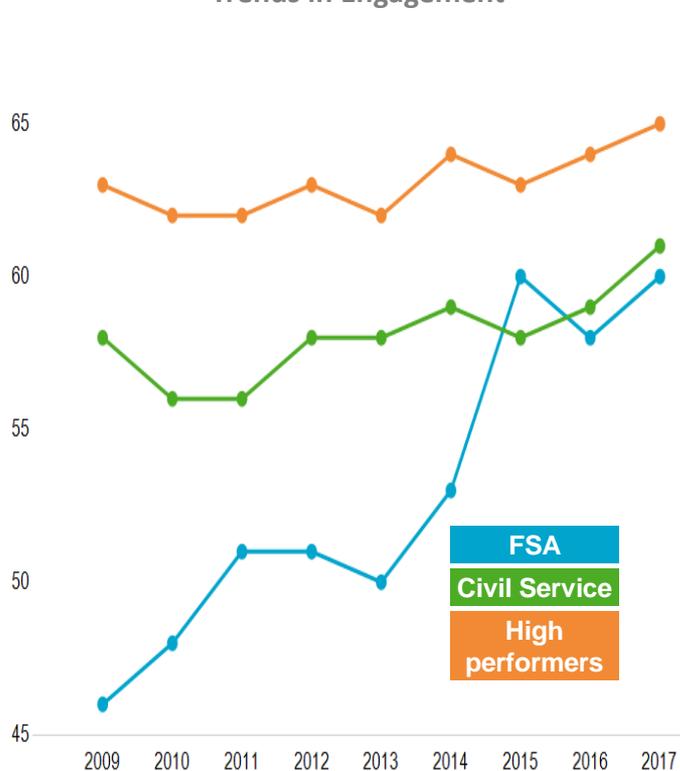
REGULATING OUR FUTURE

FOOD WE CAN TRUST

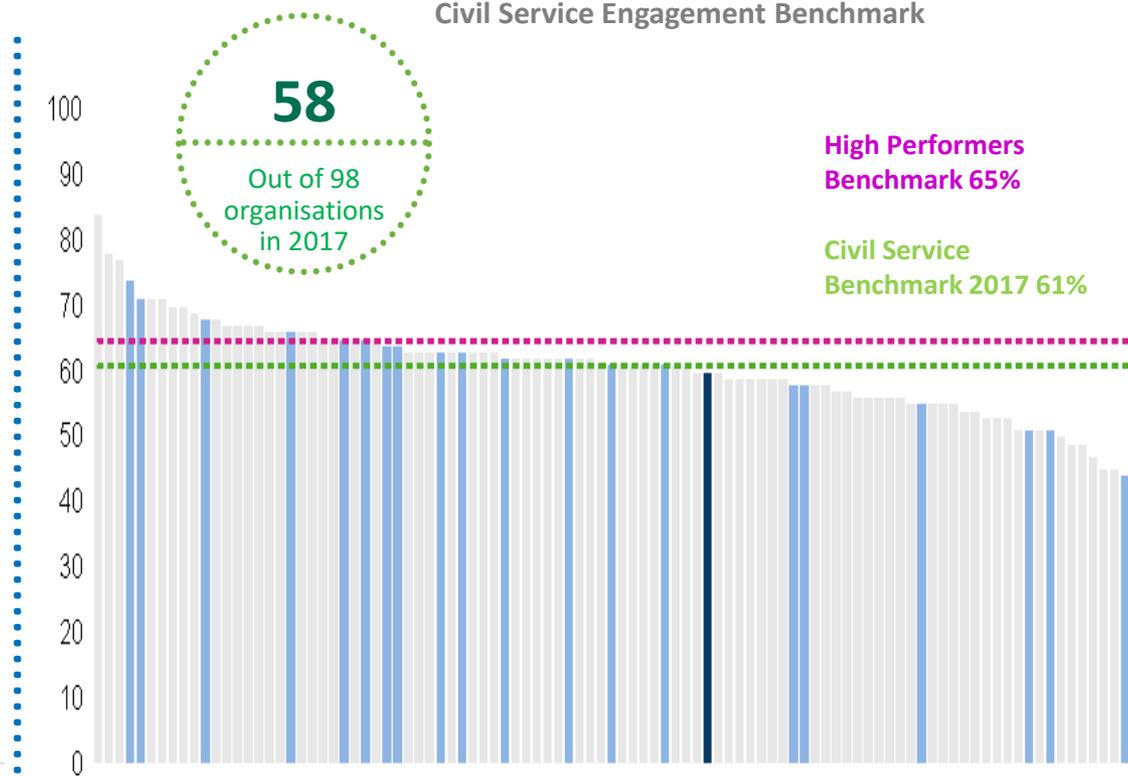
Food we can trust in a global market outside the EU

New regulatory model launches

Trends in Engagement



Civil Service Engagement Benchmark



Each bar represents an organisation. FSA is indicated by the dark blue bar. Lighter blue bars represent other organisations in the same size band (organisations with 1,000 to 2,499 employees)

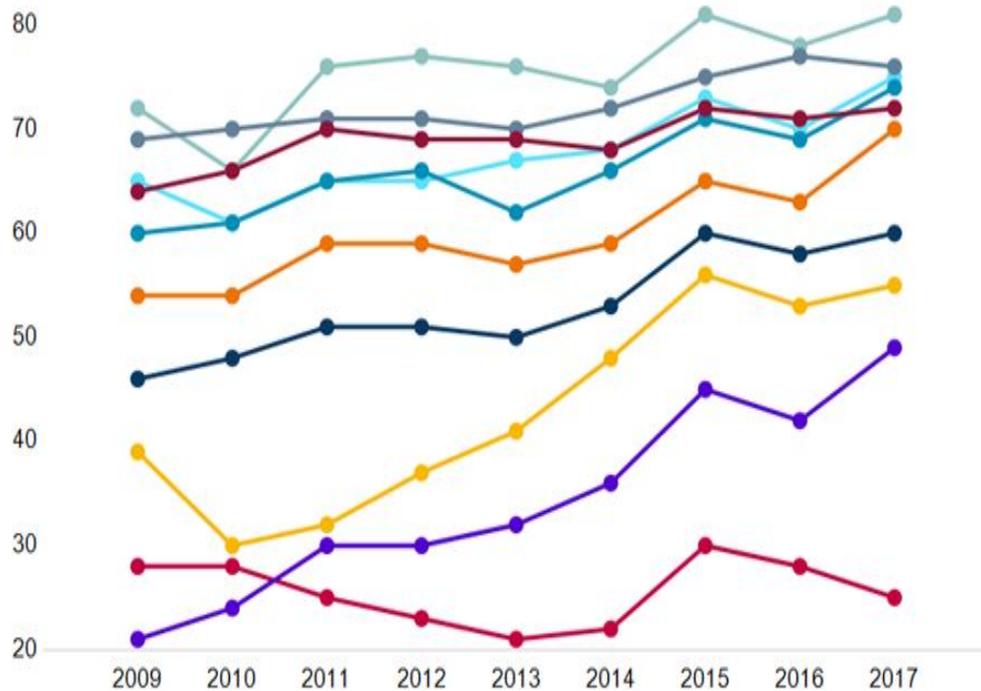
2016 score was **58%**

2017 score was **60%**

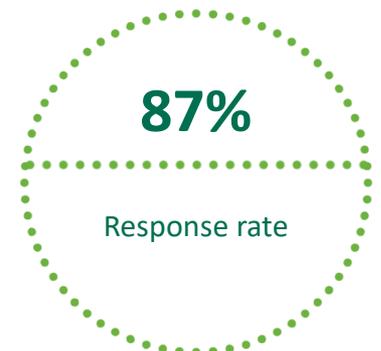
Up **3** places since 2016



People Survey: Trends in FSA by theme 2009-2017



- Engagement Index
- My work
- Organisational objectives and purpose
- My manager
- My team
- Learning and development
- Inclusion and fair treatment
- Resources and workload
- Pay and benefits
- Leadership and managing change



Engagement 2% increase from 2016

MAKING THE FSA A GREAT PLACE TO WORK

The 2017 people survey showed small decreases in my team and pay & benefits and small improvements in scores across all the questions relating to staff engagement.



Decrease in those staff who feel people doing a similar job in other organisations feel their pay is reasonable (22%)



Increase in those who would recommend the FSA as a great place to work (49%)



Decrease in those who feel the people in their team can be relied upon to help when things get difficult in my job (78%)



Increase in staff who said the FSA motivates them to help it achieve its objectives (50%)



Increase in those who feel the FSA keeps me informed about matters that affect me (62%)



Increase in staff feeling it is safe to challenge the way things are done (44%)



Increase in staff who felt change is managed well (34%)



Increase of respondents who have reported receiving regular feedback on their performance (73%)

Corporate Action Plan focus areas

Pay & Benefits



Bullying / Harassment / Discrimination / Safe to Challenge



Managing Change



Leadership

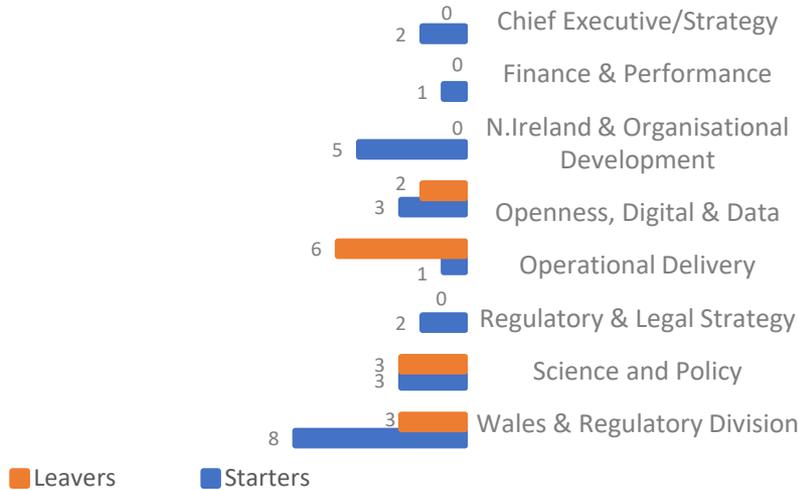




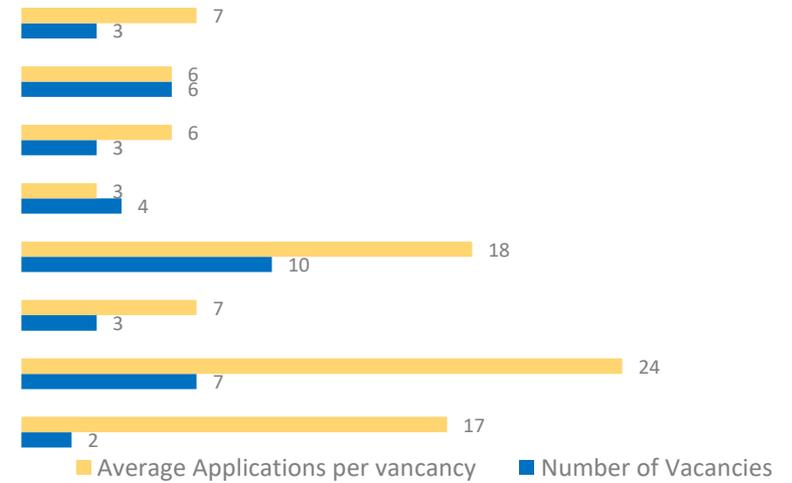
MAKING THE FSA A GREAT PLACE TO WORK



Starters and Leavers by Business Area Q3 2017



Live Vacancies by Business Area Q3 2017



Annualised Attrition by Quarter



11 fewer staff at Q3 2017 than Q4 2016

38

live vacancies across the FSA at the end of Q3

11

average number of applications received per vacancy

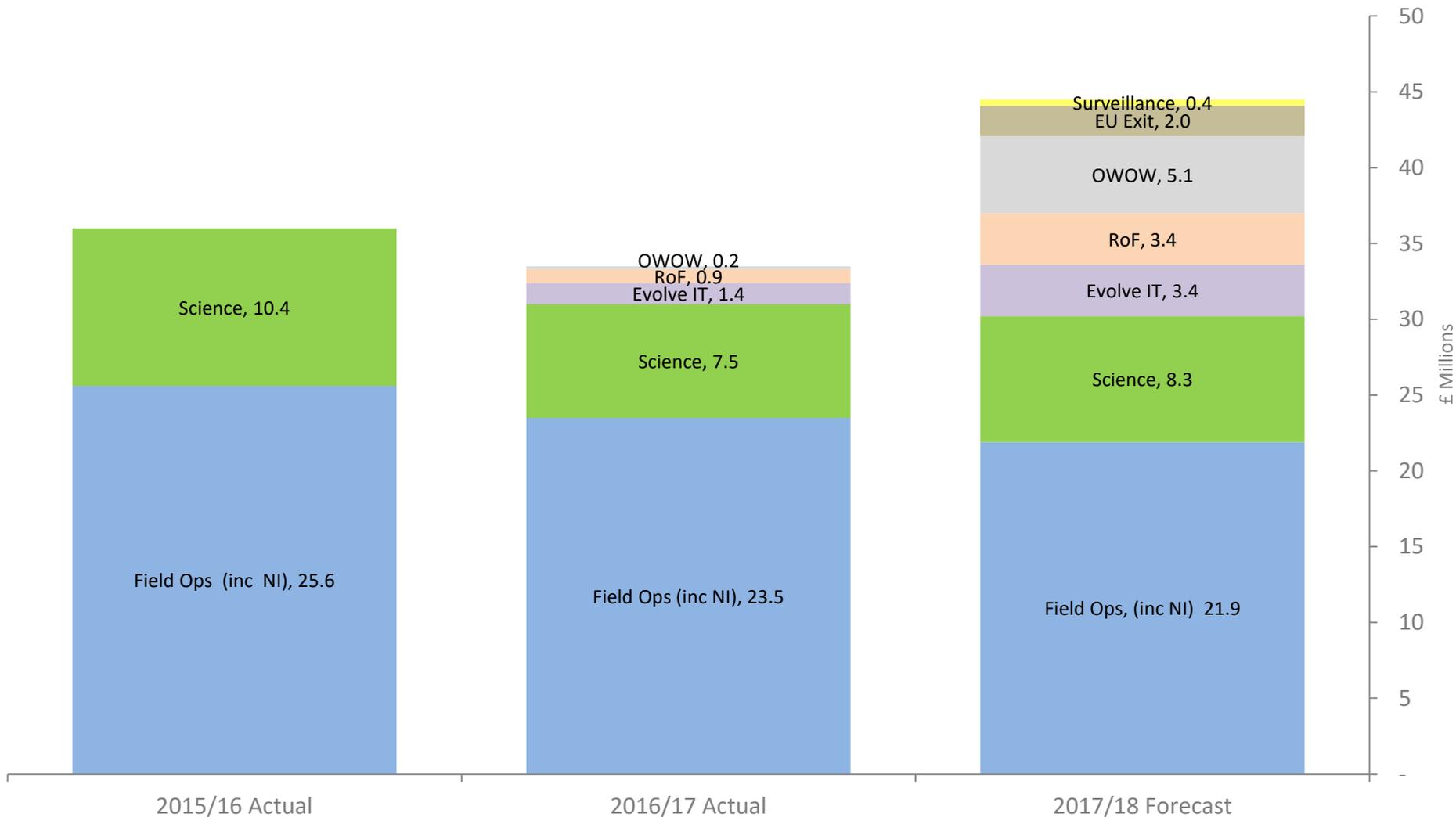
AFFORDABILITY – HOW THE FSA IS PERFORMING AGAINST HM TREASURY LIMITS

	2017/18 Full Year Forecast £m	2017/18 Limits £m	Availability £m	RAG status
Westminster				
Net Administration Expenditure	43.5	43.8	0.3	●
Net Programme Expenditure	34.7	35.1	0.4	●
Resource Departmental Expenditure Limit (DEL)	78.2	78.9	0.7	●
Capital (DEL)	7.2	7.7	0.5	●
Wales				
RDEL – of which	3.3	3.4	0.0	●
CDEL Capital – IT / Accommodation	0.1	0.1	0.0	●
Northern Ireland				
RDEL – of which	8.0	8.3	0.3	●
CDEL Capital – IT / Accommodation	0.1	0.1	0.0	●
EU Exit Funding Request	0.9	0.9	0.0	●

BREAKDOWN OF CORPORATE PRIORITIES AND KEY AREAS OF SPEND

	£m September Full Year Forecast 2017/18	£m December Full Year Forecast 2017/18	£m Movement Fav / (Adv)	% Movement Fav / (Adv)	Financial RAG Status
FSA Total (of which):	99.6	97.8	1.8	1.8	●
EU Exit	2.3	2.0	0.3	13.0	●
ROF	3.3	3.4	(0.1)	(3.0)	●
Surveillance	0.5	0.4	0.1	20.0	●
OWOW	5.1	5.1	0.0	0.0	●
Evolve IT	3.2	3.4	(0.2)	(6.2)	●
Science	8.7	8.3	0.4	4.6	●
Field ops (inc NI)	21.9	21.9	0.0	0.0	●
3rd Party Spend via Investment Board	14.6	13.9	0.7	4.8	●

ALIGNING RESOURCES TO CORPORATE PRIORITIES 2015-18



Slide 5 – The Food Standards Agency Public Attitudes Tracker is publicly available here:

<https://www.food.gov.uk/news-updates/news/2018/16877/public-attitudes-tracker-survey-results-published>

Slide 6 - FBO compliance levels are not in direct control of the FSA, so the targets are ones that FSA can influence, but not control. FHRS is operated in partnership with local authorities who deliver the scheme locally, as an added value to their intervention programmes. Whilst LAs aim to address any food safety hazards and legal non-compliance during interventions, the relationship between FBO compliance levels and LA delivery / performance is complex. Various factors outside the remit of the LA may also influence levels of FBO compliance. FHRS based risk indicators already form part of the LA audit/ intervention selection criteria, and FHRS data is being incorporated into the Balanced Scorecard/LA Dashboard project to inform our work with under-performing LAs. The figures are for England, Wales and Northern Ireland combined. Individual country ratings differ. More information on FHRS can be found on the Food Standards Agency website at:

<http://ratings.food.gov.uk/>

Slide 8 - Regulating our Future Limited number of stakeholders were able to see the model in December 2017 due to logistics in sharing. Therefore engagement continued into January 2018 to ensure there was an opportunity for all stakeholders to be involved.

Slide 10 -

People Strategy:

Diversity & Inclusion Review - Workshops are currently taking place. Campaign underway to improve declaration rates (to launch by mid-February 2018). The FSA Diversity & Inclusion Strategy action plan is being prepared with the review due to be delivered by end March 2018.

Career Pathways Approach – Rescheduled for 2018/19 Q1 taking a focussed approach to developing a targeted Workforce Plan. As part of this, we will develop a career pathway for skills and capability to support this.

High Level Workforce Plan – Rescheduled for 2017/18 and will be targeted in 3-4 key skills areas. Explanatory discussions and workshops have already taken place across the business, with EMT and SLT. Recommendations are to be made by April 2018.

Our Ways of Working: Residual backlog in the issuing of final contracts – due to conclude in early Q4.

Evolve IT: Migration from York due to be complete in January / February 18 – if needed contingencies / mitigations are also in place in case of issues.

Slides 12-14 *The people Survey results for the FSA is publicly available here:*

https://www.food.gov.uk/sites/default/files/fsa_food_standards_agency.pdf