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# PERFORMANCE AND RESOURCES REPORT Q3 2017/18

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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 3<sup>RD</sup> 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 3<sup>rd</sup> priority of doing the day job exceptionally well. Peoples' Awareness and Trust in the FSA continues to be strong – with the FSA now ranking 10<sup>th</sup> 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.

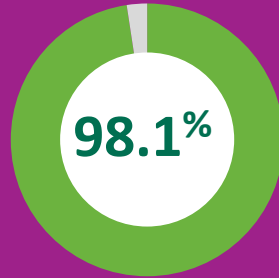
Resources remained on track with FSA spending forecast to be within all HMT limits - a separate March paper summarises the priorities and resources.

**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

**10<sup>th</sup>**

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



Public Reputation up 1  
place from 11<sup>th</sup> to 10<sup>th</sup>

**60%**

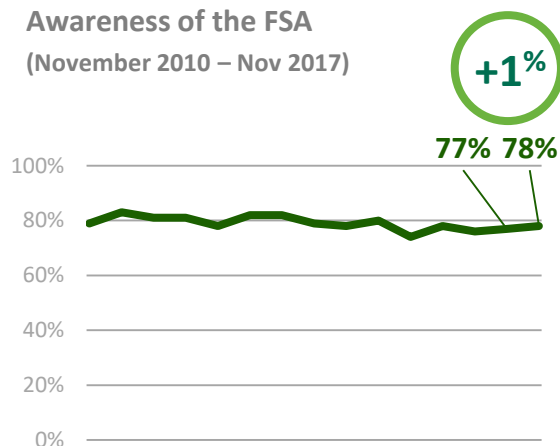
2% increase in staff  
engagement since  
2016 people survey

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

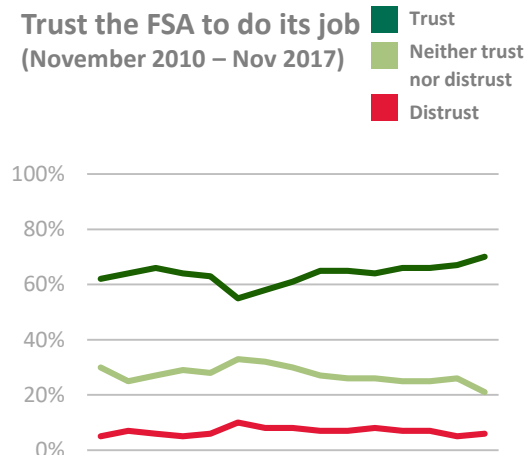
Awareness of the FSA  
(November 2010 – Nov 2017)



**78%**

Are aware of the  
FSA

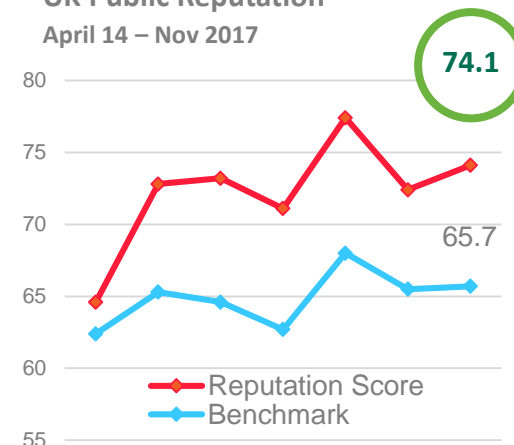
Trust the FSA to do its job  
(November 2010 – Nov 2017)



**70%**

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

UK Public Reputation  
April 14 – Nov 2017



**10<sup>th</sup>**

out of **64**  
government  
organisations



11<sup>th</sup> to 10<sup>th</sup> place on public reputation

FOOD IS SAFE  
AND WHAT IT  
SAYS IT IS

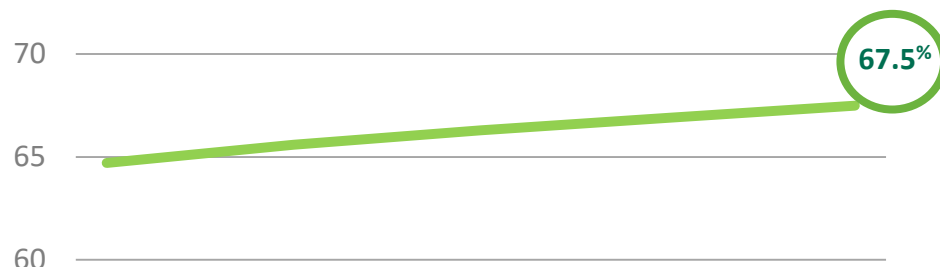
## FOOD HYGIENE RATING SCHEME

### FOOD HYGIENE RATING

0 1 2 3 4 5

VERY GOOD

% 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

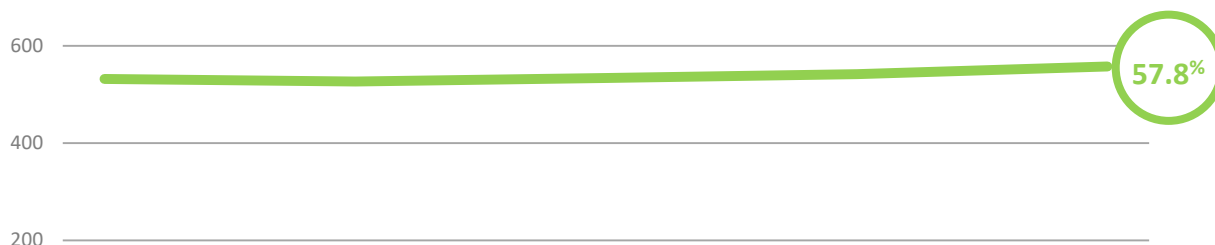


**-0.1%** decrease in ratings of 2 or lower since Q2

FOOD IS SAFE  
AND WHAT IT  
SAYS IT IS

## MEAT FOOD BUSINESS OPERATOR (FBO) COMPLIANCE

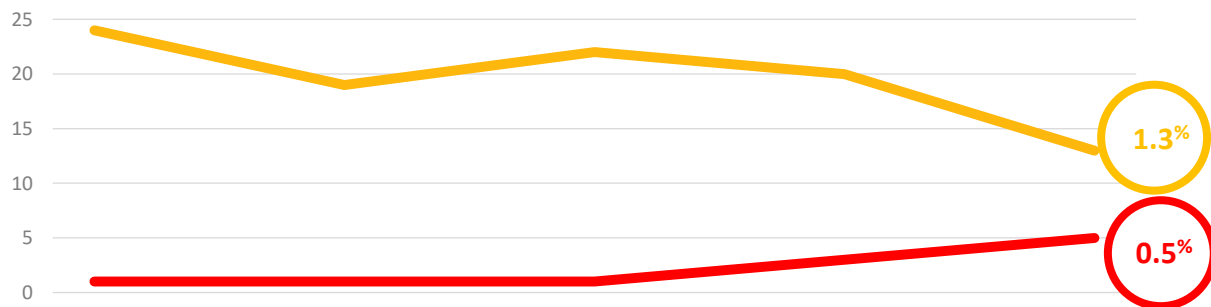
Number of Meat FBOs rated 'good' since December 2016 – December 2017 (England, Wales and Northern Ireland consolidated)



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

REGULATING  
OUR FUTURE

**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 IAO publication  
and if effective roll out



Delivered

Complete roll-out of  
IOA publication



Delivered

Food.gov.uk Beta  
(private)



Delivered

Data & Digital

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

Surveillance

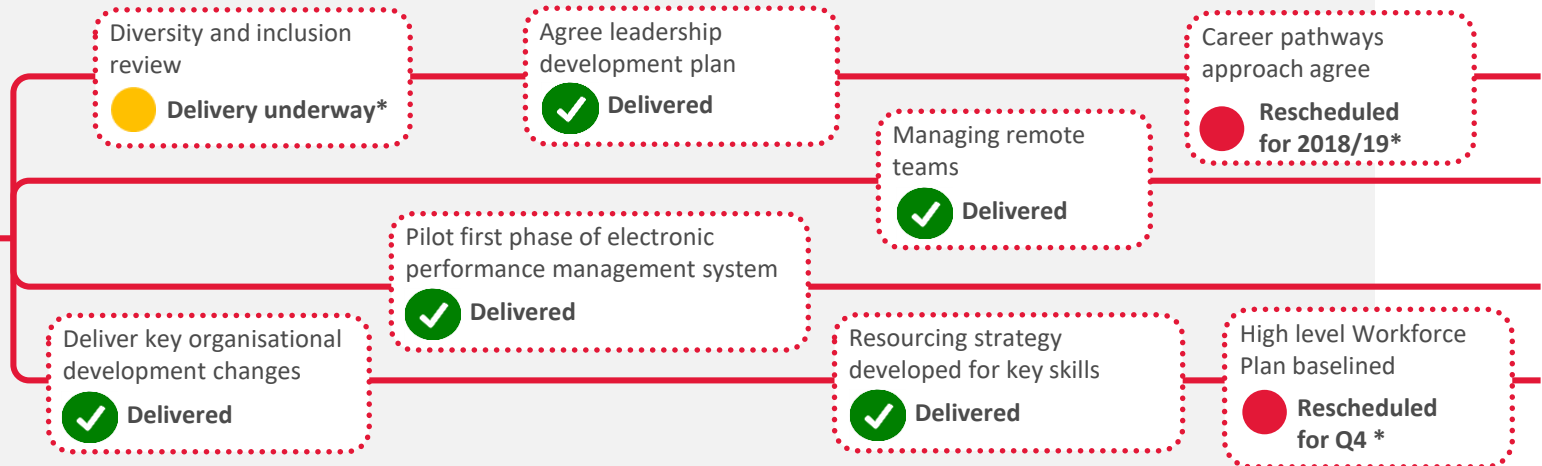
## DELIVERING OUR CORPORATE PRIORITIES

Q3 2017/18 (October - December)

Q4 2017/18



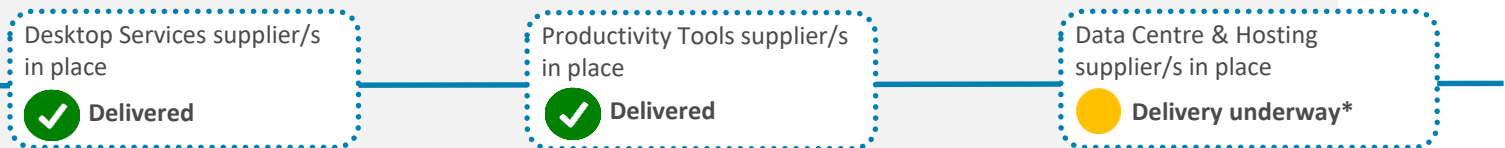
### People Strategy



### 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

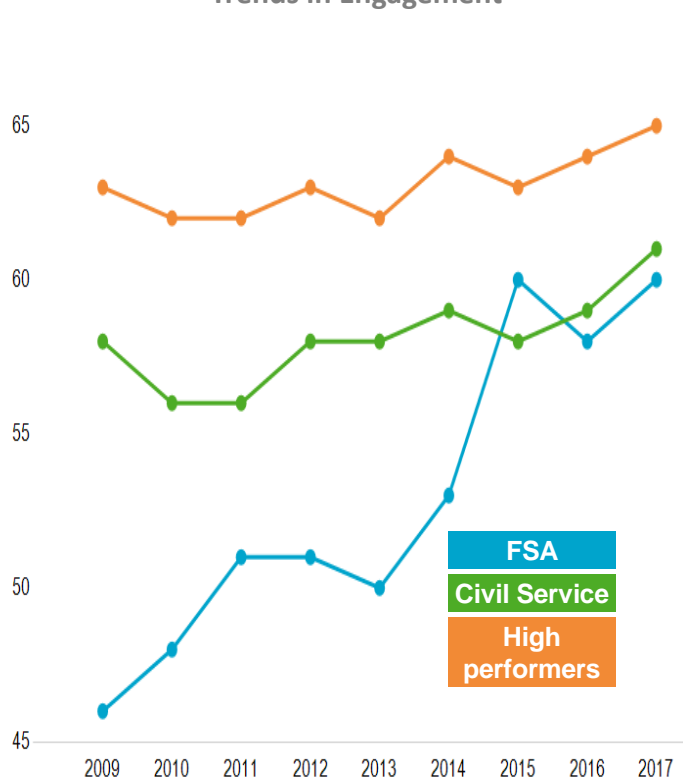
REGULATING  
OUR FUTURE

FOOD WE  
CAN TRUST

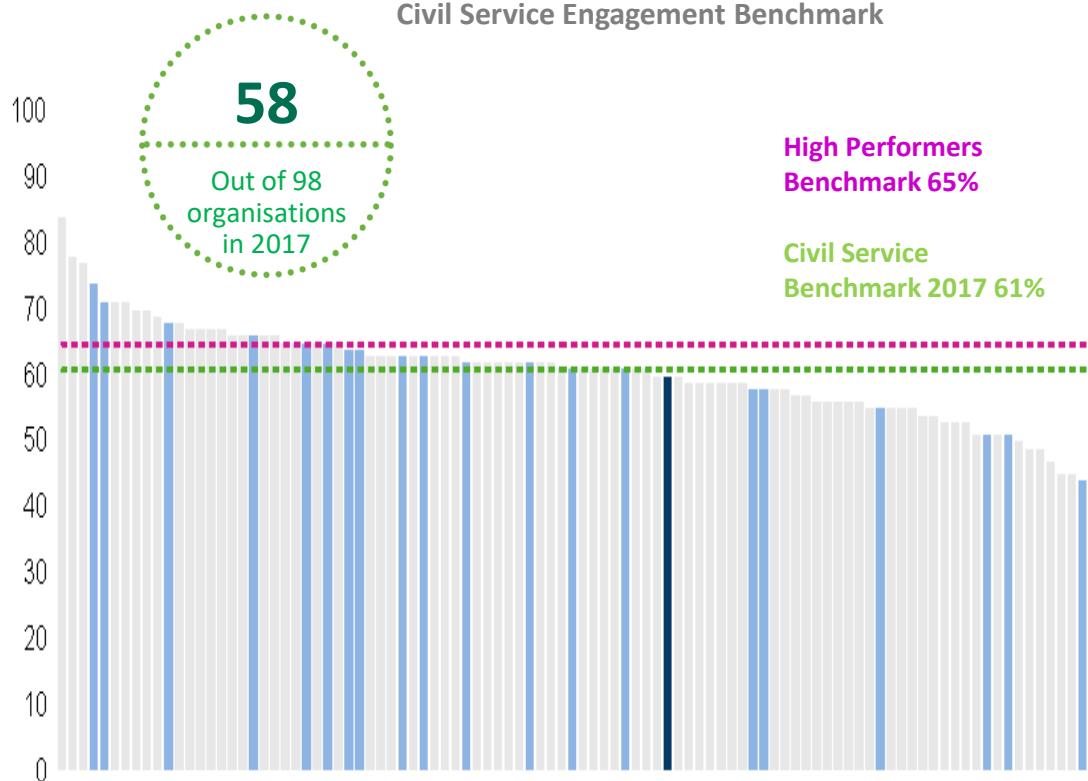
Food we can trust  
in a global market  
outside the EU

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%**

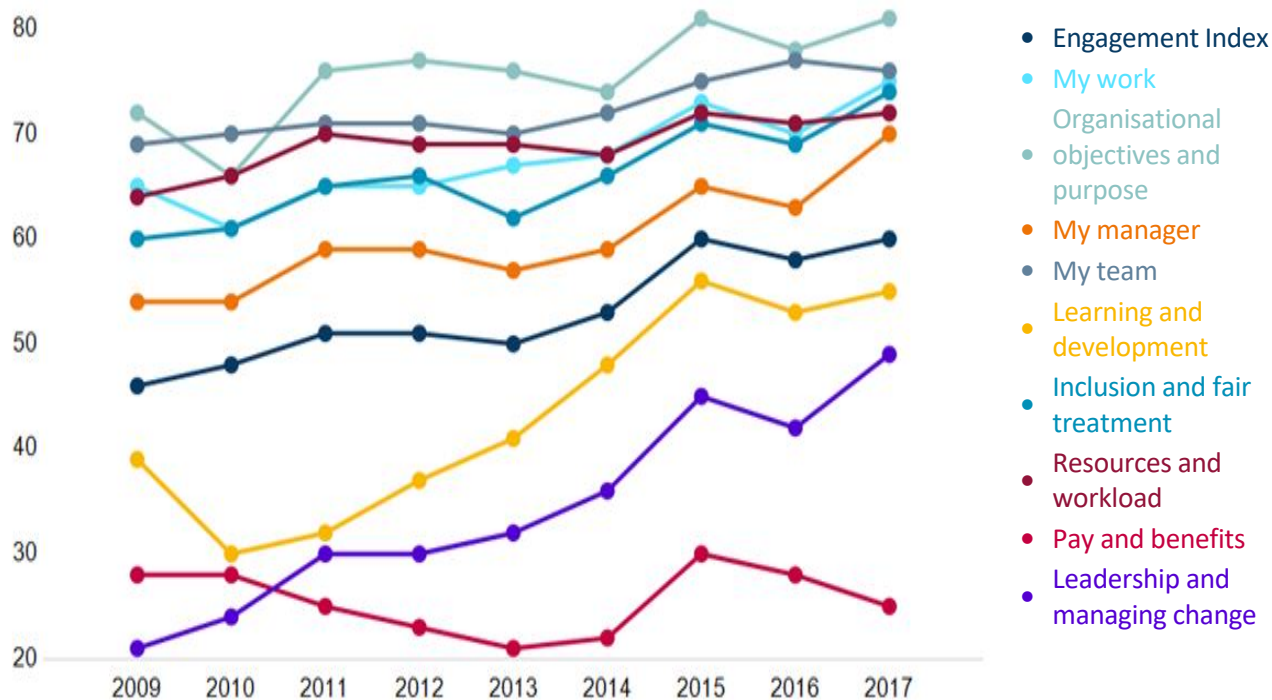
2017 score was **60%**

Up **3** places  
since 2016



## MAKING THE FSA A GREAT PLACE TO WORK

People Survey: Trends in FSA by theme 2009-2017



60%

Engagement

87%

Response rate



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

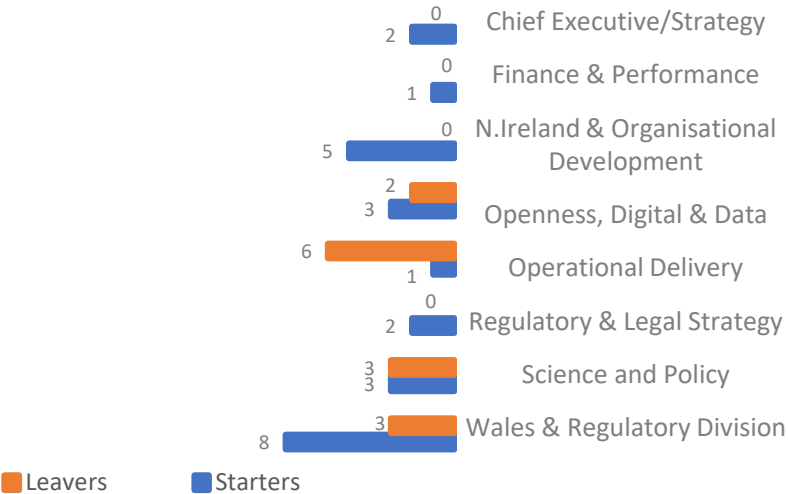




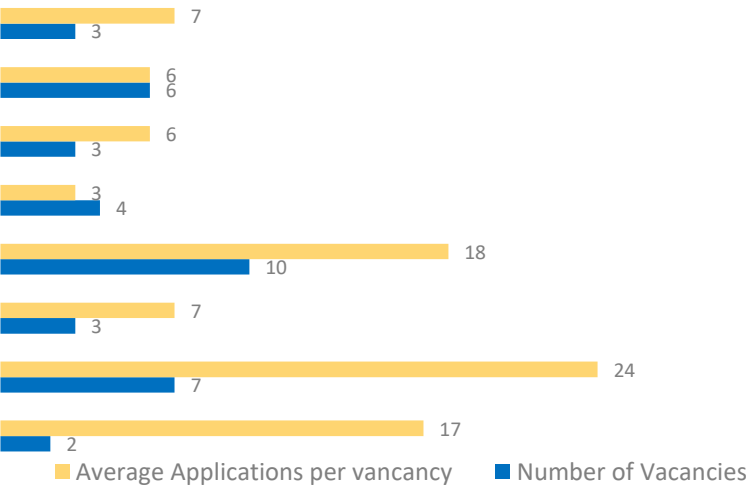
MAKING THE FSA A GREAT PLACE TO WORK



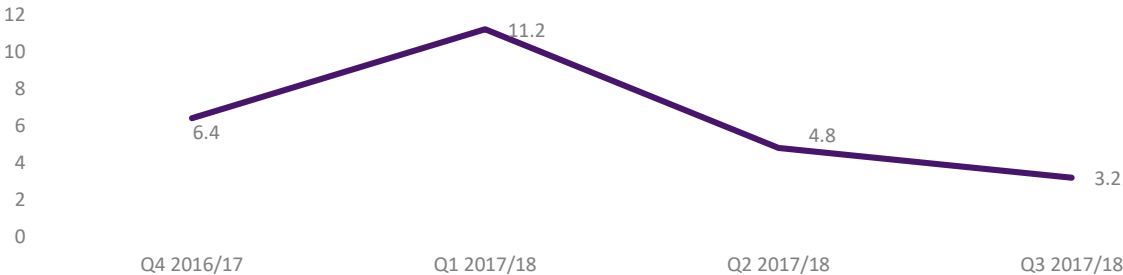
Starters and Leavers by Business Area Q3 2017



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

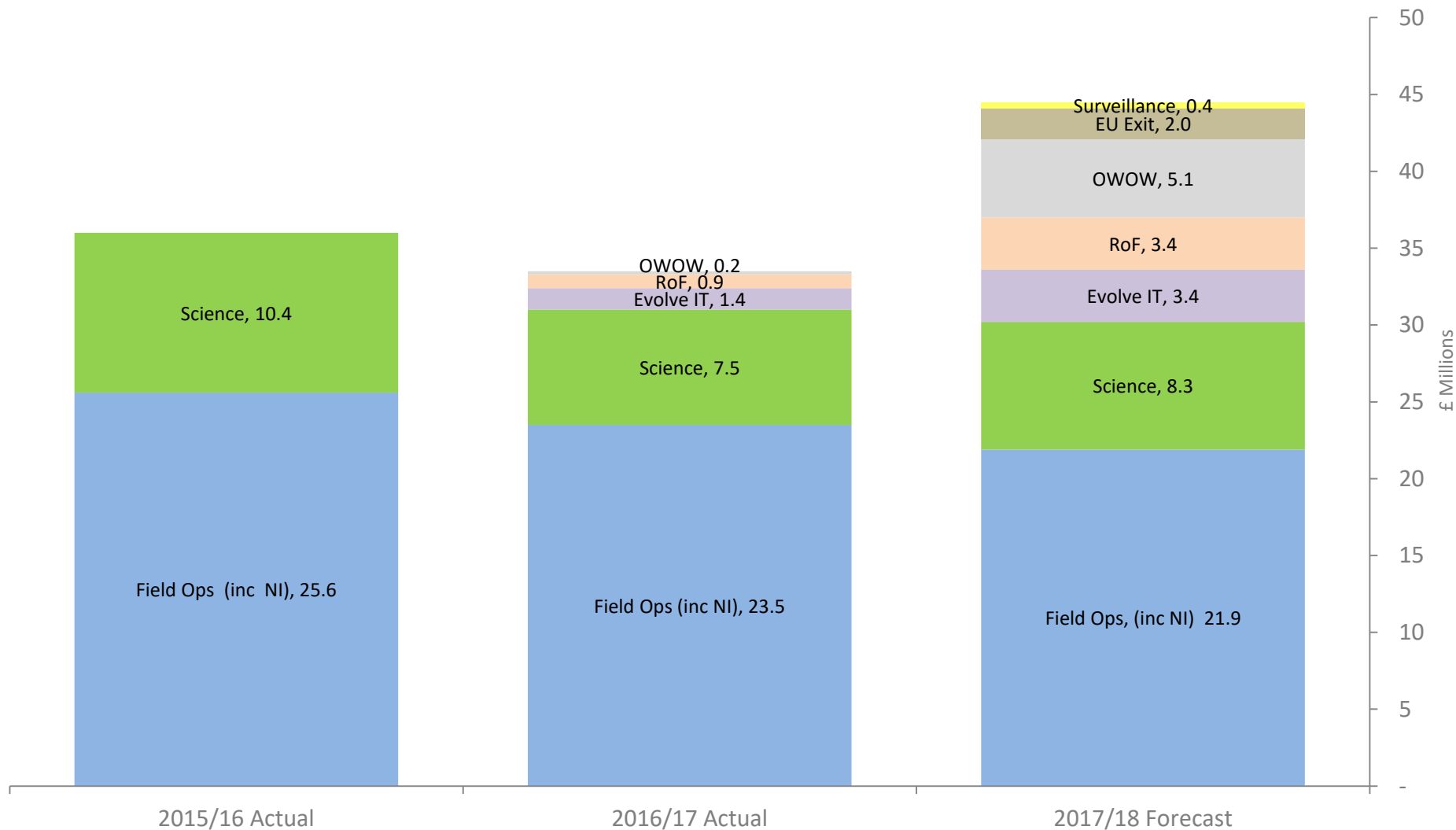
	2017/18 Full Year Forecast £m	2017/18 Limits £m	Availability £m	RAG status
<b>Westminster</b>				
Net Administration Expenditure	43.5	43.8	0.3	●
Net Programme Expenditure	34.7	35.1	0.4	●
Resource Departmental Expenditure Limit (DEL)	78.2	78.9	0.7	●
Capital (DEL)	7.2	7.7	0.5	●
<b>Wales</b>				
RDEL – of which	3.3	3.4	0.0	●
CDEL Capital – IT / Accommodation	0.1	0.1	0.0	●
<b>Northern Ireland</b>				
RDEL – of which	8.0	8.3	0.3	●
CDEL Capital – IT / Accommodation	0.1	0.1	0.0	●
<b>EU Exit Funding Request</b>	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
<b>FSA Total (of which):</b>	<b>99.6</b>	<b>97.8</b>	<b>1.8</b>	<b>1.8</b>	●
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	●
3 <sup>rd</sup> 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](https://www.food.gov.uk/sites/default/files/fsa_food_standards_agency.pdf)*