
PERFORMANCE AND RESOURCES REPORT Q2 2017/18

Food Standards Agency
For Business Committee
6 Dec 2017



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FOREWORD

BY CHRIS HITCHEN, DIRECTOR OF FINANCE AND PERFORMANCE



THE FSA's PERFORMANCE IN THE 2ND QUARTER OF 2017/18 SAW A GOOD PERFORMANCE CONSISTENT WITH PREVIOUS QUARTER'S DELIVERY AND GOOD PROGRESS BEING MADE AGAINST THE STRATEGIC PLAN. On its 1st strategic priority, the FSA has seen good progress made on its EU exit programme (slides 9 & 14), with FSA developing detailed practical plans in preparation for implementing the changes required to be ready for Exit in any of the possible scenarios. We are developing proposals on how we best undertake a risk management function and readying our implementation plans for approval in Q4 before any 18/19 expenditure is committed. This will be in addition to the £2.3m being invested in 17/18, which includes an additional £1.0m funding approved by HM Treasury (slide 13).

On its 2nd strategic priority of regulatory reform the ROF programme has also seen significant progress, with the completion of the Discovery phase of the Registration and Segmentation projects complete. Work's ongoing on how the FSA best partner with BEIS as a supporting regulator and Primary Authorities and we've done further work to establish the cost to industry of food regulation in line with our principle to ensure the cost of regulation is no more than it needs to be.

In terms of our 3rd priority of doing the day job exceptionally well, FHRS performance shows overall business compliance improving - the number of ratings of 2 and below continue to fall - down 0.1bps since Q1 (slide 5); those rated 5 increased 0.6bps from Q1 (this was 0.7bps from Q4). The number of meat FBOs rated satisfactory or above for compliance stays at the same percentage as Q1 (slide 6). 2.4% of meat FBOs are rated as improvement necessary or urgent improvement necessary. There are 21 establishments in these 2 categories, 8 of which had improved and then returned to a requiring improvement status. All of the improvement necessary plants will have improvement plans in place and will be subject to enforcement activity for individual issues identified during day-to-day inspection activity. All plants in this category are also subject to a monthly FSA management review where decisions are taken whether or not to invoke the intervention protocol, which can lead to a review of plant approvals and suspension or withdrawal of service.

Nutrition remains part of the FSA's remit in Northern Ireland. The Standards and Dietary Health Team have recently launched Calorie Wise which is a free scheme to help food businesses in NI display energy information on menus so customers can have the information they need to make healthier choices when eating out. MenuCal, a free online tool has been developed to support businesses to calculate energy information and manage allergen information for the food they serve. Launched in September 2015, there are now 706 active users of the MenuCal (up from 584 in June 2017). A total of 4679 recipes (4409 in June 2017) are now included on the database, made up of 2049 custom ingredients (1937 in June 2017). There has been a steady increase in users registering on MenuCal since its launch.

Retaining and recruiting suitably experienced staff is currently one of our biggest challenges as we compete with larger ministerial departments from the same resource pool (turnover and low applicants per job could be due to high competition for Policy / EU exit skills). For the first quarter in the last 12 months, attrition fell by 1.6% from Q1 as the FSA recruited more people than it lost but a number of vacancies remain unfilled. The FSA's People Strategy will enable and support the attraction, retention and development of our people whilst the Our Ways of Working programme will enable us to offer existing staff and potential recruits more flexible ways of working. The development of an FSA pay strategy will also afford us the opportunity to potentially remunerate those staff with skills which are in short supply across the Civil Service, more competitively.

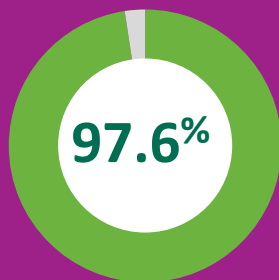
EMT are currently considering targets or levels of ambition for each business area so that performance can be defined, measured and monitored. These targets will be presented to the Board for discussion and decision in January 2018.

551
applications

49
vacancies



45 new starters
32 leavers



97.6%

of 973 meat FBOs rated
Satisfactory or above
for compliance

66.9%

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

EXECUTIVE SUMMARY

OUR PERFORMANCE IN Q2 2017/18



Food
Standards
Agency
food.gov.uk

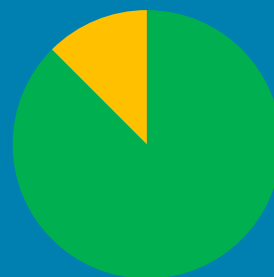


706

people are active users of Menucal

17.3%

increase of users since Q1



28

Corporate priorities were delivered

4

Corporate priorities were not delivered to
schedule but remain on track

FOOD IS SAFE
AND WHAT IT
SAYS IT IS

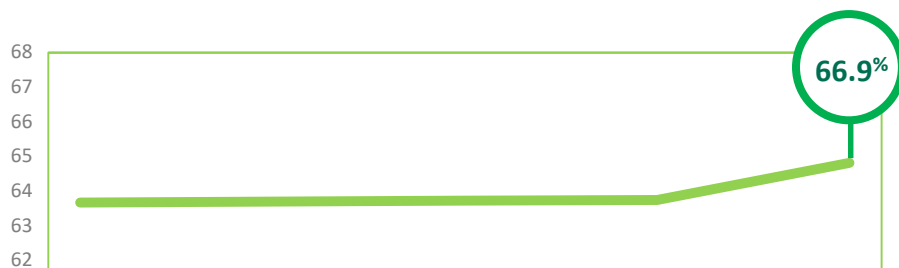
FOOD HYGIENE RATING SCHEME

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'
September 2016 – September 2017 (England, Wales and Northern Ireland consolidated)



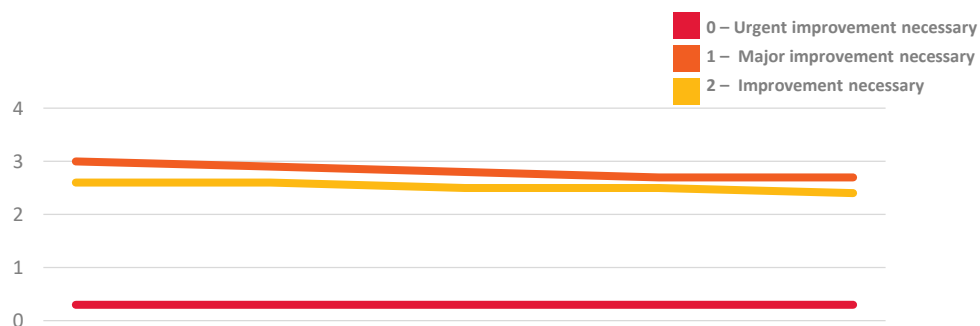
75.0%

of food businesses rated as
part of the scheme are
achieving a rating of 5 – 'very
good' in
Northern Ireland

65.2%

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

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



5.4%

of food businesses rated
as part of the scheme are
achieving a rating of '2 –
improvement necessary'
or lower



+0.6% increase of 5 ratings since Q1



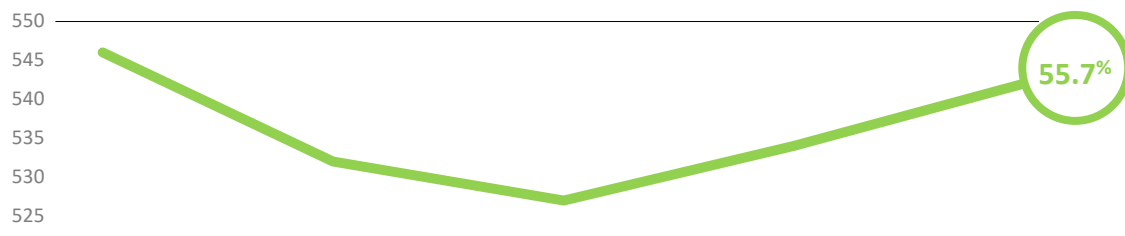
-0.1% decrease of lower than 3 ratings since Q1

FOOD IS SAFE
AND WHAT IT
SAYS IT IS

MEAT FOOD BUSINESS OPERATOR (FBO) COMPLIANCE

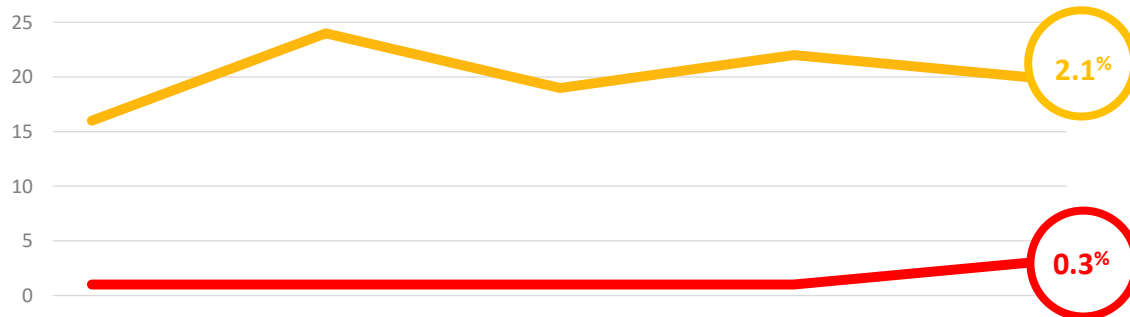
Number of Meat FBOs rated 'good'

October 2016 – September 2017 (England, Wales and Northern Ireland consolidated)



Number of Meat FBOs rated 'improvement necessary' or 'urgent improvement necessary'

October 2016 – September 2017 (England, Wales and Northern Ireland consolidated)



97.6%

of 973 FBOs rated
satisfactory or above for
compliance

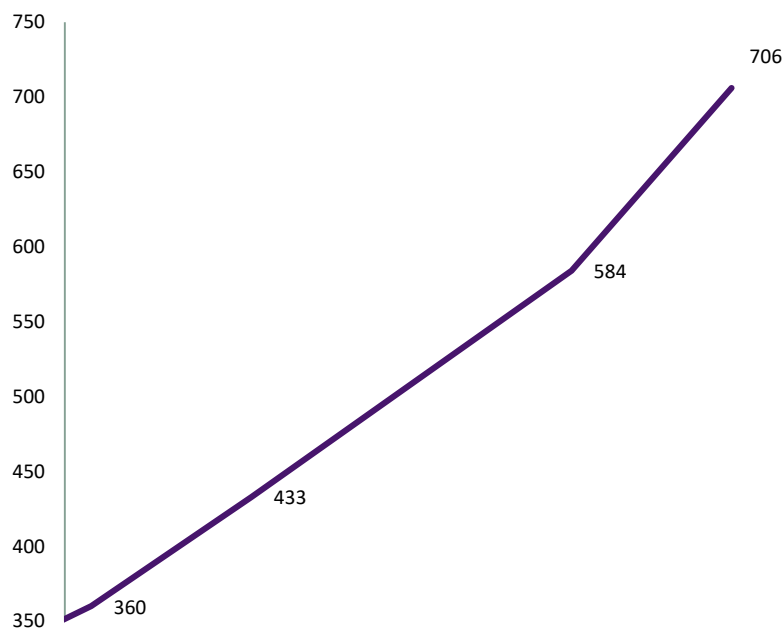


0% increase in compliance since Q1

NUTRITION NORTHERN IRELAND – MENU CAL

MenuCal is a tool forming part of the Calorie Wise scheme, an outcome from of the Department of Health in Northern Ireland's cross government 10 year obesity prevention strategy 'A Fitter Future for All'. Please see slide 16 for strategic context.

Number of MenuCal Users
September 2016 – September 2017



Which UK Country Has The Most MenuCal Users (%)?
September 2017



*Does not include users who did not specify their location or those from outside the UK



Northern Ireland



England



Scotland



Wales



17.3% increase in users since Q1

*see appendix note on slide 16

DELIVERING OUR CORPORATE PRIORITIES

Q2 2017/18 (July - September)

Q3 2017/18

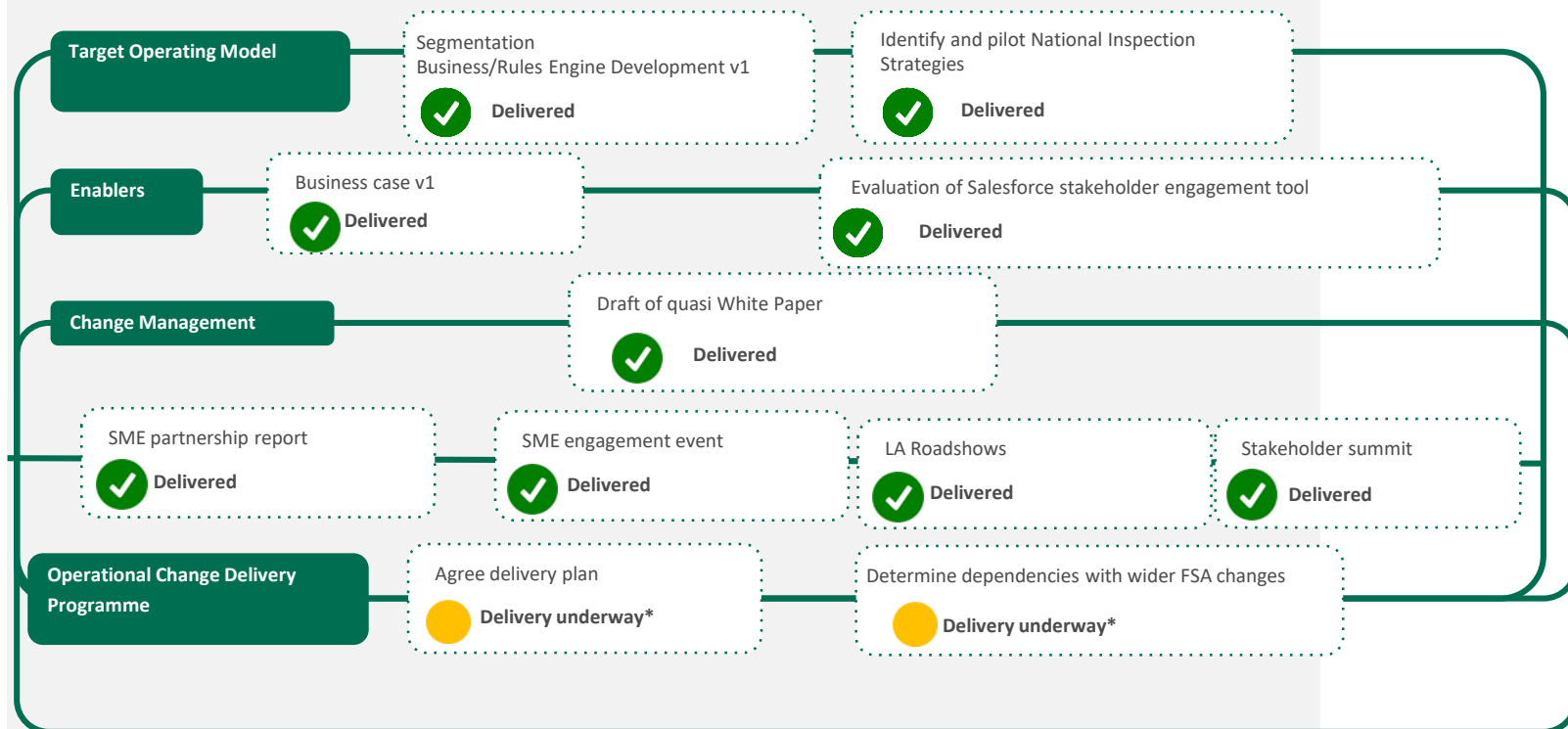
Key

✓ Delivered to schedule

● Off track but no overall delay anticipated

● Off track

REGULATING
OUR FUTURE



EU Exit

Q1 2017/18 (April - June)

Q2 2017/18

Scenario plans refined and updated



Delivered

Delivery plans developed



Delivered

Updated bid submitted to HMT



Delivered

Consultation on draft data strategy and
collate comments



Delivered

Establish web analytics
baseline



Delivered

Pilot Information Asset Owner
publication



Delivered

Evaluate IAO publication and if
effective, roll out



Delivery underway*

Procurement of supplier for digital workplace



Delivered

Data

Surveillance

Playback pilots to internal stakeholders



Delivered

Proof of Concepts created to inform a new surveillance
and information gathering approach



Delivered

DELIVERING OUR CORPORATE PRIORITIES

Q1 2017/18 (April - June)

Q2 2017/18

People Strategy



Develop talent and succession approach

✓ Delivered

Determine management development activity

✓ Delivered

New performance management framework agreed

✓ Delivered

Diversity and inclusion review

● Delivery underway*

Agree key skills required for 2017-18

✓ Delivered

OWOW



York and current home based staff move to new People Offer contracts

✓ Delivered

Our Ways of Managing toolkit fully rolled out

✓ Delivered

MOTO in place for new London office

✓ Delivered

Evolve IT



Network supplier/s in place

✓ Delivered

Service Management 2nd phase supplier/s in place

✓ Delivered

FSA capability and capacity to maintain continuity of service developed

✓ Delivered

* Awaiting 2017 CS wide review of D&I before determining best course of action within FSA to ensure we are in line with CS requirements and follow through on identified actions / activity. This review is now due in Q3.

FSA CORPORATE MILESTONES OVERVIEW

2017

REGULATING
OUR FUTURE

REGULATING OUR FUTURE

- Develop approach to enhanced registration
- National Inspection Strategy pathfinders
- Revised segmentation policy

EU
EXIT

EU EXIT

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



OUR WAYS OF WORKING

- New people offer contracts
- Launch our ways of managing



EVOLVE IT

- Improved digital productivity tools
- Improved telephony and video comms



PEOPLE STRATEGY

- Corporate management development programme
- 1st apprenticeship programme
- Performance management pilots



SURVEILLANCE

- Trial new surveillance approach



DATA

- Publish open data sets

2018

REGULATING
OUR FUTURE

REGULATING OUR FUTURE

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

EU
EXIT

EU EXIT

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



OUR WAYS OF WORKING

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



EVOLVE IT

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



PEOPLE STRATEGY

- New performance management scheme
- 2020 Workforce plan
- Senior Leadership programme
- Talent management



SURVEILLANCE

- Prototype model for surveillance

2019

REGULATING
OUR FUTURE

REGULATING OUR FUTURE

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

EU
EXIT

EU EXIT

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



SURVEILLANCE

- New functioning surveillance system in place

2020

REGULATING
OUR FUTURE

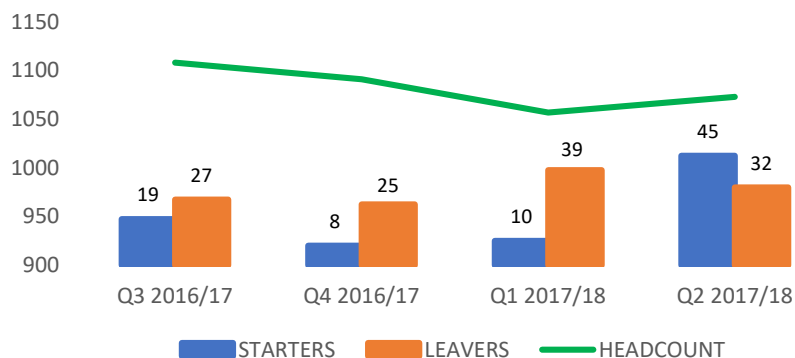
New regulatory model launches

FOOD WE
CAN TRUST

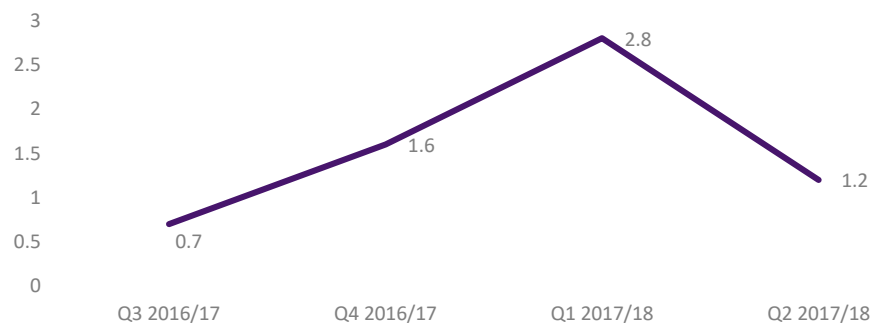
EU
EXIT

Food we can trust in a global market outside the EU

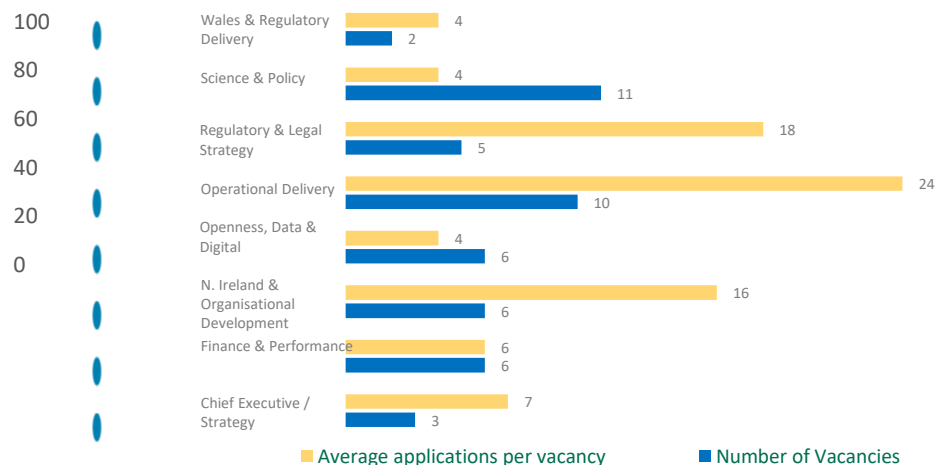
Starters, Leavers and Headcount Q3 2016 – Q2 2017



Quarter % Attrition Q3 2016 – Q2 2017



Live Vacancies by Business Area Q2 2017



49

live vacancies
across the FSA at
the end of Q2

11

average number of
applications
received per vacancy



41 fewer staff at Q2 2017 than Q3 2016

* figures include casual staff

AFFORDABILITY – HOW THE FSA IS PERFORMING AGAINST HM TREASURY LIMITS

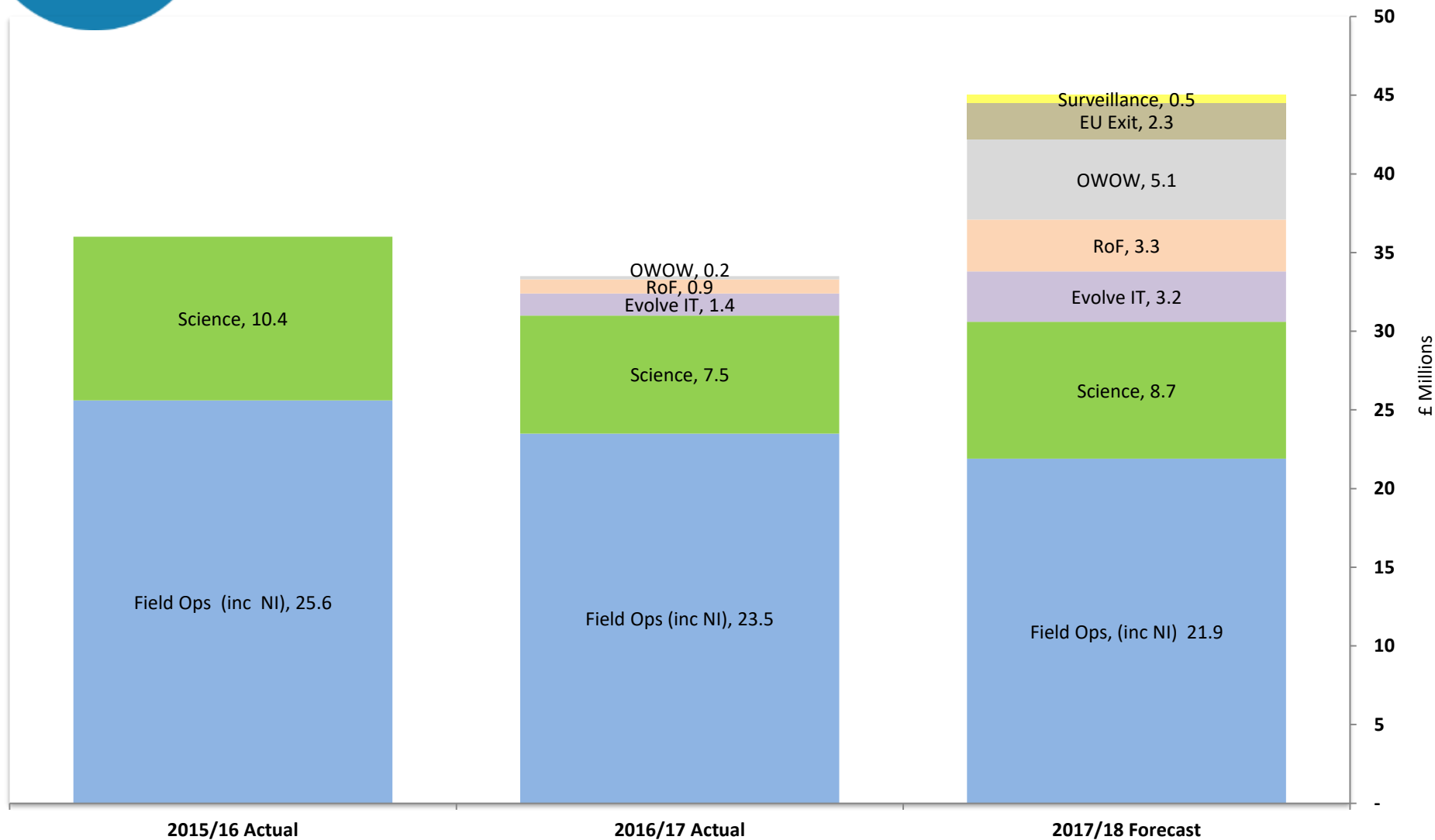
	2017/18 Full Year Forecast £m	2017/18 Limits £m	Availability £m	RAG status
Westminster				
Net Administration Limit	43.3	43.3	0.0	●
Net Programme Expenditure	35.1	35.1	0.0	●
Resource Departmental Expenditure Limit (RDEL)	78.4	78.4	0.0	●
Capital (CDEL)	9.1	9.1	0.0	●
TOTAL (DEL)	87.5	87.5	0.0	●
Wales				
RDEL of which	3.3	3.4	0.1	●
CDEL Capital – IT/Accommodation	0.1	0.1	0.0	●
Northern Ireland				
RDEL – of which	7.9	8.3	0.4	●
CDEL Capital – IT/Accommodation	0.1	0.1	0.0	●

BREAKDOWN OF CORPORATE PRIORITIES AND KEY AREAS OF SPEND

	£m June Full Year Forecast 2017/18	£m September Full Year Forecast 2017/18	£m Movement Fav / (Adv)	% Movement Fav / (Adv)	Financial RAG Status
FSA Total (of which):	94.4	98.9	(4.5)	(4.8)	●
EU Exit	2.1	2.3*	(0.2)	(9.5)	●
ROF	2.7	3.3	(0.6)	(22.2)	●
Surveillance	0.5	0.5	0.0	0.0	●
OWOW	5.1	5.1	0.0	0.0	●
Evolve IT	2.9	3.2	(0.3)	(10.3)	●
Science	9.0	8.7	0.3	3.3	●
Field ops (inc NI)	21.7	21.9	(0.2)	(0.1)	●
3 rd Party Spend via Investment Board	15.1	14.6	0.5	3.3	●

*the EU Exit figure of £2.3m includes the £0.95m of funding received from HMT

ALIGNING RESOURCES TO CORPORATE PRIORITIES 2015-18



Slide 5: The FHR Act (Wales) 2013 came into force on 28/11/2013 and the FHR Act (Northern Ireland) 2016 came into force on 07/10/2016. These are both key points in the life of the scheme and have directly impacted on compliance in both countries. It is useful to reflect these dates to see the impact and effect of mandatory display. Northern Ireland 5 ratings are 7.2% higher than the UK average due, in part, to the introduction of the statutory scheme in NI and preparatory activities carried out to assist the implementation of said statutory scheme. FHRS unsatisfactory premises: Businesses with ratings of 2 or less are those with the lowest standards of hygiene. Food Safety Officers in local authorities work with these businesses and use a range of enforcement tools and advice to drive improvements. If hygiene standards are very low and there is imminent risk to public health, enforcement actions include prohibiting part of the business operation, or closing the business down.

Slide 7:

MenuCal is a free on line tool that allows businesses to calculate energy information for their menu choices. It was identified in our 2012 pilot evaluation that obtaining the energy information was one of main obstacles to allowing caterers to calculate and display energy information. Calorie Wise is a FSA scheme for caterers operating in NI which has a specific technical guidance that must be met to allow the business to display the Calorie Wise logo. The district councils are committed to lead the implementation of the scheme through audits of outlets against the principles in the technical guidance. The scheme was launched in October 2017. MenuCal was launched in 2015 as a tool to help businesses meet the principles of the scheme. <https://www.food.gov.uk/northern-ireland/nutritionni/caloriewise> The Calorie Wise scheme is a short term outcome of the Department of Health in NI cross government 10 year obesity prevention strategy 2012-2022 'A Fitter Future for All'. The aim of the strategy is to empower individuals in NI to make healthy choices, reduce the risk of being overweight, obesity related diseases and improve health and well being, by creating an environment that supports a physically active and a healthy diet.

<https://www.health-ni.gov.uk/sites/default/files/publications/dhssps/fitter-future-for-all-outcomes-framework-2015-2019.pdf> In addition these targets were set:

- Adults to reduce their level of obesity by 4% and overweight and obesity by 3% by 2022.
- Children A 3% reduction in obesity and 2% reduction in overweight and obesity by 2022.

These targets were set on NI Health survey 2010/2011 results which reported that 59% of adults were either overweight (36%) or obese (23%) and 27% of children reported as overweight or obese. A recently published Health survey update reports an increase for 2016/17 to 36% of adults are overweight and 27% obese and 25% of children overweight or obese. In our business case we set a number of targets against our MenuCal tool with regard to number of users at 450. It is not possible to measure the overall impact of MenuCal tool on the NI overweight and obesity targets but rather at this stage we can best report on activity. We have recently met with our hosts of MenuCal and we are developing a proposal to allow us to obtain more detailed information around activity of the tool.

Population intakes of sugar, fat and salt in Northern Ireland taken from the National Diet and Nutrition Survey detail:

- Average intakes of saturated fat exceed government recommendations in all age groups in NI
- Average salt intakes exceed the recommended maximum for children aged 11 to 18 years and for both males and females aged 19 to 64 years in NI
- Average intakes of non-milk extrinsic sugars (NMES) exceeded recommendations in all age groups except those aged 65 years and over in NI