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## PERFORMANCE AND RESOURCES REPORT: Q4 2016/17

Cover paper by Anna Goreing-Townson, Performance and Risk Manager

For further information, contact Anna Goreing on 07967280425

Email: [anna.goreing-townson@foodstandards.gsi.gov.uk](mailto:anna.goreing-townson@foodstandards.gsi.gov.uk)

### INTRODUCTION

1. The accompanying report updates the Business Committee on the FSA's performance, use of resources, and progress in implementing key initiatives from the 2015-2020 strategic plan.
2. This cover paper picks out some of the key points from the quarterly report and adds some context. The paper is in two parts:
  - Food system outcomes: the FSA is working to improve food-related outcomes for consumers. The outcome measures in the report are an indicator of the FSA's effectiveness. The FSA has a joint responsibility with others – including industry, consumers, and other areas of government – to improve outcomes in the food system. The FSA seeks to influence these measures; we cannot control them.
  - FSA performance: the report includes efficiency measures and information on how the FSA spends its budget. The FSA is responsible for the outputs it produces.

### FOOD OUTCOMES

#### Food safety

3. Industry compliance with hygiene controls continues to improve:
  - **Reducing human illness from Campylobacter** was one of the FSA's top four priorities for 2016/17, and the FSA led a programme of work bringing together the whole food chain to tackle Campylobacter, from farm to fork. In Q4, we published data confirming we had met our committed target of reducing campylobacter by 100,000 cases. Our press release dated 14 March 2017 confirmed a 17% decline in the number of laboratory reports of human cases of campylobacter and data analysed at the end of Q4 showed approximately 115,000 fewer human cases of campylobacter per year.
  - **FHRS – FBO performance:** The trend of improving FHRS ratings continued in Q4 2016/17 (slide 7). As in Q3, across the three countries the highest level of performance in Q4 was in Northern Ireland (where 73.5% of premises achieved a FHRS 5 rating, up from 72.4% at the end of Q3). For the first time, we have a country with more than 99% of businesses rated 3 or above. This strong performance appears to be linked to the display of FHRS scores becoming mandatory there. The improvement in Northern Ireland repeats the pattern when the statutory scheme came into force in Wales. This evidence appears to support the argument that mandatory display drives up hygiene standards, strengthening the case for mandatory display to be introduced in

England, an issue the FSA is considering as part of our Regulating Our Future programme.

- **Hygiene standards in the meat industry:** Across the three countries, there was a small increase the proportion of meat food business operators achieving 'good' compliance with regulations in 2016 (slide 8).
4. Hospital admissions are increasing for those with food allergies and food intolerances/coeliac disease. Increasing prevalence of food allergy, food intolerances and coeliac disease and reactions to a wider range of foods may be the cause, in addition to an increased awareness and improved ascertainment. In response, the FSA has funded a number of research projects into understanding these trends with the resulting papers being accessed over 170,000 times worldwide and in 2015 alone, the FSA responded to over 200 food allergy incidents, as detailed in the FSA's Chief Scientific Advisor's Fifth Report. In March 2017, the FSA Board discussed the food allergy and intolerance programme and were asked to shift the emphasis of the research programme from the relatively well-understood area of infant and childhood allergy to the less well-characterised area of adult-onset allergy. The FSA delivered its second round of Food Allergy messaging during Allergy Awareness Week in April 2016 and focused on how providing allergen information could aid business. The messaging was facilitated by traditional and social media channels and included a Twitter forum with an FSA spokesperson during the #AllergyHour. The total circulation of allergy messaging via traditional media was calculated to have a reach of over 100 million people; on social media it had an estimated reach in excess of 7 million users.

### **Animal welfare**

5. The FSA continues to focus on animal welfare in slaughter houses. There has been an overall downwards trend on reported non-compliances with red meat non compliances decreasing by 23% since Q3 and poultry non-compliances by 33%. We continue to work closely with the poultry industry to explore sharing of best practice to address the higher proportion of establishments in this sector reporting incidents (24% of poultry in Q4 compared to 11% in Q4 for red meat slaughterhouses). We continue to use the full range of enforcement options in premises with serious welfare non-compliance including review of premises approval where appropriate.

## **FSA PERFORMANCE**

### **Delivering the FSA's business plan**

6. By the end of Q4, the FSA had delivered 120 of the 134 milestones in its corporate business plan for 2016/17 (slide 13). Work had started but was not complete on the other 14 milestones. There are no milestones that are red or incomplete.
7. The Committee set the FSA four top priorities in our business plan for 2016/17:
- Regulating our future programme

- Reducing human illness from Campylobacter
  - Becoming a data-driven organisation
  - Our ways of working
8. There was good progress across all four priorities in Q4 (slides 6 and 16). The Committee discussed the Our Ways of Working programme in March and the roll out of new contracts for FSA staff is now underway and accommodation moves have started. Separate updates on the Regulating Our Future programme and the work to make the FSA a data-driven organisation are on the Committee's agenda for this meeting.
9. In addition to the activity originally included in the 2016/17 corporate business plan, the FSA also undertook a considerable amount of planning during the year to prepare for the UK leaving the EU (slide 15). In Q4 this work was formalised into the EU Exit Programme, with the Executive Management Team as the programme board, reflecting the importance of this work to consumers and the organisation (the FSA is one of the government departments with the highest proportion of legislation originating from the EU).
10. The Executive Management Team closed the Science, Evidence and Information Strategy Implementation Programme in March 2017, with resources being diverted to the EU Exit programme and the milestones being incorporated into business as usual, with altered delivery timescales. An assurance review will be carried out in 2017/18 to assess the extent to which the programme's planned benefits have been realised.
11. The new official meat control contract was awarded to *Eville and Jones* which commenced on 27 March 2017. Approaching 2 months since contract award, the contract is running smoothly.
12. In January 2017 a new slaughter hygiene verification system (SHV) was introduced in red meat abattoirs in England and Wales. The SHV protocol introduces a more systematic approach to carcase and offal verification checks throughout the process to better assess the hygiene of the operation. The current post mortem inspection requirements are not affected by the new system.

### **Estates and Sustainability**

13. The FSA continues to drive efficiencies and has successfully delivered estate savings of £5.4m (more than 60%) since 2010/11. Following an instruction from the Government Property Unit, the FSA has exercised the February 2018 break clause on our current London office premises. Good progress is being made towards exiting Aviation House and finding a new suitable office space in London within the government estate. In addition, work is underway to redesign the office space in our York office.
14. In 2016/17, we used 18% less paper, reduced water usage by 19%, emitted 10% less greenhouse gas emissions and reduced waste by 31% compared to 2015/16 figures.

**Budget**

15. FSA's expenditure is managed closely within overall control limits. The FSA's provisional outturn (subject to audit and excluding Annually Managed Expenditure (AME) which cannot be redirected) was £1.8m, 2%, under budget overall. Westminster Programme expenditure was £0.7m (2%) over budget but this is more than offset by a £1.3m underspend on Admin (slide 23).





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## **FSA Board Business Committee**

### **Performance & Resources report**

**June 2017**

#### **2016/17 Quarter four results and forecast**

**Outcomes: Shared responsibility  
(businesses, FSA, consumers)**

**Outputs: FSA Performance**

**Efficiency: FSA Efficiency & Resources**

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# FSA Performance: Executive Summary

Leading the work to reduce levels of Campylobacter in chicken and reducing the burden of foodborne illness in the UK



**Approximately 115,000 fewer UK human cases of Campylobacter** (page 6)

Driving up hygiene standards and helping consumers choose where to buy safer food



**94.4% of 427,669 food business rated 3 (satisfactory) or above** (page 7)

Carrying out audits to check meat industry compliance with hygiene regulations



**97.2% of 14,833 meat businesses rated satisfactory or above** (page 8)

We continue to drive efficiencies and make savings across our estate



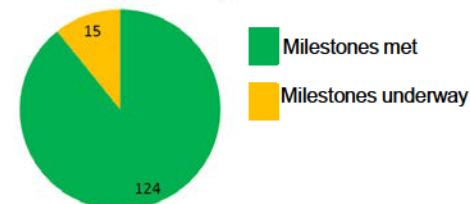
**£5.4m (60%) savings delivered since 2010/11** (page 18)

We have maintained expenditure on front line delivery since 2010/11 and have reduced other expenditure



**£38.5m (30%) annual budget reduction in 2016/17 compared to 2010/11** (page 23)

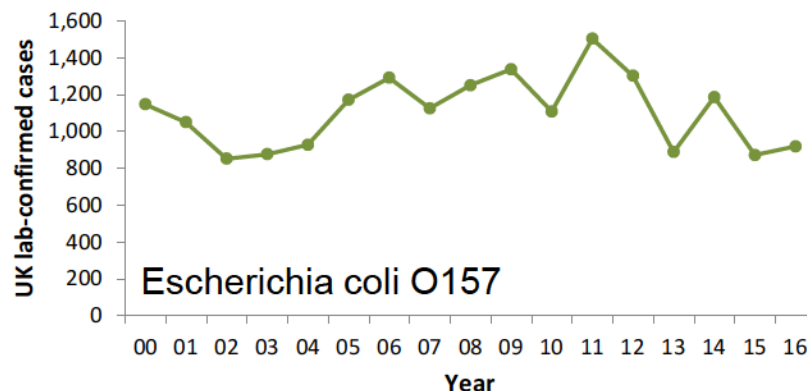
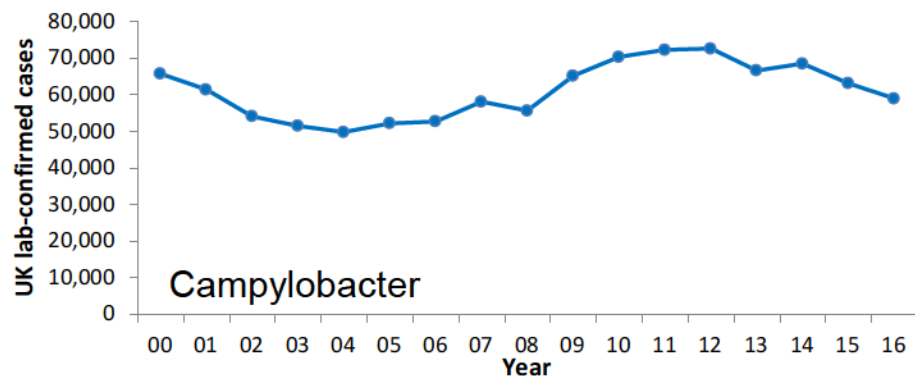
The FSA's corporate business plan for 2016/17 included 11 priority activities, across the 6 areas of our strategic plan



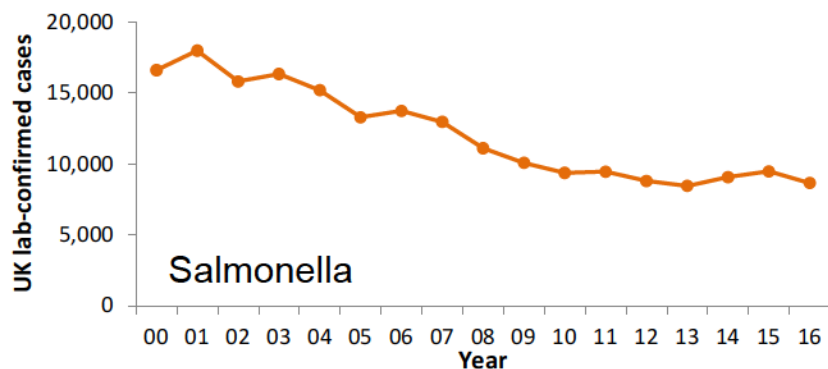
**90% of milestones to support delivery of corporate priorities delivered in full with the remaining drawing to conclusion** (page 13)

# Outcome: Food is safe Human Cases of Foodborne Disease

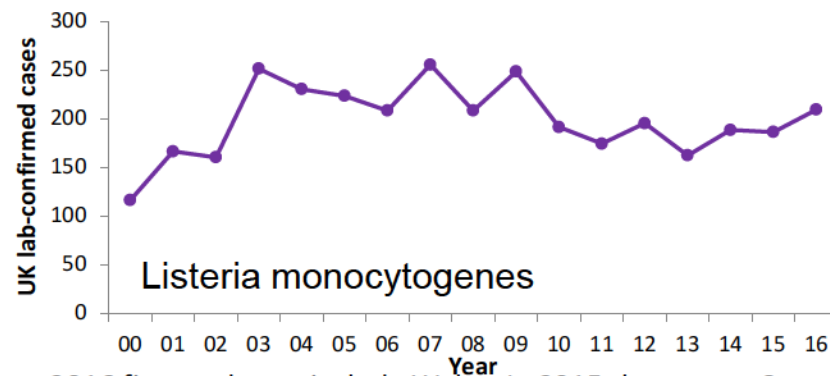
It is the responsibility of people producing and supplying food to ensure it is safe and what it says it is. It is estimated that 1million people are affected by foodborne disease in the UK, each year, costing the economy c£1bn. Laboratory confirmed human cases in the UK 2000 to 2016 of the four major bacterial pathogens are shown. Only a minority of cases are reported and samples sent for lab analysis. Data from Wales is not available owing to NHS resourcing following the cyber attack, therefore the 2016 figures are higher for Salmonella, Listeria and E coli O157; to provide additional supporting data, the number of lab reports for Wales in 2015 are represented below. Source: Public Health England, Public Health Wales, Health Protection Scotland and Public Health Agency for Northern Ireland.



2016 figures do not include Wales. In 2015 there were 37 lab reports for E coli O157 in Wales.



2016 figures do not include Wales. In 2015 there were 341 lab reports for Salmonella in Wales.



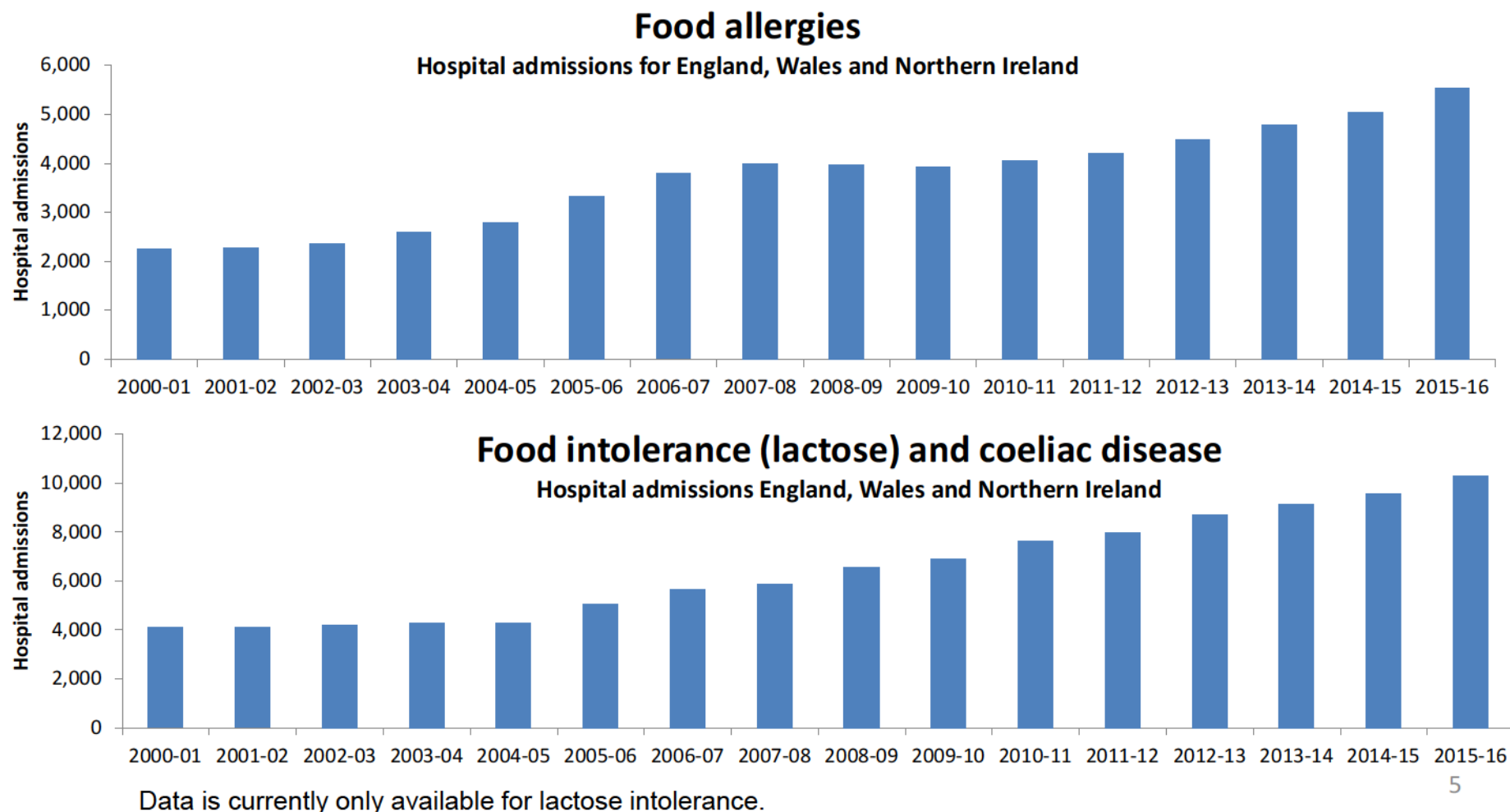
2016 figures do not include Wales. In 2015 there were 8 lab reports for Wales



# Outcome: Food Allergies and Food Intolerance/Coeliac Disease: Admissions to Hospital

**Food allergy admissions have risen by 10% since 2014/15 and food intolerance and coeliac disease has risen by 8% in the same timescale**

Source: NHS Digital website, NHS Wales Informatics Service Information Services and Department of Health (Northern Ireland). Data for 2015/16 was published in Q4.



# Outcome: Food is safe - Reducing cases of Campylobacter

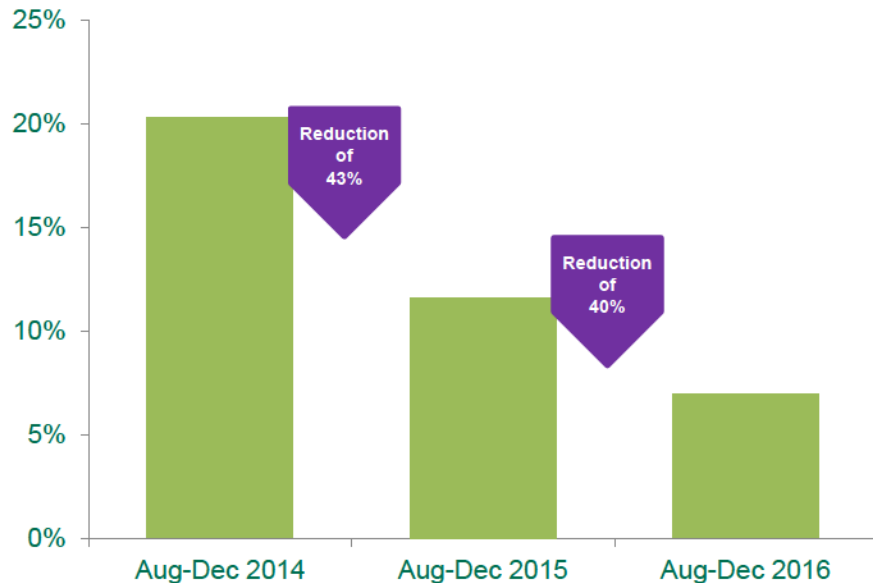
## Approximately 115,000 fewer human cases of Campylobacter each year

The FSA has a multi-year programme of work to promote industry and consumer change to reduce Campylobacter. This work includes undertaking a microbiological survey of Campylobacter contamination in fresh whole UK produced chilled chickens at retail sale. As a result of the retail survey, several retailers are now taking enhanced action and publicising their intentions.

### Retail survey: sampling of chicken skins

The FSA ran a first survey from February 2014 to February 2015, a second survey from July 2015 to February 2016 and a third began in August 2016. The chart below compares the results from the time period August to December over all three of these surveys. The results for January to March are due to be published on 14 June 2017.

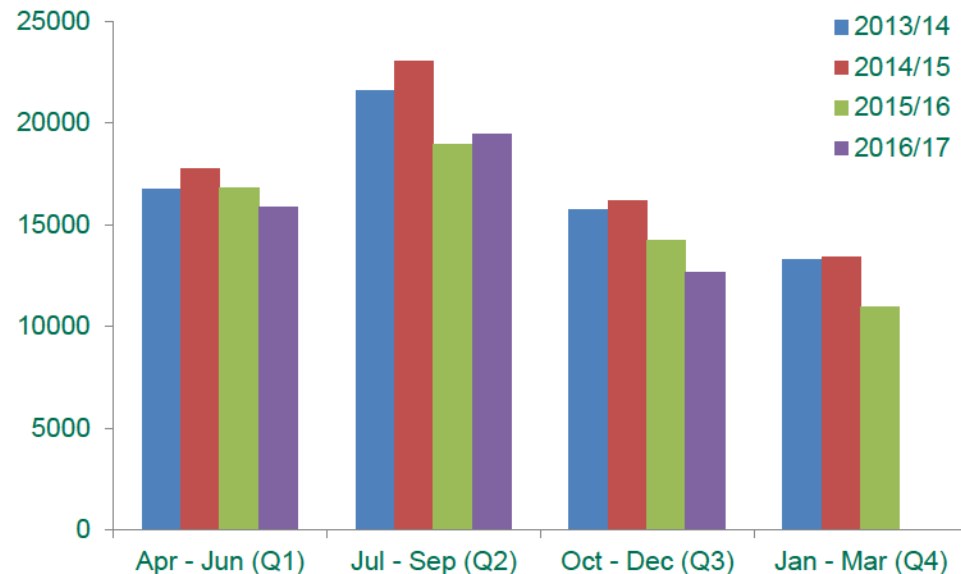
### % of chicken skin samples over 1000 cfu/g Campylobacter



### Confirmed cases of Campylobacter

For the last 12 months for which we have data (January 2016 to December 2016) confirmed lab reports of Campylobacter for the UK dropped by 12,323 (17.3%) from the baseline (2009 to 2013) of 71,261 confirmed lab reports to 58,938 confirmed lab reports. This is estimated to be equivalent to approximately 115,000 cases.

### Campylobacter lab reports by quarter

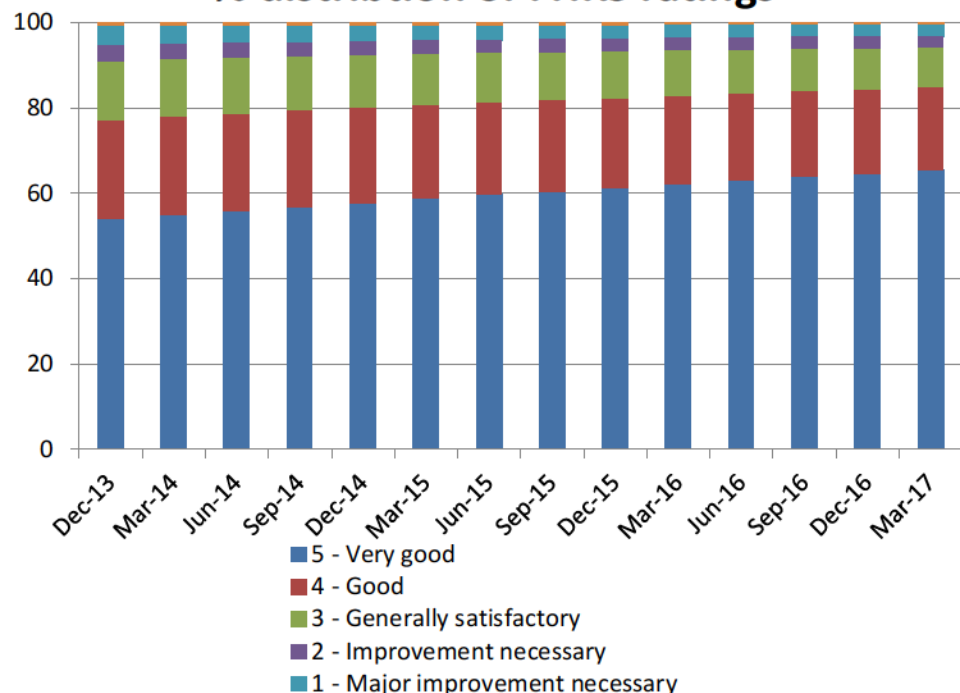


# Outcome: Food is safe - Food Hygiene Rating Scheme

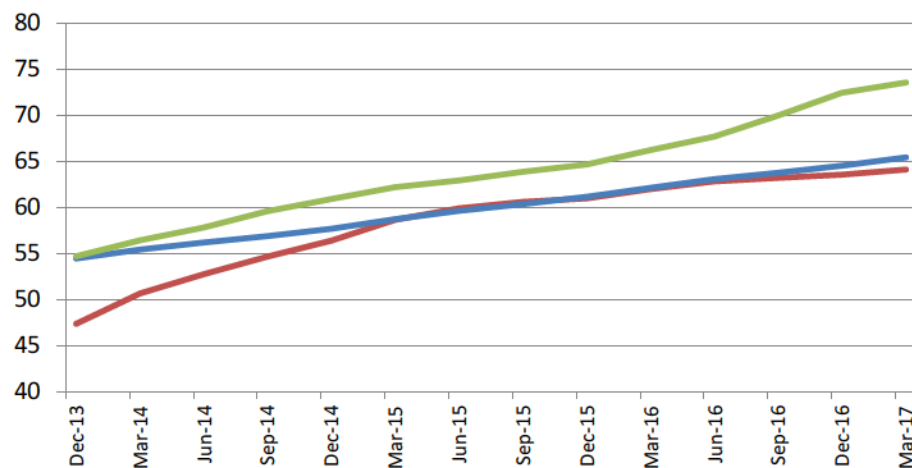
**99.1% of 14,098 establishments in Northern Ireland achieved an FHRs rating of 3 or above**

FHRs is operated in partnership with all local authorities in England, Northern Ireland and Wales, who carry out the inspections on which ratings are based. Ratings range from 5 ('very good') to 0 ('urgent improvement necessary')

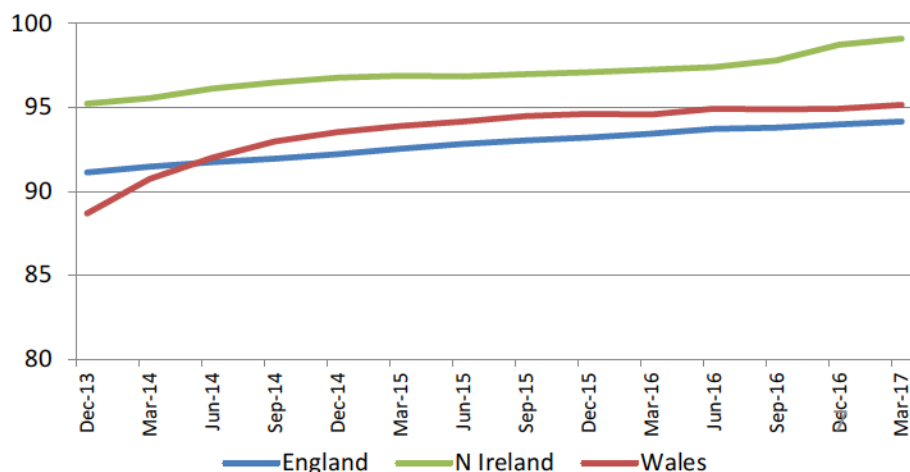
**% distribution of FHRs ratings**



**% of FHRs 5 Ratings**



**% of FHRs Ratings 3 and above**



As at 31/03/2017, Food Hygiene Ratings were published for 427,669 food establishments across England, Northern Ireland and Wales. For the first time, more than 99% of rated businesses in Northern Ireland achieved a rating of 3 or better (Wales= 95% and England=94%). Growth in 5 rated businesses has continued in Northern Ireland following the coming into force of the Food Hygiene Rating (Northern Ireland) Act 2016. The growth of 5 rated businesses in England and Wales is in line with the increase seen in previous quarters.

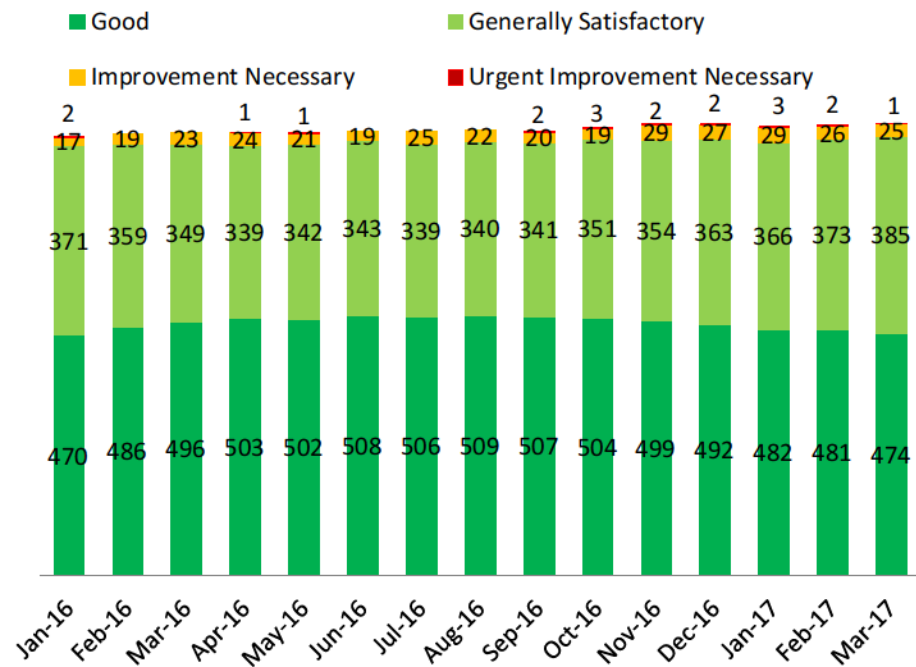
# Outcome: Food is safe

## Meat Food Business Operator compliance with regulations

**97.2% of 14,833 meat business rated satisfactory or above for compliance**

It is the responsibility of food business operators to comply with regulations. In addition to routine official controls and inspections, the FSA carries out audits to verify compliance and works with FBOs to identify where improvements are necessary. Where an audit finds that a food business operator is non-compliant with regulations, urgent improvement is necessary.

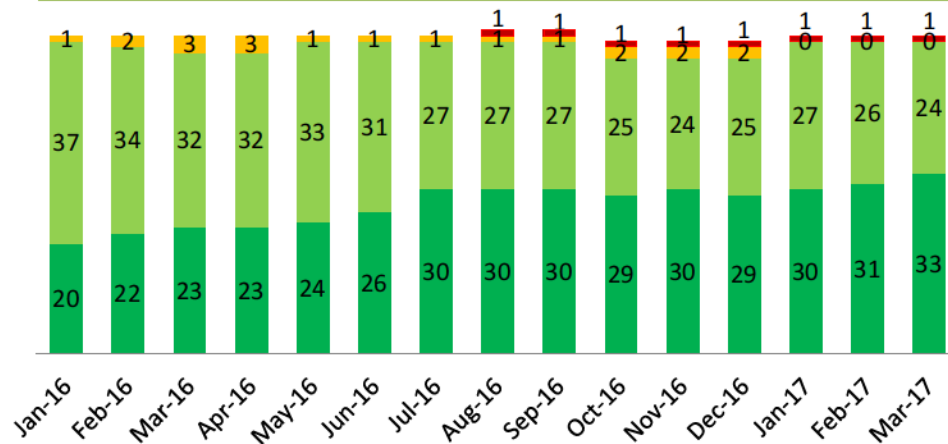
### England



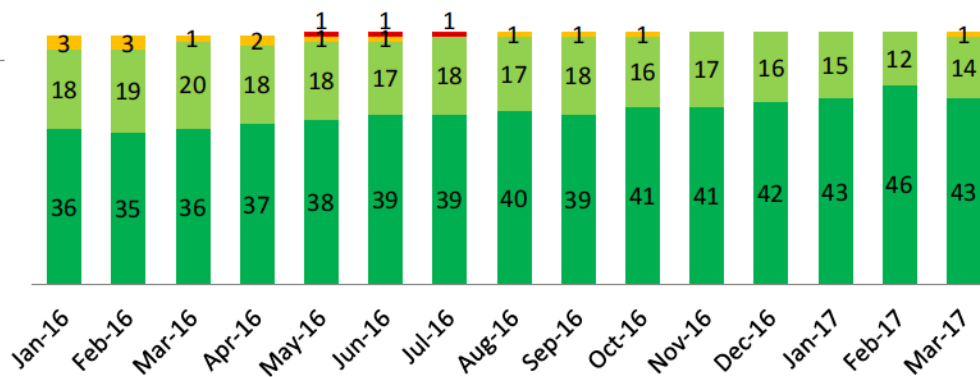
Figures include wholesale market

Analysis being undertaken to better understand characteristics of FBOs who have repeatedly fallen into the category of 'improvement necessary' and 'urgent improvement necessary'. This analysis will inform FBO performance improvement activity going forward.

### Wales



### Northern Ireland





# Outcome: Food is safe – Meat Inspection Process Verification

The charts below show the proportion of premises where product compliance (the percentage of non-compliant carcase / offal against the total carcase / offal checked) is less than 98% or greater than or equal to 98%



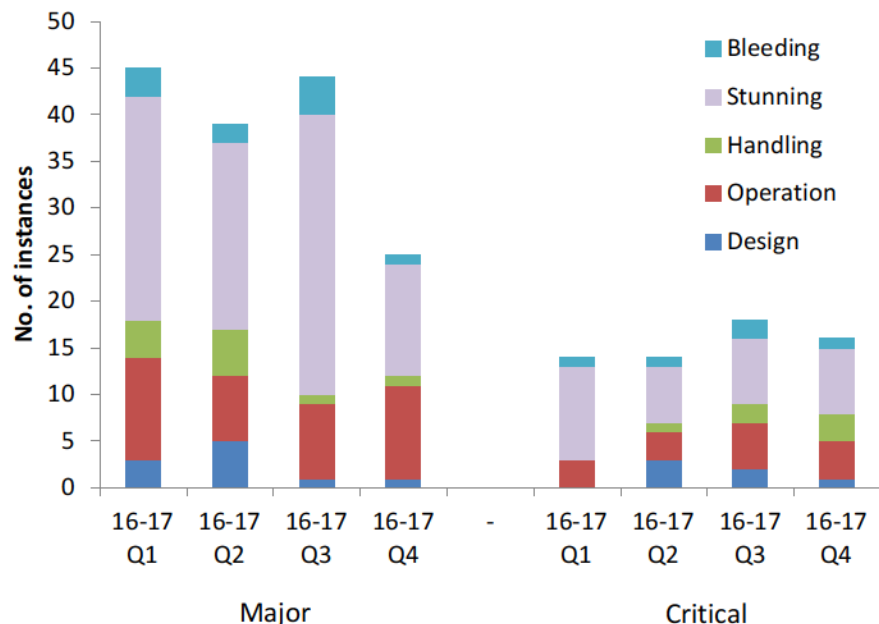
# Output: Animal Welfare – Non compliances

## Red meat non compliance instances decreased by 23% since Q3 and poultry by 33%

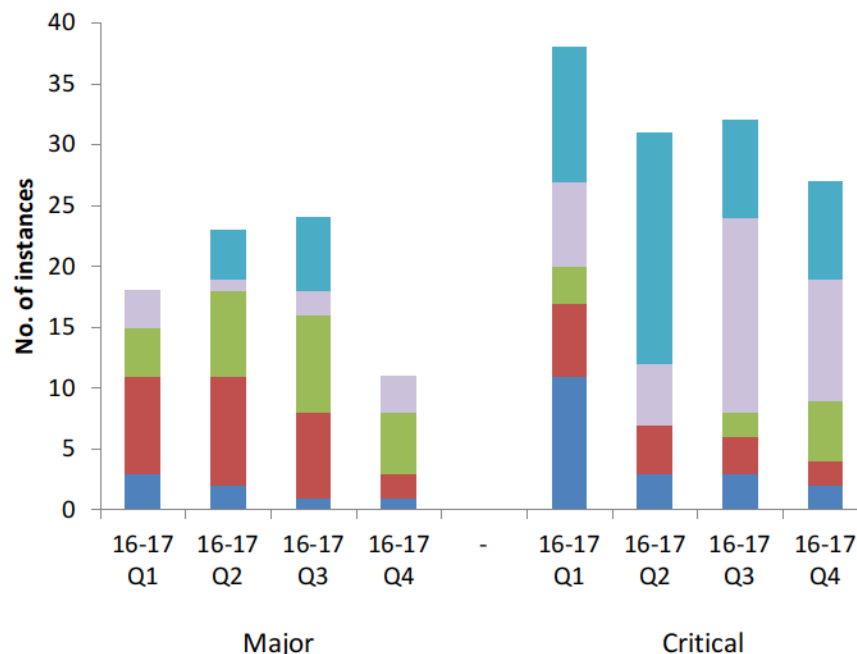
The FSA enforces animal welfare legislation at slaughterhouses in England and Wales and reports instances of non-compliance. The data below show the instances categorised as either 'major' (i.e. likely to compromise animal welfare but where there is no immediate risk to animals, may lead to a situation that poses a risk to animals) or 'critical' (i.e. poses a serious and imminent risk to animal welfare or one where avoidable pain distress or suffering has been caused). Reported non-compliances are followed up by appropriate enforcement action.

Q4 Red meat (includes cattle, calves, goats, pigs, sheep)			Q4 Poultry (includes broilers, ducks, guinea fowl, hens, turkeys)		
Number of instances recorded	Number of animals slaughtered	Number of establishments recording issues	Number of instances recorded	Number of birds slaughtered	Number of establishments recording issues
41 (25 Major & 16 Critical)	5,269,524	23 (out of 207 Approved)	38 (11 Major & 27 Critical)	236,981,682	17 (out of 70)

Operational non-compliances Red Meat Species



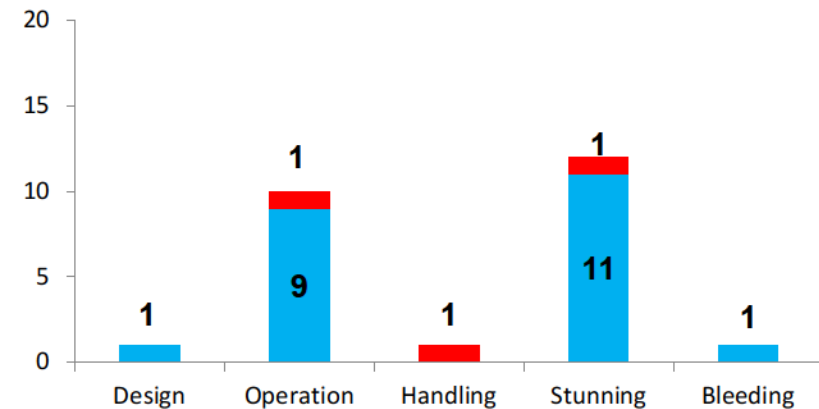
Operational non-compliances Poultry Species



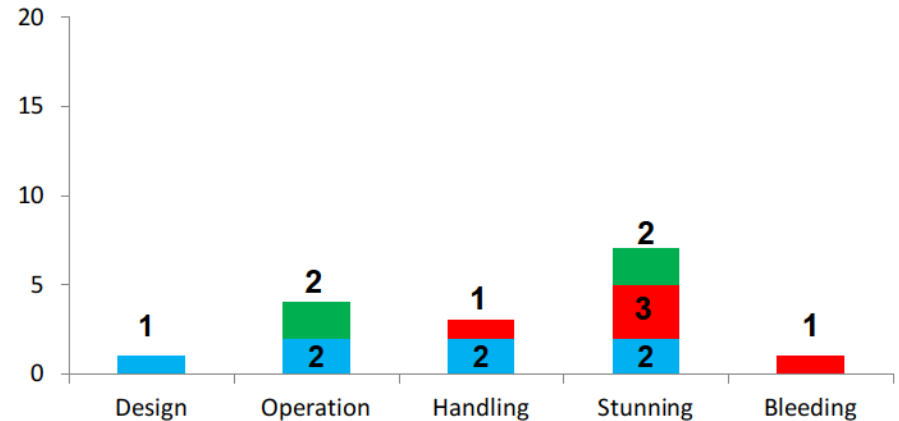
# Output: Animal Welfare – Enforcement Activity

Reduction in breaches between 4% and 11% across all establishments since Q3

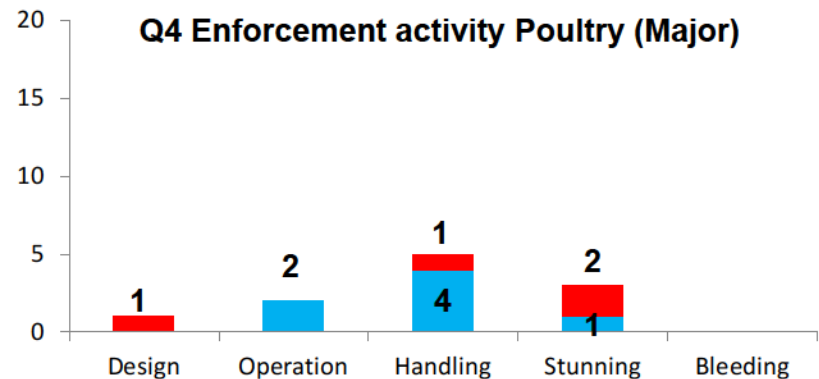
Q4 Enforcement activity Red Meat (Major)



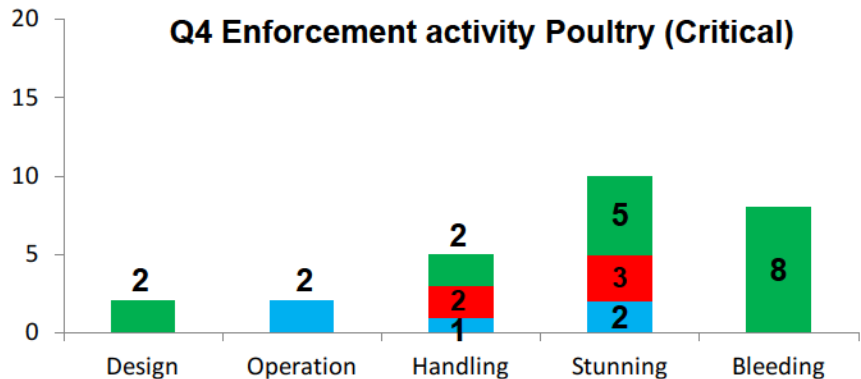
Q4 Enforcement activity Red Meat (Critical)



Q4 Enforcement activity Poultry (Major)



Q4 Enforcement activity Poultry (Critical)

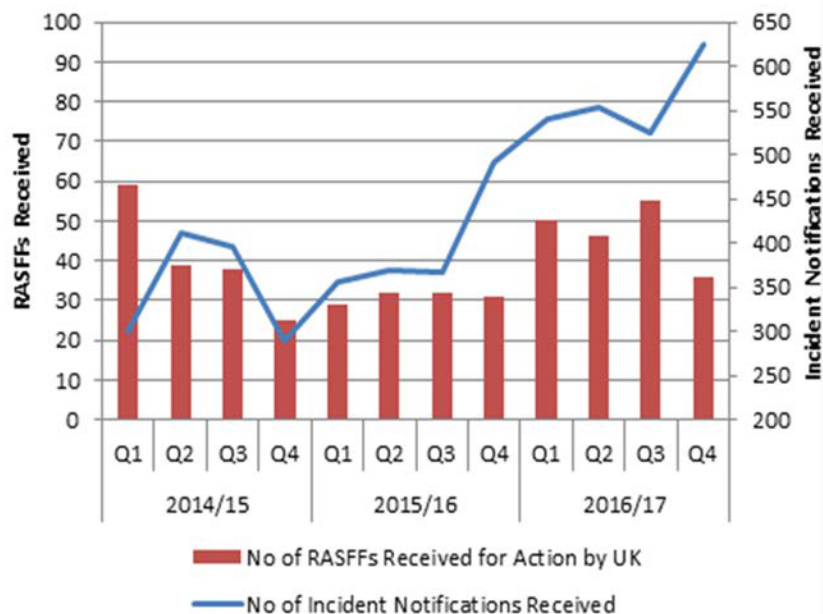


- There are **24** establishments using the non-stun slaughter method
- 3 of these establishments had major or critical breaches in Q4 (**13%**)
- There are **19** establishments using a combination of non-stun and stun slaughter methods
- 5 of these establishments had major or critical breaches in Q4 (**26%**)
- There are **294** establishments using the stun only slaughter method
- **32** of these establishments had major or critical breaches in Q4 (**11%**)

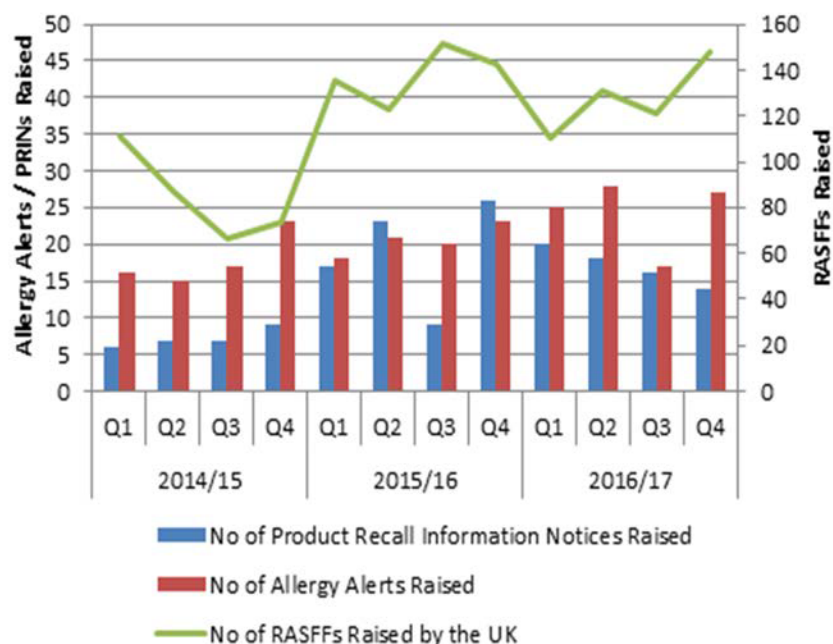
# Output: Food is what it says it is - Incidents

An incident is defined by the FSA as: 'Any event where, based on the information available, there are concerns about actual or suspected threats to the safety or quality of food and feed that could require intervention to protect consumers' interests.

## Notifications Received



## Alerts Raised



Food business operators are required, under Article 19 of European Regulation No. 178/2002, to inform the competent authorities where they have reason to believe that a foodstuff that they have imported, produced, manufactured or distributed is not in compliance with food safety requirements. In the case of the UK, the competent authorities are the Food Standards Agency and the food authorities (local and port health authorities). Food safety information is communicated between the European Commission and Member States using the Rapid Alert for Food and Feed (RASFF) system.

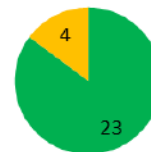


# Outputs: FSA Corporate Business Plan 2016/17

## Delivering the corporate priorities



- Reducing human illness from Campylobacter
- Interests of vulnerable people
- Product recalls project



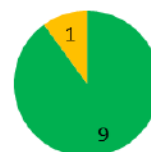
- Fighting food fraud: the next steps for the National Food Crime Unit
- Surveillance



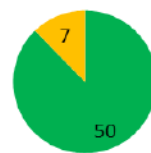
- Science, Evidence and Information Strategy implementation programme
- Our Food Future



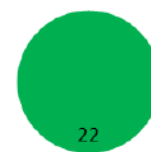
- Implementation of our communications strategy



- Regulating Our Future Programme



- Our Ways of Working Programme
- Becoming a Data-driven Organisation

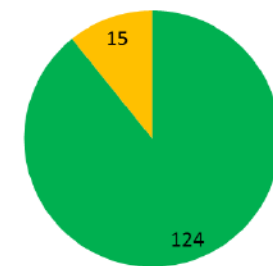


The FSA's corporate business plan for 2016/17 includes 11 priority activities, across the 6 areas of our strategic plan.

Progress in delivering these activities is measured by quarterly milestones:

- Green: Delivered to plan
- Amber: Delivery underway but not complete / Delivered in part
- Red: Not delivered

### Milestone Summary



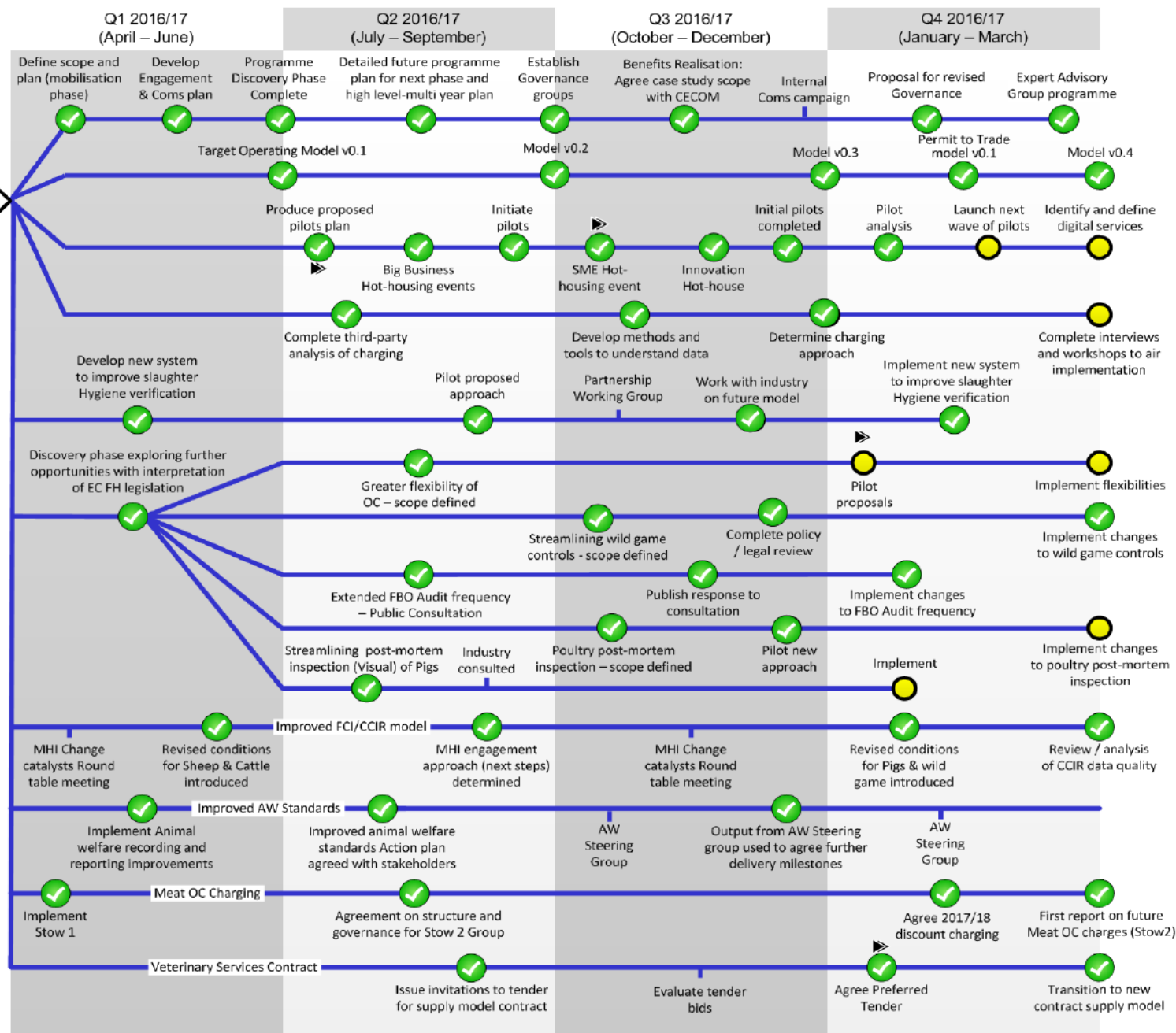
# Outputs: FSA Corporate Business Plan 2016/17 (continued)

## Regulating Our Future Programme

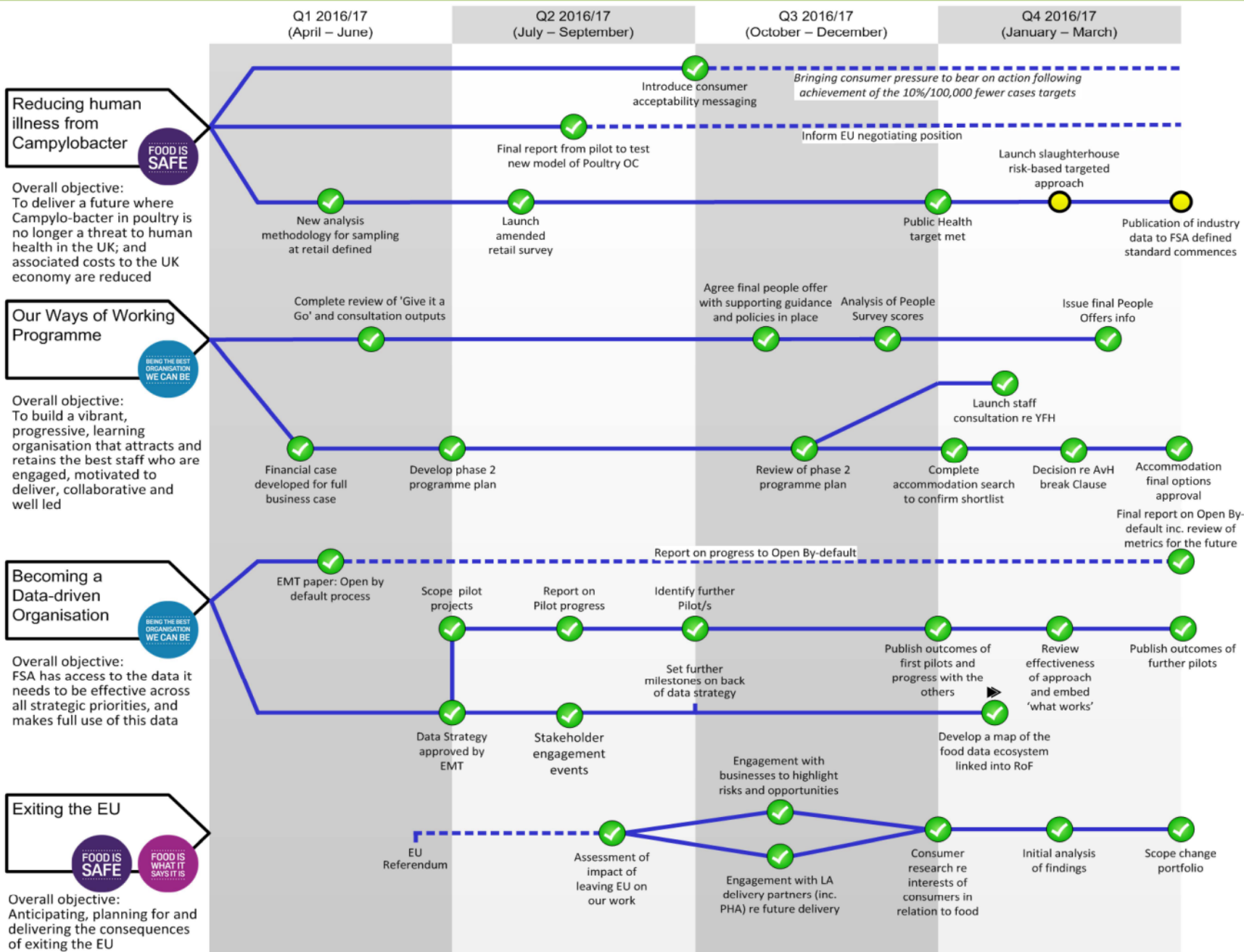
**Overall objective:**  
To develop and implement a new and sustainable approach to regulation that leverages business behaviour change to deliver benefits for consumers. Building and applying effectively a regulatory toolkit that ensures a long term sustainable delivery approach to regulating food, including the development of complementary or alternative delivery models - including their sustainable funding - for meat

## Delivering the top corporate priorities

The FSA's top corporate priorities for 2016 / 17 are shown in this slide and next, displaying our progress in delivering the milestones.



# Outputs: FSA Corporate Business Plan 2016/17 (continued)



# Efficiency: Open Data – Delivery towards Open by Default

An additional 82 datasets have been published in Q4

**Open Data** is data that everyone can access, use and share. One of the FSA's objectives is to become a data-driven organisation that uses data that is 'open by default'. Using open data is one of the ways that the FSA will achieve its commitment in the strategic plan of making information available to consumers in a way that is accessible

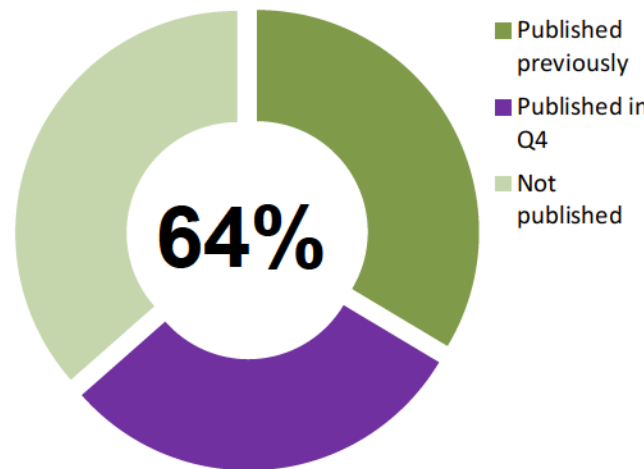
Our open data journey  
so far...

174

datasets published  
(out of 274)

Target: 95% of datasets to  
be published as open data  
by the end of 2016/17

=



... of which in  
2016/17 Q4

82

data sets were  
published

The percentage of datasets published  
has risen from 34% at the end of  
quarter 3 to 64% at the end of quarter 4

The FSA's average openness rating:



Datasets are given an 'openness rating' to give a simple indication of how well the dataset has been made open. The criteria are based on the Five Stars of Openness developed by Tim Berners-Lee.

7% of published datasets have an Openness Rating of 3 or higher. We are aiming for 3 stars.



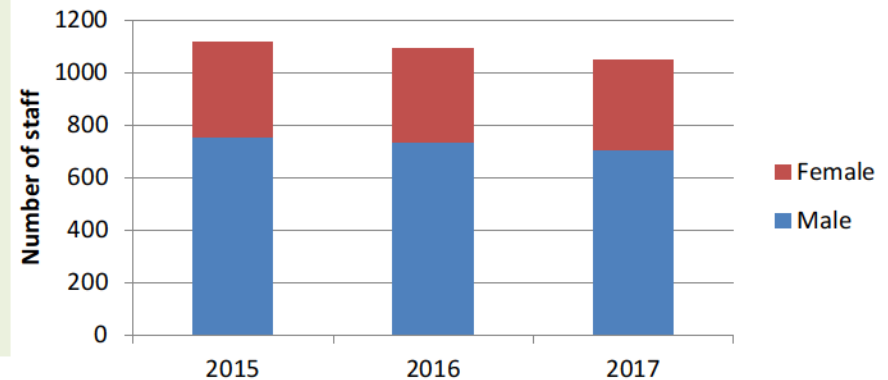
# Efficiency: Organisational Development and Diversity

## Being the best organisation we can

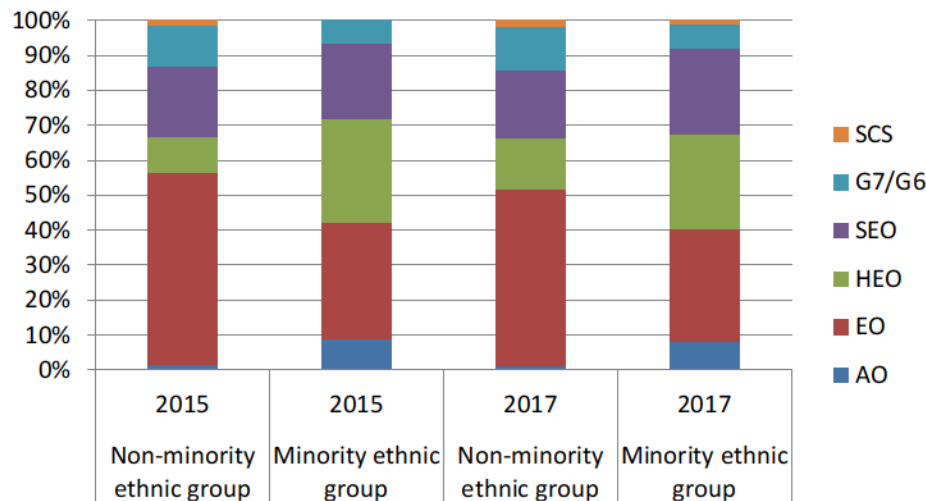
### Increasing Diversity & Inclusivity

- 83% of our EO graded roles are within Field Operations and the role of Meat Hygiene Inspector, which is EO grade is male dominated by 91%.
- We have previously sponsored 8 staff (EO to G7 grades) through the Positive Action Pathway programme for staff in minority and under-represented groups. We plan to sponsor the new cohorts launched later this year.
- The FSA Women network is now launched, with 85 member currently in the Yammer group. A programme of development activities will be designed and publicised on Foodweb.

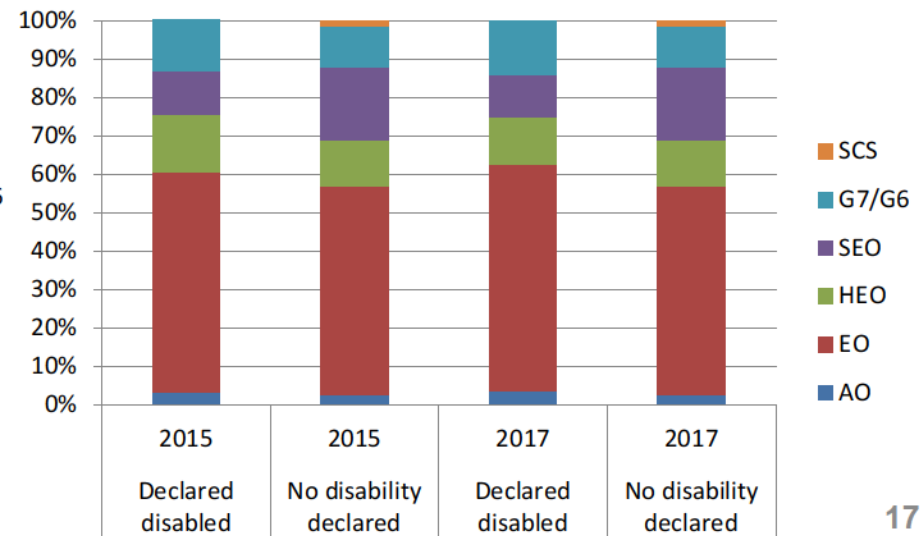
Comparison of gender, 2015 to 2017



Comparison of declared ethnicity for 2015 & 2017

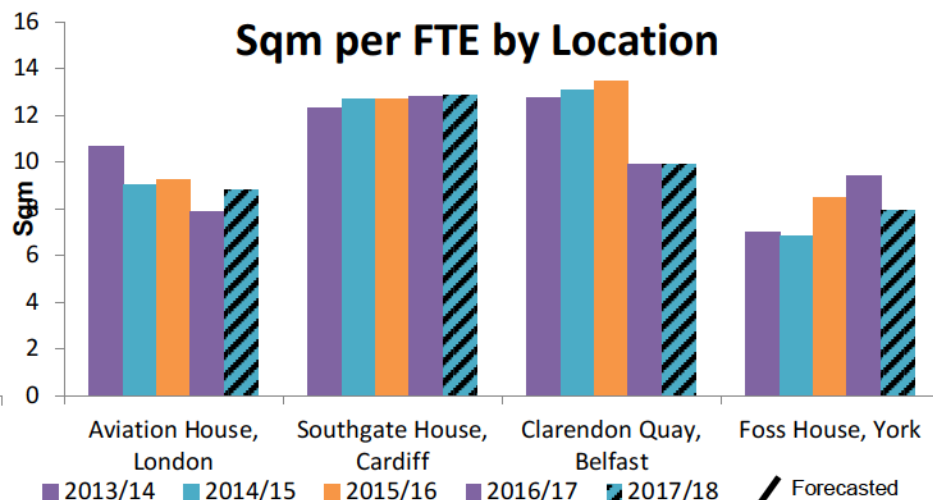
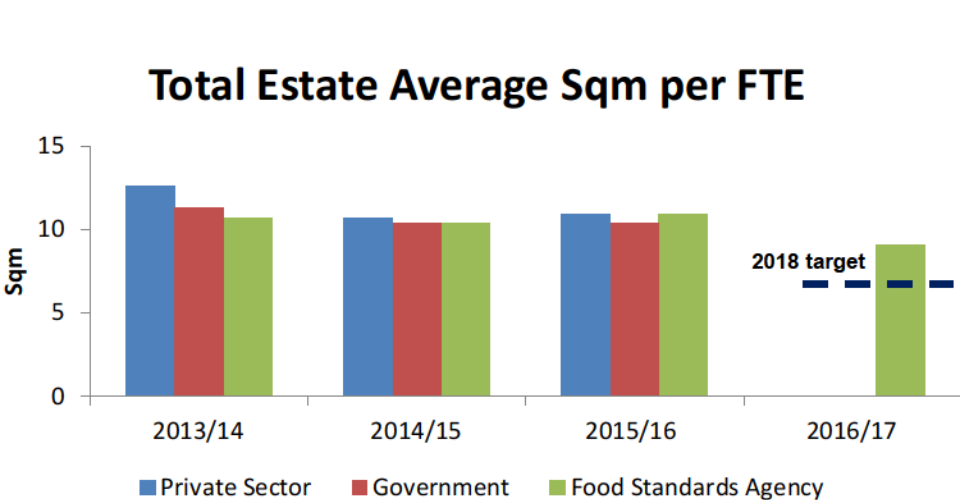
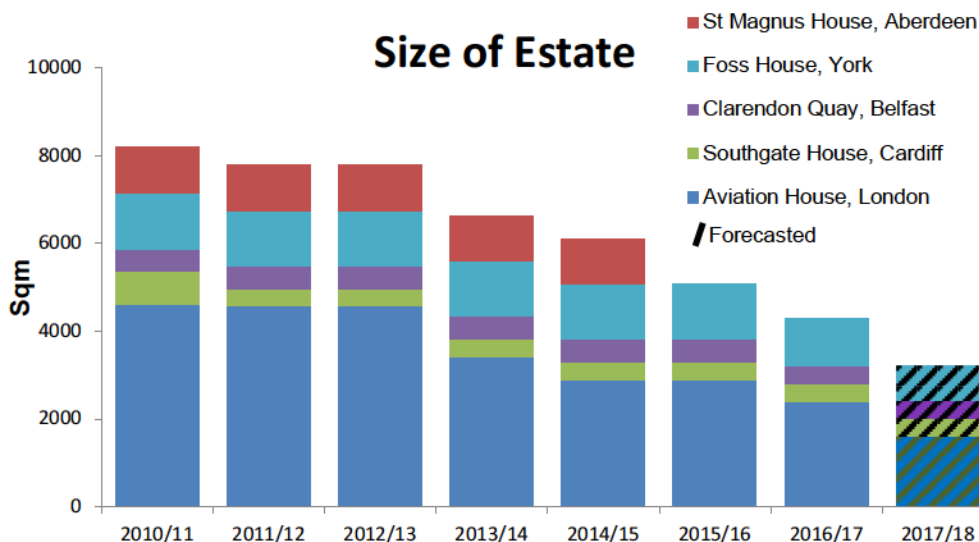


Comparison of declared disability for 2015 & 2017



# Efficiency: Estates- Value for Money Indicators

The FSA continues to drive efficiencies across its estate. The average sqm per FTE is on par with the Government and private sector average and we are working toward the target of delivering 8 sqm per FTE by 31<sup>st</sup> April 2018. We have reduced our total estate from 8197sqm (7156sqm excluding St Magnus House) to 3209sqm and we have reduced our estate costs from £8.7m in 2010/11 to £3.3m in 2016/17.



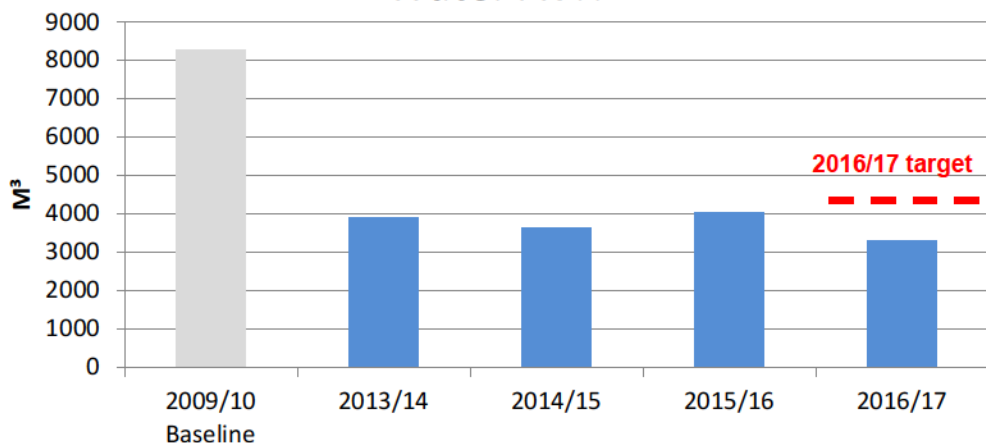
Private sector and Government figures published by Cabinet Office later in 2017

# Efficiency: FSA Sustainability

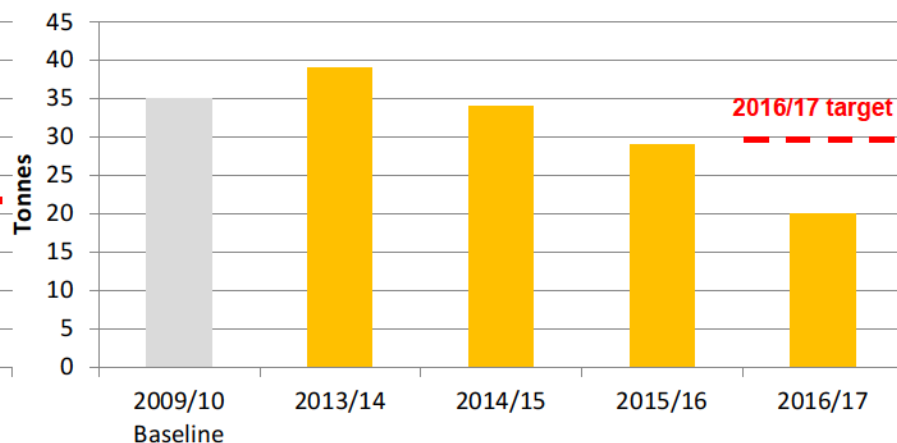
## Average 20% improvement across combined sustainability measures since 2015/16

Baseline figures were set on the 2009/10 usage. After the 2010 election, the Government set targets based on the 2009/10 usage. Revised targets were set by the FSA management for 2016/17. All targets were met. Performance for Aviation House (AVH) and Foss House as part of Westminster management contracts. DEFRA managed water, waste and greenhouse gas for Foss House; Wales and Northern Ireland are managed through separate contracts.

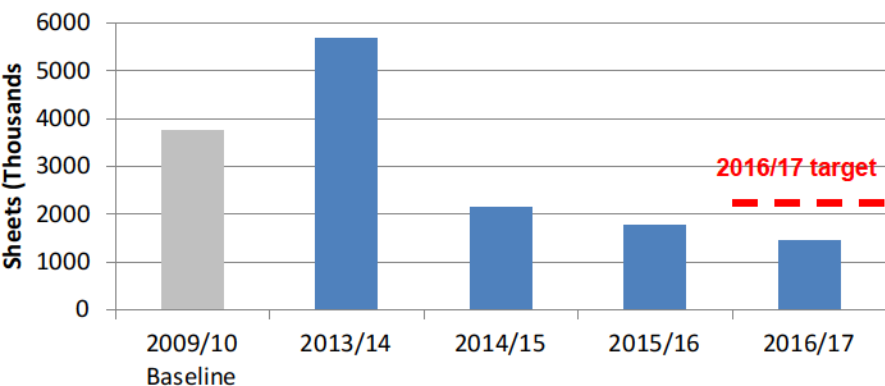
### Water AVH



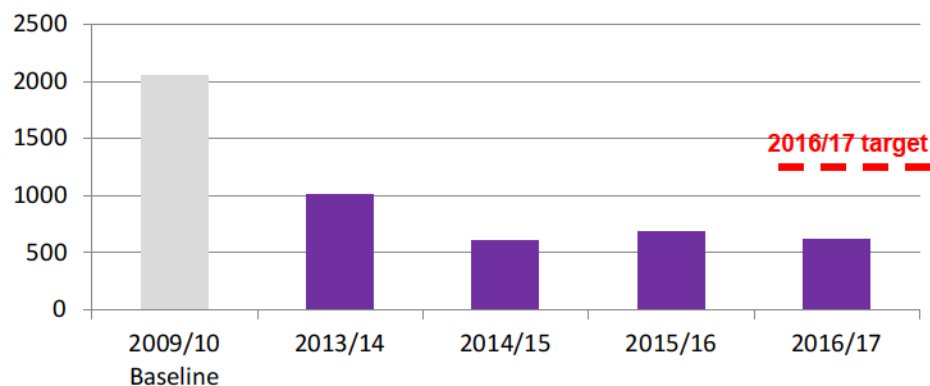
### Waste AVH



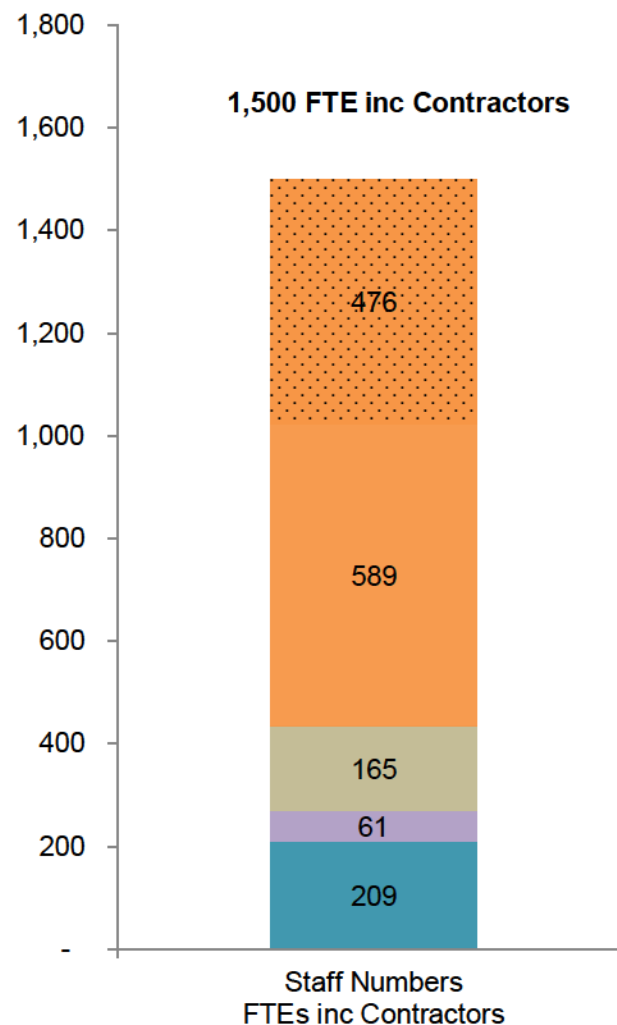
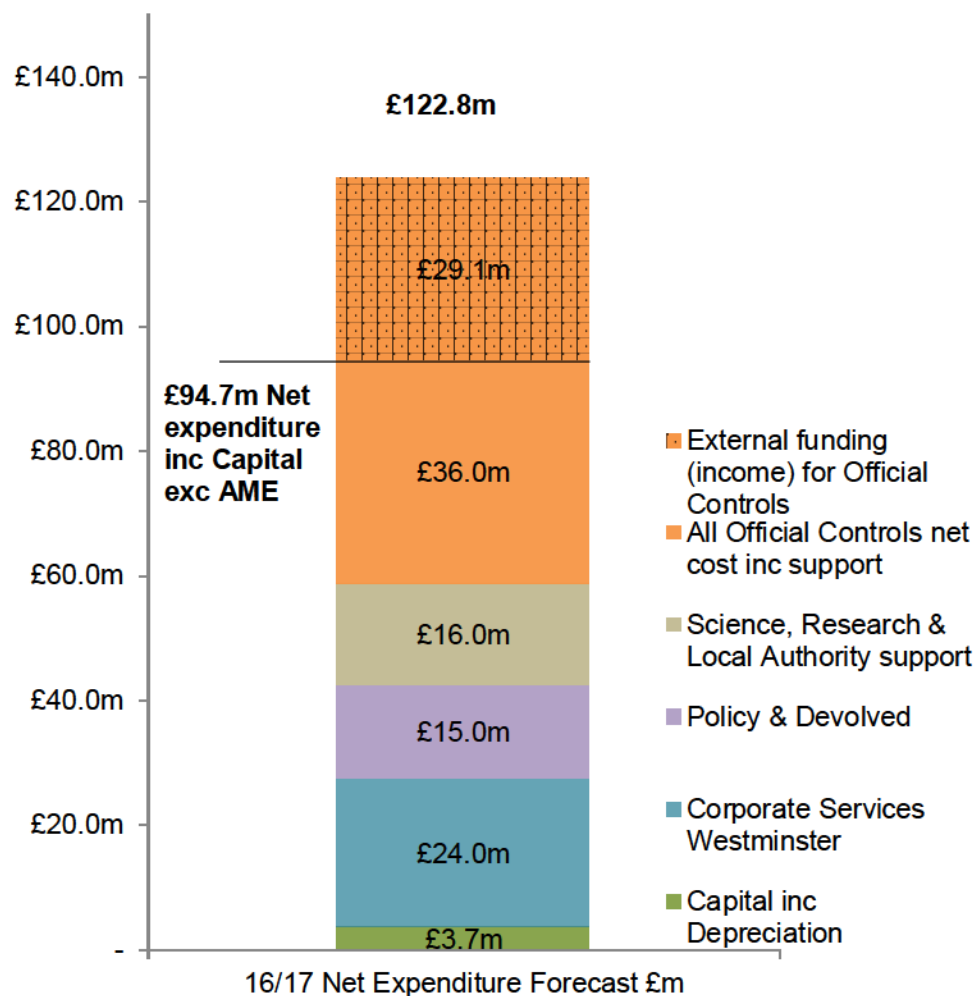
### Paper Consumption AVH & Foss House



### Greenhouse Gas Emissions (CO2E) AVH

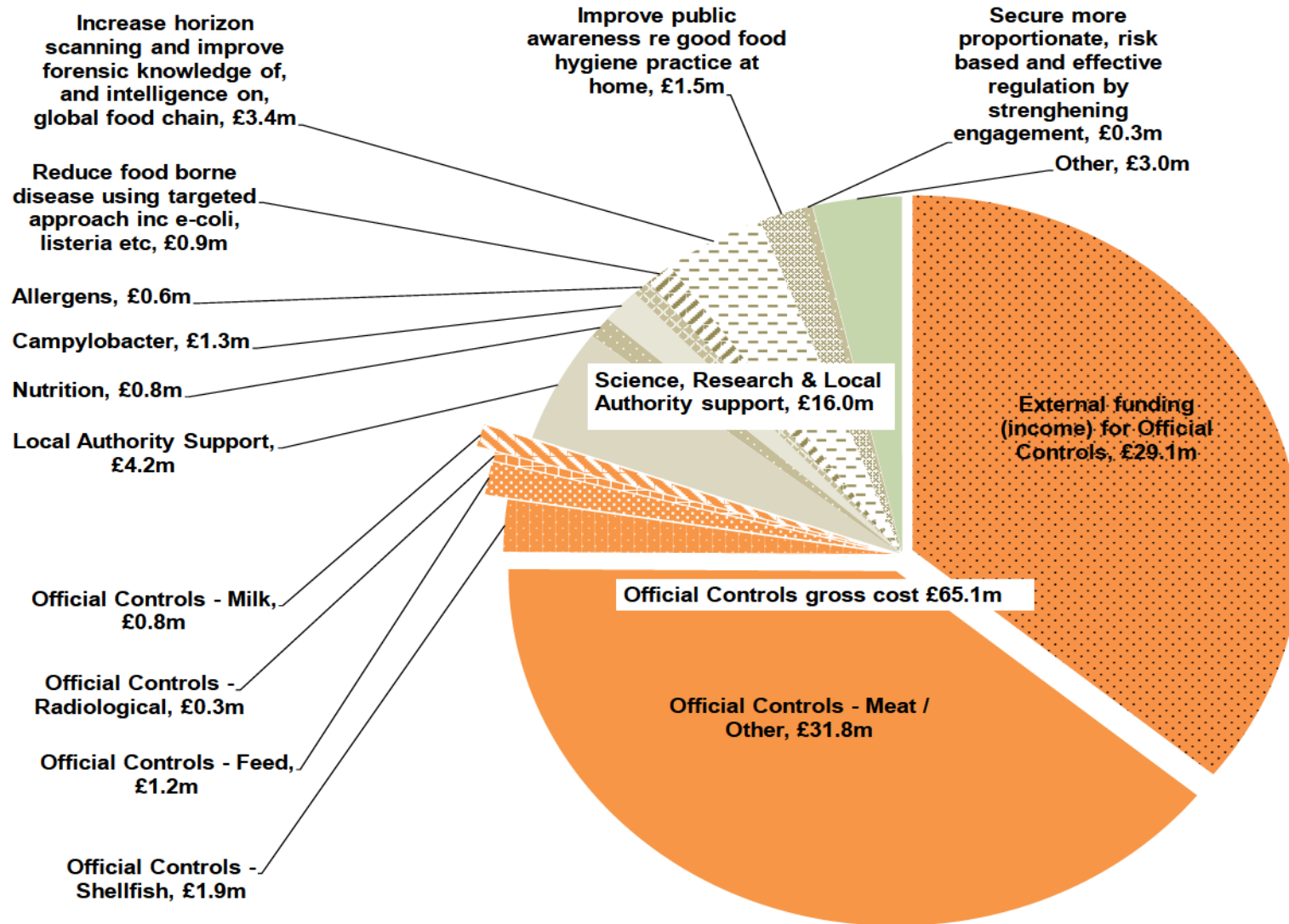


# Efficiency: Resources used: FSA 16/17 Net expenditure (excluding AME) £m and Staffing FTEs





# Efficiency: Analysis of Official Controls and Science, Research & LA Support FSA £m Forecast



# Efficiency: Financial Performance



FSA	16/17 Outturn (prov'l) £m	16/17 Budget £m	Var £m	Var %	
FSA Total Gross cost inc Capital & AME	133.1	145.0	11.9	8%	
FSA Total Net cost Inc Capital & AME	96.8	105.8	9.0	9%	
Northern Ireland	8.2	8.2	-	-	
Wales	3.4	3.5	0.1	2%	
Westminster net RDEL inc Capital exc AME	82.9	84.5	1.7	2%	
Westminster total inc AME	85.3	94.1	8.8	9%	
- Programme expenditure	42.4	41.6	(0.7)	(2%)	
- Programme depreciation	0.2	0.4	0.2	47%	
- Admin expenditure	33.4	34.7	1.3	4%	
- Admin depreciation	2.1	2.1	-	-	
- Resource AME	2.4	9.6	7.2	75%	
- Capital DEL inc R&D	4.8	5.7	0.9	16%	
Note : Favourable / (Adverse)					

## FSA is on track to meet all HMT 16/17 limits

Northern Ireland and Wales are within limits

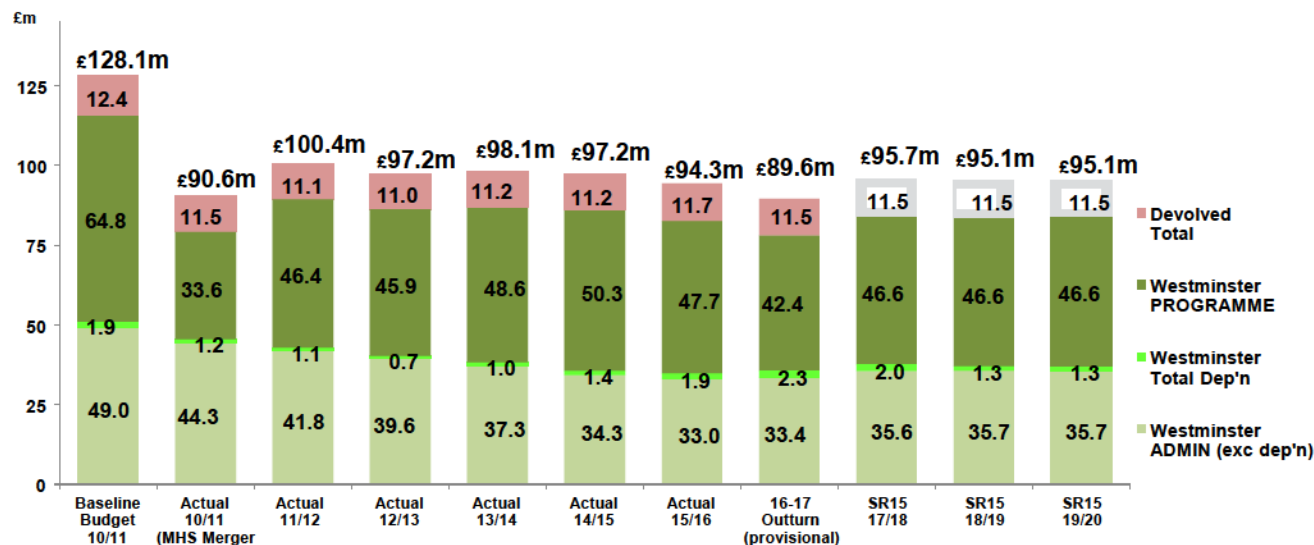
Westminster is within limits.

- Westminster Programme, Admin and Capital expenditure is being managed closely within the overall control limits set by HM Treasury
- Eligible research & development expenditure has been reclassified as Capital in Westminster budget and forecast
- AME is non-controllable expenditure largely relating to pensions and cannot be switched into other budget categories
- Capital inc R&D is predominantly for IT initiatives and drives depreciation

# Efficiency: SR 2010 & 2015 Trend



## FSA (England, Wales & Northern Ireland) Resource DEL (exc Capital & AME) 2010-2020

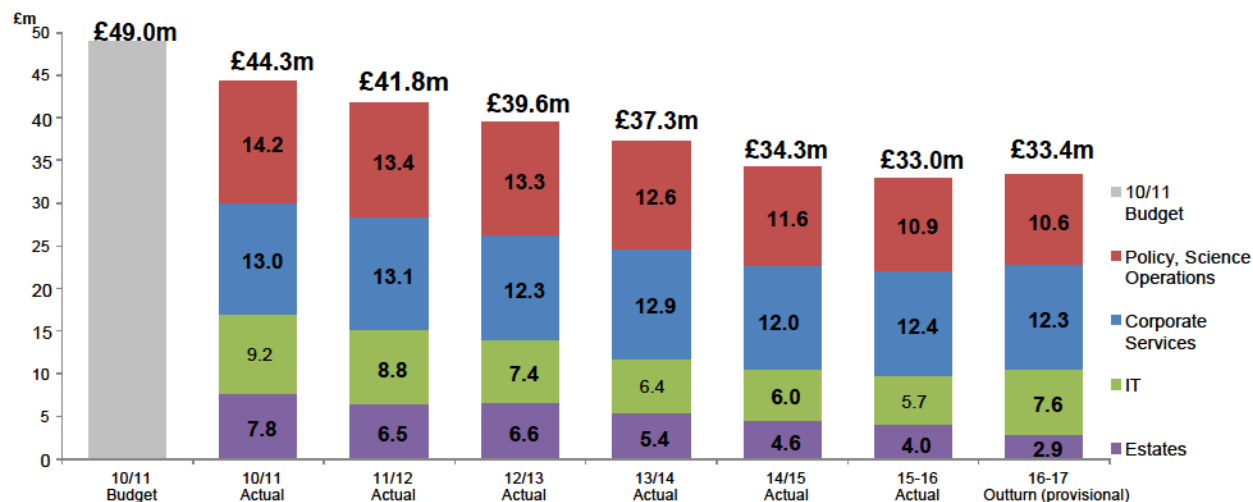


FSA has maintained 'Programme' expenditure on front line delivery, despite pressure of EU exit funding.

FSA has reduced 'Admin' expenditure whilst maintaining the resources dedicated to supporting Science, Research & Local Authority support and investing in IT capability.

Devolved budgets for 17/18 to 19/20 have not been confirmed

## FSA Westminster Admin (exc Depreciation) net expenditure 2010 - 2017



Reduced 'Admin' expenditure since 2010/11 delivered through a reduction mainly in IT and Estates expenditure and absorbed inflation