



FOOD
STANDARDS
AGENCY

Departmental Report Spring 2001

The Government's Expenditure Plans 2001-02 to 2003-04 and Main Estimates 2001-02



**Food Standards Agency
Departmental report**

The Government's Expenditure Plans 2001-02
to 2003-04 and Main Estimates 2001-02

Presented to Parliament by the Secretary of State
for Health and the Chief Secretary to the Treasury
by Command of Her Majesty March 2001

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The purpose of this report is to present to Parliament and the public a clear and informative account of the expenditure activities and performance of the Food Standards Agency.

Foreword by the chairman of the Food Standards Agency

I am pleased to present the first annual Departmental Report for the Food Standards Agency. We came into being on 1 April 2000 and so this Report for 2000/01 covers exactly our first year.

We have made great strides in this first year. We have established ourselves as an effective body protecting the interests of consumers. At our launch we announced that our core values would be to:

- put the consumer first
- be open and accessible
- be an independent voice.

These values have stood us in good stead throughout the year. We have been as open as possible at all times, publishing our advice and honestly saying what we know and what we do not. I believe that we are setting new standards for openness in government; in doing so, we have learned a lot in our first year. We have consulted our stakeholders and taken their views into account; however we have not been swayed by any external pressures but have always made our decisions on the basis of the best evidence available – including, but not limited to, scientific evidence. Food safety issues always attract wide public and media interest. Timeliness is important and we have acted quickly when necessary. The most difficult decisions are always those where the science is uncertain or the evidence weak - examples this year have included the possibility of BSE being found in sheep and the issue of beef imports.

This first year has been the start of a long journey towards our goals of improving the safety of food, consumer information and choice and public confidence in food. We have completed some significant early tasks. Highlights include our review of BSE controls, the task force on meat inspection charges, the introduction of butchers' licensing, the Framework Agreement on monitoring and audit of Local Authority enforcement.

However, this is just a start. Much of our work this year lays the groundwork for the longer term. We have developed our strategy for making a significant reduction in the incidence of food poisoning over the next five years, and have made good progress in developing our

nutrition strategy. This work is crucial to our goal of achieving long-term improvements in public health. Our work with Local Authorities is already bearing fruit but it may take years for the full benefits to come through. We look forward to the introduction of HACCP-based procedures in the food chain over the next few years. The application of HACCP principles will make a major contribution to the management of food safety by food businesses and deliver real benefits to the consumer. We have also agreed an Action Plan which we expect to deliver real improvements in food labelling over the next few years.

Issues of food safety and standards affect everyone in the UK, and the Agency is a UK body. We have established offices in Aberdeen, Belfast and Cardiff to ensure that the people of Scotland, Northern Ireland and Wales are listened to and their concerns properly addressed, and that we can provide advice and support to the devolved administrations. Most of our work affects the whole of the UK equally and our objectives and achievements apply to everyone. However, we have established Advisory Committees in each of the countries outside England to ensure that we do not neglect the interests of any part of UK.

In Scotland we have demonstrated excellent examples of joined up Government in action. Through the E coli Taskforce, working with colleagues in Scottish Executive Health Department, we will deliver an action plan by May 2001 of practical steps to protect the public. Similarly, we are developing partnership working on nutrition, local authority auditing and the problems of Amnesic Shellfish Poisoning.

In Northern Ireland the Agency has developed strong partnerships with the Food Safety Promotion Board, an all-Ireland body set up following the Belfast Agreement of April 1998 and with the Food Safety Authority of Ireland which is responsible for food safety enforcement in the Republic of Ireland.

In Wales, the Agency has made a good start on getting food safety messages across to young people in education, and has developed a close working relationship with the National Assembly for Wales on nutrition.

In terms of staff, the Meat Hygiene Service (an executive agency) is by far the biggest part of the Agency. It plays a crucial role in ensuring safety of meat in particular in relation to BSE. We have set and published new targets for the MHS covering all aspects of its work, including zero tolerance of any serious failure by the MHS to meet those targets relating to the protection of public health. The MHS is playing a key role during the outbreak of foot and mouth disease which began in February 2001, both by establishing the direct slaughter scheme at very short notice, and by continuing to safeguard the public health in relation to imported meat through checks at cutting plants.

The report of the BSE Inquiry (the Phillips report) was published in October and provides an eloquent analysis of the difficulty of dealing with a major threat to the safety of food. Many of the report's conclusions point to the need for changes in the way the Government addressed these issues in the period up to March 1996. The creation of the Food Standards Agency is one of the most important changes the Government has made in this respect and our role, powers and ways of working are entirely consistent with the conclusions of the Phillips report. However, there are many lessons for us, and all of Government, to learn from the BSE story. We are committed to acting on the conclusions of the report where we have not already done so.

Building public confidence is also a long-term process. Most of our activities contribute to this goal, but it is important that the public are clear what we are doing, and why, and can contribute to our decisions and policies. As well as holding Board meetings in public, we have held a public forum in Birmingham and a food debate in Bristol. Our review of BSE controls set new standards in openness and showed the real benefits of allowing everyone with an interest to take part. Our website is a valuable source of information on all matters in which the Agency has an interest. We have completed and published our first comprehensive, quantitative survey of public attitudes to food and food safety. This provides the essential baseline information against which our achievements can be judged in the future. Our interactions with the public will continue and increase and a priority in the coming years will be the development of a new, more user-friendly website. We shall continue to consult as widely and effectively

as possible on all major issues to ensure that everyone who may be affected has the opportunity to make an input. We believe it is important to listen to all, and we pay attention to what our critics tell us.

This has been an exciting and challenging year for everyone in the Agency. We are both new and different in significant ways from our predecessors. Our aim is to make a real difference and we have made a good start, but we do not underestimate the difficulties and challenges to come.

John Krebs

The chairman and deputy chair

The Food Standards Agency Chairman: **Sir John Krebs FRS**



Since 1988 Sir John has held a Royal Society Research Professorship in the Department of Zoology, Oxford University, where he is also a Fellow of Pembroke College. He has also held posts at the University of British Columbia and the University of Wales, Bangor. Sir John is an internationally renowned scientist for his research on the behaviour and ecology of animals. Between 1994 and 1999, Sir John was Chief Executive of the Natural Environment Research Council.

Sir John is a Fellow of the Royal Society, a member of Academia Europea and of the Max Planck Society, an Honorary Foreign Member of the American Academy of Arts and Sciences, and a Foreign Member of the American Philosophical Society. He has received numerous awards and honorary degrees for his scientific work.

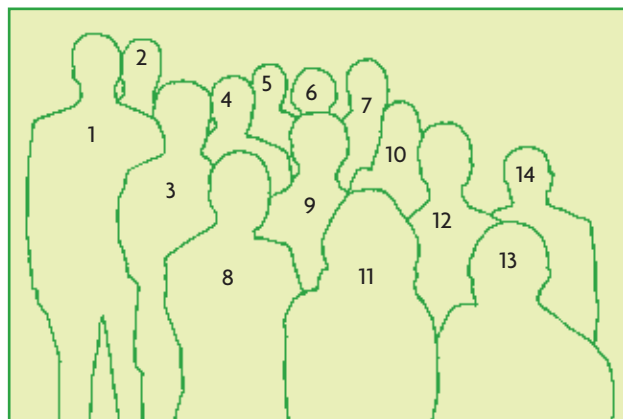
The Food Standards Agency Deputy Chair: **Suzi Leather**



Suzi Leather was appointed to the Chair of Exeter & District Community Health Trust in December 1997 and has worked in consumer representation since 1978. She is a freelance researcher and writer on consumer aspects of public policy, specialising in health, food and agricultural issues.

Suzi has worked at regional, national and European level and is a leading national authority on nutrition and poverty. She was the first Chair of the North & East Devon Health Forum – an inter-agency body with a remit to improve health and tackle health inequalities. Suzi also chairs the St. Sidwell's project, a healthy living centre focusing on better physical, mental and spiritual health. She is a member of the Foresight Panel on the Food Chain and Crops for Industry.

The Food Standards Agency board



1. Vernon Sankey
2. Robert Rees
3. Valerie Howarth
4. Prof. Jeya Henry
5. Richard Ayre
6. Ann Hemingway
7. Gurbux Singh
8. Michael Walker
9. Suzi Leather
10. Karol Bailey
11. Prof. Bhupinder Sandhu
12. Prof. Sir John Krebs
13. Michael Gibson
14. Prof. Sir John Arbuthnott

Sir John Arbuthnott - Chairman of the Agency's Scottish Advisory Committee.

Sir John Arbuthnott became the Principal and Vice Chancellor of the University of Strathclyde in 1991 and stayed in this post until his retirement in December 2000. He was Convenor of the Committee of Scottish Higher Education Principals from 1994-1996 and served as a Vice-Chairman of the Committee of Vice-Chancellors and Principals from 1997-1999. He was also a member of the Dearing Inquiry into Higher Education, including its Scottish Standing Committee (The Garrick Committee) and the working group on the economic role

Sir John Arbuthnott
- continued

of higher education. Sir John's academic background is in medical microbiology, with special interest in mechanisms of infectious disease. He was appointed to the Chair of Microbiology at the University of Nottingham in 1988 and served on the Richmond Committee that examined the integrity of the whole of the food chain, from farm to fork. In 1997 Sir John was appointed Chair of the Steering Group on the National Review into the Allocation of Health Resources within Scotland, publishing the report, 'Fair Shares for All' in 1999. He was a member of the MAFF Veterinary Products Committee and the AFRC Food Research Committee from 1990-1993.

Michael Gibson

Michael Gibson is the Managing Director of a small family meat firm, Macbeth's Butchers, which employs five full-time and three part-time staff. He runs this in conjunction with Edinvale Farms, which consists of 900 acres of farmland and some 600 head of cattle. Michael is Chairman of the Agricultural Committee of the Scottish Landowners Federation. Since 1996 he has co-ordinated the Federation's handling of BSE and all red meat-related matters. He is currently leading a Scottish initiative on Less Favoured Area support in conjunction with the Macauley Land Use Research Institute. He is also a member of the Highlands & Islands Agricultural Partnership a newly formed group consisting of local authorities, enterprise companies, producer organisations, and environmental groups advising politicians and civil servants of local issues. In his role as Senior Fieldsman to the Highland Cattle Society, Michael provides advice to breeders on feeding, marketing, breeding policy and general husbandry as well as formulating Society policy on breed development.

Ann Hemingway -
Chairman of the
Agency's Advisory
Committee for
Wales.

Ann Hemingway is an experienced business woman qualified in Home Economics and Marketing. Her early career experience was in publicity for the milling industry before she moved to British Gas, initially in a marketing role using her home economics background but later taking senior management positions in information technology, personnel and general management of customer service operations. She played a significant role in developing the new direction for British Gas from privatisation through to demerger, leading the management team responsible for customer service in the first phase of gas competition. She is currently involved in a non executive role with the strategic development of Driver and Vehicle Operator Services with the DETR

and is working with the Welsh Development Agency in a new business mentoring scheme in South Wales.

Michael Walker -
Chairman of
the Agency's
Advisory
Committee for
Northern Ireland.

Michael Walker is a partner in Ruddock & Sherratt, a private firm of consulting chemists, with laboratories in Chester and Belfast. It provides the Public Analyst service in a large area of north-west England and in Wales and Northern Ireland. His academic background is in chemistry and in 1993 he became a fellow of the Royal Society of Chemistry. He was appointed to the General Consumer Council (Northern Ireland) in February 1999, and has been a member of the Institute of Food Science and Technology since 1997.

Richard Ayre

Richard Ayre was Deputy Chief Executive of BBC News from 1996 until the end of 1999. He began his career with the BBC as a reporter in Northern Ireland, and ran several parts of BBC News before becoming the Controller of Editorial Policy, responsible for the editorial and ethical standards of all BBC programme making. He served for three years on the 'D-Notice Committee', established between the media and government departments to oversee guidelines for the reporting of issues of national security. He is a board member of the charity Article 19, which campaigns around the world against censorship and for freedom of information.

Karol Bailey

Karol Bailey is a small tenant farmer and food producer/retailer, with a farm shop in Knutsford, Cheshire. She has experience of all aspects of food production from initial conception to production preparation, packaging and labelling. She is also a trainer in food hygiene. Her farm shop, which opened in 1991, now offers a range of more than 600 fresh and frozen products. Karol retails all livestock produced on the farm, and is in the process of creating a new bakery area for speciality pies, cakes, and cooked meats.

Valerie Howarth
OBE

Valerie Howarth OBE is Chief Executive of the charity ChildLine, the free national helpline for children in trouble or danger. ChildLine has counselled over one million children and young people since it opened in 1986 and has developed from a small London-based project to a UK wide children's charity. A social worker by background she worked in the Family Welfare Association and then the London Boroughs of Lambeth and Brent where she was Director of Social Services. During

Valerie Howarth
OBE - continued

this time she served on numerous working parties and chaired several child care service groups. She was the first UK representative of the European Forum for Child Welfare, a founder member and first chair of the Telephone Helplines Association and founded the King's Cross Homelessness Project and London Homelessness Forum. She has taken a leading role in changing the law concerning Child Witnesses and serves on the Department of Health's Quality Protects Steering Group. She has spent over 10 years in consumer protection and standard setting as a committee member of the Independent Committee for the Supervision of Telephone Information Systems (ICSTIS). She is Vice Chair of John Grooms Association for Disabled People and the Faithfull Foundation, a unit for the treatment of child abusers.

Professor
Jeya Henry

Professor Jeya Henry is Professor of Human Nutrition at Oxford Brookes University, and Editor-in-Chief of the International Journal of Food Sciences and Nutrition. He initially trained as a food technologist and subsequently read human nutrition at the London School of Hygiene and Tropical Medicine. He has extensively worked on topics related to nutrition ranging from the prevention of obesity in school children, the tracking of energy requirements during growth in adolescence, the impact of food composition on appetite and food intake, to the development of nutritionally enhanced foods. His expertise at the interface of food science and nutrition has led him to be seconded to the UNICEF to advise on nutrition in India and China. He is a member of the Department for International Development's Crop Post-Harvest Programme, and Committee on Health and Population Research Awards and a member of the Scientific Advisory Panel of the British Nutrition Foundation. He has published over 75 papers, edited three books, and has lectured extensively on food and nutrition issues around the world. He continues to be actively involved in bridging the scientific links between nutrition, public health and food science.

Robert Rees

Robert Rees is a self-employed chef and restaurateur from Bisley, Gloucestershire. He has a strong catering background. He is currently resident chef for Stroud Farmers' Markets, cooking seasonal and local fresh produce. From 1993 until 2000 he ran a restaurant called The Country Elephant in Painswick. He has also worked at restaurants in Bath, in the Grand Cayman Islands (West Indies) and at Le Gavroche,

one of London's most fashionable eating houses. He has had entries in many international restaurant guides, including the Michelin Guide (Gourmande and Red Meal Award); Taste of West Country; the Good Food Guide; the Egon Ronay Guide; the Ackerman Guide; and two AA Rosettes in four consecutive years. Robert is a regular contributor on Central Television and BBC Radio Gloucestershire. He is an employee of Gloucestershire College of Arts and Technology where he is a training advisor, assessor and lecturer in the Hospitality Department where he is involved with Modern Apprenticeships, National Trainee schemes and work based training. Robert is also a Board member of the Stroud Business Education Partnership, and has worked with Gloucestershire Tourism promoting local foods. He is a Health and Safety Work Placement Inspector and has undertaken Intermediate Hygiene Certificate Training. Robert does a lot of work with children and persons with various special needs.

Professor
Bhupinder
Sandhu

Professor Bhupinder Sandhu is a Consultant Paediatrician and Gastroenterologist at the Bristol Royal Hospital for Sick Children and the Institute for Child Health, Bristol University and visiting Professor of Child Health, Gastroenterology and Nutrition at the University of West of England (UWE). She has published extensively in her field and her track record of academic research and teaching at local, national and international level gives her expertise in evaluating statistical data and scientific evidence. She has a commitment to optimising health and nutrition, particularly in children. Bhupinder has worked at a number of teaching hospitals in London and Cambridge including Great Ormond Street Hospital for Sick Children where she was a Research Fellow. She was Secretary of the British Society of Paediatric Gastroenterology and Nutrition (1993-96); Secretary of the South West Paediatrician's Society (1991-96); Chairman of the Division of Paediatrics at Bristol Children's Hospital (1991-96) and chairs a research group of the European Society of Paediatric Gastroenterology, Hepatology and Nutrition (since 1998). Bhupinder is an examiner for Bristol and Birmingham Universities and for the Royal College of Paediatrics and Child Health, where she is a Fellow. She was Chair of the BBC West Regional Advisory Committee (1993-96) and she is a School Governor, Member of the Governing Board of the UWE and a Trustee and Board member of Voluntary Service Overseas (since 1997).

Vernon Sankey

Vernon Sankey is currently a non-executive Director of Pearson plc and Zurich Financial Services AG (Swiss). He is Chairman of Gala Group Holdings plc and the Really Effective Development Company Ltd and Deputy Chairman of Photo-Re International plc and Beltpacker plc. He also serves on the Advisory Boards of a number of companies in the UK and abroad.

From 1992 to 1999 he was Chief Executive of Reckitt & Colman plc, having spent 28 years with that company in a number of functions and countries and was also Chairman of Thomson Travel Group plc.

Vernon is a former member of the London Stock Exchange's Listed Companies Advisory Committee, a former Board member of the Grocery Manufacturers of America and a former Council member of the UK's Food and Drink Federation.

Gurbux Singh

Gurbux Singh is Chairman of the Commission for Racial Equality, a position he has occupied since 15th May 2000. He is a former Chief Executive of the London Borough of Haringey, having been appointed to that post in 1989 in the aftermath of the Broadwater Farm riots. From 1983-1985, Gurbux was District Housing Manager at the Greater London Council where he established and managed a new District Housing Office in Tower Hamlets, serving 11,000 tenants with a staff of 150. He was Senior Housing Officer to the Commission for Racial Equality from 1977 to 1983, reporting to the Chief Executive on a major research programme and working with a range of bodies, including the construction industry, estate agencies, and mortgage lenders, to promote good practice. He is a member of the Home Secretary's Race Relations Forum, and of the Steering Group Implementation Action Plan on the Lawrence Inquiry.

The Food Standards Agency chief executive

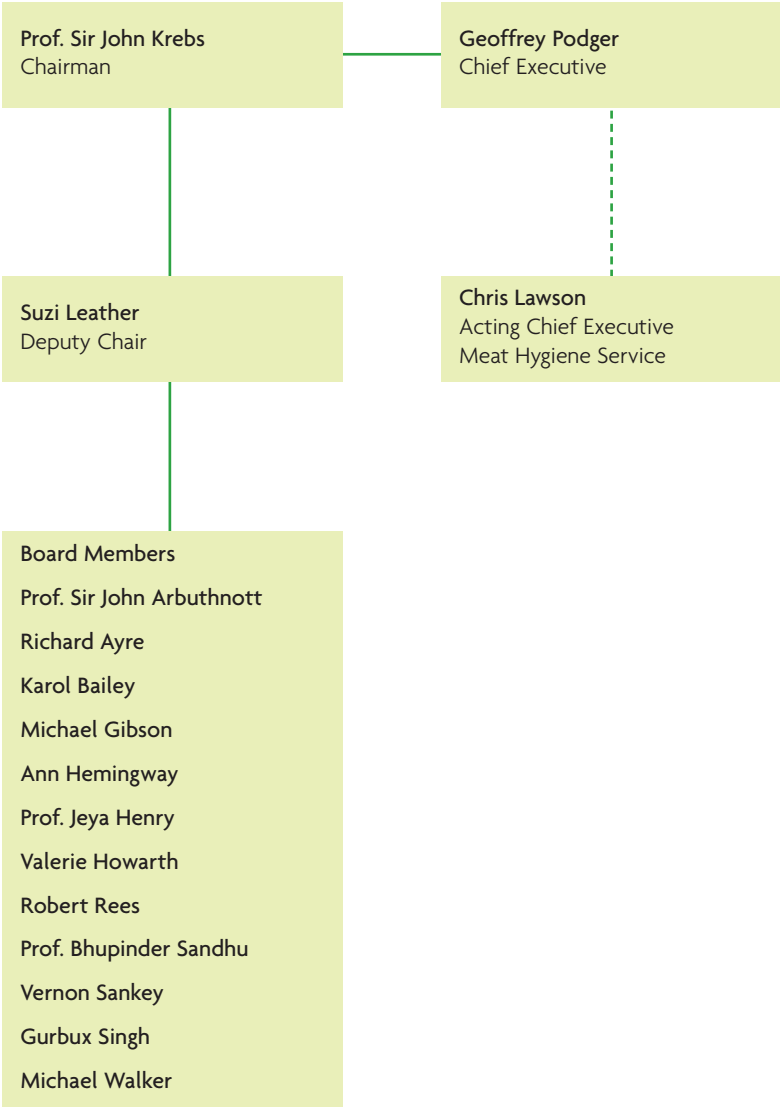
The Food Standards Agency chief executive: **Geoffrey Podger**

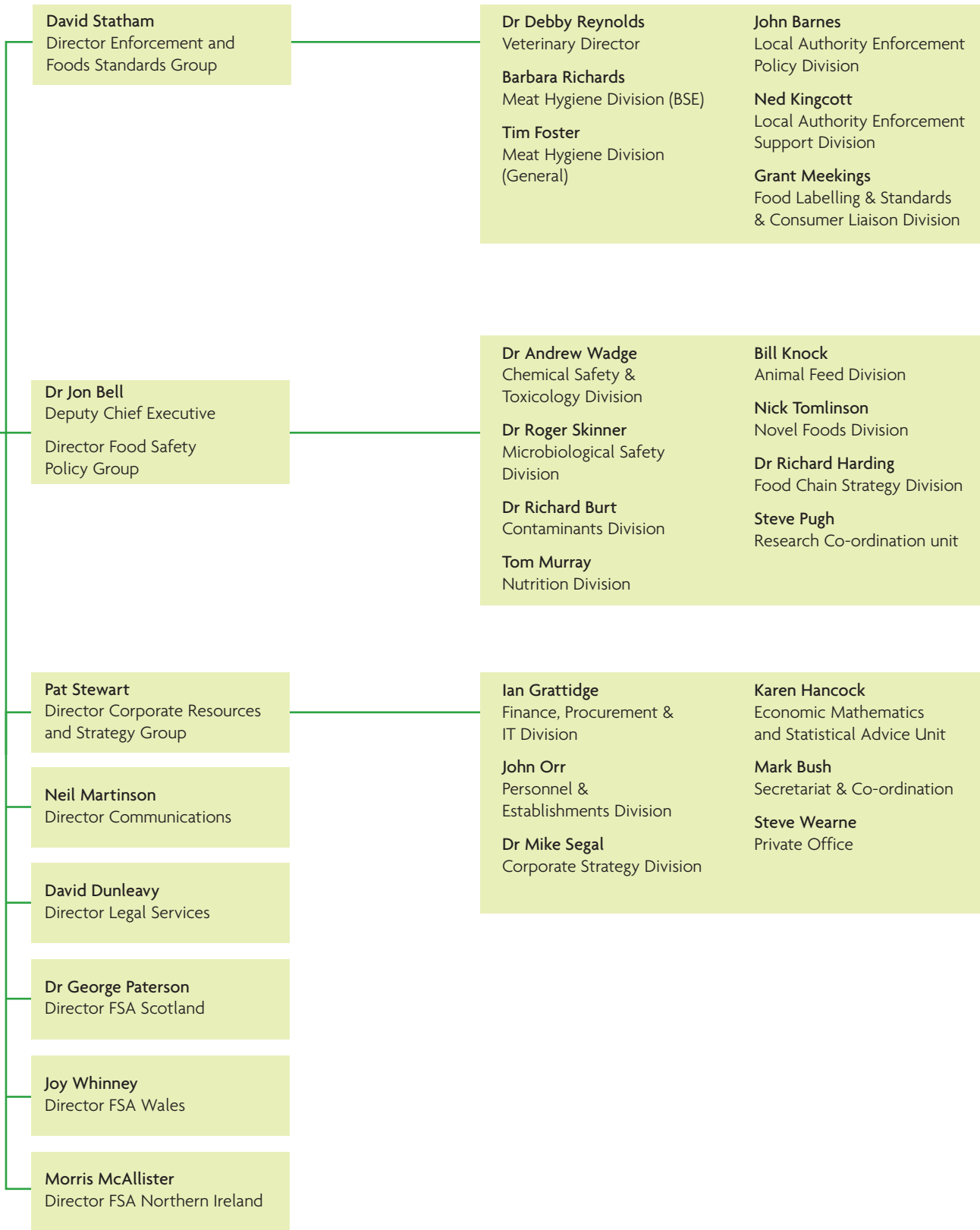


Geoffrey Podger is a career civil servant, who worked for the Department of Health from 1982. Before taking up responsibilities in the food area, he was Under-Secretary for Health Promotion. He was head of the combined Joint Food Safety and Standards Group of the Department of Health and MAFF from its inception in 1997. He was appointed as Chief Executive of the Food Standards Agency on 1 April 2000.

Structure of The Food Standards Agency

The FSA is led by a Board that is responsible for its overall strategic direction. Our Headquarters is in London, and we have offices in Scotland, Wales, and Northern Ireland. The Meat Hygiene Service (MHS) is an Executive Agency of the FSA.





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About the Food Standards Agency

Purpose

- 1.1 The UK Food Standards Agency (FSA) is a new organisation established on 1 April 2000 by Act of Parliament. Our main purpose, as set out in the Food Standards Act 1999, is:

"to protect public health from risks which may arise in connection with the consumption of food, and otherwise to protect the interests of consumers in relation to food."

- 1.2 At the Agency launch, the Chairman stated publicly that we would protect the interests of consumers by following three core values. They are to:
- put the consumer first
 - be open and accessible
 - be an independent voice.

Structure and organisation

- 1.3 The FSA is a non-Ministerial department. Staff are civil servants, but are accountable through a Chief Executive to the Board, rather than directly to Ministers. The Chief Executive was appointed by the Secretary of State for Health with the approval of the Head of the Civil Service under normal Civil Service Commission rules. The Board consists of a Chairman, Deputy Chair, and 12 members. The Chairman and Deputy Chair were appointed by the Secretary of State for Health, Scottish Ministers, the National Assembly for Wales and Northern Ireland Office Ministers.
- 1.4 Two Board members were appointed by Scottish Ministers, one by the National Assembly for Wales, and one by Northern Ireland Office Ministers. These members have special responsibility for Scottish, Welsh, and Northern Irish issues. The other eight members were appointed by the Secretary of State for Health. The members all demonstrate substantial achievement at a senior level. While many have expertise in food matters, they also have a wide range of other backgrounds. Integrity and freedom from conflicts of interest were key considerations in their selection. Board members are not civil servants.

- 1.5 The Board is responsible for our overall strategic direction, for ensuring that legal obligations are fulfilled, and for ensuring that decisions and actions take proper account of scientific advice as well as the interests of consumers and other stakeholders.
- 1.6 Our new headquarters offices are in Aviation House central London. This is leasehold property. We have offices in Belfast, Cardiff, and Aberdeen. The Meat Hygiene Service, an Executive Agency reporting to the FSA, has its headquarters in York.
- 1.7 The structure of the organisation can be found earlier in this document, and details of our core business are in Annex 2. A detailed distribution of business for the FSA is published on our website <http://www.foodstandards.gov.uk>.

Accountability

- 1.8 The Board is accountable to Parliament through the Secretary of State for Health, to Health Ministers in Scotland and Wales, and to the Minister of Health, Social Services and Public Safety in Northern Ireland.

Specific areas of responsibility

- 1.9 We have a wide remit that includes protecting public health, providing advice and information, ensuring food law is effective and is enforced, co-ordinating research and development and surveillance, developing policy and representing the UK on food matters in Europe. Our work involves food safety across the whole food chain – from "farm to fork" including:
 - Food contaminants – defining tolerable levels, risk management and policy
 - Food additives, contact materials, and novel foods – including safety assessment and surveillance
 - Microbiological safety and food hygiene including providing advice on the management of foodborne outbreaks and prevention of foodborne illness

- Inspection and enforcement action to protect consumers
- Local authority enforcement – developing policy, and auditing and improving enforcement
- Pesticides, veterinary medicines, and animal feed – assessing food safety implications
- Food labelling and standards – developing policy, improving consumer choice and representing the UK in the European Union
- Nutrition – providing advice and guidance on the nutritional composition of food, and providing information on a healthy balanced diet, so as to promote and protect public health. In carrying out its remit the Agency works closely with Health Departments, public health and education bodies across the UK to ensure that information on healthy eating is disseminated as widely as possible to all sections of the community.

1.10 In addition we carry out all the usual functions of a government department, for example: dealing with Parliamentary Questions; advising Ministers for Parliamentary debates and otherwise; and responding to Select Committees and the Public Accounts Committee when required to do so. We play our part in relevant government initiatives, such as Modernising Government and civil service reform. We are subject to all the usual requirements of Government Accounting. Our funding is settled through the government's spending review processes in much the same way as for other departments.

About the Food Standards Agency Scotland

1.11 Food safety and standards are devolved matters and legislation governing Scotland is determined by the Scottish Parliament. In Scotland the Food Standards Agency provides advice on proposed legislation to the Minister for Health and Community Care in the Scottish Executive.

1.12 Food Standards Agency Scotland operates within the UK Food Standards Agency. This ensures consistency of approach while allowing for specific Scottish circumstances to be fully taken into account in the implementation of food safety and standards policy in Scotland.

There are two Scottish members of the main Food Standards Agency Board, Sir John Arbuthnott and Michael Gibson. The Agency is accountable for its actions to both the Scottish and Westminster Parliaments. The Food Standards Agency Scotland is funded by the Scottish Executive and has a staff complement comprising of the Director and 56 full time equivalent posts.

- 1.13 There is also a statutory Scottish Food Advisory Committee. It is chaired by Sir John Arbuthnott, and provides Food Standards Agency Scotland with independent information and advice on all food safety and standards issues in Scotland, taking into account where necessary, the advice of the independent scientific advisory committees working in the food safety and standards area.

About the Food Standards Agency Wales

- 1.14 The Food Standards Agency is accountable to the National Assembly for Wales as well as to the authorities in the other three countries of the UK. Food safety and standards are devolved matters and secondary legislation is made by the Assembly. The Food Standards Agency Wales was launched by Jane Hutt, Assembly Member, on 6 April 2000. The Food Standards Agency Wales advises the Assembly through the Minister for Health and Social Services.
- 1.15 The Food Standards Agency Wales, which comprises the Director and 17 staff plus the Chairman of the Advisory Committee for Wales (who is also a member of the UK Board), is based at Southgate House, Cardiff. It carries out those food safety functions formerly discharged by public health and agriculture staff of the National Assembly for Wales.
- 1.16 An Advisory Committee for Wales, appointed by the Assembly and chaired by Ann Hemingway, Welsh member of the Agency's Board, advises the Agency on specific Welsh issues. These arrangements allow for consistent advice, while ensuring that Welsh circumstances are taken into account.

About the Food Standards Agency Northern Ireland

- 1.17 Food safety has historically been a devolved area in Northern Ireland and there is a substantial body of local primary and secondary legislation. The Food Standards Agency in Northern Ireland (FSA(NI)) is responsible for providing advice and draft legislation on issues across the food chain to the Minister in the Northern Ireland Assembly with responsibility for Health, Social Services and Public Safety.
- 1.18 FSA(NI) was launched on 3 April 2000 by Michael Walker, the member of the UK Board with responsibility for Northern Ireland, as part of the new, UK-wide independent body, accountable both to Parliament and the Northern Ireland Assembly.
- 1.19 FSA(NI) initially comprised an interim Director and 13 staff who moved with the food-related work from the local Health and Agriculture Departments. The staff complement has now risen to 17 as the Agency works towards its original staffing target of 21. Morris McAllister was appointed as the substantive Director of FSA(NI) in September 2000. FSA(NI) is located in Clarendon Dock where it moved after a few months in temporary accommodation.
- 1.20 The Advisory Committee for Northern Ireland, under the chairmanship of Michael Walker, was established in summer 2000. It held its first meeting in August 2000. The Advisory Committee has met in closed session on two other occasions and held its first meeting in public in January 2001.
- 1.21 Given Northern Ireland's unique position within the UK in having a land border with another Member State of the European Union, the North-South dimension has been an important consideration for FSA(NI). The Food Standards Agency is required by the Food Standards Act to have regard to the work of the Food Safety Promotion Board (FSPB), the all-Ireland food safety body established by the Belfast Agreement, and FSA(NI) has built up sound working relationships with the new Board, of which Michael Walker is a member. The FSPB's remit includes the promotion of food safety, ensuring the effectiveness

of arrangements for the cross-border communication of food alerts and the promotion of cross-border co-operation in the surveillance of foodborne diseases. Similarly strong links have been established with the Food Safety Authority of Ireland, the body in the Republic with responsibility for enforcement of the food law.

About the Meat Hygiene Service

1.22 The Meat Hygiene Service (MHS) is an Executive Agency of the FSA. The aim of the MHS is to safeguard public health and animal welfare at slaughter through the effective enforcement of legislation. Its main functions are to provide a meat inspection service to all licensed meat plants, and to ensure that the highest standards required by the law for the hygienic production of meat and for the welfare of animals at slaughter are maintained. The MHS publishes its own Annual Report and Accounts. The work of the MHS is described in more detail in Chapter 4.

2

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Delivering better public services

Introduction

- 2.1 In the 1998 Comprehensive Spending Review (CSR), the government set new priorities for public spending with significant extra resources in key services such as education and health. A commitment was also made linking this extra investment to modernisation and reform to raise standards and improve the quality of public services. Development of measurable targets for the full range of government objectives forms a key part of delivering better public services. Departments' objectives and targets are set out in their Public Service Agreements (PSAs). The 2000 Spending Review sets new plans for public spending for 2001 to 2004, and further develops PSAs in order to prioritise the most important goals the government wants to deliver.
- 2.2 As a small department, we were not required to produce a full PSA. Rather, our objectives and targets for the Spending Review period are published in our Service Delivery Agreement (SDA). As we are a new organisation, we have no specific targets from the 1998 CSR. Therefore, we were asked to enhance our SDA to cover the business year 2000 – 01, in addition to the Spending Review period. Our SDA is published at http://www.foodstandards.gov.uk/pdf_files/sda.pdf and our SDA targets are also set out in the tables which follow. Progress against targets in 2000 – 01 is reported later in this Report. SDA targets will be fully reported on in the next Departmental Report.
- 2.3 The White Paper, "Modernising Government", published in March 1999 is a statement of the government's vision for reform and modernisation of the delivery of public services. These principles provide a means of achieving the results of our SDA targets.

2000 Spending review service delivery agreement targets – Aim 1

Aim 1	Measure	Targets during Spending Review period
<ul style="list-style-type: none"> Measurably improve public confidence in the national food safety and standards arrangements. 	<ul style="list-style-type: none"> We will carry out quantitative consumer market research to identify measures to assess changes in consumer attitudes on food safety and standards, and to measure the effectiveness of the Food Standards Agency in communicating with the public. Research will be undertaken by outside specialists appointed following a competitive tender. 	<ul style="list-style-type: none"> In 2000 - 01 we will establish a baseline, and then set targets over the 3 years of the Spending Review period which will show an overall improvement in consumer confidence.

Consumer benefits	SDA Targets
<ul style="list-style-type: none"> Agency is regarded as an authoritative and respected body that is able to represent the needs of consumers. Consumers have better access to FSA advice, and are more likely to act on it. Better consumer protection, especially in the event of food scares. Greater transparency and improved accountability. Consumers given more opportunity to influence FSA's agenda so that the FSA is seen to be more responsive to needs of public. 	<p>We will:</p> <ul style="list-style-type: none"> Enhance our website so that it is truly interactive from 2002, so that members of the public can outline what they would like us to do. Develop our facilities for providing advice for consumers by piloting new approaches that harness recent developments in e-technology, and publish performance against targets. Publish annual reports that are understandable to consumers about the Agency's scientific and surveillance work, and food safety information – ongoing. Hold Board meetings in public and hold open discussions with the public in order to listen to their concerns and to act on them. Publish our independent advice to Ministers (and to other appropriate authorities) on matters of substance, so that people will understand and know about what we are saying about food safety. Increase the availability of research results, and by April 2001 make reports publicly available. Establish a system for post hoc audits of major food incidents, involving relevant stakeholders. Carry out and publish annual consumer surveys of attitudes towards food issues, and towards the FSA. Publish performance information including Hygiene Assessment System scores, information on Local Authority enforcement activity, and audit reports on Local Authority performance. Encourage Local Authorities to publish local information about hygiene standards in food premises.

2000 Spending review service delivery agreement targets – Aim 2

Aim 2	Measure	Targets during Spending Review period
<ul style="list-style-type: none"> Reduce foodborne illness by 20% over the next five years, including reducing levels of Salmonella in UK produced chickens on retail sale by at least 50% by the end of 2004 - 05. 	<ul style="list-style-type: none"> Sources of data on human illness will be reviewed in order to select the most appropriate indicator of progress towards the food borne illness target. We will undertake a baseline survey to establish a Salmonella target and follow this up with representative national surveys of Salmonella in chickens on retail sale. 	<ul style="list-style-type: none"> Establish a baseline during 2000 - 01 for monitoring targets. Establish targets to assess progress over the Spending Review period. Target will be set once the baseline survey has been undertaken.

Consumer benefits	SDA Targets
<ul style="list-style-type: none"> Reduced incidence of foodborne illness. This will have wider economic benefits for e.g. employers and the NHS in terms of fewer working days lost and freeing up of GP and hospital time for other health programmes. 	<p>We will:</p> <ul style="list-style-type: none"> Develop and implement a cost-effective strategy to reduce the incidence of food-borne illness in humans. Focus activity on reducing incidences of Salmonella in UK produced chickens on retail sale by at least 50% in the coming five years. Set new targets for the Meat Hygiene Service. Tackle the food hygiene knowledge gap across the whole population. <p>(Note: see also activity on "protecting consumers" shown in the next table)</p>

2000 Spending review service delivery agreement targets – Aim 3

Aim 3	Measure	Targets during Spending Review period
<ul style="list-style-type: none"> ▪ To protect consumers through improved food safety and standards by: a) Improving local authority enforcement; b) Promoting the use of HACCP (Hazard Analysis and Critical Control Points) in food businesses; c) Improving the safety of fresh meat through MHS action to ensure the effective enforcement of hygiene controls. 	<ul style="list-style-type: none"> ▪ We will train auditors to audit local authorities. ▪ We will undertake a targeted audit programme encompassing low performing local authorities. ▪ Consult on and implement a strategy for the promotion of HACCP throughout the food chain. ▪ We will improve Hygiene Assessment Scores, and conduct unannounced State Veterinary Service audits in fresh meat establishments. ▪ Implement the agreed recommendations of the Pooley Report which are within the remit of the Food Standards Agency. 	<ul style="list-style-type: none"> ▪ 6 auditors trained by April 2001. ▪ In 2001 - 02 we will cover 10% of local authorities under the new scheme. ▪ Thereafter, in light of the first year's results we will make decisions on an expanded programme to cover a larger sample of local authorities, and to undertake audits targeting specific policy issues, for 2002 – 03, 2003 – 04, and 2004 - 05. ▪ In Scotland, an Audit Unit within the Agency and agreed local authority audit scheme to be in place by April 2001. A 3 year rolling audit programme to start April 2001, with a third of Scottish authorities audited in 2001 - 02. ▪ 30% of food premises to have implemented HACCP food safety management systems by the end of the Spending Review period. ▪ To set annual targets for the MHS to ensure the application of clean livestock policy, health marking, and strict enforcement of SRM controls. Targets will be agreed by the FSA Board and published by the MHS. ▪ To implement all recommendations over which the FSA has control by the end of the Spending Review period.

Consumer benefits

- Improved enforcement standards will better protect the public from food contamination incidents and food poisoning outbreaks.
- The increased use of HACCP food safety management systems will further protect consumers from the risks associated with poor food handling and preparation practices in food businesses.
- Implementing the Pooley recommendations will improve consumer protection with regard to fresh meat, and improve value for money.
- Development of nutritional policy will let consumers make informed choices about the foods they eat and their impact on healthy living. We will especially seek to help the disadvantaged groups in society.

SDA Targets

We will:

- Develop a new Framework Agreement with local authorities by 1 April 2001 to promote high and consistent standards of enforcement throughout the UK.
- Consult on and implement a strategy for the promotion of HACCP throughout the food chain, so that 30% of food premises have HACCP food safety management systems in place by the end of the Spending Review period.
- Undertake additional research into new techniques for assessing the safety of genetically modified foods.
- Ensure effective enforcement of animal feed legislation.
- Ensure that Specified Risk Material (SRM) controls are fully enforced, and improve ante- and post-mortem inspections.
- Implement the agreed recommendations of the Pooley Report in the MHS.
- Contribute to re-negotiation of the European Meat Hygiene Directive so as to better protect public health and produce a more efficient enforcement system.
- Develop policy on the nutritional quality of foods and diets and their effect on public health, especially amongst disadvantaged groups.
- Publish consultation document on future labelling policy, in light of responses to the "Better Labelling" initiative.

Reporting on targets: progress so far

Departmental objectives

2.4 The Food Standards Agency took over responsibility for food safety issues from Health and Agriculture Departments from 1 April 2000. At the launch, the Chairman publicly committed the Agency to the protection of consumers, setting new standards for openness, and to being an independent voice. Our overarching objectives are to:

- Measurably improve public confidence in the national food safety and standards arrangements. Specifically to:
 - put the consumer first;
 - be open and accessible, including holding Board meetings in public, and holding open discussions with the public to listen to their concerns;
 - be an independent voice;
- Reduce foodborne illness by 20% between April 2001 and April 2006, including:
 - the reduction of levels of Salmonella in UK produced chickens on retail sale by at least 50% by April 2006;
 - the development and implementation of a cost-effective strategy to reduce the incidence of foodborne illness in humans.
- Protect consumers through improved food safety and standards. Specifically to:
 - develop a new Framework Agreement with local authorities to promote high and consistent standards of enforcement throughout the UK (to be fully operational by April 2001);
 - encourage local authorities to publish local information about hygiene standards in food premises (guidance published on 29 September 2000);
 - introduce butchers' licensing (effective from 2 October 2000 in Scotland, 1 November 2000 in England, and from 30 June 2001 in Wales);
 - review BSE controls (the final report of the BSE Controls Review was published on 20 December 2000: see <http://www.bsereview.org.uk/data/report.htm>).

- Improve value for money and modernise the way we work by:
 - commissioning an external review of the Meat Hygiene Service;
 - developing programmes for reviewing internal services in line with Better Quality Services;
 - implementing agreed recommendations of the report of the Meat Industry Red Tape Working Group (the Pooley Report);
 - developing the organisation and its people and assessing progress against the Investors in People standard.

Targets for 2000 – 01

- 2.5 As explained above, we did not inherit specific CSR targets for 2000 - 01. However, we do have a series of commitments made in connection with the launch of the Agency which have been translated into our Business Plan for 2000 – 01. The Plan sets out our objectives and targets for our first year of operation. It also includes relevant targets from our enhanced SDA.
- 2.6 A summary of our 2000 – 01 targets, together with brief details of progress made in each area is given in the tables which follow. Overall, progress has been made on all the commitments made at the launch of the Agency.
- 2.7 Progress against targets is monitored, and reported quarterly to the Chief Executive and the Board. We expect to meet all our targets in 2000 – 01.
- 2.8 Copies of our launch commitments, Business Plan 2000 – 01, and SDA can be found on our website at <http://www.foodstandards.gov.uk>, or obtained from the contact addresses which can be found inside the back cover of this Report.
- 2.9 Improving public confidence is not something which will happen overnight. However, from the outset, the Agency has acted quickly to establish itself. Setting the standard for openness and accessibility, from the very first formal meeting on 25 May 2000, Board meetings have been held in public. Our website went 'live' on launch day. A new Framework Agreement with local authorities has already been agreed.

Butchers Licensing Regulations took effect from 1 November 2000 (2 October 2000 in Scotland), and will come into force in Wales in June 2001. An external review of the Meat Hygiene Service is already under way, and will be completed by early December. The BSE Controls Review produced its final report on 20 December 2000, and publishes comprehensive information on its website.

2.10 Although reduction of levels of Salmonella in UK produced chickens on retail sale by at least 50% in the coming five years is a longer-term target, a workshop involving stakeholders and others took place in October 2000. Similarly, the target to reduce foodborne disease by 20% is a long term target that will be multi-faceted. A two day workshop involving stakeholders took place in November 2000. We are also well on in the process of establishing a protocol for the 'Salmonella in chickens' baseline survey on which tenders will be invited. A comprehensive review of food labelling policy was published and considered by the Board in September 2000, and a progress report will be published in March 2001. Finance has been secured to carry out a major National Dietary and Nutrition Survey.

FSA progress against targets 2000-01 – Objective 1

- Objective 1
- Measurably improve public confidence in the national food safety and standards arrangements. Specifically we will
 - put the consumer first;
 - be open and accessible; and
 - be an independent voice.

What we will do	Our targets in 2000 – 01	Progress so far
<ul style="list-style-type: none"> ▪ Carry out and publish annual consumer surveys of attitudes towards food issues, and towards the FSA (in particular to ensure that the FSA is operating in accordance with its core values). ▪ Publish annual reports that are understandable to consumers about the Agency's scientific and surveillance work, and food safety information. 	<ul style="list-style-type: none"> ▪ Carry out first survey in 2000-01 and publish first report on the results by April 2001. ▪ Publish first annual report by July 2001. 	<ul style="list-style-type: none"> ▪ Final report received 20 January 2001. Published 5 February 2001.
<ul style="list-style-type: none"> ▪ Enhance our website so that it is truly interactive by 2002, so that the public can outline what they would like us to do. 	<ul style="list-style-type: none"> ▪ Website operational in April 2000. Further development throughout 2000 – 01. 	<ul style="list-style-type: none"> ▪ A review of the Agency's research programme is currently under way, and will consider ways to improve the presentation of the results of the research and surveillance programmes in a more consumer friendly way. The outcome of the review will be reported in June 2001. ▪ Strategy agreed by the Board 12 October 2000. Project plan constructed. Specifications agreed, Consultant advisor engaged. Two project groups: editorial and technical set up. Project manager in place. Managing Editor post advertised 29 January 2001.
<ul style="list-style-type: none"> ▪ Develop our facilities for providing advice to consumers by piloting new approaches that harness recent developments in e-technology, and publish performance against targets. ▪ Hold Board meetings in public and hold open discussions with the public in order to listen to their concerns and to act on them. 	<ul style="list-style-type: none"> ▪ Proposals for improvement to be developed by end November 2000, and implemented by April 2001 subject to resource implications. ▪ Hold Board meetings in public, beginning with the first formal meeting in May 2000. 	<ul style="list-style-type: none"> ▪ Strategy agreed by the Board 12 October 2000. Consultants appointed and feasibility study agreed. Project group set up. Study scheduled for completion end March 2001. ▪ 9 open Board meetings have been held so far, starting in May 2000. The programme for future meetings is published regularly.

What we will do	Our targets in 2000 – 01	Progress so far
<ul style="list-style-type: none"> ▪ Comply with Welsh language obligations and improve accessibility to information. ▪ Encourage local authorities to publish local information about hygiene standards in food premises. 	<ul style="list-style-type: none"> ▪ Hold 2 Open Fora during 2000 – 01 at which members of the public will be able to express their views to the Board. ▪ Draft Welsh language scheme to be discussed with Welsh Language Board and issued for consultation before the end of 2000. ▪ Publish first report by July 2001 	<ul style="list-style-type: none"> ▪ First Open Forum held in Birmingham on 31 May 2000. ▪ A draft scheme has been prepared in consultation with the Welsh Language Board (WLB). The draft scheme has been endorsed by both the Advisory Committee for Wales and the FSA Board. The draft has been referred to the Welsh Language Board for comment before going out to final public consultation. Advice about the practical application of the scheme throughout the Agency has been published for staff. ▪ Enforcement Service Planning Guidance will be implemented through the Framework Agreement published 29 September 2000. Public decision making on local enforcement service plans and out-turn reports from April 2001 will start the process of getting more information into the public domain. Work in hand for Agency to consider options to publish information on its own account. Local authorities are now working on enforcement service plans which will be agreed at local political level for commencement on 1 April 2001. Informal consultation completed on proposal for an Agency Register of Food Business conflicts.

What we will do	Our targets in 2000 – 01	Progress so far
<ul style="list-style-type: none"> ▪ Publish performance information including <ul style="list-style-type: none"> - Hygiene Assessment System scores; - information on Local Authority enforcement activity; and - audit reports on Local Authority performance. 	<ul style="list-style-type: none"> ▪ Publish first report by July 2001. ▪ Publish first report by July 2001. ▪ Publish first report by July 2001. 	<ul style="list-style-type: none"> ▪ Hygiene Assessment Scores carried out by the MHS for each individual meat plant are published each month in the Meat Hygiene Enforcement Report. ▪ Enforcement activity for 500 UK local authorities published July 2000 and put on Agency website. Public commitment to annual reports to the Board. National programme of seminars arranged for January to March 2001 to improve quality of LA monitoring returns. ▪ A programme of pilot audits continues until March 2001. A formal audit programme for April to June 2001 was announced on 22 January 2001. Formal audits to commence 1 April 2001. Quarterly audit reports to the Board. Framework Agreement provides for publication of audit reports and remedial action plans. Press release issued 22 January 2001 re: the first ten local authorities to be audited by the Food Standards Agency as part of a rolling programme to raise national standards of food safety.
<ul style="list-style-type: none"> ▪ Increase the availability of research results. 	<ul style="list-style-type: none"> ▪ Publish Agency strategy on research by June 2001. 	<ul style="list-style-type: none"> ▪ A Research Review Group chaired by Sir John Arbuthnott is reviewing the Agency's future strategy for research. The Board will consider a report from the Review Group, which will put forward a future strategy for research, in June 2001.
<ul style="list-style-type: none"> ▪ Establish a system for post hoc audits of major food incidents, involving relevant stakeholders. 	<ul style="list-style-type: none"> ▪ Establish informal post hoc audits by end 2000, and establish formal review procedures, involving relevant stakeholders, before end 2000 - 01. 	<ul style="list-style-type: none"> ▪ Meeting with key stakeholders took place in November 2000. An 'emergency exercise' involving key stakeholders is provisionally scheduled for March 2001. ▪ New cross-cutting arrangements for dealing with food incidents to be in place to coincide with the move to Aviation House.

FSA progress against targets 2000-01 – Objective 2

- Objective 2
- Reduce foodborne illness by 20% over the next five years, including the reduction of levels of Salmonella in UK produced chickens on retail sale by at least 50% in the coming five years.

What we will do	Our targets in 2000 – 01	Progress so far
<ul style="list-style-type: none"> Develop and implement a cost-effective strategy to reduce the incidence of foodborne illness in humans. 	<ul style="list-style-type: none"> Draw up strategy for reduction of foodborne illness by April 2001. Enhance surveillance of foodborne illness in humans and publish a first report on current trends by June 2001. 	<ul style="list-style-type: none"> A workshop/brainstorming session took place on 21 and 22 November 2000, and a short report has been prepared. The results of this will inform the drafting of the strategy which will be submitted to the Board. A baseline for food poisoning is expected to be published before the agreed date of June 2001. We are examining with the Public Health Laboratory Service and others the best means of gathering data for the food poisoning baseline.
<ul style="list-style-type: none"> Focus activity on reducing incidences of Salmonella in UK produced chickens on retail sale by at least 50% by 2004 - 05. 	<ul style="list-style-type: none"> Carry out a baseline survey of Salmonella in UK retail poultry and publish results by April 2001. Agree strategy for meeting the target with major stakeholders by April 2001. 	<ul style="list-style-type: none"> A workshop/brainstorming session took place on 19 and 20 October 2000. The results of this will inform the drafting of the strategy which is on schedule to be forwarded to the Board by April 2001. The baseline survey has proved to be a more difficult undertaking than anticipated because of the complexity and size of the sampling plan necessary to produce worthwhile results. Given this the results of the survey are not now expected to be available until June/July 2001.
<ul style="list-style-type: none"> Promote the schools pack on food hygiene. 	<ul style="list-style-type: none"> Publicise availability of teaching resource through Food Safety Information Bulletin and develop associated website by September 2000. 	<ul style="list-style-type: none"> An article publicising the availability of the two teaching packs ('Aliens in Our Food' and The Adventures of Safe-T and the H-Squad') appeared in the May 2000 Food Safety Information Bulletin.

What we will do	Our targets in 2000 – 01	Progress so far
<ul style="list-style-type: none"> ▪ Set new targets for the Meat Hygiene Service. 	<ul style="list-style-type: none"> ▪ Launch bilingual primary schools materials in Wales in June 2000. ▪ Targets agreed and published by April 2001. 	<ul style="list-style-type: none"> ▪ The associated website has been transferred from the Health Education Authority's server to the FSA's server and can be located on www.foodstandards.gov.uk/hea/index2.html. A Welsh translation is being developed. Discussion is taking place between contractors and FSA HQ with regard to contractual obligations. ▪ These materials were launched formally by Ann Hemingway, Robert Rees and Assembly Health Secretary in June 2000 as planned. Copies were distributed to every primary school in Wales in September 2000. ▪ Targets for 2000 - 01 are now in place. The Meat Hygiene Advisory Committee has agreed to the Agency consulting stakeholders on proposed targets for 2001 – 02. The consultation package was issued on 15 January 2001 (copy on the FSA website). Final targets should be available for clearance by the Committee in early March 2001.

FSA progress against targets 2000-01 – Objective 3

- Objective 3
- To protect consumers through improved food safety and standards.

What we will do	Our targets in 2000 – 01	Progress so far
<ul style="list-style-type: none"> Improve Local Authority enforcement by developing a new Framework Agreement with Local Authorities to promote high and consistent standards of enforcement throughout the UK. 	<ul style="list-style-type: none"> Agree and implement across the UK by 1 April 2001. 	<ul style="list-style-type: none"> Framework Agreement published 29 September 2000 and fully operational by 1 April 2001. Letter sent to LA Chief Executives with the Framework Agreement asking that they ensure that necessary action is put in hand to implement the terms of the Agreement within their authority. The Local Authority Enforcement Liaison Group (LAELG) will continue to review the operation of the Agreement as well as considering wider enforcement issues of relevance to the Agency and its stakeholders.
<ul style="list-style-type: none"> Undertake regular audits of enforcement activity. 	<ul style="list-style-type: none"> In 2001 - 02 we will cover 10% of local authorities under the new scheme. Thereafter, in light of the first year's results we will make decisions on an expanded programme to cover a larger sample of local authorities, and to undertake audits targeting specific policy issues, for 2002 - 03, 2003 - 04, and 2004 - 05. Scotland - develop a scheme to audit Local Authority enforcement activity to be in place by April 2001. All Local Authorities to be audited over a 3 year period. 	<ul style="list-style-type: none"> Audit scheme developed as a key part of the Framework Agreement. Pilot programme of audits in progress. Formal audits to commence from 1 April 2001. Quarterly audit programmes to be published in advance and taken forward in line with 10% target. An announcement was made on 22 January 2001 (press release on the FSA website) about the first ten local authorities to be audited. Feasibility study carried out on third party auditing in Scotland. All Local Authorities agreed to a joint auditing process and a joint Board being constituted to manage the system. Tenders to be invited February for auditors with implementation by 1 April 2001.
<ul style="list-style-type: none"> Promote the use of HACCP (Hazard Analysis and Critical Control Points), and in particular develop and consult on a strategy for implementing the principles of HACCP throughout 	<ul style="list-style-type: none"> Publish an action plan by April 2001. 	<ul style="list-style-type: none"> Initial Agency efforts have focused on gathering information on current levels of HACCP implementation in the UK and issues affecting its wider application to help inform the

What we will do	Our targets in 2000 – 01	Progress so far
<p>the food chain. We will run a HACCP campaign to help ensure that food premises implement HACCP based management systems. The campaign will target in particular small and medium food businesses.</p>	<ul style="list-style-type: none"> ▪ 30% of food premises to have implemented HACCP food safety management systems by April 2004. 	<p>development of a national strategy. There have been direct discussions with key stakeholders with particular focus on sectors, such as catering, dairy and fresh meat, where improved application of HACCP is needed.</p> <ul style="list-style-type: none"> ▪ The FSA held a workshop on HACCP and food safety in slaughterhouses on 28/29 November 2000. A record of the event was circulated to attendees and published on the Agency web site at the end of December 2000. The workshop has facilitated a useful debate around the issues raised by the European Commission's proposals to introduce a risk-based approach to food safety controls in large and small slaughterhouses. The role of HACCP in improving hygiene standards was also discussed at the workshops on the poultry meat and food borne illness reduction targets held in October and November 2000 respectively (see under Objective 2). ▪ Butchers' Licensing Regulations took effect on 1 November 2000 – 2 October 2000 in Scotland. This was the first time application of all 7 HACCP principles required in UK legislation. Covers approximately 12,000 premises in England and Scotland. Paper on the initial implementation of the Butchers' Licensing Regulations submitted for February 2001 Board. Similar butchers' licensing regulations, conditional on HACCP being in place, come into force in Wales on 30 June 2001 and a similar scheme is expected

What we will do	Our targets in 2000 – 01	Progress so far
<ul style="list-style-type: none"> ▪ Ensure that Specified Risk Material (SRM) controls are fully enforced. Improve ante- and post-mortem inspections. ▪ Publish consultation document on future labelling policy, in light of responses to the "Better Labelling" initiative. 	<ul style="list-style-type: none"> ▪ Fully implement supervisory requirements in full-throughput abattoirs by April 2001. ▪ To be published by April 2001. 	<p>to be introduced in Northern Ireland shortly.</p> <ul style="list-style-type: none"> ▪ During autumn 2000, the Agency provided HACCP training for food law enforcement officers and further courses are planned. We will continue to work with food hygiene training and accreditation bodies to encourage the development of appropriate HACCP training courses for food businesses. ▪ Full enforcement of the SRM controls is already in place, and the results of the audit checks are published each month in the BSE Enforcement Bulletin. Similarly, work is ongoing to ensure that the requirements for ante and post mortem inspections are properly applied. The MHS is currently on target to achieve 100% veterinary supervision in full throughput abattoirs by April 2001, in line with commitments given to the European Commission by the UK government, and with the target identified by the FSA. ▪ A comprehensive review of food labelling policy was published and considered by FSA Board in September. The Board endorsed the policy and announced a detailed action plan, on which consultation is already under way. A further progress report will be published in March 2001. A summary report of the Food Labelling Forum held on 24 November 2000 is now available on the FSA website. These Open Forums will be used to provide updates on the progress of the Food Labelling Action Plan.

FSA progress against business plan targets 2000-01 – Objective 4

- Objective 4
- To improve value for money and modernise the way we work.

What we will do	Our targets in 2000 – 01	Progress so far
<ul style="list-style-type: none"> ▪ Develop a programme for reviewing internal services and functions in line with Better Quality Services: all services to be reviewed by 2005. 	<ul style="list-style-type: none"> ▪ Establish a rolling programme of reviews and make a start before April 2001. 	<ul style="list-style-type: none"> ▪ We have commissioned a CCTA report to make recommendations on the direction for FSA IT strategy. We are also establishing a longer term programme of topics for BQS studies, starting with services provided at Aviation House. Work is continuing on developing a BQS programme for 2001 – 2005. This list will cover larger central services and cross-cutting activities.
<ul style="list-style-type: none"> ▪ Adopt 'Information Age Government'. 	<ul style="list-style-type: none"> ▪ Develop systems to meet the information age government targets so that all our dealings with the public are capable of being delivered electronically by 2005. 	<ul style="list-style-type: none"> ▪ Developments in support of Information Age Government will be taken forward in the light of the FSA's longer-term development and in particular its communications strategy.
<ul style="list-style-type: none"> ▪ Implement the agreed recommendations of the Pooley Report in the MHS as a means of securing improved public health and better value for money. 	<ul style="list-style-type: none"> ▪ Work to implement the appropriate recommendations has started and is ongoing throughout the year. 	<ul style="list-style-type: none"> ▪ Two e-business developments are under way: <ul style="list-style-type: none"> - an upgrade of the website; - electronic transmission of LAs quarterly returns to FSA. ▪ Our wider e-business strategy will be developed following relocation.
<ul style="list-style-type: none"> ▪ Carry out the MHS Efficiency Review. 	<ul style="list-style-type: none"> ▪ First stage to be completed by early December 2000; second stage report by end March 2001. 	<ul style="list-style-type: none"> ▪ Work is in hand. Progress against each recommendation is updated monthly and published on the FSA website.
<ul style="list-style-type: none"> ▪ Develop the organisation and its people through IIP. Recognition for Investors in People achieved in 2002. 	<ul style="list-style-type: none"> ▪ Introduce formal processes for strategic planning during 2000 - 01. * ▪ Introduce formal processes for business planning and performance management during 2000 - 01. 	<ul style="list-style-type: none"> ▪ The first draft of the consultants' (Deloitte and Touche) report has been received. Deloitte's are to present findings at meeting of the Meat Hygiene Advisory Committee on 13 February 2001. ▪ The Board discussed strategic priorities at an awayday in January 2001 against an agreed set of criteria based on relevance and achievability. A further round of discussions will be held in March with a view to

What we will do	Our targets in 2000 – 01	Progress so far
<ul style="list-style-type: none"> ▪ We will adopt the principles of the Civil Service Reform programme. 	<ul style="list-style-type: none"> ▪ Establish staff development strategy to meet business needs by April 2001. * ▪ Develop Civil Service Reform programme which meets Cabinet Office requirements and begin implementation. * 	<p>preparing the Strategic Plan for publication in May.</p> <ul style="list-style-type: none"> ▪ Monitoring arrangements in place for current year's Business Plan. ▪ We have now begun a comprehensive two year development programme. Early components – such as a new FSA-specific competence framework – should be introduced by summer 2001. Other components include a tailored management development programme, introduction of 360 degree feedback for the Senior Civil Service, development work around diversity issues, and a programme to improve business efficiency. ▪ An liP Project Team and training liaison network have been set up. A staff survey, and in-depth follow-up analysis by the Agency's liP adviser, was carried out in late 2000; the results have now been distributed to staff. The liP website has been deferred given other priorities. In the light of the advice of our external advisors we are now developing the liP action plan alongside that for the development programme (see above), with a revised target date of April 2001. ▪ Aspects of the Civil Service Reform agenda are now featuring in the broader development work (see above). The FSA's first staff survey took place in October 2000 and will be used to establish a baseline. It will be repeated on an annual basis. As part of the work on diversity, we undertook an ethnicity /disability survey of FSA staff

What we will do	Our targets in 2000 – 01	Progress so far
	<ul style="list-style-type: none"> <li data-bbox="740 734 1023 819">▪ Establish new performance appraisal arrangements for all staff by April 2001. * <li data-bbox="740 1144 959 1229">▪ Begin review of pay arrangements during 2000 - 01. * 	<p data-bbox="1123 640 1442 725">in January/February 2001. This will help us in preparing a diversity strategy for the Agency.</p> <ul style="list-style-type: none"> <li data-bbox="1099 734 1442 1133">▪ We are on course for completion in March/April 2001 of the last phase of the training for officers completing reports under the transitional arrangements. We are working with consultants on a new competency framework (which brings out the FSA's core values) to be introduced in the next appraisal year. The consultants are also advising on new performance appraisal arrangements to reflect this. <li data-bbox="1099 1144 1442 1429">▪ The 2000 DH pay settlement was implemented by November 2000. We have opened discussions with the trade unions about reviewing the FSA pay arrangements. We are also seeking pay delegation from the Cabinet Office (to enable us develop and negotiate FSA-specific pay arrangements).

* NB - these are reports on progress against some specific targets which form part of the wider human resources strategy we are developing for the FSA.

Reporting on modernising government

Modernising government action plan

- 2.11 As a new organisation, we are still developing our high level strategy. We are also developing a framework for taking forward the Modernising Government agenda. But we are already reflecting the key Modernising Government messages in our development work.
- 2.12 The following sections report on the progress we have made so far in the areas which are particularly relevant to us.

Effective policy making

- 2.13 As a forward looking organisation we are committed to developing policies to deliver outcomes that matter. Our aim is to develop our policy making process to ensure that we take account of and promote best practice.

Evidence-based decision making

- 2.14 Where relevant, our decisions are founded upon an assessment of the latest scientific knowledge. Risk assessments are usually, but not exclusively, carried out by independent advisory committees. These depend on a rigorous assessment of the scientific evidence. In July 2000, the then Chief Scientific Advisor, Sir Robert May, reviewed the way food safety advisory committees deal with risk; he was assisted in the review by the Chief Medical Officer and the Food Standard Agency's Chairman. The advisory committees are now studying its conclusions. The Report of the BSE Inquiry also includes comments on the role of science and advisory committees and the Board considered its implications in February 2001. We plan to review our use of advisory committees in 2001.
- 2.15 Other forms of evidence are also important in our decisions. Effective enforcement of measures to protect the public is essential. We look closely at the evidence for effective enforcement, or otherwise. This is an important part of our role in relation to local authority enforcement of food law. It also goes wider, as, for example, in the case of French measures in relation to BSE. All our recommendations

to ensure the protection of the UK public have been based on the evidence available.

- 2.16 Evidence is also necessary when we carry out our statutory duty to take into account the costs and benefits of our actions. Our review of BSE controls examined the costs of the existing control system and concluded that they were not disproportionate, when compared to other life-saving public health interventions. Our review of the burdens of regulation on small businesses is examining the actual costs imposed on such businesses in the food sector by regulation; the review will be completed and reported in spring 2001.

Openness and consultation

- 2.17 Our commitment to openness and consultation also contribute to the effectiveness of our policy making. By being open and transparent we build public trust and understanding, making our advice and public information more effective, and helping to improve the public's confidence in our work. But an open approach can also improve the quality of policy making and decisions. For example, people who have experience of how policies are put into practice are more likely to be able to spot snags or loopholes in new proposals. Both aspects figured significantly in the report of the BSE Inquiry chaired by Lord Phillips and our policies and practices are consistent with its conclusions. Our review of the BSE controls provides a good example of these principles in practice.

Joined-up government

- 2.18 We cannot operate effectively in isolation from other government departments and agencies. Close co-operation is essential if departments are to achieve their common aims. Our relationships with other government departments are being documented in concordats. Their purpose is to set out agreed arrangements for co-operation and exchange of information. They are concerned with issues of principle rather than the detail of day-to-day working relations. They focus on areas of common interest, set down common processes, and identify the main components of an effective working relationship. All our concordats will be published.

2.19 Some concordats have already been agreed and are published on our website. Others are in the final stages of development. When all are finalised we will have concordats with the following:

- Department for Education and Employment (DfEE)
- Department of Health (DH)
- Department of the Environment, Transport and Regions (DETR)
- Department of Trade and Industry (DTI)
- Environment Agency (EA)
- Food Safety Promotion Board (FSPB)
- Health and Safety Executive (HSE)
- Local Authorities Co-ordinating Body on Food and Trading Standards (LACOTS)
- Ministry of Agriculture, Fisheries and Foods (MAFF)
- Public Health Laboratory Service (PHLS)
- the National Assembly for Wales
- the Northern Ireland Assembly
- the Scottish Executive.

2.20 As a UK body, the Agency advises and works with the devolved administrations as well as the Whitehall departments. We are working closely in developing policies and strategies that meet the particular interests and needs of the populations of Scotland, Wales, and Northern Ireland. Examples include developments in food poisoning and nutrition in Scotland, and in nutrition in Wales. An Agency Board Member is also a member of the cross-border Food Safety Promotion Board (FSPB) in Ireland.

Regulatory impact assessment

2.21 Following the recent report of the findings of the BSE Inquiry led by Lord Phillips, the way in which regulation is managed and enforced in the area of food safety has gained a new importance for consumers. The principles of proportionate action,

consultation, openness and accountability - all written into the Food Standards Act 1999, which established the Agency - are central to the way in which the Agency takes its decisions and acts. How it gives effect to these requirements has been the subject of public consultation on its Statement of General Objectives and Practices and in a range of supporting statements, such as its Code of Practice on Openness.

- 2.22 While the Food Standards Agency has made clear its commitment to the principles of better regulation, it is also dedicated to meeting it in a way that does not undermine its main objective of protecting consumers. We put public health first: thus in seeking to remove unnecessary burdens on industry, we will not put public health at risk as a consequence of removing, relaxing or simplifying existing controls.
- 2.23 Another major initiative has been the review of BSE controls, called for by the Prime Minister in March 2000. The review report was published on 20 December 2000 and recommended that controls brought in to protect the public from BSE should be retained and strengthened.
- 2.24 We have been active in a variety of areas in reviewing regulatory burdens. For example, we launched a review in July 2000 of burdens of regulation on small businesses. The review will evaluate quantitatively the impact of food safety requirements and other food regulations on the economic viability of small food businesses, consider the long term impact on consumer choice; and consider what beneficial changes might be made from the consumer and small business point of view. The first stage, completed in November, was to consult the food and agriculture industry and other interested bodies to find out the scope and nature of the regulatory burdens under which small food businesses are operating.
- 2.25 In the areas of food safety and standards much of the regulatory framework is international – whether for the EU or more widely. This international framework is important to protect consumers, especially in view of the high proportion of food which is imported. We play a

major role in the negotiation of these international regulatory frameworks. For example, we have been pressing in Brussels for a more consistent approach to controls in the areas of general food hygiene and meat hygiene. A particular emphasis of the changes envisaged will be the more widespread application of HACCP controls in place of prescriptive and product-specific requirements in some of the food hygiene Directives.

2.26 Since the Food Standards Agency's establishment on 1 April 2000 a total of 15 food safety-related Statutory Instruments and 11 supporting Regulatory Impact Assessments have been laid before Parliament. We actively promote central guidance on better regulation and regulatory impact assessment to staff. We have held meetings, seminars and presentations with representatives of the Regulatory Impact Unit and Small Business Service to improve understanding of the government's better regulation policy. We have also published draft guidance to assist policy teams in making the most out of their written consultations.

Responsive public services

2.27 Putting the consumer first is one of our core values. Although we are not a front line service provider, we continually seek to find ways of improving our working practices in order to meet the needs of consumers. The following sections summarise our progress so far in making it easier for consumers to find out about, and have an input into, our work.

Service standards

2.28 From launch day onwards, we have adopted and published (on our website) Service First targets in line with the Six Standards for Central Government for: answering correspondence, seeing callers, answering telephone calls, publishing contact points, publishing its complaints procedure; and consultation with users. Reports on our performance will also be published on our website.

2.29 Our key targets are to:

- send users a full reply within 20 working days of receiving their letter, fax or e-mail
- see people at our offices within 10 minutes of their appointment
- answer telephone calls within 30 seconds.

2.30 We expect to improve our performance over time. We will review our standards in early 2001.

2.31 We are in the process of developing a charter to explain in more detail the services we provide, the standards we aim to meet, and how users can contribute to setting them. Our aim is to consult on a draft charter in Spring 2001. We will do everything reasonably possible to make our services available to everyone, including people with disabilities and particular needs. We will consult users and potential users regularly about the services we provide and we will report on the result.

2.32 Even the best organisations will sometimes get things wrong. We have published our complaints procedure on our website as part of our service standards, and will make available further copies available on request. Our aim is to try to resolve any problem quickly, and explain what we have done and why.

Openness

2.33 Openness and accessibility are enshrined in the Agency's core values. We are publicly committed to doing our business in as open a way as possible. We have published for consultation our draft Code of Practice on Openness. Our Statement of General Objectives and Practices, which describes in broad terms our commitment in these areas was published and laid before Parliament and the devolved administrations in November 2000.

2.34 The Board of the Agency holds all its decision-making meetings in public; the venues and agendas are published in advance and the

papers are publicly available (in hard copy and on our website). In 2000 - 01 there have been 9 open Board meetings. In addition, we held a Public Forum in Birmingham in May 2000. There have been 7 open meetings of the Scottish Food Advisory Committee during 2000 – 01, and 2 open meetings of the Welsh Food Advisory Committee.

2.35 Our review of the controls in place to protect the public from the risks of BSE was carried out publicly with full stakeholder participation. Interim drafts of the report of the review were placed on our website. The site has been accessed by over 656,000 people, and over 3,700 copies of the report have been downloaded.

2.36 We have routinely made public our advice to Ministers on issues of public importance and interest, including, amongst others:

- the public health implications of the contamination of certain crops with GM seeds
- the proposed MAFF strategy for Scrapie in sheep
- the immediate implications of the report of the BSE Inquiry
- the need for measures relating to BSE in French beef
- maximum residue levels (MRLs) for pesticides.

2.37 The need for greater openness is one of the key themes emerging from the conclusions of the BSE Inquiry. At their open meeting on 8 February 2001 the Board discussed the lessons to be learned from the Inquiry Report.

2.38 Our commitment to openness is also reflected in the way that we are taking forward work on food law enforcement within a joint government/local authority group, the Local Authority Enforcement Liaison Group (LAELG).

2.39 The LAELG was established in response to the White Paper 'Food Standards Agency - A Force for Change' which identified the need for stronger links between central and local government on food law enforcement. The Group includes representatives from enforcement,

industry and consumers and is the main UK forum for discussion of strategic enforcement issues. All papers arising from the LAELG's work are published on our website.

2.40 The open and transparent approach to consideration of enforcement issues within the LAELG was a key factor in ensuring the successful development of the Agency's Framework Agreement on local authority food law enforcement which has been widely welcomed by enforcement, industry and consumer stakeholders.

2.41 Scientific advisory committees which advise the Agency on food safety issues are very much in the lead on openness and observe the Chief Scientific Adviser's guidelines on obtaining scientific advice. It is now standard practice for these committees to make minutes and papers available to the public and to hold some meetings in public. Membership of all of these committees includes lay and/or consumer representatives.

Consultation

2.42 We are required by statute to consult on our activities with those affected by our decisions, and, where appropriate, with members of the public. We regard consultation with our stakeholders as an essential contribution to our core values.

2.43 We have published our policy on consultation and our internal staff guidance on putting the policy into practice. We routinely consult on a wide variety of issues including proposals for legislation. Major consultation exercises during 2000 - 01 have included:

- our strategy for improving food labelling
- how to improve communication with low-income groups
- our Framework Agreement with Local Authorities on food law enforcement
- the review of BSE controls
- our Statement of General Objectives and Practices

- our policy on handling risk
- our Code of Practice on Openness.

Listening to and involving consumers

2.44 We place great emphasis on listening to and involving consumers in our work. Our first major quantitative research survey of consumers' attitudes to food safety took place during October and November 2000. The final report was published in January 2001. The survey will act as a bench marking exercise, and is vital to our development of communication strategies. It will be repeated on an annual basis to track changing attitudes, knowledge and awareness of a number of issues. We expect a number of smaller, more specific surveys to follow on in the next year.

2.45 In total, 3,100 interviews have been conducted - 1,000 in England and 700 each in Scotland, Wales and Northern Ireland. The survey has been designed to accurately represent UK society as a whole in terms of region, sex, age, socio-economic group, ethnicity, country versus urban, etc., so that results can be broken down in a number of different ways.

2.46 The survey breaks down into 9 sections - general information on shopping habits, eating habits, healthy eating and nutrition, general food safety and hygiene, incidence of foodborne disease and responses to it, food labelling, sources of information and perceptions on responsibility for food safety and standards, awareness of the Food Standards Agency, and information requirements. The survey results were made widely available in February 2001.

2.47 The Agency already involves consumer and other public interest groups in consultations on policy issues and there are consumer representatives on specialist committees and expert groups which advise it. Additional work to help establish effective consultation mechanisms with vulnerable groups has included a literature review, a meeting with other government departments and employing a Consumer Affairs Analyst. We have completed a public consultation that sought views on additional steps which could be taken to

identify the needs and views of a broad range of consumers and to involve them in the Agency's work. The consultation responses and other work will inform our strategy for involving consumers which was published in February 2001.

2.48 We carried out a telephone survey of consumer groups to assist in formulating our policy on pesticides and veterinary medicine. We hold regular meetings with consumer representatives to discuss issues and developments on food chemical safety matters.

2.49 The Agency is currently redesigning its web site and we hope that the site will be launched in April 2001. A permanent Managing Editor for the site is being recruited. We aim to have a user-friendly, easy access and interactive web site. We anticipate that the new site will allow for much quicker dissemination of information to various target audiences.

Quality public services

2.50 During the months since the Agency launch, we have concentrated our efforts on setting up the infrastructure required to support our business activities. Much has been achieved but we also recognise that in order to achieve better quality public services we must plan to examine what we do and how we do it.

2.51 We are already carrying out work to determine our key deliverables and research priorities. That work will ensure we are focusing activities and resources in the right direction. The Research Review Group, chaired by Prof Sir John Arbuthnott, will report its findings and recommendations to the Board in April 2001. We plan to put in place a formal review programme of services and activities, in line with the Cabinet Office "Better Quality Services" guidance, to decide how best to improve value for money and develop opportunities for improvement. We have made a start on this in 2000 – 01, and we will be ready to roll out the full programme in financial year 2001 - 02.

Information age government

- 2.52 We are well on the way to achieving the Cabinet Office aims for electronic delivery of government services . This is entirely consistent with our own core values of openness and accessibility. Redevelopment of our website, by the second half of 2001, will allow the public to more easily find the information they need, and will allow us to inform them directly when new information relevant to their specific interests is available on our site. We also aim to make all our printed material available electronically.
- 2.53 Parts of the Food Standards Agency are currently connected to the Government Secure Intranet (GSI) through the Department of Health. However, we will be connecting our new HQ building directly to the GSI, by our target date of April/May 2001, thus giving our staff access to all the government information available on the GSI. Our GSI connection will also mean that we will be providing our staff with desktop access to the Internet at the same time.
- 2.54 The Agency is firmly committed to sharing information across government and we will be feeding food related information into the Government's Knowledge Network. We will be also looking at ways of making our food information available via some of the government's Internet portals currently being developed. In addition we are talking to the GSI Development Team in CCTA with a view to providing contact details for Agency Staff for the GSI Directory. We also propose to develop a GSI Intranet site by early 2002.
- 2.55 We are currently working on a system to allow two way communications between ourselves and Local Authorities under a number of activity categories. These include advice/guidance on enforcement, food hazards, and enforcement activity monitoring returns. We see this as a significant step in meeting the government's target of 100% of services on-line by 2005.
- 2.56 We already make research requirements information, and application forms, available on our website using an e-mail auto-reply service. A Research Working Party is currently identifying the possible

requirements for an Agency research website and e-science network that would allow us to carry out the entire process of evaluating potential research quickly and efficiently on-line.

2.57 The Food Standards Agency is committed to working towards achievement of the government's e-commerce targets. Our Procurement Advisory Unit is working closely with the Office of Government Commerce (OGC) to develop solutions which will facilitate 90% of low value transactions being carried out electronically during 2001. The PAU is also keen to participate in the cross-government e-tendering pilot exercise.

Public service

2.58 We value our employees. We are committed to having a forward-looking organisation which sees development of staff as a top priority. We are therefore committed to the principles of the Reforming the Civil Service programme, and we aim to acquire Investors in People (IiP) accreditation in 2002.

2.59 Since the launch of the Agency in April 2000, we have established a development unit which will co-ordinate these projects as well as the wider training, internal communication and change programme needed to meet our business requirements as a new government department. The unit has undertaken initial diagnostic work, including a staff survey with in-depth follow-up, and a training needs analysis. Further diagnostic work is planned to monitor progress.

2.60 We have established an induction training programme for new staff. We will procure training to meet the established requirement during 2001. We have set up a staff newsletter, an intranet site, and a bulletin board. We plan to introduce a staff magazine. We have held a series of seminars and open meetings, with more planned, to help establish the aims and role of the new Agency for its staff.

2.61 We successfully applied for money from the Cabinet Office's Invest to Modernise Fund during 2000 to start the change process, by setting out a broad Development Programme. We have undertaken

a competitive tender to select private sector partners to advise and assist with this change management.

2.62 Initial development work will include introducing a management development programme, 360° feedback for the senior civil service, work to address diversity issues, developing strategic tools for business planning, and designing a new competency framework and appraisal system. We began this work in December 2000 and it is likely to form a programme over 3 years.

2.63 We are committed to achieving Investors in People (IiP) accreditation. During 2000, we established a Project Team of 'champions' throughout the organisation. The team is creating and will implement an action plan for the Food Standards Agency to achieve IiP accreditation in 2002.

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Expenditure plans

Investment

- 3.1 In 2000 – 01, we had a capital budget of more than £8m. The bulk of this was spent on the fit out of the new Aviation House headquarters building in central London. In 2001 – 02 and subsequent years, our capital falls to less than £700,000. This will be spent predominantly on routine IT assets. As we do not have a significant asset base, the Treasury has agreed that we do not need to have formal Departmental Investment Strategy. The decision will be reviewed should circumstances change in future.

Resource Estimate 2001 – 02 and the Main Tables

- 3.2 The Food Standards Agency is a UK body. Our full Resource Estimate for 2001 – 02 is included at Annex 1. The table on the following page shows the funding arrangements for the FSA as a whole.

Funding of the Food Standards Agency

	2001/02	2002/03	£'000 2003/04
Funding of the FSA as a Whole			
Westminster	106,751	113,639	113,363
Scotland	4,755	5,055	5,255
Wales	2,040	2,151	2,133
Northern Ireland	1,200	1,200	1,200
Total Funding for the FSA	114,746	122,045	121,951

3.3 More detailed information about our expenditure plans over the Spending Review period is given in Annex 1. See also paragraph 4 of the Introduction to the Main Estimate 2001/02.

The Meat Hygiene Service (MHS)

- 4.1 The Meat Hygiene Service is an Executive Agency of the Food Standards Agency. Its core values mirror those of the FSA. Its key aim is to safeguard public health and animal welfare through fair, consistent and effective enforcement of hygiene, inspection and welfare regulations.
- 4.2 The objectives of the Meat Hygiene Service are to:
- provide supervision, inspection and health marking in all licensed fresh meat premises
 - deliver value for money in the provision of efficient and high quality services
 - promote best practice in hygiene of operation and animal welfare
 - apply Service First principles, and to maintain or improve the quality of services to customers
 - achieve the financial and performance targets set by the FSA Board.
- 4.2 Strategic oversight of the Meat Hygiene Service and its efficient and effective operation is undertaken by the Meat Hygiene Advisory Committee (MHAC). The Committee comprises a mix of FSA Board members and external independent members (to be appointed), and is chaired by the FSA Deputy Chair. The Committee also considers, reviews, and agrees the direction of meat hygiene policy (including BSE) within a framework set by the FSA Board.
- 4.4 The MHS employs around 1600 staff and engages the services of around 500 Official Veterinary Surgeons (approximately 250 full time equivalents) under contract. Since it was established on 1 April 1995 the MHS has sought to develop its staff and service delivery performance. In addition to being awarded the CharterMark, the MHS's quality management system is registered to BS EN ISO 9002: 1994 and the organisation has achieved Investors In People accreditation. As part of the Modernising Government agenda, action is under way to integrate use of the EFQM Excellence Model into the way the MHS works, so as to raise standards and further improve the consistency of our enforcement action.

4.5 The 2000 - 01 performance targets for the MHS were the subject of a full consultation exercise prior to agreement by the FSA Board. They cover:

- Public Health Protection
- Animal Welfare
- Staff Training
- Customer Focus
- Value for Money
- Financial Performance.

4.6 A zero tolerance approach is required on the public health protection targets, consistent with the MHS's intention to put the consumer first. Full information on the targets and performance is published in the Annual Report and Accounts and is also shown on the MHS website, http://www.foodstandards.gov.uk/meat_hygiene.htm.

Meeting wider public service commitments

Public appointments

- 5.1 Under the Food Standards Act 1999 the Food Standards Agency is responsible for a range of advisory committee appointments. We make these appointments following consultation with Health Ministers and their equivalents in the devolved administrations. We are committed to upholding equal opportunities in making our appointments and to applying the guidance laid down by the Office of the Commissioner for Public Appointments. We will be advertising a number of advisory committee vacancies later this year for appointments that have expired or are due for review.
- 5.2 Four advisory committees transferred to the Food Standards Agency by Ministerial direction under section 5 and schedule 2(7) of the Food Standards Act. They are the Advisory Committee on Novel Foods and Processes, the Advisory Committee on the Microbiological Safety of Food, the Food Advisory Committee, and the Expert Group on Vitamins and Minerals. Under the terms of their transfer, these four committees are now statutory committees of the Agency.

Senior civil service staff

- 5.3 The table below gives the number of Senior Civil Service staff paid in each of the £5,000 bands. Figures exclude those staff in our offices in Scotland, Wales, and Northern Ireland who are on secondment from their Executives.

Number of Staff in Salary Bands	SCS Salary Bands
0	40,000 – 49,999
1	50,000 – 54,999
5	55,000 – 59,999
4	60,000 – 64,999
3	65,000 – 69,999
2	70,000 – 74,999
4	75,000 – 79,999
0	80,000 – 99,999
1	100,000 – 104,999

5.4 The Food Standards Agency has a Board, which was appointed with the approval of Secretary of State for Health. The Board also has Scottish, Welsh, and Northern Irish members who were appointed with the approval of the devolved administrations. The Chairman is contracted to work 4 days a week on a salary of £96,000 per annum. The Deputy Chair is contracted to work 2 days a week for the Agency and her salary is £30,000. The Board members for the devolved administrations are paid £20,000 for 7 days per month. The remaining Board members receive £8,000 per annum for 3 days per month. Board members are not civil servants.

Recruitment practice

5.5 Our recruitment policy follows the principles of fair and open competition as set out in the Civil Service Commissioners' Recruitment Code. External recruitment exercises are advertised widely as well as appearing on the FSA website. We use the permitted exceptions to fill only positions on a casual basis for less than 51 weeks.

5.6 Underpinning all recruitment exercises are the Agency's equal opportunities policies, which have been agreed with the trade unions. We operate a (disabled) guaranteed interview scheme. When advertising externally, we seek to place advertisements in the appropriate ethnic press. We are actively working to develop a strategy on diversity which, in turn, will further inform recruitment practice. The FSA has a strong commitment to interchange of staff with industry, enforcement bodies and other external organisations and is actively developing this approach.

Environment

5.7 The Agency is committed to sustainable development. We are requested by the Act to take into account the costs and benefits of our decisions and environmental impact will be included in our assessments of costs and benefits.

- 5.8 Many of our areas of responsibility have significant implications for the environment. Our statutory responsibilities in relation to discharges of chemical and radioactive waste, for example, relate only to the impact on the consumer, but are executed in close collaboration with the Environment Agency and the DETR. Protection of the environment and the consumer go hand-in-hand. Similarly there is no conflict between our objective of consumer protection with in relation to pesticides, GM crops etc., and the responsibilities of the other Departments and Agencies for protecting the environment.
- 5.9 We have secured new accommodation in London. The specification for the building, and for support services, has been developed to be environmentally friendly. A "Breem (Building Research Establishment Environment Assessment Method) score" will be awarded immediately following occupation in early 2001. This will provide a benchmark to measure targets for energy consumption, water and contracts. Future procurement of goods and services will take account of best practice about environmental issues. We will actively follow a policy of recycling. The nominated waste contractor will carry out a comprehensive waste disposal service, including a security shredding service and a 60-70% recycling programme.
- 5.10 Our "green" contact is Mike Segal who can be contacted via the Aviation House switchboard on 020 7276 8000.

Publicity and advertising

- 5.11 We have not, to date, undertaken a great deal of high profile paid publicity activity although planning is underway for activity in 2001 - 02. However, our monthly newsletter Food Standards Agency News has been launched successfully and formalised feedback was arranged for its first issue in October 2000. The newsletter aims to be current, topical and authoritative.

5.12 The Agency's participation at the Good Food Show at the National Exhibition Centre in Birmingham towards the end of 2000 exceeded expectations. The show is consumer focused and the Agency communicated food hygiene messages in a fun and novel way – our aim was to reflect the spirit of the show and entertain visitors. Bad Food Live! was a spoof celebrity chef television show and was presented twice each hour over the five days of the event. Audiences were twice original estimates and feedback has been very positive. To satisfy numerous requests, we are planning a video version of Bad Food Live! and looking at how the show might be used at other events (as well as The Good Food Show in 2001) over the next year.

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Introduction

1. This Estimate provides for expenditure by the Standards Agency (FSA). The purpose of the FSA is to protect public health from risks which may arise in connection with the consumption of food, and to otherwise protect the interests of consumers in relation to food.
2. The Food Standards Agency was established as a non-Ministerial department on 1 April 2000. At the same time, the Meat Hygiene Service (MHS), previously an executive agency of the Ministry of Agriculture, Fisheries and Food (MAFF), transferred to the FSA.
3. The FSA is a UK wide body, and is partially funded by contributions from the devolved administrations to cover the costs of work undertaken in Scotland, Wales and Northern Ireland. As the contributions from the devolved administrations cannot be Appropriated in Aid of the Estimate (section 39 of the Food Standards Act refers), they have been netted off from the relevant subheads in Part II, Section A of the Estimate. An analysis of this funding can be found in chapter 3.
4. At the time of publication, the latest agreed transfers for the FSA have not yet been incorporated into the Central Treasury database. As a consequence, the figures in the FSA's Resource Estimate have not been adjusted. The most significant transfer has been £8.7 million in total from MAFF, Scotland, and Wales in 2001/2, 2002/3 and 2003/4. This takes account of the increased net cost of the Meat Hygiene Service as a result of the introduction of the Maclean report recommendations concerning charging methodology. The Spring Supplementary Estimate will make the appropriate adjustments, which in total amount to £9.195 million.

Main estimate 2001-02 - Part 1

	£
RfR 1:	
Protecting and promoting public health in relation to food	106,751,000
Total net resource requirement	106,751,000
Net Cash Requirement	104,108,000

Amounts required in the year ending 31 March 2002 for expenditure by the Food Standards Agency on:

RfR 1: Protecting and promoting public health in relation to food administration, inspections, surveillance, managing research and development, education, publicity and publications, funding for non cash items; funding of the Meat Hygiene Service.

The Food Standards Agency will account for this Estimate.

	Net total	Allocated in Vote on Account	Balance to Complete
	£	£	£
RfR1	106,751,000	52,126,000	54,625,000
Net Resource Requirement	106,751,000	52,126,000	54,625,000
Net Cash Requirement	104,108,000	50,986,000	53,122,000

Subhead detail 2001-02 - Part 2

£'000

	Resources						Capital		
	1	2	3	4	5	6	7	8	2000/01
	Admin	Other Current	Grants	Gross Total	AinA	Net Total	Capital	Non-operating AinA	Resource Estimate
RfRI: protecting and promoting public health in relation to food – administration, inspections, surveillance, managing research and development, education, publicity and publications, funding for non-cash items; funding for the Meat Hygiene Service.									
Departmental expenditure in DEL:									
Central Government's Own Expenditure									
A: FSA HQ Operations	30,516	65,437	-	95,953	3,234	92,719	362	-	79,983
B: Meat Hygiene Service	71,457	-	-	71,457	60,736	10,721	306	-	9,528

Main departmental programmes in AME:

Central Government's Own Expenditure									
C: FSA HQ Operations	1,861	-	-	1,861	-	1,861	-	-	1,861
D: Meat Hygiene Service	1,450	-	-	1,450	-	1,450	-	-	1,450
Total	105,284	65,437	-	170,721	63,970	106,751	668	-	92,822

	FSA HQ	MHS	FSA Total	£'000
Resource to cash reconciliation:				
Net Total Resources	94,580	12,171	106,751	92,822
Voted Capital Items	-	-	-	
Capital	362	306	668	8,535
Less non-operating AinA	-	-	-	
Accruals to cash adjustments				
Capital charges	(302)	(1,005)	(1,307)	(1,307)
Depreciation	(1,559)	(445)	(2,004)	(2,004)
Other non-cash items	-	-	-	
Increase(+)/Decrease(-) in stock	-	-	-	
Increase(+)/Decrease(-) in debtors	-	-	-	(3,400)
Increase(-)/Decrease(+) in creditors	-	-	-	(1,779)
Increase(-)/Decrease(+) in provisions	-	-	-	
Excess cash to be CFERd	-	-	-	
Net Cash Required	93,081	11,027	104,108	92,867

Extra receipts payable to the consolidated fund (£'000) - Part 3

No income or receipts were received in 1999/2000. More are expected in 2000/01 or 2001/02.

Forecast operating cost statement

for the year ending 31 March 2002

	2001/02	2001/02 Provision	£'000 2000/01 Provision
Administration costs			
Request for resources 1			
Staff costs	60,549		60,637
Other administration costs	52,161		51,043
Gross administration costs		112,710	111,680
Operating income		(-71,396)	(-74,915)
Net administration costs		41,314	36,765
Programme costs			
Request for resources 1			
Expenditure		65,437	56,057
Operating income		-	-
Net programme costs		65,437	56,057
Net operating cost		106,751	92,822
Net resource outturn		106,751	92,822
Resource budget outturn		106,751	92,822

Forecast cash flow statement

for the year ending 31 March 2002

	2001/02	£'000 2000/01
Net Cash outflow from operating activities (note i)	-103,440	-84,332
Capital expenditure and financial investment (note ii)	-668	-8,535
Receipts due to the Consolidated Fund which are outside the scope of the department's operations	-	-
Financing (note iii)	104,097	92,867
Increase (+)/Decrease(-) in cash in the period	0	0

Notes to the cash flow statement

Note i: Reconciliation of operating cost to operating cash flows

Net Operating Cost	106,751	92,822
Remove non-cash transactions	(-3,311)	(-3,311)
Adjust for movements in working capital		
other than cash	-	(-5,179)
Use of provisions	-	-
Net cash outflow from operating activities	103,440	84,332

Note ii: Analysis of capital expenditure and financial investment

Tangible fixed asset additions	668	8,535
Intangible fixed asset additions	-	-
Proceeds from the sale of fixed assets	-	-
Loans to other bodies	-	-
Adjust for movements in working capital		
on capital expenditure and financial investment	-	-
Net Cash outflow for capital expenditure and financial investment	668	8,535

Note iii: Analysis of financing and reconciliation to the net cash

Requirement		
From Consolidated Fund (Supply): current year expenditure	104,108	92,867
From Consolidated Fund (Supply): prior year expenditure	-	-
From Consolidated Fund (Non-Supply):	-	-
Net cash financing	104,108	92,867

Notes to the resource estimate

Explanation of accounting officer's responsibilities

1. The Treasury has appointed the Chief Executive of the agency as Accounting Officer with responsibility for preparing the agency's accounts and for transmitting them to the Comptroller and Auditor General.
2. The responsibilities of the Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Agency's assets, are set out in the Accounting Officer's Memorandum, issued by the Treasury and published in Government Accounting.

Forecast reconciliation of net operating cost to net resource outturn and resource budget outturn

	£'000
Net operating cost	106,751
remove non-Supply expenditure	-
remove A-in-A not treated as income	-
Net resource outturn	106,751
include non-Supply expenditure/income	-
include A-in-A not treated as income	-
less Grants in Aid payable to NDPB	-
add cost of capital charges in respect of assets held by NDPB	-
add net resource consumption by NDPB including depreciation	-
less Welfare to Work expenditure and income	-
Resource budget outturn	106,751
Of which:	
Departmental expenditure limit	103,440
Annually managed expenditure (AME)	3,311

ANNEX 1

Food Standards Agency running costs to administration costs in resource budget: DEL	£'000 2001/02
Running Costs	101,973
Cash to accruals: timing adjustment	-
Contracted out VAT: MHS	-
Contracted out VAT: FSA	-
Administration costs in resource budget: DEL	101,973
Capital budget under cash to capital budget under RAB	
Capital budget - cash	668
No changes	-
Capital budget - DEL	668
Annually managed expenditure: Current expenditure to resource budget	
MDP in AME - Current	0
+ Depreciation	2,004
+ Cost of capital	1,307
Other adjustments	
Departmental total	3,311
Departmental DEL: Current expenditure to resource budget: Departmental DEL	
Current Expenditure: DEL	103,440
+/- cash to accruals: timing adjustment	-
Resource budget: DEL	103,440

Analysis of Appropriations in Aid

Detail	£'000	
	2001/02 Operating A-in-A	2000/2001 Operating A-in-A
RFR1: Protecting and promoting public health in relation to food	63,970	66,934
Total*	63,970	66,934

* The FSA has no non-operating appropriation-in-aid provision.

* Amounts that may be applied as appropriations in aid in addition to the net total, arising from fees for slaughterhouse hygiene inspections, radioactive waste disposal inspections milk and dairies inspections and miscellaneous receipts.

Other notes to the resource estimate

- 1) A net resource provision of £106,751,000 is sought for the FSA in 2001/02. This compares to a forecast net cash outturn of £92,867,000 for 2000/01.
- 2) The administration cost limit for the FSA as a whole in 2001/02 is forecast to be £41,237,000.
- 3) The forecast expenditure on gifts is immaterial, but will be fully disclosed in the relevant annual report and accounts.

Introduction to the new format of the tables

Following the introduction of resource accounting and budgeting (RAB), there have been a number of changes to the core tables in this year's departmental report. RAB provides a more accurate measure of departmental expenditure by matching costs to time, taking account of the full consumption and investment of arms-length bodies such as NDPBs and public corporations, and measuring the full cost of government activity, including non-cash expenditure such as depreciation, cost of capital charges, and provisions.

The aim of the tables is to provide a detailed analysis of departmental expenditure plans in resource terms, showing: resource consumption and capital investment; Voted and non-Voted expenditure; and expenditure in three year Departmental Expenditure Limits (DEL) and Annually Managed Expenditure (AME).

Following the decision to introducing resource budgeting in two stages, the major non-cash items - depreciation, cost of capital charges, and provisions - score in AME for the 2000 Spending Review years (2001-02 to 2003-04). Throughout the tables, non-cash expenditure in AME is distinguished from annually managed programme expenditure for the department. In Stage 2 resource budgeting, which is scheduled for the 2002 Spending Review, these items will score in DEL.

Because RAB data is at present available only from 1998-99, the scope of the resource tables is restricted to 1998-99 to 2003-04, the last year covered by the 2000 Spending Review. However, Table 11 sets out DEL in cash terms from 1995-96 to 2001-02, whilst Table 12 shows the cash to RAB reconciliation for DEL numbers for 1998-99 to 2000-01.

Resource plans summary - Table 1

This table sets out, in resource terms, a summary of expenditure by each department from 1998-99 to 2003-04. The first part shows total expenditure in Departmental expenditure Limit (DEL) and Annually Managed Expenditure (AME) for the department, including the new non-cash AME items introduced by Resource Accounting and Budgeting (RAB). This is then split into resource and capital expenditure, the former showing what the department consumes in current spending and the latter showing planned investment expenditure.

The "Total Resource Budget" and "Total Capital Budget" figures illustrate, in resource terms, total DEL and AME expenditure in the department's budget. This includes expenditure such as the consumption and investment of public corporations, which is outside the departmental accounting boundary and some of which is not Voted by Parliament. "Programme spending in Resource AME" is used to distinguish annually managed programme expenditure from the non-cash items which score in AME under Stage 1 resource budgeting.

"Net operating costs" and "Capital expenditure in accounts" show the expenditure covered in the departmental resource accounts, while "Net total resources (Voted)" and "Net capital expenditure (Voted)" show the resources and capital expenditure voted by Parliament in Estimates. Reconciliations between the budgeting accounting and Parliamentary Estimates aggregates are shown in Tables 6 and 7 for resources and capital expenditure.

ANNEX 1

Resource plans summary table *	£'000					
	Outturn 1998-99	Estimated 1999-00	Outturn 2000-01	2001-02	Plans 2002-03	2003-04
Total spending in DEL			98,046	104,108	110,965	110,699
Total spending in AME			3,311	3,311	3,311	3,311
of which non-cash AME			3,311	3,311	3,311	3,311
Consumption - The resource budget						
Resource DEL			89,511	103,440	110,328	110,052
Resource AME			3,311	3,311	3,311	3,311
of which:						
Non-cash items in Resource AME			3,311	3,311	3,311	3,311
Total Resource Budget			92,822	106,751	113,639	113,363
Adjustment to reach voted total						
Net Operating Costs			92,822	106,751	113,639	113,363
Adjustment to reach voted total						
Net Total Resources (Voted)			92,822	106,751	113,639	113,363
Investment - The capital budget						
Capital DEL			8,535	668	637	647
Total Capital Budget			8,535	668	637	647
Adjustment to reach voted capital						
Net Capital Expenditure (Voted)			8,535	668	637	647

* This table summarises information on spending plans, accounts and Estimates across the FSA. All this information is presented in more detail in Tables 4 to 7.

Departmental voted cash requirement - Table 2

Under RAB, Parliament votes both a net resource requirement for departmental expenditure, reflecting the total Voted provision sought in resource terms, and the cash requirement needed to fund this commitment. The Voted net cash requirement represents the Parliamentary limit for the department in cash terms and the limit for the amount of cash which can be drawn down for use by the department in the year.

The Voted net cash requirement is calculated by removing non-cash costs from net operating costs, adjusting for accruals/cash differences such as timing, and then stripping out the part of the departmental cash requirement that is not Voted.

The net Voted cash requirement is shown from 1998-99 to the year for which the current Estimate has been submitted, 2001-02.

	1998-99	1999-00	2000-01	2001-02	£'000 2002-03	2003-04
Net Total Resources (Voted)			92,822	106,751	113,639	113,363
Net Capital Expenditure (Voted)			8,535	668	637	647
Adjust for non-cash transaction			-3,311	-3,311	-3,311	-3,311
Adjust for movements in working capital			-5,179			
Adjust for transfers from provision						
Excess cash to be CFERed						
Net Cash Required			92,867	104,108	110,965	110,699

Total capital employed by department - Table 3

RAB gives a much clearer picture of the capital assets used by a department. This is used as the basis for calculating the cost of capital charges paid by departments to reflect the economic costs of holding the assets. Table 3 sets out Total Capital Employed by the department within the accounting boundary, and by its sponsored bodies outside the boundary.

Capital expenditure for the FSA is so small as not to justify a Departmental Investment Strategy. Thus there is no table 3 for the FSA.

Consumption: Analysis of resource budget spending plans - Table 4

Table 4 gives a detailed breakdown of the resource or current spending plans from 1998-99 to 2003-04. The functional splits by which resources are allocated match those in the Main Resource Estimates, split into DEL and AME. Non-Voted expenditure is shown with a brief description as to its functions. Non-cash expenditure in AME is shown by category - depreciation, cost of capital charge, and changes in provisions and other charges.

£'000

	Outturn 1998-99	Estimated 1999-00	Outturn 2000-01	2001-02	Plans 2002-03	2003-04
Departmental Expenditure Limits (DEL)						
RfR1						
Food Standards Agency HQ operations			79,983	92,719	99,849	100,849
Meat hygiene service			9,528	10,721	10,479	9,203
Total DEL			89,511	103,440	110,328	110,052
Of which:						
Central government spending			89,511	103,440	110,328	110,052
Of which:						
Voted			89,511	103,440	110,328	110,052
Annually Managed Expenditure (AME)						
RfR1						
Food Standards Agency HQ operations			1,861	1,861	1,861	1,861
Meat hygiene service			1,450	1,450	1,450	1,450
			3,311	3,311	3,311	3,311
Total AME			3,311	3,311	3,311	3,311
Of which:						
Central government spending - 2			3,311	3,311	3,311	3,311
Of which:						
Voted			3,311	3,311	3,311	3,311
Of which non-cash items in AME						
Of which:						
Cost of capital charges			1,307	1,307	1,307	1,307
Depreciation			2,004	2,004	2,004	2,004

1 - Includes expenditure of Non-Departmental Public Bodies (NDPBs), some of which is financed by voted grants.
 2 - Central government spending does not include spending on public corporations.

Investment: Analysis of capital budget spending plans - Table 5

Table 5 gives a detailed breakdown of the investment or capital spending plans from 1998-99 to 2003-04. The functional splits by which resources are allocated match those in the Main Resource Estimates, split into DEL and AME. Non-Voted expenditure is shown with a brief description as to its functions.

		Estimated				£'000
	Outturn	1999-00	Outturn	2001-02	Plans	2003-04
	1998-99		2000-01		2002-03	
Departmental expenditure limits (DEL)						
RfR 1						
Food Standards Agency HQ operations			8,135	362	322	322
Meat hygiene service			400	306	315	325
			8,535	668	637	647
Total DEL			8,535	668	637	647
Of which:						
Central government spending			8,535	668	637	647
Of which:						
Voted			8,535	668	637	647

Reconciliation of resource expenditure between accounts, estimates and budgets - Table 6

This is a technical table showing the inter-relationship between the three totals for accounts, Estimates and budgets. The outturn against the total Voted by Parliament in the Estimates is shown first. The net operating cost figure in the accounts include items which are not part of the resource total voted by Parliament, such as non-Voted expenditure within the departmental accounting boundary, and receipts surrendered to the Consolidated Fund.

The budgeting total reflects the spending authority for the department within the government's framework for expenditure control. This is an administrative limit imposed by the government on the department and its sponsored bodies. So the resource budget outturn total includes a number of categories of expenditure which are not included in, or scored differently from, the totals recorded for Voted Estimates and departments' accounts.

The main adjustments from the net operating cost in the accounts to the outturn against resource budget total are:

- further adjustments for receipts surrendered to the Consolidated Fund, where these score differently in accounts and in budgets
- the budget scores the full resource consumption of sponsored bodies (NDPBs and public corporations), whilst the Estimate scores only voted grants to those bodies
- capital grants to local authorities and the private sector are Voted as current grants in Estimates. But for administrative control purposes, these score as capital in budgets. Similarly, gains and losses on asset disposals pass through the accounts and Estimates on the resource side, but are recycled through the capital budget under the transitional resource budgeting regime
- Employment Opportunities Fund expenditure (formerly Welfare to Work) is voted to Departments in Estimates, but in administrative control terms, it is segregated from the rest of Departmental DEL and AME
- European Union income is Voted but is not included within departmental budgets
- Departmental Unallocated Provisions (DUPs) are not Voted but appear in budgets, as the expenditure has not yet been assigned to a particular function

ANNEX 1

	1998-99	1999-00	2000-01	2001-02	2002-03	£'000 2003-04
Net resource outturn (estimates)			92,822	106,751	113,639	113,363
Adjustments for:						
Non-voted expenditure in the OCS			-	-	-	-
Consolidated fund extra receipts in the OCS			-	-	-	-
Provision voted for earlier years			-	-	-	-
Other adjustments			-	-	-	-
Cross-check : total of above			92,822	106,751	113,639	113,363
Net operating costs (accounts)			92,822	106,751	113,639	113,363
Adjustments for:						
Other consolidated fund extra receipts			-	-	-	-
Full resource consumption of non-departmental public bodies			-	-	-	-
Full resource consumption of public corporations			-	-	-	-
Capital grants to the private sector and local authorities			-	-	-	-
Gains/losses from sale of capital assets			-	-	-	-
European Union income and related adjustments			-	-	-	-
Voted expenditure outside the budget			-	-	-	-
Unallocated resource provision			-	-	-	-
Other adjustments			-	-	-	-
Cross-check: total of above			92,822	106,751	113,639	113,363
Resource budget outturn (budget)			92,822	106,751	113,639	113,363
Of which:						
Departmental expenditure limit (DEL)			89,511	103,440	110,328	110,052
Spending in employment opportunities fund (EOF) DEL			-	-	-	-
Annually managed expenditure (AME)			3,311	3,311	3,311	3,311

Reconciliation of capital expenditure between accounts, Estimates and budgets - Table 7

This table shows the inter-relationship between the three totals for capital expenditure.

The adjustments from the Voted Estimates totals to the capital expenditure in the accounts are broadly the same as they are on the resource side. The main adjustments from the capital expenditure in the accounts to the outturn against the capital budget are as follows:

- the capital budget scores the full capital expenditure of public corporations, including expenditure not funded by Vote
- capital grants to local authorities and the private sector, which are Voted as resource expenditure in Estimates, are included in the capital budget
- gains and losses on asset disposals pass through the accounts and Estimates on the resource side, but are recycled through the capital budget under the transitional resource budgeting regime
- local authority credit approvals are not included in the Estimate but are included in the budget
- European Union income is not included in the budget, but is in the Estimate
- unallocated capital provision in the DUP is not voted in Estimates but is included within the budgeting total

ANNEX 1

					£'000	
	Outturn 1998-99	Estimated 1999-00	Outturn 2000-01	2001-02	Plans 2002-03	2003-04
Net voted capital outturn (estimates)			8,535	668	637	647
Other consolidated fund extra receipts						
Full capital expenditure by non-departmental public bodies						
Full capital expenditure by public corporations						
Capital grants to the private sector and local authorities						
Gains / losses from sale of fixed assets						
Local authority credit approvals						
Levy funded bodies						
Unallocated capital provision						
Provision voted for earlier years						
Other adjustments						
Capital budget outturn			8,535	668	637	647
of which:						
Departmental expenditure limits (DEL)			8,535	668	637	647
Spending in employment opportunities (EOF) (DEL)						
Annually managed expenditure (AME)						

Analysis of local authority expenditure - Table 8

In appropriate cases, these tables show analyses of local authority expenditure, administration costs (formerly known as running costs) and staff numbers. The FSA has no such expenditure, administration costs and staff numbers, hence no tables are provided here.

Analysis of administration costs - Table 9

This table show analysis of administration costs (formerly known as running costs).

	Outturn 1998-99	1999-00	Estimate 2000-01	2001-02	Plans 2002-03	£'000 2003-04
Gross administration costs						
Paybill	-	-	60,637	-	-	-
Other	-	-	39,751	-	-	-
Total administration costs	-	-	100,388	101,973	103,961	103,685
Related receipts	-	-	-66,934	-63,970	-63,970	-63,970
Net expenditure	-	-	33,454	38,003	39,991	39,715
Gross controlled administration costs limit	-	-	-	41,237	43,225	42,949
Outside administration costs limits						
Non-cash administration costs in AME			3,311	3,311	3,311	3,311

Staff numbers - Table 10

These tables show analyses of staff numbers, including Meat Hygiene Service, in terms of Civil Service Full Time Equivalents (CS FTEs).

	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04
CS FTEs			1,891	1,950	1,950	1,950
Overtime			388	400	411	423
Casuals			40	40	40	40
Total			2,319	2,390	2,401	2,413
CS FTEs						
Total manpower			2,319	2,390	2,401	2,413

DEL and AME cash plans, 1995-96 to 2000-01 - Table 11

For the purposes of allowing comparisons to be made with previous expenditure over a longer period, a table showing outturn in cash terms is included from 1995-96 to 2000-01. 2000-01 is the last year where outturn will be expressed in cash terms.

	1995-96 Outturn	1996-97 Outturn	1997-98 Outturn	1998-99 Outturn	1999-00 Outturn	£ million 2000-01 Estimated
Departmental expenditure limits						
Current budget						
Food Standards Agency HQ						80
Meat Hygiene Service						5
Capital budget						
Food Standards Agency HQ						8
Meat Hygiene Service						
Total spending in DEL						93

Reconciliation of RAB and cash budgets, 1998-99 to 2000-01 - Table 12

This table illustrates how the new resource based outturn figure have been derived from the previous cash numbers for both the resource and capital budgets, in both DEL and AME. The main types of adjustment from the cash to the resource based system are:

- timing adjustments, reflecting the fact that under RAB costs are scored when the economic activity takes place, not when it is paid for
- classification switches from resource to capital, and vice-versa as a result of the new accounting and budgeting rules
- the inclusion of capital charges on the department's civil estate in the resource DEL
- scoring adjustments to reflect the full resource consumption and capital investment of NDPBs and public corporations, including switching capital spending by financed public corporations generated by the corporations themselves from AME into DEL
- the inclusion of non-cash costs in AME

ANNEX 1

	1998-99 Outturn	1999-00 Outturn	2000-01 Estimated
DEL Current Budget - Cash	-	-	84,332
Timing adjustments	-	-	0
Switches from current to capital budget	-	-	-
Switches from capital to resource budget	-	-	-
Capital charges on the civil estate	-	-	-
Non-departmental public bodies - scoring adjustments	-	-	-
Other adjustments	-	-	-
Other budgeting changes	-	-	-
Resource Budget DEL	-	-	84,332
DEL Capital Budget - Cash	-	-	8,535
Timing adjustments	-	-	-
Switches from current to capital budget	-	-	-
Switches from capital to resource budget	-	-	-
Non-departmental public bodies - scoring adjustments	-	-	-
Public corporations - scoring adjustments	-	-	-
Other budgeting changes	-	-	-
Capital Budget DEL	-	-	8,535
Total DEL under cash	-	-	92,867
Total DEL under RAB	-	-	98,046
AME Current Budget - cash	-	-	0
Timing adjustments	-	-	-
Self Financing Public Corporations - scoring adjustments	-	-	-
Other adjustments	-	-	-
Other budgeting changes	-	-	-
Resource Budget Departmental AME	-	-	-
Non Cash items in in Resource AME	-	-	-
AME Capital Budget - Cash	-	-	0
Timing Adjustments	-	-	-
Public Corporations Capital Expenditure - switch to DEL	-	-	-
Other adjustments	-	-	-
Other budgeting changes	-	-	-
Capital Budget Departmental AME	-	-	0
Total AME under cash	-	-	0
Total AME under RAB	-	-	3,311

ANNEX 2: The core business of the Food Standards Agency

Food Safety Policy Group

This Group deals with all aspects of food safety and nutrition.

Division	Key areas
Novel Foods Division	<ul style="list-style-type: none">▪ Develops policy and sets standards for novel foods (including genetically modified foods) and novel processes.
Animal Feed Division	<ul style="list-style-type: none">▪ Negotiates and administers international standards for the composition and labelling of animal feeds e.g. on additives in feed, maximum permitted levels of contaminants, labelling, and rules on official inspections and approval of establishments.
Chemical Safety & Toxicology Division	<ul style="list-style-type: none">▪ Determines safety limits for chemicals in food through the development of risk assessments.▪ Develops policy and advises on food allergy and the safety of natural toxicants.▪ Develops FSA position on "may contain" labelling (food intolerance).▪ 6 major research programmes on food chemical safety (Food Intolerance; Risk Assessment of Food Chemicals; Phytoestrogens; Molecular Toxicology; Food Additives; Food Contact Materials).▪ Ensures consumer interests are taken into account in the safety assessments of pesticides and veterinary medicines.▪ Responsible for developing policy on exposure assessment and providing a service to others in FSA to enable them to carry out such assessments.▪ Develops policy and sets standards for food additives and food contact materials.
Contaminants Division	<ul style="list-style-type: none">▪ Responsible for policy development on heavy metals, mycotoxins, organic chemicals, nitrate, radionuclides, process contaminants, other chemical contaminants in food.▪ Manages an extensive programme of research, surveys and investigations to monitor the levels of those contaminants in food which pose significant health threats.▪ Provides advice on the analysis and sampling of food.

	<ul style="list-style-type: none"> Includes the Radiological Safety Unit (RSU), which sets standards for radioactive waste disposals to ensure these do not affect food safety, takes action in cases of unacceptable contamination of food, and provides advice on the scientific aspects of food irradiation.
Food Chain Strategy Division	<ul style="list-style-type: none"> Development of a strategic view of food safety and standards throughout the food chain from farm to fork.
Microbiological Safety Division	<ul style="list-style-type: none"> Promotes the microbiological safety of food throughout the food chain. Will take on new task of developing a strategy for reducing foodborne illness. Promotes a hazard analysis-based approach to food safety management and provides guidance for producers, retailers, caterers and the general public. Works with the EU to improve food hygiene regulations. Works closely with the PHLS and supports local public health officials in dealing with microbiological food hazards and outbreaks of foodborne disease. Leads on the handling of major outbreaks and hazards with wider national or international implications.
Nutrition Division	<ul style="list-style-type: none"> Provides authoritative factual information about the nutrient content of individual foods and of the diet as a whole. Secures expert scientific advice on the relationship between diet, nutritional status and health. Provides information on a healthy balanced diet, to promote and protect public health. Monitors food consumption, nutrient intake and nutritional status in Britain through the National Diet and Nutrition Survey (NDNS) programme; responsible for nutritional aspects of MAFF's National Food Survey (NFS).
Research Co-ordination Unit	<ul style="list-style-type: none"> Responsible for developing a strategy and framework for managing the FSA's research programme. Liaises with other food research organisations

Enforcement and Food Standards Group

This Group includes two divisions established to help local authorities improve the effectiveness of local enforcement of food standards legislation. In addition, it brings together the full range of the FSA's work on enforcing food law, encompassing food hygiene, composition, authenticity and other trading standards.

Division	Key areas
Food Labelling, Standards and Consumer Protection Division	<ul style="list-style-type: none"> ▪ Aims to ensure that food meets appropriate quality standards and to promote informed consumer choice. ▪ Focuses on the development of international standards and UK and EU food law to ensure adequate protection of consumers. ▪ Works with EU partners to seek to establish a food-labelling regime which delivers the information consumers need in a clear and accurate way. ▪ Co-ordinates the UK contribution to the setting of international standards in Codex ▪ Manages a programme of surveys and investigations to check the level of food adulteration, mis-description and fraud. ▪ Ensures that the FSA's policies recognise the needs of groups with particular characteristics, such as food allergy sufferers and low-income groups. ▪ Develops and improves links with consumer groups and ensure that their views are taken into account in all the FSA's activities.
Local Authority Enforcement (Policy) Division	<ul style="list-style-type: none"> ▪ Responsible for strategic policy on the delivery of local authority food law enforcement services, including monitoring and audit of these services.
Local Authority Enforcement (Support) Division	<ul style="list-style-type: none"> ▪ Works with local authority enforcement services to improve standards by providing advice, guidance and training on technical, professional and legislation issues. ▪ Has responsibility for the food hazard warning system, and policy on statutory enforcement powers and import controls on fish and food of non-animal origin.
Meat Hygiene (BSE) Division	<ul style="list-style-type: none"> ▪ Develops and implements strategy for the food safety aspects of BSE controls. ▪ Publishes monthly enforcement reports.

Meat Hygiene (General) Division	<ul style="list-style-type: none"> ▪ Responsible for follow up to BSE Controls Review. ▪ Responsible for SRM controls in slaughterhouses and other premises, the Over Thirty Month Rule, the Beef Assurance Scheme, and Beef Bones controls ▪ Develops policy on red meat; poultry meat; farmed and wild game meat; hygiene standards; meat inspection charges and imports of meat. ▪ Responsible for standards of meat hygiene in licensed plants, EU review of meat hygiene Directives, and the Clean Livestock Policy. ▪ Works closely with the Meat Hygiene Service which is responsible for enforcing these standards and with the VPHU (see below). ▪ Responsible for setting up the Meat Hygiene Policy Forum (MHPF), subject to approval of MHAC and Board. ▪ Provision of Secretariat for the MHAC and the Government/Industry Working Group on Meat Hygiene.
Veterinary Public Health Unit	<ul style="list-style-type: none"> ▪ Policy and executive responsibility for licensing meat plants and executive responsibility for approval of combined premises. ▪ Provides veterinary public health advice to the FSA on matters relating to meat. ▪ Audit of the MHS. ▪ Management of meat hygiene and TSE research programmes. ▪ Executive responsibility for designation of OVSs. ▪ Inspection of meat plants wishing to export to third countries and their eventual approval. ▪ Audits MHS functions relating to their welfare and certification responsibilities.

Corporate Resources and Strategy Group

This Group supports the work of the FSA as a whole through the work of its divisions.

Division	Key areas
Corporate Strategy Division	<ul style="list-style-type: none"> Development of FSA corporate strategy; co-ordination of strategic and pan-FSA policy issues; risk management and communication (working with Communications Division); policy on openness and consultation.
Secretariat and Co-ordination; Private Office	<ul style="list-style-type: none"> Secretariat to FSA Board; co-ordinates liaison with international organisations and with other government departments; Parliamentary liaison and correspondence unit; Private Office support to Chairman and Deputy Chair.
Economic, Mathematics, and Statistical Advice Unit	<ul style="list-style-type: none"> Provides economic, statistics, and mathematics/operations research support across the FSA.
Finance, Procurement and IT Division	<ul style="list-style-type: none"> Financial management and strategy. Value for money issues. Development and co-ordination of FSA response to Modernising Government. Business planning. Practical implementation of strategic plan. Performance monitoring. Financial systems. Procurement. IT support and system development; webmaster
Personnel and Establishments Division	<ul style="list-style-type: none"> Strategic and operational personnel issues. Training and development, internal communications, and organisational development. Accommodation and related support services.
Communications Division	<ul style="list-style-type: none"> Helps all parts of the Food Standards Agency to communicate effectively with the public and the media. Supports work of Corporate Strategy Division on risk communications. Press office and media relations. Editorial and publishing support for Food Standards Agency publications.
Legal Services	<ul style="list-style-type: none"> Legal advice and legislative drafting for the Food Standards Agency and the MHS. Quality assurance and supervision of litigation and other legal services provided by other Departments or the private sector. Investigation branch – investigates suspected breaches of meat hygiene legislation.

Glossary of Terms

AA	Automobile Association
AFRC	Agriculture and Food Research Council
AG	Aktiengesellschaft (joint stock company)
AinA or A-in-A	Appropriation in Aid
AME	Annually Managed Expenditure
BBC	British Broadcasting Corporation
"Breem score"	Building Research Establishment Environment Assessment Method. This organisation assesses buildings to determine whether they are energy efficient.
BSE	Bovine Spongiform Encephalopathy
CCTA	Central Computer and Telecommunications Agency
CEFRd	Money which must be transferred to Treasury – CFER = Consolidated Fund Extra Receipts
CSMF	Civil Service Modernisation Fund
CSR	Comprehensive Spending Review
DEL	Departmental Expenditure Limit
DETR	Department of the Environment, Transport and the Regions
DfEE	Department for Employment and Education
DH	Department of Health
DIS	Departmental Investment Strategy
D-notice	An official notice sent to newspapers, prohibiting the publication of certain security information
DTI	Department of Trade and Industry
DUP	Departmental Unallocated Provision
EA	Environment Agency
EFQM	European Foundation for Quality Management
EU	European Union
FSA	Food Standards Agency
FSA(NI)	Food Standards Agency (Northern Ireland)
FSPB	Food Safety Promotion Board
GM	Genetically Modified
GMO	Genetically Modified Organism
GSI	Government Secure Intranet
HACCP	Hazard Analysis and Critical Control Point: a documented food safety management system widely regarded as the most effective way of managing and controlling hazards inherent in the food handling and production process. It is a structured approach based on seven principles which may be applied flexibly in food businesses of all sizes to ensure that proportionate risk-based controls are in place and safe food is produced.
HQ	Headquarters
ICSTIS	Independent Committee for the Supervision of Telephone Information Systems

IAG	Information Age Government
IiP	Investors in People
IT	Information Technology
LA	Local Authority
LACOTS	Local Authorities Co-ordinating Body for Food and Trading Standards
LAELG	Local Authority Enforcement Liaison Group
MAFF	Ministry of Agriculture, Fisheries and Food
MHAC	Meat Hygiene Advisory Committee
MHPF	Meat Hygiene Policy Forum
MHS	Meat Hygiene Service
MRLs	Maximum residue levels are numerical values which show what the maximum crop or food residue should be if the pesticide is used according to the statutory conditions of use
NDNS	National Dietary and Nutrition Surveys
NDPB	Non Departmental Public Body
NPRC	Non Pay Running Costs
NI	Northern Ireland
NMD	Non Ministerial Department
NPRC	Non Pay Running Costs
OVS	Official Veterinary Surgeon
PAU	Procurement Advisory Unit
PHLS	Public Health Laboratory Service
plc	Public limited company
PSA	Public Service Agreement
QSR	Quarterly staff return
RAB	Resource Accounting and Budgeting
RfR	Request for Resources
SDA	Service Delivery Agreement
SIP	Staff in Post
SR	Spending Review
SRM	Specified Risk Material: tissue from cattle, sheep, and goats which is most likely to contain BSE infectivity (e.g., brain, spinal cord). Banned from the food chain.
TSE	Transmissible Spongiform Encephalopathy
UK	United Kingdom
UNICEF	United Nations Children's Fund
USA	United States of America
UWE	University of West England
VAT	Value Added Tax

This is part of a series of departmental reports and Main Estimates which, accompanied by the document Public Expenditure: Statistical Analyses 2001-02, present the Government's expenditure plans for 2001-04. The plans were published in summary form in the Budget documentation.

The complete series is also available as a set at a discount price.

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