

MINUTES OF THE BOARD MEETING, 17 JULY 2008, MERCURE HOLLAND HOUSE HOTEL, CARDIFF

EXECUTIVE SUMMARY

1. Draft Minutes of the open session held on 17 July 2008 at the Mercure Holland House Hotel, Cardiff, are attached. The full web cast of the meeting is available on the FSA's website.
2. The Board is asked to **confirm** that the Minutes are a true and accurate record of the meeting.

Board Secretariat

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**DRAFT MINUTES OF THE BOARD MEETING, 17 JULY 2008, MERCURE
HOLLAND HOUSE HOTEL, CARDIFF**

OPEN SESSION, 0900 – 1500

Present:

Dame Deirdre Hutton, Chair
Dr Ian Reynolds, Deputy Chair and Chair of the MHS Board
Professor Sue Atkinson
Tim Bennett (items 1 to 3.1)
Professor Maureen Edmondson, Chair of the Northern Ireland Food Advisory
Committee
Margaret Gilmore
Clive Grundy
Michael Parker
Chris Pomfret, Chair of the FSA Risk Committee
Professor Bill Reilly
Nancy Robson, Chair of the Board Succession and Development Committee
John Spence, Chair of the Welsh Food Advisory Committee

Officials attending:

Tim Smith, Chief Executive
Andrew Wadge, Chief Scientist and Director of Food Safety
Steve Wearne, Director of FSA Wales (item 2.4)
Steve McGrath, MHS Chief Executive (item 3.1)
Mike McEvoy, MHS Director of Finance (item 3.1)
David Hart, Deputy Head of Meat Hygiene and Veterinary Division (item 3.1)
Richard Calvert, Director of Strategy and Resources (item 3.4)
John Barnes, Head of Regional Presence Unit (item 3.4)
Clair Baynton, Head of Novel Foods, Additives and Supplements Division, (item 3.7)
Trudy Netherwood, Head of Food Supplements Branch, (item 3.7)
Alastair Cannon, Board Secretary

Others attending:

Sue Davies, Chief Policy Adviser, Which? (item 3.1)
Stuart Roberts, Director, British Meat Processors Association (item 3.1)
Professor Colin Blakemore, Chair, General Advisory Committee on Science (items
3.2 and 3.3)
Andrew Jarvis, Project Manager, Cabinet Office Strategy Unit (item 3.5 via video
link)

Chair's Introduction

1. The Chair reminded Board members of their obligation to declare interests before discussion of relevant items, noted that apologies for absence had been received from Graeme Millar and that Tim Bennett would need to leave the meeting following the discussion at item 3.1.
2. The Chair noted that this was Morris McAllister's last Board Meeting as Director of FSA Northern Ireland. On behalf of the Board, she thanked him for his work and noted that he had been a stalwart servant to the Agency and to the public.
3. There were no items raised for discussion under Any Other Business.

Item 1 - Minutes and Actions Arising

1.1 - Minutes of Meeting on 11 June 2008, City Hall, London

(FSA 08/07/01)

4. The Board agreed the Minutes of the meeting held on 11 June 2008 as an accurate record. In relation to paragraph 24, Tim Smith confirmed that the Agency was looking into the question of consistency across the UK¹.

Action: Richard Calvert

1.2 - Actions Arising

(FSA 08/07/02)

5. In considering the table of actions the following was noted:
 - action 11June08/O/376 (The executive to raise with DH the issue of alcohol unit labelling) - Agency officials were in discussion with DH but there was nothing to report as yet.

Item 2 - Oral Reports

2.1 - Chair's Report

6. Details of engagements had been provided in the bound papers for this meeting². The Chair reported on her meetings with Lord Rooker (Minister for Sustainable Food and Farming and Animal Health) on the MHS and charging; and Hilary Benn (Secretary of State for Environment, Food and Rural Affairs) on the MHS and charging, and sustainability; and her last meeting as a member of the European Food Safety Authority Management Board. She congratulated Sue

¹ The provisions envisaged in the Regulatory Enforcement and Sanctions Bill would apply only in England and Wales

² Standing Order paper SO 08/07/04

Davies (Chief Policy Adviser, Which?) on her recent appointment to the EFSA Management Board.

2.2 - Chief Executive's Report

Proposed Regulation on the use of antimicrobial treatments (AMT) to remove surface contamination from poultry carcasses

[Prior to discussion of this item, Bill Reilly declared an interest as a former Chair of the Advisory Committee on the Microbiological Safety of Food. The Chair noted that this did not represent a material conflict of interest and agreed that he could participate in the discussion and determination of this issue.]

7. Tim Smith referred Board members to the paper that had been made available for the meeting. A European Commission proposal to permit the use of antimicrobial processing aids in poultry meat production was to be referred to the Agriculture Council, possibly for its meeting on 29 September. The UK had abstained from voting (due to insufficient time to consider the proposal) when it had been presented at SCoFCAH³ in June; other member states had voted against.
8. The Executive had subsequently considered the issues of efficacy and safety raised by the proposal and had agreed that the use of antimicrobial treatments during poultry processing may be a worthwhile intervention to reduce pathogenic micro-organisms, particularly where hygienic processing is unable to control a hazard when present in animals at slaughter e.g. *Campylobacter* in poultry. The Agency had set a strategic target in 2005 to work with industry to achieve a 50% reduction in the incidence of UK produced chicken testing positive for *Campylobacter* by 2010 and this target contributed to the Agency's overall aim of reducing food borne disease. However, the Executive considered that the use of antimicrobial treatments must be part of an integrated HACCP control strategy and the Commission's proposal provided for a rinsing step and for consumer labelling of treated products. Subject to these conditions, the Executive was satisfied that the proposal did not raise any food safety concerns and had the potential to make a real difference to human health.
9. The proposal had attracted strong opposition from UK industry, consumer groups and green groups for different reasons. The issue had been brought to the Board now to provide an opportunity for Board members to discuss the policy advice that the Agency should give Ministers prior to agreement of the UK position across other Government Departments.
10. During discussion, Board members agreed that the advice to Ministers should be that the UK should abstain from voting on this proposal at the forthcoming

³ Standing Committee on the Food Chain and Animal Health

Agriculture Council meeting and asked for the following further information before taking any further decisions on this issue:

- more detailed information was needed from the relevant Scientific Advisory Committees⁴, including from the ACMSF⁵;
- the data emerging from New Zealand, which until recently had the highest incidence of campylobacter in the world (para 14 of the tabled paper);
- more information on the reasons why other EU member states had voted against the proposal;
- more comprehensive data on campylobacter and what other methods might be used to control it (eg irradiation);
- re-assurance that the proposed technique would not be used as a “short cut” for clean production, particularly at a time where the margins in the industry are getting tighter;
- consumer “soundings”, if there was enough time to consult appropriate bodies and NGOs; and
- some information about the monitoring that would need to be put in place.

Action: Andrew Wadge

EFSA Findings on Levels of Salmonella in Turkey and Pigs

(FSA 08/07/03)

11. Tim Smith referred Board members to his written report (paragraphs 1-8 and tables 1-4) and noted that, from January 2009, eggs from flocks in any EU member state found to be infected with salmonellas would not be permitted to be used for direct human consumption unless they had undergone heat treatment. As a result, the sale of fresh shell eggs from these flocks would not be permitted to ensure that no eggs from flocks infected with salmonellas of public health significance would be on sale to the public.

12. Board members noted (paragraph 8) that the industry led Zoonoses Action Plan scheme had been reviewed, that a new zoonosis control programme for Salmonella in pigs (NZAPig) involving farmers and processors had been launched by the industry in April 2008 and asked if the detail of this could be circulated to Board members.

Action: Andrew Wadge

Eurofreeze

(FSA 08/07/03)

13. Tim Smith noted that the fines referred to in paragraph 10 had totalled £65,000; the quoted figure of £6,500 related to the fine that had been imposed following the appeal.

⁴ Scientific Committee on Health and Environmental Risks; Scientific Committee on Emerging and Newly Identified Health Risks (re: paragraph 19 of the tabled paper)

⁵ On the issue of the potential for the occurrence of resistance (paragraph 17 of the paper) and on the reasons for the Committee’s change of view since March 2005 (paragraphs 21 and 22 of the tabled paper)

SRM in Food Products from Sweden

(FSA 08/07/03)

14. In addition to the information in paragraphs 14-18, Tim Smith informed Board members that additional products were being held in quarantine and that issues had been raised about proportionality.

Food improvement Agents Package: UKRep Feedback

(FSA 08/07/03)

15. Tim Smith congratulated the Agency's Additives team for its work in securing a successful outcome for the UK on the dossier (paragraph 23), details of which would be provided to the Board in a background note.

Action: Gill Fine

Food Safety Week 2008: Germwatch campaign/Scottish food bus

(FSA 08/07/03)

16. Tim Smith noted, in response to a question from the Board about long term evaluation of their impact, that these initiatives were intended to have an incremental effect and were reported on in regular tracking studies commissioned by the Agency's Communications team - the results of which were reported to the Board - and in the Chief Scientist's Report each year.

2.3 - Annual Report from the Chair of the Welsh Food Advisory Committee

(FSA 08/07/04)

17. John Spence reflected on the last 12 months of the Committee's work and its forward work plan, including its remit, the changing nature of its personnel and the style of its meetings.

18. John Spence raised the issue of 'smokies' (skin on sheep) that has occupied the committee. The production of smokies continues to be conducted in unhygienic conditions and unlicensed premises and therefore poses public health concerns whilst scientific research is being undertaken. The research is not due to be completed until February 2009, thereafter a report will go to the Board for consideration and then advice submitted to ministers. John is concerned that if the process cannot be speeded up the illegal activity will continue and the opportunity of harnessing the market will be lost. He hoped that the Agency could take some in principle decisions in the very near future before the science is reported and look at the options and possibilities on the basis that the science indicates that it is a safe process to undertake. Tim agreed in principle that the FSA management team could work in parallel specifically getting the Agency ready for a conversation with the Commission on what needs to be done to change the law. He added very strong evidence base will be needed to support any proposals to changing the law.

Action: Steve Wearne

19. WFAC had enjoyed good relations with members of the Welsh Assembly and good engagement with stakeholders; there was potential for development. John Spence thanked Steve Wearne and Joy Whinney (the current and previous Directors of FSA Wales respectively) and Helen George (WFAC Secretariat) for their support.

20. In response to a request from the Board, the Chair suggested that a note on progress implementing the "Paterson Report"⁶ should be circulated to Board members intersessionally.

Action: Richard Calvert

2.4 - Report from the Director of FSA Wales

21. As a UK wide public body, the Agency was committed to the provision of services in Welsh. These commitments had been formalised in a new Welsh Language Scheme to be launched at the Eisteddfod in Cardiff on 5 August. FSA Wales had established a Welsh Language Unit last year. Steve Wearne described the status, function and funding of FSA Wales, its priorities, ambitions and progress to date and looking forward, the FSA/Assembly Government Concordat, delivering a Welsh nutrition agenda, engagement with Welsh food producers and noted that the FSA and MHS were continuing to cooperate fully with the E.coli Public Inquiry.

22. The Board noted that the devolved administrations provided an opportunity to explore different approaches and that the whole of the FSA should be able to contribute and collaborate, in terms of research capabilities for example. The

⁶ Internal Review of the Advisory Committees for Scotland, Wales and Northern Ireland

Board also noted that - unlike Scotland - Wales and Northern Ireland did not have separate research budgets.

Item 3 - Discussion Items

3.1 - Future of Charging for Official Meat Controls

(FSA 08/07/05)

[In advance of the meeting, Tim Bennett had declared his ownership of a farm. This now had only nine animals, (beef cattle); the large part of the land had been contracted out. Bill Reilly had declared an interest as the President Elect of the British Veterinary Association: he has previously made his position clear on issues related to Official Veterinarians and possible changes to how they might be deployed as the MHS transformed; namely he is content to see reduction in staffing/headcount if that can be achieved whilst both protecting consumer safety and meeting EU legislative requirements. Ian Reynolds had declared that his brother-in-law owns a sheep farm. The Chair noted that, given there were no direct pecuniary interests, it was not credible that these interests could be thought to influence the Board's discussions or decisions on this item and agreed that they could participate in the discussion and determination of this issue.]

23. The Chair noted that letters about this issue from Norman Bagley (Association of Meat Inspectors GB Ltd) and Stuart Roberts (British Meat Processing Association), and the Agency's responses to them, had been circulated to Board members and published on the website. The Board's discussions on this issue were fundamentally about the delivery of public health and the Chair said that the Board was very aware that this discussion was being held against the background of the *E. coli* outbreak and Public Inquiry in Wales.
24. Tim Smith introduced the MHS team and then highlighted three key issues. Firstly, that the Agency's primary commitment was to ensure the safety of meat for consumers; secondly, that modernisation depends on site based agreements between the owner and the MHS and finally that necessary long term reform depends on changes to EU regulation. Steve McGrath introduced the paper, which sought the Board's agreement to the introduction of time based charging; the reduction of discounts, and the introduction of charges for controls on the removal of SRM.
25. Steve McGrath made clear that the industry was responsible for producing safe meat from well cared for, healthy animals. The Agency's absolute primary focus was to do this cost effectively and efficiently within EU law. In developing the proposals before the Board, there had been significant stakeholder involvement; the Advisory Body and the Food Advisory Committees in Scotland, Wales and Northern Ireland had all supported the principle of time based charging incorporating effective checks and balances.

26. Stuart Roberts (Director, British Meat Processors Association) presented his personal views, which were that:

- public health was also the industry's key objective;
- the current regime was a "one size fits all" approach and the future regime should be able to provide incentives for good performance and - of equal importance - disincentives for poor performance;
- the optimisation project had identified three themes:
 - there are some quick wins on over-manning
 - significant changes could be achieved if all parties look at the flexibilities within current domestic rules
 - by working together, industry changes can help implement reduced MHS costs; and
- radical approaches could be used to change the current regime, for example trialling a few plants and monitoring the changes.

27. Sue Davies (Chief Policy Adviser, Which?) reminded the Board that the whole issue of meat controls and meat safety was at the heart of why the Agency had been created as there had been compliance and enforcement problems in the past. She accepted that there was scope for change, but expressed concern about what the cost savings identified would actually mean in terms of public health risks and benefits. The key here would be the checks and balances referred to in Annex 1d of the paper and there would need to be an appropriate review mechanism.

28. During the following discussion, the Board recognised that

- these proposals had emerged following considerable discussion and change both within the MHS and the industry;
- previous discussions had been driven by the principle to move to full cost recovery although subsequently had been modified by the Tierney Report to include an annual subsidy of £10m to recognise the impacts on small and geographically remote plants;
- the MHS had already made significant efficiency savings; and
- there was a need to build trust between the key players.

29. Board members accepted the recommendation set out in the paper that, subject to Ministerial clearance, the Agency should carry out a full public consultation on proposals to:

- introduce time-based charging for MHS services, which would replace the current charging arrangements;
- reduce current subsidies, which would result in hygiene charges paid by meat plant operators increasing by 12% (inclusive of inflation) in 2009/10; and
- introduce charges for controls on the removal of Specified Risk Material (SRM) from 2009/10.

30. The Chair noted that, in conducting this public consultation, the Board expected a number of principles to be made explicit:

- public safety was paramount and there would be a need to develop appropriate checks, balances and metrics around the delivery of public safety;
- food business operators - not the tax payer - were responsible for providing safe meat and they, as well as the MHS, would be expected to change;
- efficiency, effectiveness and risk based enforcement were major aims and it would be important that the process be driven by outcomes and should recognise those outcomes in the charging system (eg by rewarding good behaviour). This is particularly important in relation to the EU and the way that it is taken forward. The MHS Board will look at this issue of how charges are related to outcomes and rewards;
- proper use of public money, in particular in relation to the £10m subsidy. A clear rationale is required to determine on what basis the small, efficient, geographically remote operations should be supported, by how much, and by whom;
- competitiveness should not be distorted, and there would be a need to provide a more sophisticated impact analysis on economic, health, social, environmental and equality issues and the effects in the devolved countries;
- there was a lot of work still to be done on building relationships and there needed to be clarity on the way forward;
- communication with a wide range of stakeholders, including businesses, consumers and politicians, needed to be effective and clear, especially in relation to the financial consequences of the new charges at individual plant level for future years;
- clarity in relation to consistency to Business Service agreements, the burdens of charging agreements and the risk they present;

- the Executive would need to report back on risks to the Agency's finances; and
- the forward plan being developed for agreement by the Board once the results of the optimisation review were known need to include a Gantt chart to help illustrate how the various work streams fit together, their timing and inputs from the Board.

Action: Steve McGrath

31. The Chair stressed the importance of "hurrying slowly", as the Agency needed to get this right and to build trust in every step of the way. She thanked the MHS, the MHS Board, the FSA Executive, Stuart Roberts and Sue Davies for their valuable work and contributions.

32. The Chair noted that the results of the public consultation would be reported back to the Board for it to review before recommendations were made to Ministers.

Action: Steve McGrath

3.2 - Science in the FSA: Annual Report of the Chief Scientist 2007/2008

(FSA 08/07/06)

33. Andrew Wadge reported on the work tracking trends in disease, highlighting the science and research carried out by the Agency and how this supported policy development. It illustrated the processes the Agency had developed to ensure that its scientific work was robust. The Report was intended to be a living document: the interactive CD summarised the range of science projects and provided appropriate links to the Agency's website (www.food.gov.uk) for the latest information.

34. The Board welcomed the Report as very informative, readable, absorbing and innovative.

3.3 - Report from the Chair of General Advisory Committee on Science (GACS)

35. Professor Colin Blakemore gave his presentation to the Board introducing the purpose of GACS, outlining the strengths and challenges of science in the FSA, welcoming the Chief Scientists Report, and reporting on the progress of GACS. He also outlined GACS' work plan priorities, which were to look at the best use of the Agency's research spend, horizon scanning, governance, research territories and the ways of working of SACs, engagement, and measures of success for the Agency's science.

36. In response to questions from Board members, Professor Blakemore noted that:

- there is a greater need for cross fertilisation and cross committee working to ensure the FSA and its committees are not working in 'silos', ways of

achieving this and being looked at is an annual conference to include all SAC members, possible joint meetings, cross representation and consideration of incorporating social scientists into several committees;

- the scientific advisory committees felt distant from the commissioning of research and the policy process, which needed to be addressed;
- the independence of scientific advice was critical and members of the GACs and the scientific advisory committees recognised this and were not reluctant in criticising themselves, their committees or the Agency;
- he would feed back later on the tools of governance including knowledge management and on the findings of the working group on measures of success;
- GACS would be looking into the research resources of the devolved administrations as part of its consideration of Agency research spend and priorities;
- there were protocols and precedents for establishing colleges of recognised experts; and
- the scientific advisory committees wanted to know more about how their advice was used by the FSA Board. This would be in the areas of using science to inform policy development and using science to assess risk.

37. The Chair made clear that the Board found the advice it received from the scientific advisory committees tremendously valuable and had taken - and would continue to take - opportunities to invite the Chairs of those committees to contribute to Board discussions where that was appropriate.

3.4 - Update on the work of Agency Regional Teams across England

(FSA 08/07/07)

38. Tim Smith and Richard Calvert introduced this paper on the evaluation of the work of the Agency's Regional Teams and the further work proposed to look at options for their future across all Government Regions. A paper was planned for early 2009 which would contain proposals for the future of this work set in the context of how best the Agency can work in partnership with its key stakeholders, including Local Authorities. Options would include:

- Rolling out the existing programme to all nine English regions
- Closing down the existing regional presence
- Expanding the regional presence to mirror the devolved agency model.

39. Board members wanted to be in a position to take a firm decision on the future of this work when it was next brought to the Board. The paper would need to

- be clear on outcomes and outputs contributing to the FSA objectives;
- consider the Agency's relationships with local authorities and other regional and local stakeholders;
- be clear on performance measures for the desired outcomes; and
- address the issue of affordability, making clear what initiatives and other projects might need to be dropped if this work is to continue.

Action: Richard Calvert

3.6 - Simplification Stakeholder Event

[This item was taken out of sequence]

40. Chris Pomfret informed Board members that he had recently chaired a Stakeholder event attended by 30 people. He noted that no one had represented the consumer side and thought the Agency needed to work on this to ensure more balanced representation.

41. Jonathon Back (DG SANCO) and Oriel Pratt (EU Better Regulation, Cabinet Office) had given excellent presentations and the delegates had been divided into five discussion groups. The main point that emerged was that the stakeholders did not appear to recognise that assertions and opinions were not evidence, and that evidence is needed when negotiating in Europe.

42. A report of the event was being prepared and would be sent to the Board members intersessionally.

Action: Philip Clarke

3.5 - Cabinet Office Food Project

43. Andrew Jarvis presented the recently launched Cabinet Office report "Food Matters" via video link from the Cabinet Office. This was a project initiated by the Prime Minister and involved a wide range of departments. The project team had included FSA officials. The project team had published a Phase 1 report in January 2008; and the final "Food Matters" report had been published last week. This set out the vision, strategy, and an action plan. Andrew Jarvis thanked the Chair and FSA officials for their involvement and support.

44. Board members noted the emphasis on environmentally sustainable food chain and welcomed the joint research strategy for food. The Board also noted that devolved administrations had been involved throughout and would be involved further. Andrew mentioned that Hilary Benn had already written to the First Ministers' Task Force seeking common ground. Cabinet Office was happy to take advice from FSA on how to work through its structures on devolved issues.

45. Tim Smith noted that the consumer take on the report had focussed mainly on conversations on food waste and had largely ignored the wider recommendations. He expressed support for the report's recommendations but voiced his concern about the level of resources that would be needed to take this work forward. The Chair noted that the Board had agreed the Agency's strategic plans against specific financial resources; there was little scope for new work within existing resources. Andrew Jarvis reassured the Board that he did not think that the resources required to deliver any of the objectives would be unmanageable. Tim Smith indicated that early work on budgets suggested an incremental 20% on the CCDH spending.

3.7 - Food supplements

46. Clair Baynton and Trudy Netherwood updated Board members on current issues and forthcoming work relating to food supplements. The Board welcomed the helpful update and noted that a Commission proposal setting maximum levels of vitamins and minerals in foods was likely in January 2009. The Executive would keep the Board informed as discussions progressed and bring the issue back to the Board should it be necessary to agree advice to Ministers.

Item 4 - Information Items and Any Other Business

47. The Chair drew Board members' attention to the standing order papers provided for this open meeting (SO 08/07/01 – SO 08/07/06), the information paper reporting on the Freedom of Information Act 2000 Requests, Complaints and Whistle Blowing (INFO 08/07/01) and the reports from the Chairs of the Welsh, Scottish and Northern Ireland Food Advisory Committees (INFO 08/07/02-04).

Date of next meeting

48. The next open meeting would be held in London, on 17 September 2008.