

## **MEAT CHARGING BOARD PAPERS: INTRODUCTION**

Three papers are presented for the Board's consideration:

- a. Paper FSA 09/04/05 explains the progress that has been achieved to date in modernising the MHS, reducing its cost to industry and the taxpayer and introducing more efficient working practices. It explains that, whilst there is further work to do, progress to date is well ahead of plan in terms of time, cost reductions and benefits.
- b. Paper FSA 09/04/06 sets out the current and estimated future finance position of the Meat Hygiene Service (MHS) indicating: (i) the ultimate cost of running the MHS (including the provision of official meat controls as required by existing European legislation) once all currently identified efficiencies and cost reductions have been achieved; and (ii) a new timeline for achieving a reduction to £10m p.a. in Agency/taxpayer support to industry by charging a greater proportion of the full cost of meat hygiene controls. This provides all those impacted by the work of the MHS with a greater degree of certainty than has been possible to date.
- c. Paper FSA 09/04/07 sets out, against the background of the above papers, a number of proposals which the Board will consider separately and to include: (i) changing the meat official control charging system to provide an incentive to improve standards and compliance and use of official control resources; and (ii) increasing charging rates, having taken account in particular of industry comments on affordability.

### **Intended outcome of Board Discussion**

The Board will be asked to:

- a. note the progress achieved to date in modernising the MHS;
- b. note and endorse an approach, which reaffirms the £10m target subsidy for the MHS, whilst re-setting the trajectory for achieving that level of subsidy over the next 5 years; and
- c. agree proposed changes to the charging system and charge rates for official meat controls for recommendation to Ministers in the four countries of the UK, including an assessment of the economic impact for each country.