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7 September 2006

Dear Dame Deirdre

FOOD STANDARDS AGENCY SIMPLIFICATION PLAN

Thank you for your letter to the Prime Minister of July 2006 which enclosed the draft Food Standards Agency Simplification Plan. As the Minister for Better Regulation, I am setting out the Government's view on the draft simplification Plan as it stands.

The Plan has made significant progress since January and reflects a broad range of initiatives which will be welcomed by stakeholders. However, it needs to tell its story better. The Agency will need to do further work to make the Plan shorter and sharper. This will be vital to bring out both how stakeholders will benefit from delivery, including through administrative burden and policy cost savings, and the Agency's approach and ambition on better regulation. This would be best demonstrated by an executive summary which headlines the key initiatives and savings.

The Plan would benefit from consistent presentation of the benefits from each simplification measure in the grid. The first table entry on replacement of the Over Thirty Month rule provides a clear indication of the size and expected distribution of savings.



This should be a model for other entries. It would also be helpful if the Plan could more clearly identify whether or not each initiative has a real benefit to business. For example, items 3 and 9 do not appear to result in any savings of business at all. The BRE has issued Simplification Plan guidance especially to help Departments with format and presentation.

The Government has asked that Departments show in these Plans how they will deliver 60% of the targeted reductions in administrative burdens. This would mean that if the Agency decided to adopt a 25% target overall, an admin burden reduction of £13m would need to be achieved by this plan. The 2.1% net reduction in this draft is clearly not enough. Whilst you explained that further work is being done on this ahead of publication, the Agency should show the progress made before publication and a commitment from the board to this effect.

In particular, it is understood that work is in hand to determine what the new Food Hygiene Regulations, which came into force in January 2006, will do to reduce costs. These revoke 7 of the top 10 measures. This is critical as Hampton cited this as a positive change for business and the Agency, and as the *Safer Food, Better Business*, has been welcomed by business stakeholders. The benefits need to be clearly quantified quickly and presented to best effect in the Plan. The section on Hampton should bring out clearly the success of the scheme and the work towards a more risk based CoP and PG. At present this is buried in long annexes.

The Agency's is also undertaking work on traceability. This is likely to be very important to delivering progress against the proposed administrative burden target. Regulation 178/2002 is the single most burdensome FSA regulation. Proposed Guidance is currently being drafted which could deliver very substantial savings. Consultation is planned for the autumn. This will need to be outlined in this Plan.

In addition to these, it would be helpful for the Agency to detail how they are implementing the Hampton recommendations and principles: greater use of risk assessments, no inspection without a reason, clearer advice, reduction in information requests, as well as mergers of regulatory bodies.

It is understood that the Agency has made some progress in these areas however it would be reasonable to expect some commitment by the board to progress this important agenda. Where it is not possible to draw these points out in the current Plan, the Agency should be able to identify the progress they are making towards the Hampton Assessment to be published at the PBR, which the Chancellor announced in June.

The Plan brings out clearly the fact that much of its regulatory work is EU driven. It is an area where the Agency should set out clearly how it is working with the Commission's high level ambitions to reduce administrative burdens and the strengthened focus of DG Sanco in particular on better regulation as a means of and delivering both consumer protection and strengthened EU competitiveness.

Bearing in mind what has been set out above, and given the Agency's independent status, I invite the Agency to submit a revised Plan reflecting this further work after the Agency Board meeting on 21 September. This will allow Government and the Better Regulation Commission to take a view ahead of its publication.

Yours sincerely
Hilary Armstrong

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Small Business Council

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5 September 2006

Dear Dame Deidre

As chair of the Small Business Council I would like to make the following comments on the Food Standards Authority's Simplification Plan. The FSA have clearly put a lot of work into it and it contains much to support. There are also however areas where I think improvements could be made at this stage and in the future.

In terms of the current proposals I would have liked to see more radical proposals to reduce burdens on business. I was pleased to see the work the FSA has been doing on labelling has been included as I feel that this is an area with potential for business savings. I also wondered if there were opportunities for this type of proposal to be applied to EU regulations?

The Safer Food Better Business work is something that really tries to help small businesses both to improve their hygiene and safety standards whilst ensuring that compliance is as easy as possible. Are there other areas where this approach can be adopted?

Overall in terms of specific proposals I am disappointed that in many cases where local authority savings are to be made, it is not clear what the impact on business will be specifically. For example will these simplification measures free up time for enforcement officials to offer advisory visits to small food businesses? If this were the case I would urge you to include details in the plan.

The plan talks about the use of guidance and my concern here is that voluntary 'Best Practice' guidance can be confusing for small business. It must be made very clear to businesses what the legal requirements are and what a business could do to achieve best practice.

I hope these comments are useful and I look forward to seeing the revised plan.

Small Business Service

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I am copying this letter to Hilary Armstrong, Chair of the Panel for Regulatory
Accountability

Regards Julie

Julie Kenny CBE,DL

FOOD STANDARDS AGENCY

SIMPLIFICATION PLAN 2006/07

www.food.gov.uk



[October] 2006

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1. Executive Summary

The Food Standards Agency puts consumers first. This core value informs what we do to protect public health and consumer interests, and how we do it. We develop regulations or alternative approaches, and the means by which these are enforced and championed, in order to deliver this protection. However, we are aware of the burdens that regulation and enforcement place on others. We will reduce these administrative and policy burdens as and where we can, without compromising the outcomes for public health protection. In delivering this reduction in burdens, we aim to make regulation more comprehensible and easier to enforce. As a result, compliance with the regulation should be easier to achieve and demonstrate, compliance rates should increase, and consumers will be better protected. Consumers benefit, our enforcement partners benefit, and businesses benefit.

The initiatives outlined in this Simplification Plan are expected to generate over £190 million of savings in their first year. Savings will accrue to both the private and public sectors, and result from changes both to policy and to the burdens imposed by regulation. These savings include a 2.1% reduction in administrative burdens.

[Drafting Note: before publication, to be put into context of target for reductions to be achieved by 2010, as discussed/agreed by the Board on 21 September.]

Our achievements to date provide the foundations on which we will build in order to meet this challenge. We will work with others to achieve these reductions. As the vast majority of food legislation is now harmonised across the European Community, we will support the European Commission and work with other Member States to reduce the burdens that result from Community food law.

Although the focus may be on administrative burden reduction the FSA also recognises the potential for regulatory simplification to be delivered in other ways – through codification of legislation, delivery of policy savings, and improved government efficiency. On all of these, we have a good story to tell.

The FSA could not have prepared this plan without comments and suggestions from our stakeholders. We are keen to tackle other burdens that unnecessarily impose costs on businesses and enforcement partners, or make their jobs harder. We can only do that if our stakeholders tell us about the burdens they experience. We will look for better ways of engaging individual businesses – large and small – in this debate. We will follow up every suggestion we receive.

Food Standards Agency
[date]

2. Introduction

2.1 What we do

The Food Standards Agency was set up to protect public health and consumers' interests in relation to food and drink. We use a range of classic regulatory and alternative approaches to help achieve these objectives. In our decision-making we aim to focus on proportionate, practicable and deliverable solutions within the (predominantly EU-based) legal framework for food law.

2.2 How we do it

We put the consumer first. In doing so, we are open and transparent about the decisions we make and involve all our relevant stakeholders throughout the policy-making process. We believe that our stakeholders should be able to see clearly how we reach our decisions and policies, and that we should explain how their comments have been taken into account. The FSA's governance of science programme¹ aims to demonstrate how we get from evidence to policy.

We support consistent and robust implementation, monitoring, and enforcement that deal fairly and equitably with businesses. It is important that businesses have access to appropriate knowledge, information and guidance. The FSA is particularly proud of its flagship "Safer Food Better Business" initiative for small caterers and small retailers. Our stakeholders have welcomed this initiative.

Praise for Safer Food Better Business

"I would commend the Food Standards Agency for the way they have responded to the implementation of the EC Food Hygiene Regulations for small retail businesses by developing a pragmatic and proportionate approach to food safety management."

Kevin Hawkins, Director General, British Retail Consortium

2.3 The case for simplification

We see as the ideal a balanced and effective market where:

- consumers are empowered and have the information they need to make choices and those who are unable to make choices for themselves are protected;
- industry takes seriously its responsibility for protecting public health and is able to innovate and invest; and

¹ www.food.gov.uk/multimedia/pdfs/fsa060206.pdf

- the regulator intervenes only where necessary to protect the consumer.

The FSA's Task Force on the burdens of food regulation on small food businesses found that some businesses expressly supported the need for regulation to maintain food safety standards². The FSA believes if this necessary regulation can be made simpler, levels of compliance would increase and consumer protection would improve. Consumers and businesses alike benefit.

The overall objective of simplification is not to change the policy objectives of regulations, but to focus on their administrative and policy costs. This includes reducing administrative burdens as measured by the Standard Cost Model as well as other administrative and policy costs. Also within the scope is the time taken to understand new regulations or guidance or the time taken generating appropriate information to support self-regulation or providing monitoring returns to enforcement authorities.

Some simplification initiatives may not appear on first reading to be of great benefit to individual businesses, but across a whole sector the savings can be large. Butchers' licensing is a good example. Whilst an individual butcher may save just £100 from no longer having to pay for a licence, in a sector of nearly 14,000 businesses the savings are substantial.

One important way of achieving this simplification is by making regulations easier to understand and comply with.

Consolidation of the food contact materials regulations

"The result is a single authoritative statement of the law which will be much clearer to the businesses that have to work within it and the enforcement officers that have to oversee them."

Lord Filkin, Chairman of the House of Lords Committee on the Merits of
Statutory Instruments

2.4 Our simplification work to date

The FSA has been involved in simplification work for many years. In January 2002 the FSA launched an initiative to help specialist cheese manufacturers maintain an organised approach to analysing hazards and managing food safety. An independent report on the initiative in August 2004 found that the initiative had:

² www.food.gov.uk/multimedia/pdfs/taskrep.pdf

Specialist Cheesemakers' Initiative

"Very successfully assisted this [specialist cheesemakers] sector in the implementation of food safety management based on hazard analysis."

ADAS Consulting Ltd. Final report to Food Standards Agency on Specialist Cheesemakers' Initiative³

The FSA is examining the feasibility of whether another sector would benefit from a similar in-depth study. This would involve talking to businesses in a particular sector to uncover those food regulations which cause them the most problems and which are most resource intensive, and working with them to drive out the irritants and drive down the costs. We would welcome nominations from sectors who believe they would benefit from such a study.

The FSA's initial draft Simplification Plan was published in January 2006⁴. Since then we have taken extensive steps to consult FSA stakeholders and policy officials to generate further initiatives. These have been included in this updated version of the Plan. Annex F lists all those we consulted.

2.5 Facts and figures in the Plan

In the first year the initiatives in this updated Plan are expected to generate some £196.3 million in both administrative and policy savings:

| Policy savings (million) | Admin savings⁵ (millions) |
|---------------------------------|---|
| Private : 90.5 | Private : 2.02 (1.83 linked to information obligations) |
| Public : 103.75 | Public : 0.03 |
| Total : 194.25 | Total : 2.05 |
| Grand total : 196.3 | |

These estimates are based on formal consultations and other discussions we have had with our stakeholders. The figures do not include those initiatives that are yet to be costed due to either unresolved policy issues or insufficient information from key stakeholders. We would welcome any comments on the figures.

³ www.food.gov.uk/multimedia/webpage/specialistcheese

⁴ www.food.gov.uk/foodindustry/regulation/betregs/draftsimp

⁵ Overall net reduction in administrative burdens in the first year after the relevant simplification initiatives have been introduced. Savings for the private sector distinguishes between admin savings linked to information obligations which will contribute to reduction of administrative baseline (£1.83 million) and wider administrative burden cost savings (£2.02 million).

All figures quoted in the Plan, with the exception of the Safer Food Better Business initiative (which covers only England), cover the whole of the United Kingdom.

Proposed measures will be reviewed annually as part of the FSA's rolling simplification programme and developed further. We will continue to include proposals resulting from further engagement with external stakeholders, and action taken to meet the Government's major administrative burden reduction exercise.

Measures included in the 2006/07 Plan

Deregulation

- A major deregulation exercise associated with replacing the over thirty month (OTM) rule for cattle entering the human food chain with a BSE testing regime.
- Discontinuation of butchers' licensing on the basis that new EU food hygiene legislation offers substantially equivalent levels of public health protection.

Administrative Burden Reduction

- Producing UK guidance on Regulation 178/2002 – product traceability requirements – which will be clear, simple and appropriate for all UK businesses.

Taking advantage of EU exemptions

- Exemption of certain small slaughterhouses from one type of veterinary inspection.

Implementing Hampton

- Details of how the Wine Standards Board has been merged⁶ into the FSA, as recommended by the Hampton Review.

Consolidation of regulations

- A number of legislation consolidation exercises, for example of UK bottled water legislation to facilitate comprehension and interpretation by the private and public sector.

ICT solutions

- Areas where Information and Communication Technology (ICT) initiatives are being developed to replace existing paperwork based systems, for example a central database (GRAIL) to store legislation information and guidance on food imports initially for Port Health Authorities.

The Plan is divided into a number of sections:

⁶ Merger completed 1 July 2006

- **Annex A** sets out those simplification initiatives already in the pipeline in May 2005 and new initiatives since that date. Some consolidation exercises originate from the FSA directly whereas others originate from the EU. Where the consolidation originates from the EU, we have set out how the FSA has ensured simplification benefits are maximised.
- **Annex B** sets out where we have taken significant steps to minimise the burden of new European regulations on food hygiene. These include:
 - The FSA’s flagship Safer Food Better Business⁷ initiative, which will generate cost savings for business of £62 million; and
 - The consolidation of 17 existing pieces of sector-specific legislation into 3 main EC Food Hygiene Regulations.

The Regulations achieve the objectives of improving hygiene standards and better protecting consumers through a combination of common sense easy-to-use guidance and support through local initiatives.

Business feedback about Safer Food Better Business

Caterer’s pack
 “It will save a lot of time on the ongoing paperwork.”
 Comment from a small care home

“Safer Food Better Business offers simple solutions to potential problems without complicating the issue. The pack is in an easy to follow format with pictures I could relate to. The paperwork is minimal and simple to maintain without causing me unnecessary burden”
 Comment from a small delicatessen

Retailer’s pack
 “I’ve never seen anything like this – it’s peace of mind for business”
 Comment from a newsagent

“I think this pack is very good. It is not too much information to take in and it lists helpful tips on cross-contamination and management.”
 Comment from a small convenience store

- **Annex C** sets out a number of simplification initiatives which we are working on but which we need to develop before they can be listed in the main Plan.
- **Annex D** outlines concerns raised by businesses about FSA regulations and what we are doing to tackle those concerns.

⁷ <http://www.food.gov.uk/foodindustry/hygiene/sfbb>

2.6 Initiatives shared with other Government Departments

The FSA works with other Government Departments on food issues which cross Departmental boundaries. We have done the same with simplification initiatives. The Plan contains two initiatives delivered jointly with the Department for the Environment, Food and Rural Affairs:

- replacing the Over Thirty-Month (OTM) rule with BSE testing; and
- developing the Meat Hygiene Service portal to manage food chain information to slaughterhouses, now required under the new consolidated food hygiene regulations.

Neither major initiative could have been achieved without joint working. Throughout the process of developing these initiatives whilst each department had its role to play (the FSA's being to ensure proportionate protection for consumers) FSA and Defra officials worked closely to deliver the initiatives. It is only right therefore that the credit for the administrative and policy savings should be divided equally between the two Departments.

2.7 Common commencement dates

In 2005 the FSA committed itself to the Government's common commencement dates initiative. This requires that all non-EU-derived regulations should, wherever possible, come into force on either 6 April or 1 October.

The FSA believes doing this will mean that business, consumers and enforcers will be more aware of forthcoming FSA regulations. Business and enforcers in particular will be able to plan for the implementation of new regulations. This will further help reduce overall administrative burden on business.

All simplification initiatives in this Plan will be introduced wherever possible to coincide with common commencement dates.

The FSA also publishes twice a year, in January and July, a list of all forthcoming regulations for the coming year, barring legislation that may need to be introduced in an emergency, together with the dates when they will come into force⁸. This will also help business and enforcers prepare for legislative changes.

⁸ www.food.gov.uk/foodindustry/regulation/ccd2006

3. Reducing administrative burdens

Since the autumn of 2005 FSA has been fully involved in the cross-Government project to identify and measure the administrative burden imposed on business by Government regulations.

The Chancellor of the Exchequer launched the exercise in the 2005 Budget. The aim of the exercise was to estimate the administrative costs incurred by businesses, charities and the voluntary organisations as a result of all Government regulations in force at May 2005.

The exercise used the Standard Cost Model, originally developed by the Dutch Government. The Standard Cost Model does not provide a statistically representative measure of costs. It is however pragmatic and gives an indicative estimate of the magnitude of costs imposed by obligations on business to report information to Government or third parties. The exercise provides a starting point for setting reduction targets.

3.1 Cost of FSA regulations (as at May 2005)

The total administrative cost of the 53 regulations measured for the FSA is estimated to be £128.1 million per year. This includes £42 million 'business as usual' costs. These costs relate to information that businesses would provide as a normal part of their activities, whether or not the law requires them to do so. In line with Government advice, these costs have been excluded from the baseline figure on which the reduction target is based. This leaves an estimated net administrative cost of FSA regulations at May 2005 of £86 million.

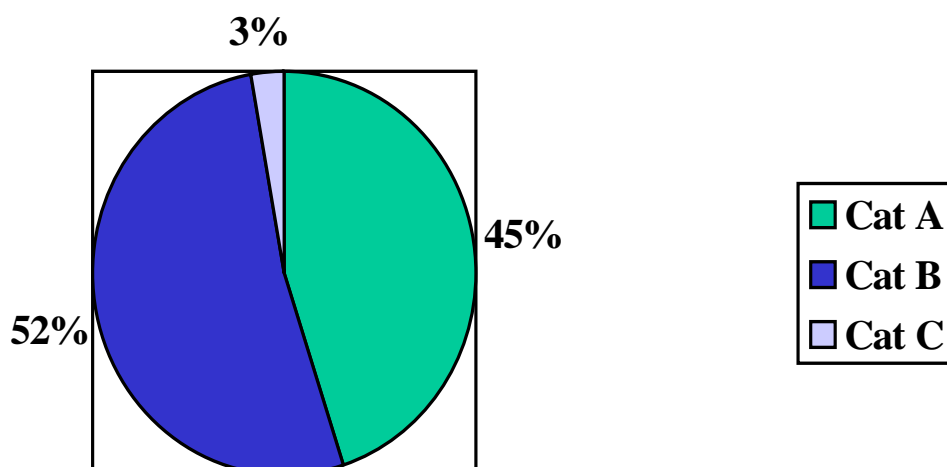
A copy of the report setting out these costs, along with a technical summary, is available on the FSA website⁹.

Over 97 per cent of the FSA's total administrative costs are attributed to information obligations that result from EU legislation. In about half of these cases the UK has some discretion in how these obligations are implemented (category B information obligations) and in the other half no discretion (category A information obligations).

Only 3 per cent (which amounts to just £2.4 million) of the total administrative cost is attributed to information obligations of purely domestic origin, relating to just 20 information obligations contained within 12 of the FSA's regulations. These are classed as category C information obligations. A chart showing the percentage split of the different category information obligations is set out below.

⁹ Report: www.food.gov.uk/multimedia/pdfs/abmefinrep.pdf;
Technical summary: www.food.gov.uk/multimedia/pdfs/abmetechsum.pdf

Chart showing percentages of category A, B and C information obligations for food law



3.2 The target for reduction

[Text to be amended post Board discussion on 21 Sept about target to reduce admin burden. Text will also need to set out clearly how we will meet 60% of a [25%] target [if that is what the Board agrees].

The FSA Board has agreed that the Agency should meet a reduction target of [xx] per cent of its category B and C information obligations by [date]. The Government expects Departments to have clear plans to show how they will deliver against this target.

This Plan presently contains measures that will contribute 2.1 per cent towards meeting our administrative burden reduction target of [xx] per cent. These are all measures that the FSA was working on before the administrative burden measurement and reduction initiatives started.

The FSA will develop a Plan to deliver the [xx] per cent by 2010. The FSA signed off its final administrative burden data in early July and is now developing a robust but achievable Plan. The target is challenging and the FSA wants to make sure it can achieve it. The action plan will be published before the end of 2006.

3.3 Tackling EU regulations

Since such a high proportion of FSA's information obligations are of international origin, reducing administrative costs will only be possible through close collaboration with the EU. At the European Council on 15/16 June 2006 the Council invited the European Commission to bring forward proposals in 2007 to reduce the administrative burden of EU legislation by 25%.

With the extensive information we now have, the FSA will be able to play an active role in identifying those information obligations that the UK judges a priority for action. Details of this work will be published in Spring 2007 after

the European Commission has published proposals as requested by the European Council, for reducing the EU administrative burden by 25 per cent.

3.4 Tackling the top 10 food regulations

The top ten most burdensome FSA regulations, based on information obligations measured under the Standard Cost Model are:

| Table 2: Top 10 FSA regulations | |
|---|-------------------------|
| REGULATION | COST (£ million) |
| 1. Regulation (EC) No. 178/2002 of the European Parliament and of the Council (product traceability requirements) | 16 |
| 2. Dairy Products (Hygiene) Regulations 1995 | 14.2 |
| 3. Meat Products (England) Regulations 2003 | 11.2 |
| 4. Fresh Meat (Hygiene and Inspection) Regulations 1995 | 10.8 |
| 5. Meat Products (Hygiene) Regulations 1994 | 8.8 |
| 6. Feeding Stuffs Regulations 2000 | 8.3 |
| 7. Food Labelling Regulations 1996 | 4.6 |
| 8. Food Safety (Fishery Products and Live Shellfish) (Hygiene) Regulations 1998 | 3.9 |
| 9. Minced Meat and Meat Preparations (Hygiene) Regulations 1995 | 1.7 |
| 10. Poultry Meat, Farmed Game Bird Meat and Rabbit Meat (Hygiene and Inspection) Regulations 1995 | 1.4 |

The top seven Regulations in the table account for just over 91 per cent of the FSA's total administrative costs.

3.4.1 Tackling traceability requirements

[This section to be updated after the consultation document is published.]

The FSA's 2005 public consultation on the European Commission's guidance for Regulation 178/2002 that covers product traceability requirements revealed costs that were not raised in previous consultations on the regulation itself. The consultation also revealed that the overall view was that the European Commission's guidance did not necessarily help businesses comply with all aspects of the legislative requirements. For these reasons the FSA is producing guidance notes which will take account of the EC Guidance and which will be clearer, simpler and more appropriate for UK businesses.

The FSA will consult on the new guidance notes in late September. The consultation document will include a regulatory impact assessment detailing the costs and benefits of the UK guidance. The FSA believes that the new

guidance will significantly reduce the administrative burden on businesses, but we need to test that assumption on businesses through consultation.

This will be the principal non-statutory guidance to UK food businesses on compliance with the requirements of regulation 178/2002.

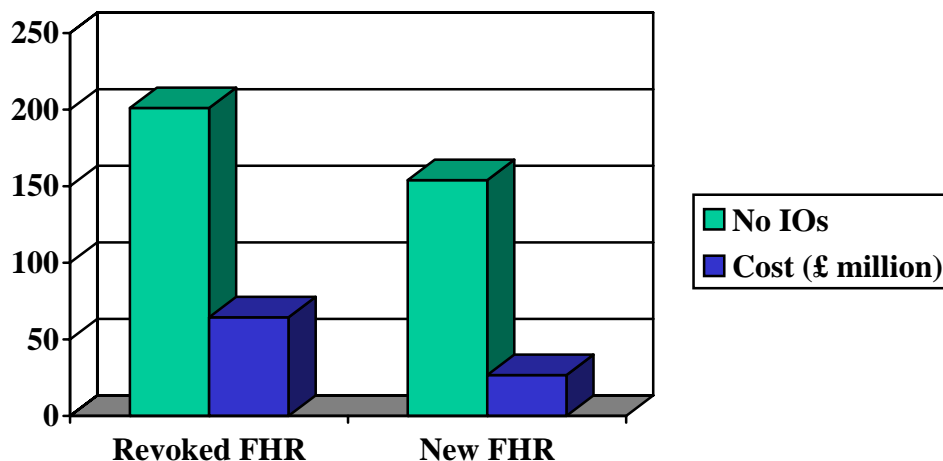
3.4.2 Tackling food hygiene regulations

On 1 January 2006 new consolidated EU food hygiene legislation revoked 7 of the top 10 regulations [see table 2 above] and 8 other less burdensome sets of old legislation. These old regulations contained 201 information obligations. The new legislation contains just 154 information obligations.

The administrative cost to businesses of the revoked legislation was estimated to be £64.4 million annually (excluding business as usual costs).

The administrative costs of the new EU food hygiene legislation were not measured as part of the administrative burden measurement exercise as the change in legislation happened after the May 2005 baseline. However, the FSA has estimated that the cost of the 154 information obligations contained in the new EU food hygiene legislation is £[xx] million (excluding business as usual costs). These costs were discussed and agreed with a panel of business experts.

[Illustrative bar graph showing the number and cost of information obligation under the new food hygiene regulations compared with the old regulations. Figures to be confirmed post Expert Panel assessment]



The FSA is now preparing an action plan on how to reduce the cost of the new regulations further. This will be published early in 2007.

3.4.3 Tackling food labelling regulations

Food labelling is largely an area of EU competence. The European Commission initially announced a Review in 2004. The FSA fully supports this review as it represents a major simplification initiative. The review offers a number of aspects for potential simplification. The UK has fully engaged with the Commission since the early stages of the review to ensure it benefits stakeholders, including consumers. The FSA consulted and publicly, and the output of the consultation formed the basis of the initial UK response to the Commission in March 2005.

The European Commission published a Consultative Document in February 2006. Following a second public consultation, the Government responded to the Commission in July 2006. A Commission proposal for legislation is expected in 2007, along with an impact assessment. The policy areas in the consultative document which fall within the FSA's responsibilities include: the strategic goals of labelling; the structure of future EU legislation; the scope; the use of logos and symbols; label clarity; provision of voluntary information; ingredient listing on alcoholic drinks; origin labelling; and nutrition labelling.

In the run-up to the review, the FSA jointly hosted with our Dutch colleagues an EU Food Labelling Conference. The conference attracted 150 representatives from different EU Member States. The high-level debate focussed on the purpose of food labelling, and what a modern approach should be to labelling in the 21st century.

As well as consulting with stakeholders on the Commission's initial announcement and on its consultative document, the FSA convened a stakeholder event in April 2006. The output of these informed the Government's response to the Commission¹⁰ and will help inform future UK negotiating lines on any proposals.

Whilst it is too early in the Review to quantify accurately the benefits to stakeholders we would expect there to be substantial savings on the £31 million per annum estimated administrative cost of the current labelling regime. When the Commission issues its proposals in 2007 the FSA will consider and consult on the proposals. We will look wherever possible for cost savings, whilst ensuring at the same time consumers receive the information they want.

¹⁰ www.food.gov.uk/multimedia/pdfs/eulabelreviewconsultsummary.pdf

4. Better enforcement – implementing Hampton

The FSA very much welcomed Philip Hampton's report "Reducing administrative burdens: effective inspection and enforcement"¹¹ when it was published in March 2005. Philip Hampton's view was that the FSA model is an example of a "modern regulator", in which the regulatory body focuses on policy, principles and standard setting, with enforcement and inspection functions largely delivered by others¹².

The FSA sees the better regulation and better enforcement agendas as being complementary to each other. Both offer the prospect of benefits to businesses and enforcers through reduced burdens, which in turn will lead to benefits for consumers through the increased protection that will result from better compliance with food law.

The FSA welcomes Hampton's renewed emphasis on risk-based enforcement and improving business competence. This matches our own aspirations. Risks are posed not only by those food businesses that wilfully break the law, but (perhaps more significantly) by those businesses who do not have the knowledge or the competence to produce food to consistent, hygienic standards. The FSA is aware however of the comment made in Lord Davidson's interim report on implementing EU legislation¹³. Lord Davidson commented that food businesses generally felt that regulatory creep and over-zealous enforcement were bigger issues than gold-plating. In the meat area we are developing a range of efficiencies to make sure the responsibility for producing hygienic food is placed on business where it belongs. Key is a move away from daily veterinary presence in cutting plants to attendance when a risk-based audit says attendance may be necessary.

The FSA is developing a wide range of interventions to improve business compliance and consistent enforcement. This includes Safer Food Better Business packs for business and training for local authority enforcers, as well as our participation in the DTI's Retail Enforcement Pilot¹⁴. This major exercise aims to reduce the burden of inspection for retail businesses whilst enhancing consumer and worker protection. The pilot trials a range of new processes that co-ordinate and streamline routine planned inspections across food standards, trading standards, environmental health, health and safety and fire. When the results of the pilot exercise have been evaluated we believe any scheme put in place will deliver real benefits for business.

4.1 Reducing paperwork

The FSA is making every effort to reduce the paperwork businesses have to complete as part of their regulatory compliance. The work we will be doing to reduce the administrative burden of regulations will help greatly in this area, but we have already started to make progress.

¹¹ www.hm-treasury.gov.uk./media/A63/EF/bud05hamptonv1.pdf

¹² www.food.gov.uk/multimedia/pdfs/philiphampton.pdf

¹³ www.cabinetoffice.gov.uk/regulation/reviewing_regulation/davidson_review/index.asp

¹⁴ www.dti.gov.uk/consumers/enforcement/retail-enforcement/index.html

Until November 2005, the over-thirty month (OTM) rule protected consumers from BSE by banning the sale for human consumption of meat from cattle aged over 30 months at slaughter. Farmers were compensated for cattle destroyed under the OTM slaughter scheme. Farmers had to complete a form for every head of cattle to claim compensation. In the past year of operation this amounted to over 761,000 forms. Not only have farmers benefited financially from being able to sell their cattle into the food chain, but they have also benefited from not having to fill out so many forms.

4.2 Reducing inspections

The FSA is currently consulting on a novel risk-based approach to enforcing the new EU food hygiene regulations on farms and other primary producers. The FSA is proposing that membership of recognised Farm Assurance schemes, the conditions of which cover the provisions of the hygiene legislation, should lower the number of inspections a farmer or grower receives in relation to food hygiene law. The FSA estimates that without using the Farm Assurance scheme the cost of enforcing the regulations would be over £3.2 million pounds. We estimate that this figure is reduced to just £1 million if the Farm Assurance scheme proposal is adopted. Details can be found in the consultation document¹⁵.

4.3 Merger of the Wine Standards Board

Philip Hampton recommended a wide-scale rationalisation of national regulators. He proposed just seven thematic regulators, which include the FSA. To help achieve this he proposed that the Wine Standards Board should be merged into the FSA.

Philip Hampton recommended that all mergers should be completed by April 2009. The FSA managed to merge the Wine Standards Board this year – on 1 July 2006. We estimate that the merger of the Wine Standards Board will save the UK wine industry some £100,000 for the first two years post-merger. By completing the merger over two years early, the UK industry will benefit from additional savings not originally envisaged by Hampton.

¹⁵ www.food.gov.uk/Consultations/consulteng/2006/eufarmhygieneeng

5. Davidson Review of the implementation of EU legislation

The FSA is aware of the beliefs held by many businesses that the UK Government consistently over-implements EU legislation. With around 90 per cent of food legislation originating from Europe we need to be constantly alert to the need to avoid over-implementation, unless there are demonstrable benefits that justify any additional costs. Where this is the case we explain publicly in our Regulatory Impact Assessments why we are taking a course of action.

The FSA welcomes Lord Davidson's review. We have already responded to the submissions made to Lord Davidson about possible over-implementation of food law. These can be seen in his interim report. We will study all Lord Davidson's recommendations that he makes in his final report – due by the end of 2006.

There are things we can do in the meantime. The administrative burden measurement exercise highlighted the perceived cost of EU guidance associated with those parts of Regulation 178/2002 that relate to product traceability. The FSA is determined to help businesses to understand better what this regulation requires and what they should do to comply. To this end we are consulting on draft UK guidance.

[Text to be updated when consultation document published]

6. Engaging with stakeholders

The FSA could not have prepared this Plan without external input. We are keen to tackle those burdens that impose high costs and/or cause the most irritation to business. But we can only do that if businesses tell us what they are. All correspondence that we receive that complains about the burden of food regulations is followed up and action taken where possible.

In preparing this Plan we:

- ✓ wrote to over 200 external stakeholders (full list at Annex F) enclosing a copy of the draft plan published in January 2006. We asked for comments and for further proposals for regulatory simplification;
- ✓ actively publicised the simplification exercise on the FSA website¹⁶, in “FSA News”, (the FSA’s monthly stakeholder magazine); and through interviews with “The Grocer” and the “Meat Hygiene Trades Journal”;
- ✓ consulted face-to-face through the FSA Chief Executive’s three Stakeholder Forums for industry, enforcement and consumer representatives respectively;
- ✓ publicised the simplification agenda at meetings with external stakeholders to encourage further initiatives;
- ✓ shared the draft Plan with our Departmental Monitoring Group¹⁷. The group supported the scope and contents of the Plan.

The outcome of this stakeholder engagement has resulted in three simplification proposals so far. One was subsequently withdrawn when the stakeholder was able to resolve the issue through direct contact with FSA policy staff. The second will be reviewed once the Government’s proposals for a Local Better Regulation Office have been firmed up. We are already taking forward the third proposal by developing guidance on Regulation 178/2002 (traceability). Stakeholders have been updated.

We have also discussed simplification with colleagues in the European Commission’s DG SANCO, Denmark and the Netherlands. Later in 2006 we will be meeting them again to discuss the results of the UK administrative burden measurement exercise and identify areas where we can take action in partnership.

In addition we have established a simplification network within the organisation to promote simplification and identify new simplification initiatives.

¹⁶ www.food.gov.uk

¹⁷ The Monitoring Group, with members drawn from the Food and Drink Federation, LACORS, Which? and Government was originally set up to comment on the administrative burden measurement exercise being conducted by PricewaterhouseCoopers.

But we know we cannot be complacent. We would welcome further proposals from stakeholders. The FSA is committed to responding to any proposal within 90 working days of the date that we receive it.

7. Simplification Plan – beyond 2006/07

The FSA already has a number of initiatives that we expect to feature in the Simplification Plan in coming years. These initiatives are summarised in Annex D. The FSA will consult publicly on all these measures in due course, but would welcome any initial views.

Annex A

| Title and brief description of the initiative and how it will be delivered | Source of proposal (stakeholder, department, EU, other) | Outcome (including sector/s to benefit) | Estimated cost savings and RIA status where applicable | Milestones/deadlines for delivery |
|---|---|---|---|--|
| <p>A. Existing initiatives already in the pipeline prior to May 2005.</p> | | | | |
| <p>1. Replacement of the Over-Thirty Month Rule (OTM) with a less burdensome BSE testing regime.</p> <p>Until November 2005, the over-thirty months (OTM) rule protected consumers from BSE by banning the sale for human consumption of meat from cattle aged over 30 months at slaughter. Farmers were compensated for cattle destroyed under the OTM slaughter scheme which complemented the OTM rule.</p> <p>Following a review of the OTM rule, the FSA advised Government in July 2004 that replacing the OTM rule with BSE testing for cattle born on or after 1 August 1996 was justified as a proportionate means of protecting concerns from the resultant food risks, subject to the putting in place of a robust testing system. Ministers agreed.</p> <p>Legislation has been introduced that replaces the OTM rule with a BSE testing regime for cattle born on or after 1 August 1996. This change has delivered both</p> | <p>The Food Standards Agency in response to the current food-borne risk of exposure to BSE.</p> | <p>The previous legislation contained a derogation from the OTM rule under certain circumstances. Applying for the derogation involved completing not only an application form but a separate form for each animal slaughtered. This administrative burden (information obligation) has now been removed.</p> <p>Livestock farmers will benefit as cattle born on or after 1 August 1996 can now enter the food chain as long as they test negative for BSE. Revenue from the sale of cattle for human consumption is greater than that which farmers received through the compensation scheme.</p> <p>There will be subsequent savings to the Exchequer owing to less compensation being paid.</p> | <p>Private sector savings</p> <ul style="list-style-type: none"> - Total for removing forms: £1.75 million - Increased revenue for farmers £39.2 million (ongoing and likely to increase) <p>Public sector savings</p> <ul style="list-style-type: none"> - In year 1 for Government: £103.5 million. <p>The overall savings from this initiative have been split equally between the FSA and Defra Simplification Plans. The figures below represent FSA's share.</p> <p>Total administrative savings to farmers from no longer completing OTM forms is £1.75m.</p> | <p>Legislation to replace the OTM rule came into force on 7 November 2005.</p> |

| Title and brief description of the initiative and how it will be delivered | Source of proposal (stakeholder, department, EU, other) | Outcome (including sector/s to benefit) | Estimated cost savings and RIA status where applicable | Milestones/deadlines for delivery |
|--|--|---|---|--|
| <p>administrative and policy savings.</p> <p>Whilst this reduction in regulation will deliver considerable savings for business, there may be increased burden to the Meat Hygiene Service (MHS) as a result of testing requirements and increased throughput.</p> | | | <p>Total benefits to farmers in terms of increased revenue from sale of cattle is £39.2m.</p> <p>Estimated cost savings (up to Year 1 post OTM rule abolition) to Government are £103.5 million.</p> | |
| <p>2. Discontinuation of butchers' licensing.</p> <p>Butchers' licensing was introduced across the UK in 2000 and 2001 following a fatal outbreak of <i>E.coli</i> O157 food poisoning in central Scotland in 1996.</p> <p>The FSA decided to discontinue butchers licensing on the basis that new EU food hygiene legislation introduced on 1 January 2006 provided substantially equivalent levels of public health protection to those available under the previous legislation.</p> | <p>Food Standards Agency in the light of new EU food hygiene legislation applying on 1 January 2006 in the UK.</p> | <p>Butchers will benefit as they will no longer be required to pay the £100 annual license fee.</p> <p>Administrative savings will also be generated from time saved from no longer having to complete applications.</p> <p>Some local authorities claimed that the administrative cost of the system exceeded £100 annual licence fee. This will therefore create an unquantified administrative saving for local authorities.</p> | <p>Private sector savings</p> <p>- Annual saving for butchers: £1.375 million</p> <p>Savings to UK butchers from removing license fee is estimated to be £1.3 million per annum.</p> <p>Admin burden saving for no longer completing applications is estimated at £75,800 per annum.</p> | <p>Butchers licensing was discontinued from 1 January 2006.</p> |
| <p>3. Development of a UK Food Surveillance System (FSS) database to hold information for the microbiological</p> | <p>The Food Standards Agency.</p> | <p>Local authorities will benefit from the system, as the number of forms required will be reduced. This</p> | <p>There are no costs available at present as the system is yet to be rolled out within the</p> | <p>A three-year contract to develop the system throughout the UK was</p> |

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| <p>and chemical analysis of samples.</p> <p>Development of a national database to enable local authorities to hold and access nation-wide food, animal feed and non-food sample results. The system allows local authorities to share information and enhance their ability to work together. The database will promote targeted sampling resources and prevent duplicate sampling.</p> <p>Participating local authorities foresee a net administrative burden reduction as a result of reduced paperwork and data sharing.</p> | | <p>includes sending forms to the public analyst as well as the possibility of reducing the number of data returns to the FSA as a result of FSS's data sharing ability. There will also be a benefit to the public analyst as sampling information will be more consistent.</p> <p>Local authorities, the food industry and central government will also benefit from FSS as it can facilitate risk-based enforcement. Sampling and local authority effort generally will be better targeted according to risk.</p> | <p>UK. However, there will be a net administrative burden reduction across all 468 local authorities as a result of reduced paperwork and data sharing potential of FSS.</p> | <p>signed on 1 December 2005.</p> <p>Three areas in England have been trained so far, covering 33 local authorities. A further two areas will be trained by the end of 2006.</p> <p>In Northern Ireland the software has been installed in all 26 councils and staff trained. The pilot for microbiological samples started in August 06, with all councils scheduled to be live by the end of September 06.</p> |
| <p>4. Development of a central database (GRAIL) to store legislation and guidance on UK food imports.</p> <p>Port Health Authorities (PHAs) need an efficient means of searching for legislation and guidance about food import controls. Until now each PHA has had to install its own reference systems. It has also been necessary to rely on hard copies of legislation in a number of cases.</p> | <p>The FSA in response to the request of Port Health Authorities to reduce the local resource which had to be used to keep local information systems up to date.</p> | <p><u>Port Health Authorities</u> will benefit from the system as information on legislation and guidance will be more easily accessible. This will significantly reduce the time taken to access information. There will also be an administrative saving from PHAs not being required to set up and maintain their own reference systems.</p> | <p>Public sector savings</p> <p>- Annual savings for Port Health Authorities: £30,000.</p> <p>With hard copy records, we estimate that UK ports currently spend a total of approximately £90,000 per annum in collating and managing records and</p> | <p>24 ports/LAs across the UK have received either one or 2 laptops as part of the GRAIL pilot.</p> <p>Version 2 is presently being developed and is expected to be rolled out in early 2007.</p> |

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| <p>The Guidance and Regulatory Advice on Import Legislation (GRAIL) will improve the efficiency of procedures by which imported food is checked for compliance. An IT system will enable the efficient querying and retrieval of legislative requirements and guidance about food import controls.</p> | | <p><u>Businesses that import food</u> will benefit by having queries resolved more quickly and efficiently. The time that food is held at ports awaiting clearance will be reduced.</p> <p><u>Consumers</u> will benefit as PHAs will be able to respond more quickly and efficiently to food emergencies, prevent fraud and mislabelling and other imported food safety issues that could affect public health.</p> <p><u>Other users</u> associated with version 2 of GRAIL will receive the same benefits although no costs are available at present.</p> <p>The <u>FSA</u> will benefit by minimising the requirements on the IT help desk.</p> <p>A policy saving is also anticipated as foods will be delivered from ports to businesses more rapidly.</p> | <p>looking up information.</p> <p>Using GRAIL, it is estimated that £60,000 per annum will be spent on training, updating and the port officers looking up information. In the short term, port authorities are required (by the European Commission) to maintain hard copies of legislation as not all the information is currently offered on GRAIL. As these requirements increasingly fall away and the robustness of GRAIL increases, a potential identified annual saving of approximately £30,000 per annum will accrue.</p> <p>GRAIL installation costs of a laptop-based system will be minimal. A 1-day laptop based training course is thought to be sufficient.</p> <p>There will also be a subsequent saving for businesses but this has not yet been quantified.</p> | |
| | | | | |

| Title and brief description of the initiative and how it will be delivered | Source of proposal (stakeholder, department, EU, other) | Outcome (including sector/s to benefit) | Estimated cost savings and RIA status where applicable | Milestones/deadlines for delivery |
|--|--|--|--|---|
| B. New initiatives | | | | |
| <p>5. Using a derogation to allow removal of Specified Risk Material (SRM) in butcher shops.</p> <p>EU legislation implemented on 2 May 2006 allowed the resumption of overseas trade in UK beef. This is expected to generate large benefits to industry.</p> <p>However, as part of complying with new harmonised EU SRM controls, it is now mandatory to remove vertebral column (VC - back bone) SRM material from cattle over 24 months. Before the export ban was lifted the UK only removed VC SRM from over 30-month old cattle. This change has negligible public health impact.</p> <p>EU law allows removal of VC SRM in cutting plants or by derogation in authorised butchers. The FSA Board agreed to the use of the derogation for 24 – 30 month cattle. This has generated substantial net policy savings for industry.</p> | <p>The Food Standards Agency in the recognition of the impact on the UK beef industry (butchers abattoirs and farmers) of EU harmonised rules on beef exports.</p> | <p>Industry will benefit as they will be able to continue to remove VC SRM in authorised butchers as well as in cutting plants. Savings result from:</p> <ul style="list-style-type: none"> • Butchers continuing to be allowed to add value to products through maturation and craft cut preparation of beef carcasses. • Butchers avoiding additional boning costs not recoverable through a reduction in manpower. • Avoiding additional transportation costs imposed on 200 cutting plants with limited cutting facilities. • Producers of slow maturing cattle aged 24-30 months not being adversely affected by additional costs of SRM removal being passed on to them through lower prices by abattoirs. | <p>Private sector savings</p> <p>- Annual saving for meat industry: £50 million</p> <p>This should generate large benefits to industry. The value of UK beef exports in 2006 is likely to be £60m in the first year after the ban and should increase in future years.</p> <p>Taking into account increased policy costs of £17m due to increased disposal of SRM from reinforced controls and a one-off administrative burden cost of £63k to butchers to authorise SRM removal, a net annual policy saving to industry from using the derogation is still estimated to be £50m.</p> | <p>The derogation was introduced on 3 May 2006 to coincide with beef exports being re-introduced.</p> |
| 6. Exemption of certain small slaughterhouses from one type of | The Food Standards Agency in recognition of | Meat hygiene inspectors will benefit as a result of reduced inspection time | Public sector savings | FSA plan to approach the EU Commission on |

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|---|--|---|---|--|
| <p>veterinary inspection.</p> <p>The new EU food hygiene legislation requires mandatory veterinary inspection in slaughterhouses. FSA is seeking agreement with the EU Commission and other Member States to exempt small slaughterhouses directly supplying the final consumer or local retailers from the requirement for official veterinary ante-mortem inspection of certain young animals. A Meat Hygiene Inspector experienced in assessing the health of animals could carry out ante-mortem inspections.</p> <p>Such animals are almost invariably healthy and the cost of mandatory inspection is questionable when new EU food hygiene legislation requires HACCP-based procedures to be in place.</p> <p>The exemption would only apply where the operator has demonstrated satisfactory control through application of HACCP-based procedures. Where an inspection revealed any abnormality, slaughter would not be allowed until an examination had been carried out by a vet. These arrangements would not apply to the slaughter of over 30 months cattle or adult sheep and pigs.</p> | <p>the disproportionate burden for enforcers and industry of veterinary ante-mortem inspection in certain small slaughterhouses.</p> | <p>required for these slaughterhouses.</p> <p>Whilst the monetary savings for industry will be negligible, there will be an advantage for the cutting plants as a result of reduced veterinary presence. Better-managed plants will be audited less frequently.</p> | <p>- Annual savings for the public sector: £250,000</p> <p>Costs can only be estimated as eligibility for this exemption will follow a thorough risk assessment and it is therefore not possible to anticipate how many slaughterhouses will qualify.</p> <p>The duration and frequency of ante-mortem inspections also vary considerably, depending on the facilities and the way abattoirs organise their activities.</p> <p>Based on those assumptions, total annual <u>public</u> policy cost savings from the use of the exemption are up to £250,000.</p> | <p>later in 2006. Rules are hoped to apply in the UK next year subject to agreement of the Commission and Member States.</p> |

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| <p>7. Consolidation of existing UK legislation on bottled water.</p> <p>The sale of all bottled waters in the UK is controlled by the Natural Mineral Water, Spring Water and Bottled Drinking Water Regulations 1999 (SI 1999 No 1540)¹⁸ which implement EC legislation in this area.</p> <p>The requirements of the original 1999 Regulations are extensive and complex and must be read in conjunction with EU legislation that it implements. The amending Regulations complicate interpretation of these requirements by imposing significant amendments to the original legislation.</p> <p>Enforcement authorities and bottled water companies complained that the legislation was difficult to follow due to its complexity. This allowed for differing opinions on compliance.</p> <p>The FSA therefore decided to consolidate the existing UK legislation into one Statutory Instrument to simplify interpretation. Prior to the legislation coming into force the FSA will produce guidance for industry and enforcement</p> | <p>The Food Standards Agency as a result of concerns raised by enforcement authorities and bottled water companies concerning the complexity of existing legislation.</p> | <p>Bottled water producers (64 in total in the UK) and retailers, enforcement authorities and the competent authorities will benefit from this consolidation and associated guidance as the legislation will be easier to comprehend. Consumers will also benefit, as simpler compliance will increase consumer safety elements of the legislation.</p> <p>Concerns from industry on redrafted requirement for minimum hardness level in softened water have been noted. To ensure that the policy regarding water hardness does not compromise the simplification gain, the final draft of the regulations will take these concerns into account.</p> | <p>Private sector savings</p> <p>- Annual saving for bottled water industry: £80,000.</p> <p>Through consultation with stakeholders, it is estimated that the reduction in staff time (in hours) required to comprehend the new consolidated legislation compared to existing legislation would generate an administrative cost saving of £80,000 per year for the private sector.</p> <p>There will also be savings for enforcement authorities and the FSA but these have not been quantified.</p> | <p>Formal FSA consultation on the consolidated legislation started in May 2006. The consolidated text is expected to come into force in early 2007.</p> |

¹⁸ As amended by The Natural Mineral Water, Spring Water and Bottled Drinking Water (Amendment) (England) Regulations 2003 (SI 2003 No. 666) and The Natural Mineral Water, Spring Water and Bottled Drinking Water (Amendment) (England) Regulations 2004 (SI 2004 No. 656)

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|---|--|---|---|---|
| <p>authorities in consultation with stakeholders (including LACORS) to increase understanding of the consolidated legislation.</p> | | | | |
| <p>8. Consolidation and rationalisation of the Feeding Stuffs Regulations.</p> <p>The consolidation of the Feeding Stuffs Regulations on the composition, marketing and labelling of animal feed (and the seven amendments that have subsequently been made to them) into one Statutory Instrument has simplified the understanding and interpretation of the existing legislation. No policy changes result from the consolidation.</p> <p>The consolidation has also delivered rationalisation as provisions on feed additives have been removed as they are now covered by separate legislation (EC Regulation 1831/2003) that came into force in 2004.</p> | <p>FSA in order to facilitate understanding of the legislation by stakeholders.</p> | <p>Industry and enforcement authorities will benefit from having the legislation consolidated into one document to simplify understanding and interpretation.</p> | <p>Private sector savings</p> <p>- Annual saving for industry: £16,000.</p> <p>The reduction in staff time (in hours) required to comprehend the new consolidated legislation compared to existing legislation will generate an administrative cost saving of £16,000 for manufacturers of feed for farmed livestock. This is based upon data on membership of UFAS Feed Compounders and Merchants (144 businesses).</p> | <p>The new consolidated legislation applied from 1 January 2006</p> |
| <p>9. Simplifying the method by which local authorities submit monitoring data on food law enforcement to the FSA in the UK.</p> <p>Local authorities are required under the Local Authority Framework Agreement to</p> | <p>The FSA, in an attempt to streamline the process whereby local authorities submit monitoring returns.</p> | <p><u>Local authorities</u> will benefit from this simplification, as less time will be required to send data to the FSA. The FSA will benefit, as monitoring data from local authorities will be easier to manage.</p> | <p>It is difficult to estimate the reduction in staff time (in hours) for local authorities that would be required to send data under a new system, as it will depend upon existing local authority</p> | <p>Altering the current local authority monitoring return system to facilitate data transmission will be developed in 2006. The FSA consulted local</p> |

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| <p>provide returns to the FSA regarding their enforcement activity. A review is currently in progress to cover both the content of monitoring data returns and the means of their submission. The objective is to make the system easier for local authority colleagues to use and to help them provide more accurate and reliable data. Further changes may alter the data set to be covered, and allow direct transmission of data to the Agency's database.</p> <p>Altering the current system to allow for direct transmission will significantly reduce the amount of time that local authorities spend submitting data to the FSA. This will lead to a reduction in administrative costs. There will be an initial one-off increase in burden from setting up new IT systems and training especially if the new IT system had to be purchased by the local authority.</p> | | | <p>systems and type of operator. Administrative savings across 343 local authorities will be up to £56,000 in year 1 and thereafter up to £29,000 per year.</p> <p>However, there will be an estimated one-off initial increased cost of £343,000 as a result of training local authorities in new IT systems. It will therefore be a number of years before a net administrative burden reduction is achieved.</p> | <p>authorities at the end of July 2006. The consultation ended on 20 October 2006. Responses are being analysed.</p> |
| <p>10. Incorporating the work of the Wine Standards Board (WSB) into the Food Standards Agency</p> <p>This was a specific recommendation in the Hampton Report on the consolidation of national regulators. This initiative has been delivered by agreement between WSB, Defra and the Food Standards Agency regarding the transfer of staff and policy</p> | <p>The transfer should have no immediate impact on stakeholders. There will be economy of scale and overhead savings through the merger. A longer-term review will be carried out to ensure best regulatory practice in</p> | <p>The Food Standards Agency in response to a specific recommendation made in the Hampton Report.</p> <p>Officers will ensure that all premises and traders within the production and marketing chain, including wholesalers, warehouses and vineyards, comply with the relevant</p> | <p>Private sector savings</p> <p>- Annual savings for industry: £100,000</p> <p>There will be cost saving in the region of £100,000 per year.</p> <p>This represents</p> | <p>The Wine Standards Board was merged into the FSA on 1 July 2006.</p> <p>This is over two years ahead of Philip Hampton's deadline of April 2009.</p> |

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|---|--|---|---|--|
| <p>and through an amendment to current UK wine regulations.</p> | <p>line with wider Hampton recommendations after the merger. This should benefit UK vineyards, wine bottlers and warehouses subject to WSB enforcement activities.</p> | <p>legislation.</p> <p>They will carry out inspections of premises in line with the FSA Code of Practice using a risk-based approach to deliver a cost-effective and efficient service.</p> <p>They will encourage growers and traders to observe and understand the laws on wine through advice and education.</p> | <p>approximately 25 per cent of the previous Wine Standards Board annual running costs and which was raised through an industry contribution.</p> <p>Therefore this is an administrative saving for industry due to overhead savings from incorporating a stand-alone body into the FSA.</p> | |
| <p>11. Two consolidations of EU chemical contaminants legislation</p> <p>Commission Regulation (EC) No 466/2001 sets maximum levels for mycotoxins and undesirable process and environmental contaminants in certain foodstuffs.</p> <p>(i) There are several different Commission Directives, which specify the official control methods for sampling and analysis for contaminants laid down in Regulation 466/2001. A Commission Regulation will consolidate previous existing sampling and analysis Directives on mycotoxins into a more manageable form, laying down the requirements more clearly and providing for more consistent enforcement and understanding by industry.</p> | <p>The consolidation exercises originate in the EU. However, the UK has been actively engaged with the Commission to provide these consolidations.</p> | <p>Both <u>industry</u> and <u>enforcement authorities</u> will benefit from these consolidations owing to the fact that the legislation will be more condensed, easier to comprehend and interpret.</p> | <p>Whilst there will be no significant policy savings as a result of this consolidation, there will be administrative savings as a result of less staff time being required to understand and interpret the consolidated legislation.</p> <p>Stakeholders were asked to estimate cost savings, however none were received.</p> <p>FSA would welcome cost estimates on this simplification proposal at any time.</p> | <p>(i) Consolidated legislation came into force in the UK in July 2006.</p> <p>(ii) EU consolidated text has been published and came into force on 1 October 2006.</p> |

| Title and brief description of the initiative and how it will be delivered | Source of proposal (stakeholder, department, EU, other) | Outcome (including sector/s to benefit) | Estimated cost savings and RIA status where applicable | Milestones/deadlines for delivery |
|--|--|---|---|---|
| <p>(ii) Several Commission Decisions also exist, which lay down specific criteria for the import of certain commodities from third countries. For simplification purposes, it is proposed to merge all five Decisions into one. This is currently a working document under discussion in Brussels. Simplification benefits are the same as for (i), however, it will also better harmonise requirements for import of the commodities concerned.</p> | | | | |
| <p>12. Two consolidations of UK domestic chemical contaminants legislation.</p> <p>(i) Commission Regulation (EC) No 466/2001 sets maximum levels for mycotoxins and undesirable process and environmental contaminants in certain foodstuffs. It has undergone 16 amendments since its adoption on 8 March 2001. This makes it difficult for enforcement authorities and businesses to keep up to date with the various measures.</p> <p>The FSA influenced the Commission to provide an official consolidation of Commission Regulation 466/2001.</p> <p>The FSA is presently also consolidating all domestic legislation under Commission Regulation (EC) No 466/2001 into one</p> | <p>The FSA as it was within the UK's remit to amend the Contaminants in Food (England) Regulations 2004 to remove the options available to enforcement authorities for managing food that does not comply with Regulation 466/2001 now under Regulation 882/2004 on Official Feed and Food Controls.</p> | <p>Both industry and enforcement authorities will benefit from these consolidations owing to the fact that the legislation will more condensed, easier to comprehend and interpret. It will also facilitate consistency of enforcement and resolve overlap in the case of the Contaminants in Food (England) Regulations 2005</p> | <p>Whilst there will be no significant policy savings as a result of this consolidation, there will be administrative savings as a result of less staff time being required to understand and interpret the consolidated legislation.</p> <p>Stakeholders were asked to estimate cost savings, however none were received.</p> <p>FSA would welcome cost estimates on this simplification proposal at any time.</p> | <p>(i) Consolidated domestic legislation is expected to apply in the UK in November 2006 dependent upon Commission publishing consolidated text in the UK.</p> <p>(ii) Rationalised national legislation applied 1 January 2006</p> |

| Title and brief description of the initiative and how it will be delivered | Source of proposal (stakeholder, department, EU, other) | Outcome (including sector/s to benefit) | Estimated cost savings and RIA status where applicable | Milestones/deadlines for delivery |
|---|--|--|---|--|
| <p>Statutory Instrument to deliver simplification nationally.</p> <p>(ii) Regulation 466/2001 (including its enforcement) is implemented into national law by the Contaminants in Food (England) Regulations 2004.</p> <p>The FSA also removed the options that are dealt with under Regulation 882/2004 via a new SI (The Contaminants in Food (England) Regulations 2005) thus resolving overlap and inconsistency and preventing any unnecessary confusion for enforcement authorities and industry. The FSA ensured the SI came into force on the same date as the Official Feed and Food Control Regulations (1st January 2006). This helped ensure consistency between the 2 regulations.</p> | | | | |

| Title and brief description of the initiative and how it will be delivered | Source of proposal (stakeholder, department, EU, other) | Outcome (including sector/s to benefit) | Estimated cost savings and RIA status where applicable | Milestones/deadlines for delivery |
|--|--|---|---|--|
| <p>13. Consolidation of 2 EC Directives into 1 EC Regulation dealing with epoxy derivatives in the food contact material sector.</p> <p>An EC Regulation on food contact materials consolidated and updated 2 EC Directives and hence revokes in part the Plastic Materials and Articles in Contact with Food Regulations 1998 (as amended). It also amended the migration limit for hydrolysed epoxy derivatives under existing legislation. Consolidating the EC Directives into one EC Regulation will make the legislative requirements easier to understand and interpret.</p> <p>There is also a simplification in respect of policy as the consolidation also extends the migration limit for hydrolysed epoxy derivatives from 3 to 9mg/kg. The higher limit is seen by the industry as an opportunity to expand the use of existing products and allow new materials to be developed and used.</p> | <p>The simplification initiative originates from the EU. However, the UK influence the consolidation in question by actively lobbying the EU and other Member States for the introduction of a Framework Regulation in the food contact materials sector which allows for existing EC Directives to be consolidated into EC Regulations such as the one in question.</p> <p>The consolidation will also be reflected in the FSA's guidance notes to industry in the food contact materials sector that will further facilitate comprehension and interpretation.</p> | <p><u>Manufacturers of epoxy coatings</u> and all those who use epoxy resins in plastics and adhesives and <u>enforcement authorities</u> should benefit from the consolidated legislation, as it is easier to understand and interpret. There is also a benefit to industry from the change in epoxy derivative migration limit.</p> | <p>Industry has said that there will be some cost savings as a result of the consolidation from simpler interpretation. However, this is only after an initial period during which they would have to explain to some customers that their request regarding compliance with particular legal requirements are subject to new rules in place. Savings are also anticipated to be quite small.</p> <p>Removing restrictions on use and permitting new products to be developed will be financially beneficial to businesses.</p> <p>Stakeholders were asked to estimate cost savings, however none were received.</p> <p>FSA would welcome cost estimates on this simplification proposal at any time.</p> | <p>The EC Regulation came into force in the UK on 9 December 2005.</p> |
| <p>14. Two-stage consolidation of domestic food contact materials legislation.</p> | <p>FSA in response to a request by industry to simplify the vast amount</p> | <p><u>Industry</u> will benefit from these consolidations owing to the fact that the legislation will more condensed,</p> | <p>Stakeholders were asked to estimate cost savings, however none were received.</p> | <p>Consolidation legislation came into force in the UK on 30 June 2006</p> |

| Title and brief description of the initiative and how it will be delivered | Source of proposal (stakeholder, department, EU, other) | Outcome (including sector/s to benefit) | Estimated cost savings and RIA status where applicable | Milestones/deadlines for delivery |
|---|--|--|--|---|
| <p>FSA is carrying out a two-fold simplification exercise of domestic food contact materials legislation.</p> <p>The first part of the exercise consolidates the Plastic Materials and Articles in Contact with Food Regulations 1998, and five amending regulations, consolidated into one new 2006 regulation.</p> <p>The second part of the exercise will see the removal of lengthy, detailed technical schedules listing chemicals from the 2006 Regulations. These lists already exist in the EC Directives and their reproduction in our regulations adds to the sources that businesses and enforcement bodies have to consult to ensure product compliance.</p> <p>The exercise has been undertaken in two parts because of the need to remove promptly clauses from the amended 1998 Regulations that dealt with provisions governing certain epoxy derivatives used in food contact plastics, adhesives and surface coatings (see 13).</p> | <p>of complex domestic food contact materials legislation.</p> | <p>easier to comprehend and interpret.</p> | <p>FSA would welcome cost estimates on this simplification proposal at any time.</p> | <p>(first stage) and the second stage will come into force on 19 November 2006.</p> |

OFF-SETTING NEW BURDENS

This section of the Plan gives more detail about the new consolidated EU food hygiene legislation that has applied in the UK since 1 January 2006. This major consolidation exercise gave rise to a number of significant simplification initiatives.

Background

The stock of EU legislation on food hygiene has been consolidated into a package of 3 main EC Regulations. This resulted in the revocation of 17 national Statutory Instruments that implemented the old EU legislation. Now only one piece of national legislation - the Food Hygiene (England) Regulations 2006 - is needed to give effect to the regulations in England and the rest of the UK, rather than the previous raft of legislation.

Simplification benefits from the consolidation of EU food hygiene law

- ✓ discrepancies minimised and approaches targeted towards different hygiene legislation sectors;
- ✓ reduction in information obligations;
- ✓ trade within the EU will improve as national requirements have been consolidated into one package of EU legislation.
- ✓ composite food products (containing processed products of animal and plant origin) are exempt from approval. This results in fewer inspection visits and identification markings are no longer required for these foods;
- ✓ cutting plants and slaughterhouses no longer need a constant veterinary presence, resulting in a reduction in running costs;
- ✓ the Magistrates Court rather than the Meat Hygiene Appeals Tribunal will deal with appeals from approved meat premises. This will streamline the process of appeals for businesses, as they now have a single route to lodge appeals about food hygiene issues; and
- ✓ reduced testing frequency for marine biotoxins from weekly to less frequently based upon risk assessment.

We know that there may be some new burdens resulting from this consolidation exercise in those sectors, principally in the primary production sector, where risk-based hygiene legislation is extended for the first time.

The extra burden is likely to be due to the need record keeping, although the magnitude of the burden will depend on current practice. There will also be

the requirement for food chain information to accompany animals for slaughter to the slaughterhouse, although we have action in hand to simplify this procedure.

Benefits of the EU food hygiene consolidation

Both the food industry and enforcement authorities will benefit from the legislation being in one consolidated text rather than in different sector specific legislation. Requirements will be easier to understand and interpret. Consumers will benefit as the new food hygiene legislation will raise standards, reduce foodborne disease and further protect consumers.

For consumers, the benefits are calculated to be £1540 million annually broken down as follows:

1. £164 million of avoided direct personal costs, lost earnings of ill persons and carers and NHS costs.
2. £1126 million of avoided pain, grief and suffering.
3. £75.6 million of avoided lost output.

Taking into account net annual costs of £862 million to industry and enforcement authorities, this gives a net annual benefit of £678 million.

Many of the significant individual simplifications linked to the overall consolidation have been explored separately in the Plan and lead to policy and administrative cost savings.

How the FSA contributed to the simplification of the new EU Food Hygiene Regulations

When negotiating the legislation FSA officials were aware of the need to minimise the burden the new legislation and secured a number of gains:

- Food safety management procedures need only be based on Hazard Analysis and Critical Control Points (HACCP) principles rather than on detailed and prescriptive procedures specified in legislation. This has enabled the FSA to develop Safer Food Better Business as a flexible and proportionate approach to be adopted by those businesses for which the full rigour of the HACCP system would not be appropriate.
- Additional flexibility was secured for food business operators to provide evidence of compliance to the competent authority that takes the nature and size of the food business into account. Prescriptive time limits for the retention of documentation were dropped.
- Requirements for food hygiene measures in primary production were clarified. Guides to good practice for primary production will make it clear that these describe hazards and how to control them in a generic way, and so businesses will better understand what they need to do.

- Agreement to minimise record keeping requirements so as not to add unnecessarily to current record-keeping requirements.
- Reduced frequency of controls for fresh meat, with significant improvements to the original proposal secured during the negotiations. In respect of the presence of an official veterinarian (OV) in slaughterhouses, the text now includes a list of circumstances in which full-time presence is not required. In addition, there is scope for on-farm ante mortem inspection, by an approved vet replacing that task at the slaughterhouse. In cutting plants, the text now specifically provides for either an OV or a meat inspector to be present at a frequency to be determined by the Competent Authority, and on the basis of a risk assessment rather than the current prescriptive daily requirement.

Reducing the costs of EU food hygiene legislation

(a) Safer Food Better Business: a flagship initiative to help small businesses comply with food management procedures

Under the new EU food hygiene legislation all food businesses have to introduce procedures based on the principles of HACCP principles (Hazard Analysis and Critical Control Points). The FSA recognised that without assistance this would impose undue burdens on small businesses. There was also a risk that businesses would not successfully apply food safety management systems and public health could have been compromised.

The FSA therefore developed an alternative approach for small businesses called Safer Food Better Business (SFBB). SFBB uses ideas from management theory and quality management systems rather than historic HACCP.

Benefits

Approximately 300,000 small food businesses (such as caterers and small retailers) will benefit from having a far simpler system for complying with the law;

Local Authorities as SFBB is easier to monitor and this will increase business compliance; and

Consumers benefit by from raised standards, reduced foodborne disease incidence and, as a result, increased protection.

The FSA estimated that it would have cost £74 million to implement standard HACCP based systems in those small businesses. We estimate that this figure will fall to just £13 million by using SFBB, representing a saving to business of £61 million.

Progress to date

Since the launch of Safer Food Better Business in September 2005:

- over 120,000 packs have been distributed to caterers;
- over £14 million in grants have been given to local authorities to fund local initiatives;
- over 26,000 packs have been distributed to small food retailers;
- work has started at producing guidance targeted at ethnic cuisine caterers and those catering for vulnerable people such as small care homes.

(b) Consolidation and rationalisation of existing legislation on microbiological criteria

This initiative consolidates and rationalises numerous pieces of commodity specific legislation on microbiological criteria and replaces national criteria in many Member States. This will reduce trade barriers across the EU. Microbiological criteria are now more risk-based, and while the new legislation provides new microbiological criteria for *Listeria monocytogenes*, infant formulae and meat, there are fewer criteria overall and the emphasis is on ensuring food safety management through HACCP-based principles.

Benefits

In general, the Regulation does not require businesses to carry out testing. It allows the food business operator to establish an appropriate, instead of a prescriptive, sampling frequency within their HACCP-based procedures. The benefit to businesses is that they can develop procedures based on their own local circumstances.

Having the requirements in one set of legislation will also facilitate understanding and interpretation of the requirements.

FSA compliance guidance has been produced for food businesses and this is available on our web site¹⁹. This includes a summary for small businesses. In response to comments received through a consultation on the guidance, the FSA is working with stakeholders to ensure additional more detailed guidance is available in a number of areas. The existing guidance for business will be reviewed after 12 months to take account of experience gained in the practical application of the Regulation.

Initial discussions with stakeholders have indicated that a single guidance document, which is applicable to both enforcement authorities and businesses, would be most useful. This will help both sectors build a shared understanding of the Regulation and those requiring guidance will have a single source for reference rather than having to refer to multiple documents.

Total policy cost savings as a result of this simplification (including to the NHS for reduced foodborne illness) is estimated to range between £15 – 77 million. Administrative savings are also anticipated although costs are not available at this stage.

This results in a net policy cost saving of £8 – 67 million after the first year of implementation and £11 – 73 million each year afterwards.

The FSA estimates that there will be an initial industry administrative cost ranging between £2 and 5 million to understand how to comply with the new legislation. There is also an annual policy cost of approximately £4 million for industry as a result of introducing the new requirements. These are one-off costs. Increased burdens from testing requirements may occur for some

¹⁹ www.food.gov.uk/foodindustry/regulation/europeleg/eufoodhygieneleg/microbiolreg

small business who have yet to implement procedures based upon HACCP principles.

However we expect there to be an ongoing reduction in staff time (in hours) required to maintain familiarity with the new consolidated legislation compared to existing legislation once the initial year one costs have subsided although no costs are available at this stage.

c) Reduced veterinary presence in cutting plants under the new EU food hygiene legislation leading to an administrative cost reduction for the Meat Hygiene Service (MHS)

The requirements for veterinary supervision in cutting plants of 1 hour per day for high throughput and 1 hour per week for low throughput establishments was replaced by a requirement for risk-based auditing systems from 1 January 2006. The FSA has developed an audit based system under the new legislation whereby cutting plants are audited by the MHS ranging from one visit every two months to one visit every year based upon risk. This in effect reduces the number of hours spent by the MHS at cutting plants by approximately 50%. This will result in an overall administrative and policy saving.

After an initial increase in public sector administrative costs to the MHS from developing and introducing audit-based systems, auditing based upon risk will generate a net reduction in administrative burdens.

Benefits

The MHS benefits from having to visit cutting plants less often and can rely on audit based systems rather than presence at the cutting plant. While there maybe an increased burden for the business as the onus will be on the operator to demonstrate compliance as part of the MHS audit, better managed plants will be audited less frequently, driving the earned autonomy envisaged in the Hampton report on regulatory inspection and enforcement.

The administrative cost saving for the MHS as a result of veterinary presence in cutting plants is estimated at approximately £3 million. This estimate will be firmed up when further data is available.

d) Updating the Code of Practice previously made under the Food Safety Act and the accompanying Practice Guidance to reflect the new EU food hygiene legislation.

The statutory Code of Practice and accompanying Practice Guidance under the Food Safety Act 1990, the Food Hygiene (England) Regulations 2006 and the Official Feed and Food Controls Regulations 2006 have been updated to reflect the new consolidated EU food hygiene legislation. This updating will facilitate enforcement of the new regulations by food authorities and assist consistency of enforcement in this area. The revised Code of Practice also separates food standards and food hygiene requirements which should also make interpretation easier.

The updates mean that both documents provide for a more risk-based approach to enforcement in the following areas;

- Manufacturers of composite products under the new EU food hygiene legislation no longer need to be approved. They will therefore be inspected less often under the CoP's risk-based inspection regime;
- Reduced testing frequency for marine biotoxins from weekly to less frequently based upon risk assessment.

The Code of Practice will also be amended to reflect the FSA's wider work on promoting risk-based enforcement in response to the Hampton report.

Whilst there is likely to be an initial increased administrative burden for food authorities to understand the updated Code of Practice and Practice Guidance as they introduce a number of new provisions, for example conditional approval, composite product exemptions and remedial action notices, this burden will reduce as food authorities become familiar with the documents.

Benefits

Food authorities will primarily benefit as the updated Code of Practice and Practice Guidance will assist them with enforcing the new requirements under the consolidated EU food hygiene legislation.

Businesses will benefit from more consistent and risk-based enforcement being maintained in the food hygiene and food standards sectors.

e) Simplifying new burdens associated with providing food chain information to slaughterhouses under the new EU food hygiene legislation

The new EU Food Hygiene Regulations introduce the requirement for food chain information (FCI) for all animals consigned for slaughter as part of a risk-based, 'farm to fork' approach to food safety controls. In addition, the Official Veterinarian (OV) at slaughterhouses will be required to inform livestock producers of relevant findings at ante- and post-mortem inspection.

The FSA and the Meat Hygiene Service (MHS) are exploring the feasibility of an IT-based system. This appears to offer the greatest savings in administrative burdens. An IT-based system would eliminate the vast amount of paperwork that would be required under a non-IT-based system. Using existing portals would minimise the change for business. This initiative need to be fully costed

Having information stored on a central database would also facilitate targeting of enforcement based on risk. MHS resources would be better targeted resulting in concurrent savings. It could also be used to store information regarding risk-based auditing under the new EU food hygiene legislation.

Benefits

MHS and industry will benefit from having a far simpler system for implementing FCI compared to a non-IT-based system. Consumers will also benefit from increased public health protection as information would be easier to access and rapid appropriate action taken to protect public health.

Others could also benefit. The database would be a valuable source of animal disease surveillance data for Defra.

There are also policy benefits as problems would be identified more promptly enabling and more appropriate action to be taken in the interests of industry and public health. Farms and livestock would be able to be identified geographically to facilitate identification and traceability under regulation 178/2002.

f). Enforcement and registration arrangements for the EU food hygiene legislation applying on farms in England

Registration

The new EU food hygiene legislation requires primary producers to notify the competent authority of establishments under their control with a view to those establishments being registered. The FSA proposes that the registration requirement should be met by using existing Agriculture Department databases. This approach is also being explored in respect of registration under the feed hygiene Regulation. A consultation document setting out these proposals was published on 29 August 2006 and will end on 20 November 2006.

Benefits

Businesses will benefit from this initiative, as they will not be required to register with more than one enforcement authority for food hygiene and feed hygiene legislation. Enforcement authorities and their competent authorities will benefit from data sharing.

A shared database should provide administrative savings in both establishing, and the subsequent management of a registration database. Agricultural departments will benefit from a two-way sharing of information. Cost savings will be further refined once a clear way forward has been established.

Enforcement

The new EU food hygiene legislation requires an enforcement regime to be set up for the farming and growing primary production sectors. The FSA is proposing that, in line with the Hampton principles, a risk-based approach is taken to enforcement. The FSA proposes that membership of recognised Farm Assurance schemes, the conditions of which cover the provisions of the hygiene legislation, should be used to determine the frequency of inspections. Membership of a scheme would result in the farm having a low inspection rating and therefore subject to less frequent inspections.

Benefits

The main beneficiary will be farms as membership of a Farm Assurance scheme will lower the number of inspections for a farmer or grower. The prospect of a lower number of inspections may encourage other farmers or growers to join such schemes. Consumers will benefit because a higher proportion of primary products will be produced under Farm Assurance schemes. Consumers will have increased consumer confidence about the safety of UK produce.

The FSA published the costs and benefits of its proposed approach in a consultation document on 29 August²⁰. Responses are requested by 20 November 2006. The costs and benefits will then be reassessed in the light of comments received and new figures published.

²⁰ www.food.gov.uk/Consultations/consulteng/2006/eufarmhygieneeng

Future simplification initiatives

This section of the Plan lists initiatives that are in the pipeline, but which are not at a sufficiently advanced stage to move into the main body of the Plan. Progress in these initiatives will be reported in subsequent simplification plans.

a) Package of proposals on additives, enzymes and flavourings (“food improvement agents”)

This will lead to simplification through the rationalisation, updating and consolidation of legislation on food improvement agents.

The European Commission published proposals comprising a package of four measures covering additives, enzymes and flavourings in July 2006. The new proposals will offer simplification of the legislation to make it easier to understand and interpret for food manufacturers and enforcers. However, this maybe offset by the introduction of additional burdens concerning re-approval of additives. During the negotiations of the proposals, the FSA will press to ensure that any new burdens are kept to a minimum. The FSA will include this initiative in the Plan once the proposals are developed further. The simplification measures will also be costed.

b) Review of forms

The FSA and relevant enforcement authorities ask businesses to complete a number of forms at different times and for different purposes.

As part of our commitment to reduce administrative burdens on business we have initiated a project to identify all the forms and who owns them in order to reduce their number and make the remaining simpler to use. We have so far identified 11 FSA forms for which the FSA is responsible. We will look at each of these carefully and decide how they might be simplified or done away with if obsolete.

We expect this work to be completed by spring 2007.

c) Voluntary Best Practice Guidance on Allergen Management and Advisory Labelling - rationalisation and consolidation of a number of existing industry guidelines

Food labelling legislation introduced in 2005 requires the declaration of specified allergenic foods used as ingredients in pre-packed foods. In addition, many food manufacturers voluntarily use some form of advisory labelling on their products to warn food allergic consumers of the risks of possible allergen cross-contamination. However consumer research has shown that there is considerable concern about the perceived over use of

such advisory labelling. This is seen as restricting consumer choice and undermining valid warnings. In addition, consumers complain that such warnings are difficult to find on the label and that the range of warning phrases is confusing.

A number of industry bodies had previously produced their own guidelines in this area but there was agreement from all stakeholders (food manufacturers and retailers, consumer support groups and enforcement bodies) that there was a need for a single comprehensive, consolidated guidance document. The FSA agreed to produce a best practice guidance document, working in partnership with all the relevant stakeholders, drawing on the existing separate documents. This document will advise on how to assess the risks of allergen cross-contamination and then on the reduction or elimination of such risks, where possible, together with advice on any advisory labelling, if this is deemed appropriate.

Part 1 of the guidance that sets out a qualitative approach to managing food allergens in a food production process was launched on 10 July. A second document is planned that will provide more numerical information for setting levels of allergen cross-contamination to use in deciding whether or not advisory labelling is appropriate. The scientific evidence to underpin the second document is not currently available but research to address this need has been commissioned.

d) Voluntary Best Practice Guidance on the Provision of Allergen Information for Non-prepacked Foods - Production of advice to industry on how to provide allergy information in situations other than where statutory provisions apply

Foods are currently exempt from the statutory requirements for the declaration of allergenic ingredients if they are not pre-packed for sale. However there is an over-riding expectation [in the legislation] that 'consumers should receive sufficient information'. However 'sufficient information' is not defined, and neither is there any indication of how such information might be provided.

Industry therefore sought assistance in meeting the needs of their food allergic customers in a way that ensures consistency of response for the customers, but that also takes account of the practicalities involved for the industry. Non prepacked foods guidance was issued for public consultation on 5 July. We aim to publish the guidance in early 2007.

e) Best-practice guidance on pesticide residue minimisation for five crops: apples, pears, cereals, potatoes and tomatoes

In order to fulfil of its role to act in consumers' interests the FSA has produced pesticide residue minimisation guides for five crops. The guides are not

based on food safety²¹, but in recognition of consumer preference for minimal residues in and on food.

The guides aim to: offer a consolidated source of information on pesticide residue minimisation for the five crops; raise awareness of the issue of pesticide residue minimisation for those involved in the production, supply and marketing of produce; encourage and assist the industry to deliver existing pesticide residue minimisation initiatives.

The guides were produced in consultation with key industry stakeholders. The guides draw together information from various sources that could help reduce pesticide residues in the specific crops, including: examples of existing best agricultural practice, pesticide manufacturers' recommendations, recent research, and technology transfer initiatives.

The FSA hopes that the information and advice in the guides will be adopted widely, that pesticide residues will fall as result and that awareness will be raised of the work already being carried out by the food industry.

A public consultation was carried out between 27 March and 19 June 2006. We are currently assessing responses to the consultation exercise and will publish a summery of response and way forward in September 2006 **[DN – needs to be updated before publication of the Plan in October]**.

f) Promoting equality and consistent enforcement - minimising the burden of Codes of Practice on business and other stakeholders.

FSA intends to explore the potential costs and burdens introduced by statutory Codes of Practice in the UK. The issue of FSA guidelines and Codes of Practice and how they can add to business costs was raised as one of businesses major irritants when interviewing businesses as part of the major project conducted in 2005-06 to measure Administrative Burdens. One specific issue this work will address is the impact of different approaches to the production of Codes of Practice in the four countries of the UK, and the potential for this to add particularly to the burdens on businesses that trade across the UK. FSA will discuss this issue with the relevant stakeholders , address their concerns and report on them in the next version of the Plan.

²¹ The FSA recognises the current risk-based approval system for pesticides and accepts that foods containing residues up to the legal limits do not present a risk to consumer health.

Business concerns about the burden of FSA regulations

Interviews carried out with business during the administrative burdens measurement exercise provided them with the opportunity to raise general or specific concerns. Below are some of the key concerns expressed and what the FSA is doing to address them.

➤ **Concern**

Regulations are too complex. They should be written in plain English.

✓ **FSA Response**

When drafting the documents for the consolidation of the regulations controlling bottled waters in the UK, the FSA has made every effort to make the language clearer, and has incorporated text from the parent Directives to reduce the need for the reader to cross-reference.

➤ **Concern**

There are too many regulations - particularly an issue for several of the hygiene regulations.

✓ **FSA Response**

The new EU hygiene regulations should help in this area by consolidating many regulations into just three sets.

➤ **Concern**

Different inspectors in different regions will interpret the requirements differently.

✓ **FSA Response**

The FSA has developed a *Safer Food, Better Business* toolkit²² to make enforcement of the new food hygiene regulations easier for local authorities to enforce, which should improve consistency. The FSA is also updating the food enforcement Code of Practice and Practice Guidance to ensure further consistency.

➤ **Concern**

There is a lack of regulatory support. There should be more flexibility in the approach to regulation according to size of business. FSA needs to have a greater understanding of burdens placed on small businesses

✓ **FSA response**

Although the new EU food hygiene legislation affects all food businesses in the UK, the FSA has tried to produce guidance of particular use to small businesses. As well as its main guides, it has also produced three summary guides on the new food hygiene legislation for:

²² <http://www.food.gov.uk/foodindustry/hygiene/implementstrategy/enforcertoolkit>

- businesses making or handling foods of animal origin²³;
- businesses manufacturing food not of animal origin²⁴;
- restaurants, caterers and businesses selling food to the final consumer²⁵.

➤ **Concern**

There is a lack of understanding of business and business processes shown by inspectors - businesses requested improved communication between enforcement agencies and policy makers to ensure enforcement agencies were fully aware of changes to legislation and the implications of those changes so these could be communicated more effectively to business in a timely manner.

✓ **FSA response**

The *Safer Food, Better Business* toolkit has been developed to help ensure that enforcement agencies understand the changes introduced by the new food hygiene legislation. The toolkit includes coaching notes, tips on setting up and running a SFBB workshop for businesses and a leaflet to encourage businesses to come to the workshops.

➤ **Concern**

There needs to be clear guidance - this was most commonly raised in relation to labelling, especially allergen labelling

✓ **Response**

When producing voluntary guidance, such as on advisory allergen labelling, the FSA always tries to ensure that key stakeholders are included in the drafting group. The group that drafted the allergen advisory labelling best practice guidance included representatives from enforcement, business and consumer organisations.

Another drafting group is producing voluntary best practice guidance on allergen labelling for non-prepacked foods. At the group's suggestion the original format has made simpler. The guidance will also include examples from different types of food business, such as a sandwich bar, a bakery and a restaurant.

➤ **Concern**

Regulations change too often and it takes time to keep up to date and implement these changes appropriately. Some businesses are also concerned that significant costs are incurred as a result to changes in legislation.

✓ **Response**

Around 90% of food-related legislation comes from the EU, but we always try to minimise the costs to business, for example by negotiating in Brussels for longer timescales on food labelling changes to enable the changes to be

²³ <http://www.food.gov.uk/multimedia/pdfs/summguidpoao060413.pdf>

²⁴ <http://www.food.gov.uk/multimedia/pdfs/summguidnonpoao060413.pdf>

²⁵ <http://www.food.gov.uk/multimedia/pdfs/summguidcater060413.pdf>

introduced as part of normal redesign cycles. We also fully support the EU's efforts to promote better regulation in its own institutions, which should result in less, simpler legislation in the future.

The FSA has also signed up to the Government's common commencement date initiative. This means that where we can we will introduce legislation on just two dates a year. We also publish every 6 months of forthcoming regulatory changes – statutory and voluntary. This will help businesses prepare better.

The FSA is also piloting a web-based consultation initiative for EU proposals where the European Commission's timetable does not allow for formal 12-week consultations. We hope that by conducting consultations via the internet with e.mail alerts as a proposal progresses those interested will be able to provide comment and analysis in time to assist negotiations.

Annex E

List of interested parties consulted

Action with Communities in Rural England (ACRE)
ADAS Wolverhampton
Age Concern
Agricultural Industries Confederation
AIMS
Allergy
Association of British Abattoir Operators
Association of Convenience Stores
Association of Independent Meat Suppliers
Association of Port Health Authorities
Association of Public Analysts
Assured Food Standards
BACFID
Bakers Federation
Barnardo's
Beth – Din
Better Regulation Commission
Biscuit, Cake, Chocolate and Confectionery Alliance
BMPA
Booker PLC
British Association of Feed Supplement and Additive Manufacturers Limited
British Association of Green Crop Driers
British Beer and Pub Association
British Coffee Association
British Egg Industries Council
British Egg Information Council
British Equestrian Trade Association
British Fruit Juice Association
British Heart Foundation
British Honey Importers and Packers Association
British Hospitality Association
British International Freight Association
British Meat Processors Association
British Pig Executive
British Ports Association
British Potato Council
British Poultry Council
British Red Cross
British Retail Consortium
British Society of Animal Science
British Soft Drinks Association
British Standards Institute
British Sugar
Buddhist Society
Cabinet Office Better Regulation Executive
Cadbury Schweppes

Cambridge Refrigeration Technology
Campden & Chorleywood Food Research Association
Cancer Research UK
CASH (Consensus Action on Salt and Health)
Chartered Institute of Environmental Health
Child Poverty Action Group
Children's Society
Chilled Food Association
Chinese Takeaway Association
Coeliac UK
Cold Chain Instruments Ltd
Combined Edible Nut Trade Association
Commission for Racial Equality
Confederation of Indian Organisations
Consumers International
Consumers for Health Choice
Country Land and Business Association
Country Markets Ltd
Dairy UK
Department of Trade and Industry
Department of Health
Department for the Environment, Food and Rural Affairs
Diabetes UK
Enforcement Stakeholder Forum
Ethical Consumer Research Association
Ethnic Minority Foundation
European Anti Poverty Network
European Research into Consumer Affairs (ERICA)
Federation of Bakers
Federation of Jain Organisations
Federation of Oils, Seeds and Fats
Federation of Wholesale Distributors
Feed Fat Association
Fibrisol
Food & Drink Federation
Food Commission
Food Processors Assoc
Foodaware
Forest Mushroom Company
Forum of Private Business
Fresh Produce Consortium
Friends of the Earth UK Ltd
General Consumer Council for Northern Ireland
George Adams & Sons
Graig Farm Organics
Grain and Animal Feed Association
Grain and Feed Trade Association
Greater London Association of Disabled People
Greenpeace
Guild of Bangladeshi Restaurants

Guild of Welsh Lamb & Beef Suppliers
Halal Food Authority
Health Food Manufacturers Association
Hindu Council of the UK
HM Treasury
Hotel and Catering International Management Association
Infant and Dietetic Foods Association
Institute of Food Research
Institute of Grocery Distribution
International Coffee Organisation
International Meat Trade Association
Islamic Food and Nutrition Council
Isotron plc
Kalan Foods
L Booth Ltd
LACORS
Lawlabs
Livesey Brothers
Local Government Association
Mars
Maternity Alliance
Meat & Livestock Commission
Meat Training Council
Mencap National Centre
Mrs Tee's Wild Mushrooms
Muslim Council of Britain
National Association of British & Irish Millers
National Association of Master Bakers
National Association of Poultry Suppliers
National Consumer Council
National Consumer Federation
National Council for Voluntary Organisations
National Council of Women of Great Britain
National Dried Fruit Trade Association
National Farmers Union
National Farmers' Union of Wales
National Federation of British Port Wholesale Fish Merchants
National Federation of Fishermen's Organisations Ltd
National Federation of Fishmongers
National Federation of Meat and Food Traders
National Federation of Womens' Institutes
National Office of Animal Health
Nestle UK
Netmums
Network of Sikh Organisations
Newham Community Food Enterprise
NFU (Scotland)
Organic Food Federation
Pet Food Manufacturers Association
Premier Foods

Provision Trade Federation
Rowse Honey
Royal Institute of Public Health
Royal Pharmaceutical Society of Great Britain
Scottish Association of Meat Wholesalers
Scottish Community Diet Project
Scottish Consumer Council
Scottish Federation of Meat Traders Associations
Sea Fish Industry Authority
Seafish
Seed Crushers and Oil Processors Association
Shellfish Association of Great Britain
SITPRO Ltd
Small Abattoir Federation (SAFe)
Small Business Council
Small Business Service
Snack Nut and Crisp Manufacturers Association
Soil Association
Specialist Cheesemakers Association
Standing Conference of Women's Organisations
Sugar Traders Association of the UK,
Sustain
Tate and Lyle
The Air Conditioning and Refrigeration Industry Board
The Anaphylaxis Campaign
The Anglian Poultry Processors Action Group
The Cold Storage and Distribution Federation
The Honey Association
The National Federation of Women's Institutes
The National Youth Agency
The Panel on Gamma and Electron Irradiation
The Stroke Association
The Sugar Association of London,
The Trading Standards Institute
The Vegan Society
The Vegetarian Society
Tourism Alliance
Townswomen's Guild
Transfrigoroute
UK Association of Fish Producers Organisations
UK Association of Frozen Food Producers
Unilever
United Kingdom Association of Fishmeal Manufacturers
Welsh Consumer Council
Which?
Wild Harvest
Wine and Spirits Association
Worshipful Company of Fishmongers
Youngs Bluecrest