

**MINUTES OF THE MEETING OF THE  
MHS BOARD  
HELD AT FOSS HOUSE, YORK,  
TUESDAY 15 MARCH 2005**

**Attendees**

**Chair:** Chrissie Dunn

**MHS Board Members:** Richard Ayre  
Maureen Edmondson  
Jon Bell  
Alick Simmons  
Valerie Howarth

**Secretariat:** Kevin Goddard, MHS  
Alison Learwood, MHS

**Officials** Chris Lawson, MHS Peter Hewson, FSA  
**Participating:** Jane Downes, MHS David Hart, FSA

**Officials Attending:** Joy Whinney, FSA Wales  
Alan Harvey, FSA

**Agenda item 1: Introduction and Apologies**

1. The Chair welcomed members and officials to the meeting. The Chair advised members that apologies had been received from: Fred Landeg, DCVO, Defra; Elspeth McDonald, FSA Scotland; Jim Ross, FSA Northern Ireland; and Mike Greaves, MHS.

**Agenda item 2: Draft minutes of the 25 January 2005 Meeting (Paper (05) 18)**

2. Members agreed the minutes as an accurate reflection of the January meeting, subject to four minor amendments.

**Action: Secretariat**

**Agenda item 3: Action Points**

**(Paper (05) 19)**

3. Members were pleased to note that all outstanding actions had been completed.

**Agenda item 4: MHS Board Chair's Report**

4. The Chair invited Jon Bell to advise members of discussions that had taken place with Defra about their attendance at MHS Board meetings. Defra were concerned to ensure that their attendance at MHS Board meetings was effective in relation to their interests. Defra's involvement will remain as at present - the CVO or DCVO will attend each meeting, as an observer with the opportunity to raise issues and input into discussions as appropriate - but it was agreed that a group of officials from MHS, FSA and Defra would be formed to discuss priorities. If the group was ever unable to reach consensus on priorities, Jon Bell would discuss the specific issue with Brian Bender, Defra's Permanent Secretary. The MHS Board would be advised of the outcomes of the discussions of the priorities group. The Chair thanked Jon Bell, reiterated that Defra was an important partner of FSA / MHS and welcomed the outcome of the discussions that had taken place.
5. The Chair updated members on the recruitment of the two independent MHS Board members. 108 applications had been received and long listing would take place on 16 March. It was expected that short listing and interviews would be completed by the end of April. However, it was unlikely that the new

members would have been formally appointed in time to attend the May meeting.

6. The Chair advised MHS Board members that FSA Northern Ireland had asked to attend future meetings in an observer capacity, and that she had agreed and welcomed such attendance on behalf of the MHS Board.
7. The Chair reminded members that the Report of the Dean Review of the FSA had been issued. The MHS had accepted all relevant recommendations and will be working with the FSA to take them forward.
8. At its meeting on 10 March, the FSA had referred consideration of the continuing use of Plant Inspection Assistants (PIAs) and their level of training to the MHS Board. The Chair invited Peter Hewson, FSA to outline in detail the issues raised from FSA Board Paper 05/03/03, paragraphs 15 & 16.
9. Mr Hewson explained that he was seeking MHS Board members' views on a number of points. Firstly, should PIAs be allowed to continue to undertake post mortem inspection of poultry? Secondly, should the FSA/MHS continue to develop a modular training syllabus for inspection staff, which will enable PIAs to be trained to the appropriate standard for the specific tasks they undertake?
10. Following a discussion of the issues involved, the MHS Board agreed that, on the basis that there is no evidence to indicate that there would be a change in risk to the consumer from continuing the same system for inspection as exists at the present time, the MHS Board recommends that the current practice of allowing Plant Inspection Assistants (PIA) to undertake official controls under the direct supervision of Official Veterinary Surgeons (OVS) continues. With regard to training requirements there was some dispute as to whether full or partial training of plant staff was a requirement of the new Regulations, and the European Commission had indicated it would give guidance. The MHS Board recognised that whatever the outcome of the Commission's

deliberations it was likely that the existing system of training would be strengthened by a new enhanced training regime. Some members of the MHS Board recommended that the MHS should be as proactive as possible and offer assistance to the Commission in order to help them reach a decision regarding training as soon as possible. The Chair agreed to report back to the FSA Chair on the MHS Board's conclusions.

**Action: Chair**

11. The Chair concluded her report by advising members of the interim arrangements for the FSA Chair and Deputy Chair, in light of Sir John Krebs departure in April. Until a permanent replacement takes up post, Julia Unwin will act as Chair and Richard Ayre will act as Deputy Chair. The MHS Board congratulated Richard Ayre on his appointment.

#### **Agenda item 5: MHS Chief Executive's Report**

12. Chris Lawson, the MHS Chief Executive, updated MHS Board members on the current position with the MHS pay and grading review. It was noted that informal discussions regarding the MHS's pay remit had been held with Treasury. In addition, a draft letter to the Treasury, in which the FSA confirm the affordability of the review, has been passed to Sir John Krebs for his signature.
13. Mr Lawson reported the appointment of Kathryn Dyson as the MHS Corporate Services Director. Kathryn will take up post on 9 May.
14. Mr Lawson informed members on the latest developments regarding industrial action planned by UNISON for 23 March. It was confirmed that formal notification regarding strike action had been received from UNISON. The MHS was now doing all it could to deliver a service to as many plants as possible on the day. The MHS were communicating, both nationally and locally, with industry representative organisations and plant operators to ensure that all were kept fully up to date. The MHS Chief Executive

confirmed that it was illegal for plants to operate without an inspection service. Lawyers had confirmed that the MHS could not be held liable if plants were forced to close for the day because of industrial action, providing the MHS could demonstrate that it had done everything possible to try to provide a service.

15. Members were advised that there had been two further OTM breaches in November 2004. To date, one of the plants involved had been recommended for prosecution. It was noted that there appeared to be no breaches in December. However, the MHS Chief Executive advised that discussions had been taking place with the British Cattle Movement Service (BCMS) regarding improved data provision. BCMS and MHS were working together to tackle issues and members were advised that the outcome of these discussions could lead to a further review of the December data.

16. The preliminary results of the MHS staff attitude survey had just been provided to the MHS Management Board (MHSMB). Initial results showed that the response rate was 35% - 40%, including contract OVSs. Overall, satisfaction with the MHS had fallen back to the levels recorded in 2001. There were a number of reasons for this decline but a final assessment could not be made until the results had been fully analysed. MORI, who conducted the survey on behalf of the MHS, will be presenting the results to MHSMB at its April meeting. The results will be provided to the MHS Board at its May meeting.

17. Mr Lawson ended his report with an update of the major work areas in the MHS and asked MHS Board members to note that:

- New EU Hygiene Regulations - the project team was busy implementing the project but it was difficult without all decisions being made. It is intended to consult on the new Manual of Official Controls and industry guidance in May, but this would be affected if a General Election were called.

- OTM rule change – BSE testing pilots were currently underway at a number of plants. There had been some difficulty in providing the additional resource required at short notice but this had not prevented any of the trials going ahead.
- Industrial action is likely to take place on 23 March.
- The MHS was currently experiencing high levels of sickness, particularly amongst key managers.
- The financial position at the end of February shows that the MHS is forecasting savings of £2.3 million, of which £1million is derived from additional charges. There is some sign of industry working with the MHS to agree efficient operating templates, which is likely to reduce the level of additional charges levied in 2005/06. The FSA Chief Executive had agreed that the savings delivered could be reinvested in the MHS.

**Agenda item 6: Openness****(Paper (05) 20)**

18. Kevin Goddard, MHS, Head of Business Development, introduced this paper. It was explained that the revised Code of Practice was being re-presented to the MHS Board for approval, following members' requests at the January meeting for the inclusion of a publication timetable for MHS Board papers. FSA Legal and Richard Ayre had both commented on the revised code. The MHS Board approved the code and its publication.

**Action: Secretariat****Agenda item 7: MHS Framework Document****(Paper (05) 21)**

19. David Hart, FSA introduced this paper. Members had been asked for comments on the Document at the previous MHS Board meeting. The Document had been revised in light of comments received, and having been cleared by both the FSA and MHS Chief Executives, was being submitted to the MHS Board for formal agreement. The Document will subsequently go to

the FSA Chair for formal sign off. Subject to one minor amendment at paragraph 2.2.1 (a), the MHS Board endorsed the draft Framework Document for submission to the FSA Chair.

**Action: David Hart**

**Agenda item 8: Implementing the recommendations of the Wall Report  
(Papers (05) 23 - 25)**

20. Peter Hewson, FSA introduced these three papers on the Wall Report. It was explained that as well as providing an update on progress in implementing the Wall Report recommendations, Paper (05) 23 also linked into specific recommendations highlighted in Papers (05) 24 and 25. Paper (05) 24 which dealt with Wall Report recommendations 1 and 2, was considered first. Members were advised that work had already been undertaken on developing a prioritisation system. This work was being led by a small group consisting of representatives from the MHS and its customers, namely FSA and Defra. Peter Hewson explained that he was asking MHS Board members to choose a preferred option from the two proposed in Paper (05) 24. In addition members were being asked whether the working group established should continue in its current form.

21. In the discussion that followed members sought clarification that the system being developed was not just drawing up a list of priorities but was also going to clearly show what the outcomes of those priorities were. Board members also requested that a clear measurable set of criteria highlighting associated risks be included in the system being developed. Mr Hewson confirmed this would be the case

22. Mr Hewson said the work involved in this project was very complex and as the group had developed a good deal of expertise he recommended that the MHS Board members should choose to retain the working group in its current form to carry out the remaining work.

23. Members discussed the options for consultation on the work of the working group. It was agreed that the group should continue with the work but stressed that consultation was important prior to any final decisions being made, to ensure the involvement and commitment of stakeholders. It was also felt that dependent on progress, this area of work could be a suitable agenda item for the stakeholder meeting to be held in September.
24. In summing up the discussions, the Chair confirmed that the MHS Board agreed with Option 1 in the paper, the continuation of the current working group and the system they have been developing. The Chair also confirmed that MHS Board members noted the intention to now seek the agreement of Defra's Animal Health and Welfare Management Board and the devolved administrations on the work being done.
25. Peter Hewson then presented Paper (05) 25. This paper considered recommendations 4, 5, 6, 7 and the first sentence of 10 of the Wall Report. Mr Hewson explained that DNV had conducted a review of the MHS management system and had made a number of recommendations. MHS Board members were being asked to note the recommendations made by DNV; agree the actions proposed to address these recommendations; and agree that the DNV report and proposed actions be made public.
26. MHS Board members felt that they had been given insufficient time to consider the proposals being made and wished to consider them further before coming to a decision. Mr Lawson was asked to lead on providing further detail in response to the DNV report by mid-April. Members will be asked to comment by correspondence, to enable the Report and the FSA / MHS response to be published by the end of April.

**Action: Chris Lawson**

27. David Hart, FSA, introduced this paper which built on members' discussions at their meeting in January. The information had been split, as previously discussed, into MHS Management information and Key Performance Indicators, including newly proposed indicators and specific targets. The paper also commented on proposed improvements to the presentation of data and the role of FSA audit.
28. Mr Hart reported that it was not the intention to use the individual targets in isolation to make broad assessments about the performance of the MHS and suggested that all relevant management information would have to be considered as part of the overall assessment process. The purpose of introducing these targets was rather to drive up performance in specific areas.
29. MHS Board members welcomed the paper and considered the proposals. The split of management information and key performance indicators, reflecting the split between operator and MHS responsibilities, was endorsed, as was the link to FSA audit of the MHS. The proposed targets were also agreed subject to a reality check against performance data for 2004/05. The MHS Chief Executive broadly welcomed the paper, but asked for more detail on the proposed method of assessment.
30. The MHS Board asked for a further paper to be produced by FSA/MHS officials for its May meeting at which the KPIs and targets for 2005/06 would need to be finally agreed prior to publication.

**Action: David Hart**

**Agenda item 10: MHS Corporate Business Plan 2005/06 (Paper (05) 27)**

31. Kevin Goddard apologised to MHS Board members that this paper had not been completed in time for their consideration, and confirmed that the paper will be brought to their next meeting.

**Action: Kevin Goddard**

**Agenda item 11: Any Other Business**

32. The Chair reported that recruitment action was currently in hand to strengthen the MHS Board Secretariat.

33. Paper (05) 34 was introduced by the Chair, and proposed dates for the MHS Board meetings in 2006. Members noted that there was a long gap between the proposed May and November meetings, notwithstanding the proposed Stakeholder meeting in September. The Secretariat was asked to reconsider the proposed dates and the planned work of the MHS Board, and to submit further proposals at the May meeting.

**Action: Secretariat**

34. The Chair reminded members that the July meeting would be the first for the two newly appointed external independent members. She was minded to hold an all day meeting, which would include a morning workshop to look at the role and future work of the MHS Board, including considering the strategic direction of the MHS. MHS Board members were asked to comment to the Chair on her thoughts.

**Action: MHS Board Members**

35. The Chair reported to members that it had been decided to hold the first of the annual meetings with Stakeholders in York. The meeting will be held on 22 September.

**Agenda item 12: Date of next meeting**

36. The next meeting will be held in Foss House, York on 26 May 2005.

**MHS Board Secretariat**