

FSA 22-06-15 - Chief Executive's Report to the Business Committee

Report from the Chief Executive Emily Miles

Incidents

1. I will begin with an update on **incidents**. The Incidents and Resilience Unit (IRU) have had an exceptionally busy period.
2. We continue to work closely with the UK Health Security Agency (UKHSA) in respect of an outbreak of **Salmonella Typhimurium** linked to Ferrero products. The UK was the first country to identify the outbreak source, take food safety action as a result and share our findings with the European Commission and over 50 countries to take similar actions. Following an assessment of the available evidence and meeting with the business on the 1 April 22 FSA published a product recall information notice (PRIN) on 2 April 22 which has subsequently been updated three times alongside a series of product recalls. The Ferrero site in Belgium suspended operations on 8 April 22 whilst further investigations continued. As of 31 May 22, we are aware of 115 UK cases affecting mostly children under five (sample dates ranging from 21 December 21 to 19 May 22) and around 120 further cases identified in the EU. The UK is still working closely with the International Food Safety Authorities Network (INFOSAN) Emergency contact point in Belgium, as well as Ferrero's UK office, to investigate the origin and root cause of the contamination. The production site has a conditional re-opening date of the end of June 2022, to be determined by the Belgian authorities.
3. Along with UKHSA, Food Standards Scotland (FSS) and Public Health Scotland the FSA continues to investigate an outbreak of **Listeria monocytogenes** linked to consumption of smoked salmon. Twelve cases across the UK have been identified so far with onset dates between October 2020 to March 2022, including three in Scotland. Ten cases have involved people over the age of 65, and one case is pregnancy related. Sadly, three of those affected over 65 have died. FSA and FSS have undertaken thorough food chain and microbiological investigations including whole genome sequencing (WGS), establishing links although the cause is yet to be confirmed. FSA are reviewing the risk analysis that underpins our guidance for listeria in smoked fish, and on 4 April 2022 we published a news story reminding consumers who are pregnant or in a high-risk group to thoroughly cook smoked fish before eating it.
4. The FSA was notified on 4 May of the potential contamination of batches of **soybean lecithin with peanut protein** sourced from Indian producers and used in the manufacture of confectionary products containing chocolate, which impacted 51 countries, four of which confirmed distribution to the UK. The food industry reacted responsibly and swiftly as a precaution to risk assess thousands of products containing soya lecithin from India. One retailer for example reported assessing 700 product lines. We developed guidance for industry to inform risk assessment approaches. As the industry undertook these evidence-based assessments, including sampling, this demonstrated no unsafe products had been placed on the market and significant amount of product was released. Efforts continue to investigate the cause of the incident with the Indian authorities.

National Food Crime Unit

5. On **National Food Crime Unit (NFCU) Powers**, The Police, Crime, Sentencing and Courts Act received Royal Assent on 28 April. The Act affords to the Secretary of State the power to lay regulations equipping the Unit with further investigative powers, mainly found under the Police and Criminal Evidence Act 1984. The [public consultation](#) was launched on 25 May seeking views from stakeholders on whether these powers should be extended to the NFCU, the proposed additional safeguards and the proportionality of the set of measures to enable the NFCU to tackle food crime effectively. It will run until 18 August 2022.

6. **Operation BLACKTHORNE** was tasked by the NFCU in March 2022 as a result of intelligence received concerning the substitution of the Royal Society for Prevention of Cruelty to Animals Assured Scottish smoked salmon with a lower quality product sourced from Poland.

7. As I reported in winter 2021, on 1 December, in the Crown Court at Swindon the offender in **Operation MOONRAKER** was sentenced to 10 months imprisonment following conviction for 39 offences under food safety legislation. The offender had operated several illegal meat cutting plants in car washes in the Wiltshire area which were not approved or regulated. Following conviction confiscation proceedings were initiated by the NFCU Financial Investigation Team to remove the benefits of his offending, calculated at £226k. The next court hearing is scheduled for the end of May where further court direction will be received.

Field Operations

8. The number of Official Veterinarians (OV) available through our Service Delivery Partner has improved over recent months, reaching adequate levels to maintain delivery of the Official Controls in April 2022. This is predominately as a result of the Temporary Registration scheme agreed by the FSA and the Department for Environment, Food, and Rural Affairs (DEFRA) with the Royal College of Veterinary Surgeons. There is additional work ongoing to further improve the recruitment and retention of OVs. A separate paper has been provided to the Business Committee in respect of **veterinary resourcing** and can be found [here](#). On 9 June 2022, the Royal College of Veterinary Surgeons agreed to extend its temporary registration arrangements.

9. Following the impact of COVID and ongoing resourcing issues, our recovery in respect of the delivery assurance functions is making good progress. Our **regulatory assurance functions** including unannounced inspections of cutting plants, veterinary audits of approved premises and dairy inspections of farms have all been accelerated and the backlogs have been significantly reduced or – in the case of veterinary audits and unannounced inspections – have been eliminated. Field Veterinary Coordinator (FVC) and Animal Welfare **internal assurance visits** have also been reintroduced to augment the overall assurance position.

Prosecutions

10. Since my last report, the Crown Prosecution Service has secured convictions in two cases for offences under animal welfare regulations. In the first, slaughterman **Andrzej Gutowski** pleaded guilty to three offences relating to pain, suffering or distress caused to three cows during their movement, including through excessive use of an electric goad. At Taunton Magistrates' Court on 15 March 2022, he was fined £2,000 and ordered to pay prosecution costs of £160. In the second case, **Manchester Abattoir Limited** pleaded guilty to two offences relating to overcrowding of sheep in the lairage of their slaughterhouse and a failure to ensure that sheep in the lairage had drinking water available to them at all times. At Stockport Magistrates' Court on 24 March 2022, the company was fined £6,700 and ordered to pay prosecution costs of £85.

Finance

11. For the financial year ending 31 March 2022 the FSA **Resource Departmental Expenditure limit and Capital Departmental Expenditure Limits** outturn (subject to National Audit Office audit) for Westminster, Northern Ireland and Wales is £128.5m. Westminster underspend was £4.9m, Northern Ireland £0.8m and Wales £0.3m.

12. The pandemic continued to directly impact the FSA during 2021-22, mainly through restrictions on travel, which only showed small signs of recovery in the very last month of the year. Throughout the year we have experienced resourcing challenges due to extended timelines to recruit as well as continuing difficulties in bringing in the resource we need. Some training and some projects were delayed due to high demands on the tendering market towards the end of 2021-22. This will continue during 2022-23. Nevertheless, Westminster underspend was £3m lower than the year before and accounted for less than 5% of our budget. This was partly due to a reducing impact of COVID overall but also reflected the Board's direction to increase our risk appetite. A notable example of this being successfully implemented was the overprogramming in our Scientific Research programmes, delivering a balanced year end position. We also developed a pipeline of spend to help deliver our priorities consisting of new and brought-forward priority work this year and, through the Investment Board, we approved £16m (compared to £9m the year before). This enabled further funding of our research work and to improve the security of our data systems. We also provided additional funding for EU Exit related priority activities, such as Local Authority grants, sampling and surveillance activities.

13. In 2022-23, again following the Board's more open appetite for risk on resources, the FSA over-allocated circa. £9m in anticipation of the continuing uncertainty in our business environment with resulting challenges around speed of recruitment and commissioning work which inevitably will offset the risk of overspending by the end of the year. We will monitor forecasts closely and reassess these assumptions on an ongoing basis, reprioritising spend as needed to ensure that such overspend does not happen.

People and resourcing

14. This year's **Civil Service pay guidance** has been published. The pay pause that was implemented last year has ended. The guidance allows departments to spend up to 2% of their total pay bill on pay awards, and a further 1% where they can demonstrate targeting of the pay award to address specific departmental pay priorities. We are developing pay proposals and assessing affordability to determine what awards we can make. This will be a subject of formal pay negotiations with FSA Trade Unions.

15. The FSA **Reward and Recognition Scheme** makes use of a ring-fenced budget and enables us to reward excellent and exceptional one-off achievements. The year ending March 2022 saw a total of 1838 awards totalling £340,000 made to 1,159 staff up to and including Grade 6. This compares to 1,441 awards year ending March 2021, costing £318,000 made to 814 employees.

16. As the Governments of the UK have progressively implemented their plans to live with **COVID**, the FSA has continued to adapt its approach to managing the risk in the workplace. It is anticipated that by July, the organisation will have transitioned to managing the disease as a 'business as usual' issue. This will be informed by site-specific risk assessment, including consideration of the needs of the most vulnerable members of staff. In some cases, this is likely to require adjustment to our general approach at local level. It will remain important to continually monitor developments including Government advice and be prepared to review the position if necessary.

17. **Recruitment** activity has dropped slightly during this period with 117 campaigns closing between 1 February and 30 April covering 117 roles. These included 45 external, 17 cross government and 25 internal. The total number of applications received was 2117, showing a

decrease in applications received per role from last quarter, reflecting the changes in the labour market in which applicants currently have significant choice. We are now looking at putting in additional recruitment controls in the light of the Government's commitment to reduce the size of the Civil Service workforce.

18. **Senior Civil Service recruitment** saw the new Director of Operations, Junior Johnson, start at the beginning of May. The recruitment for the Director of Resources and People has concluded with a successful appointment of Tara Smith who joined the FSA at the beginning of June from the Department of Work and Pensions. Anjali Juneja was successful after an internal expression of interest exercise and has been temporarily promoted into the new Director of UK and International Affairs role whilst preparations are undertaken for the permanent campaign.

James Robinson will join us from Ofgem on 1 August to replace Chris McGarvey, our Head of Legal, who leaves us at the end of June. Laura Blair will join us in July from DEFRA as the temporary Deputy Director for EU Trade and Devolution, working to Anjali Juneja. We have two other Deputy Director vacancies open at present: the new post of Deputy Director of Regulatory Services, and Deputy Director for Food Policy, who will replace Michael Wight.

19. In light of the findings of our **Culture Enquiry** and the results of the Civil Service People Survey, the Executive Management Team have agreed the following people survey corporate priorities:

- Wellbeing
- Fair treatment and inclusion
- Leadership visibility and future direction

20. **The Inclusive Recruitment Review** is underway, conducted by Pearn Kandola (experts in workplace psychology, specialising in inclusion). Consultants have conducted reviews of job descriptions looking at language for inclusivity and objectivity. Assessment materials have been analysed for implied assumptions and inclusive positive behaviours. Interviews have been carried out with hiring managers and successful/unsuccessful candidates (specifically Ethnic Minority candidates). The recommendations from the review will be presented to the FSA's Diversity Council (which is chaired by the Chief Executive and includes representatives from staff networks) in June.