

FHRS SG September 24-02 5 September 2024 Agenda Item 3

General update on the Food Hygiene Rating Scheme (FHRS))

Issue

1. This paper provides a general update on developments relating to the Food Hygiene Rating Scheme (FHRS) and the revised work programme for the FHRS Steering Group for 2024/25.

Steering Group action

- 2. The Steering Group is asked to:
 - Note and comment on the topical updates
 - **<u>Consider</u>** and <u>agree</u> the workplan and priorities for the Steering Group for 2024/25 as set out in the Annex.

Statutory display

- 3. Working towards mandatory display of food hygiene ratings at premises and online in England is an objective in the FSA's <u>Three Year Corporate Plan 2023-</u><u>26</u> and the FSA has developed detailed draft proposals. However, a mandatory scheme will require new primary legislation and will depend on the new government's priorities and timetabling. The FSA will explore opportunities to progress a statutory scheme within its legislative reform agenda.
- 4. With the restoration of the Northern Ireland Executive, FSA NI is currently reviewing and amending the draft Food Hygiene Rating (Online Display) Regulations (Northern Ireland), taking into account feedback from the consultation in the summer of 2022 and recent engagement with stakeholders. Once agreed, the draft Food Hygiene Rating (Online Display) Regulations (Northern Ireland) will progress through the Northern Ireland Assembly's draft affirmative legislative procedure. Varying timeframes are associated with this process however it is hoped that the regulations will come into operation mid-2025.
- 5. FSA Wales is liaising with Welsh Government officials to provide advice to the Minister in relation to extending the scope of the statutory FHRS to include the requirement for all food business operators within scope of FHRS to display their food hygiene rating online where they have an online presence.
- 6. In early 2024, the FSA commissioned research to update its evidence base on consumers' needs in relation to online display of food hygiene ratings. The research found that there was limited awareness among participants of where ratings can be found when shopping for food online and concluded that to enable consumers to use food hygiene ratings in their decision making, they need to be displayed more prominently. The report will be published and shared with steering group later this year.

Statutory review of the FHRS in Wales

7. As required by the Food Hygiene Rating (Wales) Act 2013, FSA Wales conducted a review of the implementation and operation of the statutory FHRS. The review is undertaken every three years and covers the period from 28 November 2020 to 27 November 2023. A further annual review of the operation of the appeals system covers the period 28 November 2022 to 27 November 23 is undertaken annually. The report was laid before Senedd Cymru and published in February 2024.

Annual audit of display and business survey 2023

- 8. We will shortly be publishing the report of the annual FHRS display audit and business survey 2023 (delayed due to the general election purdah period). This research is used to monitor the display of ratings at premises and on some online portals and evaluate the effectiveness of the FHRS. The research also includes a survey with businesses to explore their attitudes towards the scheme. Key findings were:
 - In England, 69% of businesses (up from 67% in 2022) were displaying their rating at their premises. This represents a steady upward trend in rates of display since 2017, when 55% of businesses displayed a sticker.
 - In Northern Ireland, 91% were displaying their rating at their premises (up from 87% in 2022) and in Wales 92% were displaying (up from 91% in 2022).
 - During the audit, most businesses were observed to have a social media page or a website with online ordering capabilities (67% in England, 69% in Northern Ireland and 67% in Wales). Of these, only 10% in England, 5% in Northern Ireland and 8% in Wales were found to be displaying ratings on any of these platforms.
 - The survey showed positive attitudes towards the FHRS. Businesses reported feeling motivated to maintain or improve their food hygiene rating, and considered that the display of ratings has a range of positive impacts on customer perception of their business:
 - the vast majority of businesses said that they worked hard to maintain or improve their rating (England 100%; Northern Ireland 98%; Wales 99%) and that displaying a rating proved to consumers that the business takes food hygiene seriously (England 98%; Northern Ireland 95%; Wales 93%).
 - there was widespread agreement that businesses with good ratings were attractive to customers (England: 96%; Northern Ireland: 91%; Wales: 90%).
 - around two-thirds agreed that displaying a rating resulted in more customers (England: 73%; Northern Ireland: 66%; Wales: 65%).
 - Support for introducing mandatory display in England continues to be high, with 82% of businesses in England believing it would be a good thing.
 - There was also strong consensus that the display of food hygiene ratings should become mandatory for at least some online platforms (England: 94%; Northern Ireland: 96%; Wales: 93%).

9. The FSA continues to evaluate the FHRS and the results guide our policy development. Fieldwork for the 2024 display audit and business survey will take place later this year with the report due to follow in Spring 2025.

Review of Food Law Code of Practice and next version of Brand Standard (version 9)

- 10. In spring 2023, the FSA held a 12-week <u>consultation</u> across England, Wales & Northern Ireland on potential proposals for a modernised Food Hygiene Delivery Model (FHDM). As a result of the consultation and engagement feedback, it was <u>agreed</u> that rather than look to implement wholescale change to the model, focus should be given to a small number of key areas:
 - to extend the role of Regulatory Support Officers
 - o to consider the use of remote assessments
 - to explore other potential flexibilities in specific circumstances
 - to consider options for triaging new food businesses and due official controls.
- 11. The FSA will also be seeking to clarify some areas of the existing model. There will be further opportunities for LAs, businesses and consumers to provide feedback on any proposed changes to the Food Law Code of Practice and associated Practice Guidance during a consultation planned for early 2025. Following this, it is anticipated that an updated Code will be published in summer 2025.
- 12. The feedback regarding a modernised FHDM also highlighted alternative approaches to enhance the existing FHDM. Areas such as broader enforcement powers, charging for official controls and exploring the potential to use data from third parties were all raised during the consultation. The FSA will continue to assess opportunities for modernisation of the food regulatory system and may consider longer-term reforms in some of these areas.

National Consistency Exercise (NCE)

- 13. An FHRS national consistency exercise was not held during 2023, instead we released two scenarios, exercises 8 and 9, that could be used locally or regionally by local authorities to support consistency training.
- 14. We are planning to hold a national consistency exercise later in 2024. Dates for when the exercise will run are yet to be confirmed but local authorities will be provided with prior notice of the exercise so that teams can plan for incorporating the exercise in with their other commitments. The exercise will follow a similar format to the previous one, with the scenario and exercise materials being made available for several weeks. Upon close of the exercise, analysis and recommendations to local authorities will be published.

FHRS media coverage and campaigns

15. We continue to promote FHRS on social media and through seasonal consumer-focused campaigns such as Christmas and Valentine's Day. There continues to be regular local media coverage of ratings.

- 16. A BBC investigation into food hygiene inspections based on analysis of the FHRS open data was reported on BBC Breakfast on 30 July 2024 and included interviews with the FSA's Chief Executive, Emily Miles and Katie Pettifer, the Director for Strategy and Regulatory Compliance. The BBC news report mentioned FHRS and focussed on concerns about local authority resources and recruitment. The report can be found here: <u>Delays in food hygiene</u> <u>inspections 'serious public health issue' - BBC News</u>
- 17. We are developing a marketing campaign to encourage more businesses to display their ratings online and to use our tools and guidance. The plans recognise that whilst online ordering is increasingly used and important to consumers, display rates online remain low. We will be seeking Steering Group members' assistance with promoting this campaign and will be in touch shortly with further details.

Wider reform - Achieving Business Compliance (ABC) programme

- 18. The ABC programme was set up in January 2020 to make sure consumers continue to have food they can trust in the future. The programme initiated a series of projects over the last three years that were designed to help modernise the delivery landscape for local authorities. The programme also aimed to test new approaches to regulation which could be used in future regulation, or which could help to drive compliance across the system.
- Enterprise Level Regulation: the project designed and tested a new 19. regulatory approach for five large retailers in England only. The businesses in the trial have a history of being highly compliant with regulation. The proof-ofconcept tested the businesses being regulated at an enterprise (business) level, as opposed to a series of standalone premises. The trial took place in a sandbox - this meant they were still subject to planned and reactive interventions during the trial period. The trial and proof-of-concept was completed in April 2024. An independent evaluation of the trial has been completed and will be published this Autumn, and an FSA Board paper in September 2024 will propose the next steps of this work. We acknowledge that the impacts on FHRS is a key area of this regulatory concept that would need to be explored if this work is taken forward. The FSA will also engage with Welsh Local Authorities and Welsh Government on the findings from the trial, and are committed to working closely with district councils across Northern Ireland, through the Northern Ireland Food Managers Group on the same basis. The Steering Group will be kept informed of developments and their input will be sought on proposals to manage the impacts on FHRS.
- 20. **Aggregator Food Safety Charter:** The FSA is supporting Just Eat, Deliveroo and Uber Eats on the development of their Food Safety Charter. We are working with the aggregators to maximise the opportunity to create a code of conduct for them to work by and add assurance to the safety and authenticity of food sold online via their platforms. Further information was provided in the <u>ABC programme update paper</u> provided for the December 2023 Board meeting.

FHRS Steering Group Secretariat 5 September 2024

Steering Group Work plan and Priorities

The work programme has been revised to reflect recent developments:

- Statutory Scheme for England: This work continues to be paused for the time being pending advice from the incoming Government. Members will be kept informed of developments.
- To provide advice and comment on policy changes in the **review and revision of the FHRS Brand Standard**. This next full review of the Brand Standard will be timed to take account of changes resulting from the new Code of Practice and associated Practice Guidance due to be published in June 2025 following the public consultation. Members will be consulted on proposed changes to the Brand Standard.
- Use of remote assessments for requested FHRS re-inspections/re-visits. The FSA commissioned an evaluation of the flexibility for local authorities to use remote assessment in England to conduct FHRS re-inspections limited to either structural or documentation non-compliances (the flexibility was included in the FSA's Covid-19 Local Authority Recovery Plan, withdrawn in March 2023). The evaluation report was published in July 2023 and circulated to Steering Group members. Proposals on remote assessment included in the Food Law Code of Practice will be taken forward by the Steering Group under the activity to review and revise the Brand Standard.

It was noted in the paper at the last meeting that the work plan should be updated to remove the following items:

- FHRS and allergen management the <u>FSA Board agreed in June 2022</u> not to progress with a food safety allergy scheme so this issue has been removed from the workplan.
- FHRS and mobile traders: It was proposed in October 2019 that a small Working Group comprising industry and local authority representatives be established to review the current guidance/templates available for local authorities, and that recommendations would be developed for the Steering Group to consider. The timings for this work were dependent upon pressures on both local authorities and businesses during the COVID pandemic so this work was not progressed at the time. Given that comprehensive guidance and templates are already available (<u>Guidance and Templates for Local</u> <u>Authorities - Mobile Traders</u>), this work is no longer needed.

Next steps

The work programme will be kept under review and revised as necessary. Steering Group members are asked to consider and provide comments.

FHRS Steering Group Work programme for 2024/25

Steering Group activity	Anticipated timelines
To provide advice and comment on the development and implementation of a Statutory Scheme in England.	Currently paused – members will be kept informed of developments.

Steering Group activity	Anticipated timelines
To provide advice and comment on implementation of recommendations in the report of the FHRS business safeguards review, and to consider and comment on qualitative and quantitative information on the ongoing use and delivery of the FHRS business safeguards (see Appendix and safeguards data paper on agenda).	At each Steering Group meeting – see appendix.
To provide advice and comment on potential policy changes in the review and revision of the FHRS Brand Standard .	In line with FSA timelines
To consider and comment on the results and findings of FHRS evaluation and research that FSA commissions	In line with FSA timelines
To provide advice and comment on the appropriate options for managing any impacts on FHRS of the work being undertaken as part of the FSA's programme of reform.	Enterprise Level Regulation trial and proof of concept on five large retailers was completed in April 2024. Findings from an independent evaluation of the trial will be published in a paper for the September 2024 FSA Board meeting alongside proposed next steps for this work.

Appendix – Review of FHRS safeguards

Food Standards Agency (FSA) progress in response to the recommendations of the review of FHRS safeguards

Recommendation	FSA actions	Progress
1 The FSA should remind local authorities of their obligation to communicate ratings for individual outlets to Head Offices in the case of multi-site businesses and follow up with authorities failing to adhere to this obligation.	We will write to all local authorities in England, Wales and Northern Ireland to highlight the importance of communicating ratings for individual outlets to Head Offices in the case of multi-site businesses and remind them of their obligation to do so. We will follow up with individual local authorities if it is brought to our attention that they are failing to meet their obligation to communicate ratings for individual outlets to Head Offices in the case of multi-site businesses.	By end June 2019: Completed Within ten days of being notified of failures: Ongoing
Consider mechanisms for local authorities in England to routinely provide data on: 2 requested re-rating inspections and appeals [in line with Wales and Northern Ireland]. 7. – adoption of the powers to charge for requested re-inspections 8. – the charges made using these powers (Numbers refer to recommendation numbers in the report)	 We will work with the FHRS User Group for England to identify and explore options for local authorities in England to routinely provide data to the FSA on: numbers and outcomes of requested re-rating inspections and appeals; local authority adoption of powers in the Localism Act 2011 to charge for requested re-rating inspections; and charges made for requested re-rating inspections. 	We will start to collect data during 2019/20 2) - deferred due to COVID-19. Data collected from 2023/24. 7) and 8) - completed

Recommendation	FSA actions	Progress
3 - Mechanisms should be put in place to collate and analyse data on implementation of FHRS safeguards in England, Wales, and Northern Ireland to ensure the safeguards are being applied objectively and fairly to provide the FSA with a good evidence base and learning, and to support proposals for a statutory scheme and mandatory FHRS display in England.	We will collate and analyse data on use of FHRS safeguards in Wales and Northern Ireland, and in due course in England, and we will present our analysis to the Food Hygiene Ratings Steering Group (see Recommendation 4) and include the data in the FHRS Annual Report (see Recommendation 5).	By end March 2020 Deferred due to COVID- 19. Paper providing analysis of data collected under recommendation 2 to be presented to steering group meeting in September 2024
4 - The UK FHRS Steering Group should be reconvened and qualitative and quantitative information on the ongoing use and delivery of safeguards generated from improved reporting and oversight arrangements should be routinely considered by the Group.	We will reconvene the Food Hygiene Ratings Steering Group with refreshed membership comprising food industry, local authority and consumer representatives and with a remit extending to England, Wales and Northern Ireland. The terms of reference, working arrangements and work programme will be considered at the first meeting.	First meeting to be held in early September 2019 Ongoing
5 - Consideration should be given to an annual FHRS Report or similar which includes collated and robust information on the take-up, use and outcomes of the FHRS safeguards across Wales, Northern Ireland and England.	We will produce an annual FHRS Report including information on the use of safeguards in England, Wales and Northern Ireland and information on charges applied for requested re- rating inspections.	We will produce a report for the year 2019/20 by end July 2020 Report deferred due to COVID-19. The steering group paper (FHRS SG September 24-03) on the analysis of safeguards produced in lieu of an annual report. First annual analysis of safeguards produced 5 September 2024

Recommendation	FSA actions	Progress
6 - There should be more FSA oversight of local authority delivery of FHRS safeguards. Any future local authority Balanced Scorecard should include relevant Performance Indicators relating to safeguard processes such as adherence to time limits, participation in consistency training, and required data reporting.	We will develop Key Performance Indicators (KPIs) relating to local authority delivery of FHRS safeguards, required data reporting and participation in consistency training. These will be considered as part of the Balanced Scorecard approach to monitoring and assessing local authority performance. We will consult local authorities on the proposed KPIs before they are applied.	We will develop indicators by end March 2020 Deferred due to COVID- 19. FHRS was used in monitoring delivery against the COVID-19 Recovery Plan. The Balanced Scorecard approach, as previously proposed, was not taken forward by FSA. We have increased oversight of the scheme, including the use of safeguards and the time taken to determine appeals and carry out requested re- inspections. We will continue to monitor appeals and to review the necessary follow up actions for any issues identified from the data.
9 - In advance of any statutory scheme in England, the FSA should consider mechanisms to encourage and monitor local authority adoption of the Localism Act 2011 powers with the aim of improving transparency and consider providing further guidance and benchmark information to reduce the variation in both access to, and the cost of, requested re-rating inspections.	We will also work with the FHRS User Group to develop guidance to facilitate greater access to timely requested re- rating inspections and greater consistency in charges made.	By end December 2019 Deferred due to COVID- 19. To be taken forward as part of any future mandation workstream.

Recommendation	FSA actions	Progress
10 - Consideration should be given to the scheme having greater flexibility for businesses to formally waive their right to appeal allowing the new rating to be published online without undue delay.	We will identify and explore options to enable more timely publication of ratings on the FSA's website.	By end September 2019 Completed – in England and Wales, food business operators can request that their rating is published early without waiving the right to appeal. The legislation in Northern Ireland does not currently allow this.
11 - The FSA should consider providing businesses with an opportunity to request that an appeal be considered by a different local authority to provide a further degree of peer review to the current appeal arrangements and help address some of the remaining concerns a number of industry stakeholders have about the independence of the	We will identify and explore options to strengthen the guidance given in the FHRS Brand Standard for England and in the statutory guidance for the schemes in Wales and Northern Ireland in relation to a different local authority determining an appeal and will and present these to the Food Hygiene Ratings Steering Group for consideration.	At the September 2020 Steering Group meeting, the Chair noted this was no longer a pressing issue for businesses. It was agreed that this issue should be kept under review subject to further evidence and examples of the circumstances where this is required.
process. 12 - FSA should consider mechanisms through which it can better monitor and review - but not re- determine – relevant local authority documentation relating to all appeals to improve central oversight and where appropriate provide challenge.	We will identify and explore mechanisms for monitoring and reviewing relevant local authority documentation relating to appeals to improve central oversight and where appropriate provide challenge and we and present these to the Food Hygiene Ratings Steering Group for consideration.	By end March 2020 Deferred due to COVID- 19. Audit of a sample of FHRS correspondence, including documents related to appeals, completed in 2023. Letter sent to all LAs in England clarifying the requirements of the brand standard.