

## **REVIEW OF THE NATIONAL FOOD CRIME UNIT**

### **Report by Rod Ainsworth, Director of Regulatory and Legal Strategy**

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## **1 SUMMARY**

1.1 The attached paper presents the findings and recommendations of the review of the National Food Crime Unit (NFCU) initiated after the Board's May 2016 meeting.

1.2 The Board is asked to:

- Note and accept the report, and thank the members of the Review for their input, advice and expertise.
- Note the clear feedback from the Review and the stakeholders consulted that there is a need for the establishment of an investigative capability to deal with food crime in an appropriate way that safeguards the interests of consumers.
- Agree to instruct the Executive to carry out further work on the business case for implementing the recommendations of the Review, subject to the agreement of HM Treasury and wider government and to securing the required funding.
- This work should include the development of costed options for
  - do minimum
  - an Arms Length Body approach as recommended by the Review
  - an alternative approach to delivering “operational distance in a light touch low cost way” (paragraph 37) while maximising the benefits of the NFCU being hosted within the FSA
- Work should also be carried out to review and refine protocols for intelligence handling to ensure that whatever version of the NFCU emerges from wider Government assessment of the Business Case stakeholders can be assured of “appropriate sensitivity” in intelligence handling.

## **2 DISCUSSION**

- 2.1 The paper makes a number of recommendations to the FSA on the future of the NFCU including that

The NFCU have an investigative capability;  
The NFCU be set up as an Arm's Length Body of the FSA;  
A detailed business case be prepared for submission to HM Treasury.

- 2.2 The paper identifies at paragraph 10 the desire expressed by stakeholders for the NFCU to be part of the FSA, and the simultaneous desire to have assurances that within the context of an open and transparent FSA the NFCU can handle intelligence with appropriate sensitivity.
- 2.3 It is suggested therefore that in addition to putting together the Business Case for Phase 2 of the development of the NFCU the Board also task the Executive with reviewing and clarifying the protocol for intelligence handling.
- 2.4 There will also need to be work scoped, planned and in the case that the Business Case for Phase 2 is agreed by the Treasury, carried out to obtain the necessary statutory mandate and legal powers for the NFCU to have effective investigative capabilities
- 2.5 There will also need to be in depth consultation with devolved governments and stakeholders in Wales and Northern Ireland, to ensure that a future NFCU with investigative capacity takes into account devolved enforcement arrangements and the need for local political accountability.
- 2.6 The Business Case will be required to address the risks as well as the benefits associated with the various options
- 2.7 If the FSA is unable to obtain additional funding, the costs for an expanded NFCU could not be met from within the FSA's existing budget without significant reductions in other activity.

## **3 TIMETABLE**

- 3.1 If the Board gives the FSA Executive a mandate for this work, a project team would be put in place with the aim of putting together the Business Case in consultation with other government departments for submission to Treasury by the end of the financial year.