

FOOD STANDARDS AGENCY CONSULTATION

Title: Proposal to amend the frequency of certain official control inspections for on-farm dairy hygiene in England and Wales

CONSULTATION SUMMARY PAGE

Date consultation launched:	Closing date for responses:
24 January 2011	14 March 2011

Who will this consultation be of most interest to?
Dairy farmers, farmers' representatives, milk buyers, enforcement bodies, those involved with the Assured Dairy Farms Scheme and consumers.

What is the subject of this consultation?
A proposal to amend the frequency of certain official controls for on-farm dairy hygiene

What is the purpose of this consultation?
The overall objective is to have a scheme of official controls in England and Wales that is proportionate to the risks posed by on-farm milk production, taking account of additional controls and assurance within the milk supply chain and maintaining the protection of public health.

Responses to this consultation should be sent to:

Name - Chris Rowswell Division/Branch - Hygiene Delivery Branch FOOD STANDARDS AGENCY Tel: 020 7276 8180 Fax: 020 7276 8910	Postal address: 5th Floor Aviation House 125 Kingsway London WC2B 6NH Email: chris.rowswell@foodstandards.gsi.gov.uk
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Is an Impact Assessment included with this consultation?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/> See Annex A for reason.
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PROPOSAL TO AMEND THE FREQUENCY OF CERTAIN OFFICIAL CONTROL INSPECTIONS FOR ON-FARM DAIRY HYGIENE IN ENGLAND AND WALES

Introduction

This consultation sets out proposals to reduce the burden of official controls on dairy farms in England and Wales by recognising audits carried out by Assured Dairy Farms and maintaining consumer protection.

1. The Agency recognises the need for proportionate regulation that minimises the burden on industry while retaining the necessary level of public health protection. Earlier this year we carried out a public consultation on limited recognition of assurance for on-farm dairy hygiene provided by the Assured Dairy Farms (ADF) scheme¹. Some consultees were concerned that the Agency had not gone as far as it could in recognising assurance on hygienic conditions provided by the ADF routine on-farm audits.
2. Since the previous consultation the Agency has carried out a UK-wide review of official controls for dairy hygiene and is prompted by the findings to propose the further measures outlined in this consultation.

Proposals

Key proposals:

- **All dairy farms producing raw milk for processing will be subject to a routine official hygiene inspection at a frequency of a minimum of 24 months except where the dairy farm has current membership of the ADF scheme, in which case it will be subject to routine official hygiene inspection at a frequency of 10 years.**
- **Ad hoc inspections and follow-up visits will be carried out in response to adverse findings of official inspection and ADF audits – these may also be prompted by adverse information received from third parties such as other on-farm inspection bodies and purchasers of raw milk for processing.**
- **On-farm dairies producing raw drinking milk for human consumption will be inspected at a frequency of 6 months.**

¹ <http://www.food.gov.uk/multimedia/pdfs/consultation/officialinspectdairysecteng.pdf>

Background information on sources of evidence available to support dairy hygiene official controls

The Assured Dairy Farms (ADF) scheme

3. ADF is an industry assurance scheme that sets and monitors standards for dairy farms. The scheme covers 95% of milk production in England, Wales and Scotland, and has recently been introduced in Northern Ireland.
4. ADF members must meet standards set by the scheme (which comprise standards set in official control regulations) and conformance is checked through routine ADF audits. ADF also undertakes random visits on-farm to provide an additional check on the maintenance of standards.
5. Audits are carried out at least every 18 months (this ensures that farms are assessed at different times of the year). Any farms not maintaining conformance with the scheme requirements are visited more frequently, typically every 6-8 months. The FSA expects that ADF members will be compliant with relevant food hygiene law and that any non-compliance identified by ADF auditors will be addressed with appropriate speed and be followed up by any necessary checks. Further details of the scheme can be found on the ADF website at the following link www.assuredairyfarms.org.uk
6. Non-conformances classified as major against the 'Key' ADF standards for dairy hygiene will result in the immediate suspension of the farm's assured status. Other non-conformances must be rectified within 28 days. The key standards include the following examples:
 - The dairy must be clean at all times
 - The udders and teats of cows must be clean and dry before milking
 - The bulk tank must be capable of cooling the milk to the required temperature
 - The bulk tank must be cleaned regularly
 - Cows treated with antibiotics must be clearly identified
7. The elements of the ADF scheme which demonstrate its rigour are:
 - Formal UKAS accreditation of the ADF assurance scheme
 - Certification bodies and auditors carrying out audits under the scheme are independent
 - There will be an agreement on the sharing of ADF audit findings with the FSA
 - Audits are performed against clear standards and are linked to corrective action within a specified timeframe
8. ADF membership is only available to farms producing milk from cows. Farms producing milk for processing from other species will therefore be inspected every 2 years, they will not be able to access the extended 10 year inspection frequency that is based on ADF membership.

Cross compliance inspection by the Rural Payments Agency

8. In England, the Rural Payments Agency (RPA) carries out cross-compliance checks which look at a number of activities carried out by farmers and reference these to standards of compliance. The Rural Inspectorate for Wales Branch of the Welsh Assembly Government, together with the Environment Agency and Animal Health are responsible for cross-compliance checks in Wales.

9. Under these provisions approximately 100 dairy farmers per year are checked for compliance with the dairy hygiene requirements. The sample size is relatively small but it will contribute to the evidence used to prioritise official inspections.

Sampling activity by first purchasers and processors

10. Milk produced on dairy farms for processing is subject to microbiological examination by dairy companies as an indicator of its quality and therefore its commercial value – this provides an incentive for dairy farmers to comply with hygiene standards. Amongst other criteria, a total viable count (TVC) for bacteria is undertaken to assess its quality.

11. Purchasers of raw milk have a duty to notify Competent Authorities of test failures in relation to somatic cell count (SCC), TVC and antibiotic residue. Competent authorities are advised of the action the purchasers have taken e.g. the suspension of collection of the milk when the rolling geometric mean for SCC has been exceeded for the third month in succession.

The proposed options for official controls

12. The options that have been considered are fully detailed in the Impact Assessment at Annex B. In brief, they are:

- **Option 1** - the status quo with inspections being carried out under similar, but different regimes in different parts of the UK;
- **Option 2** - delivery of dairy hygiene controls through local authorities following the model currently used in Scotland,
- **Option 3** - delivery of dairy hygiene controls through existing delivery partners, implementing a harmonised risk rating system and recognising Assured Farm status in setting inspection frequencies.

13. Option 3 is the preferred option as it ensures a consistent and proportionate risk-based approach for setting inspection frequencies on dairy farms. It also continues to protect public health while recognising the expertise of current delivery partners and assurance provided by the ADF scheme.

Farms producing raw drinking milk for human consumption.

14. The production of raw drinking milk for human consumption is excluded from these proposals and is subject to a separate official controls regime and specific hygiene requirements in law². The inspection frequency for these producers will be every 6 months.

Continued protection of public health

15. These proposals flow from the Agency's UK-wide review focused on dairy hygiene official controls described in the impact assessment. The focus of the Agency is to ensure that food is safe but this initiative is also compatible with the Government's desire to reduce the burden of inspection on businesses. We do recognise that at first sight, consumers may

² The Food Hygiene (England) Regulations 2006, Schedule 6; and The Food Hygiene (Wales) Regulations 2006, Schedule 6

be prompted to question whether a reduction in the frequency of official controls is compatible with maintaining food safety. We are confident that food safety will be maintained, if not enhanced, for the following reasons:

- Only milk subject to processing will be covered by these proposals
- The processing of milk and milk products, including pasteurisation, ensures fitness for consumption.
- Only ADF members will benefit from an extension of the period between official inspections beyond 2 years.
- Non-conformance with ADF standards leads to increased intervention by ADF to promote corrective action. Members who display major non-conformance against key ADF standards will have their membership suspended.
- The major purchasers of cows' milk (who purchase 95% of raw milk in England & Wales) will purchase only from ADF members. Smaller independent purchasers account for the remaining 5% and are required to have food safety management controls in place to ensure that the milk they purchase is fit for the food chain.
- Despite the high frequency of routine official controls under the current regime, the risk profile of dairy farms has changed little over the years. In future the emphasis will be on the effective official intervention for non-conforming dairy farms driven by:
 - ADF feedback on relevant non-compliance found at on-farm audits
 - Feedback on non-compliance from Animal Health Dairy Hygiene (AHDH) official on-farm inspection
 - The formal notification by the dairy industry of results from sampling and analysis of raw milk against statutory levels for microbial loading and the presence of antibiotic residues.
- The Agency is about to consult on the introduction of a Remedial Action Notice and the consultation package will be posted at <http://www.food.gov.uk/consultations/> If adopted, RANs will allow authorised officers to immediately stop or apply conditions to processes, use of buildings or equipment on dairy farms where there is a breach of the hygiene regulations.
- Measures already exist whereby production activities and use of facilities on dairy farms may be prohibited with immediate effect by authorised officers where there is an imminent risk to health, through the service of a Hygiene Emergency Prohibition Notice.

Implementation and review of the arrangements

16. Following public consultation, and subject to responses received, we intend to introduce the changes from 1 April 2011.

17. Once the new system is established, the annual official inspection at 10% of dairy farms with ADF membership will provide an ongoing assurance stream that ADF audits are carried out with adequate rigour in respect of dairy hygiene.

18. A full evaluation will be undertaken once the changes have been in place for at least 4 years to ensure that public health protection is maintained.

Consultation Process

19. The summary of responses to the previous public consultation mentioned in paragraph one of this document can be found at

<http://www.food.gov.uk/multimedia/pdfs/consultationresponse/consultrespfarminsp.pdf>

20. In advance of this formal public consultation we have held informal pre-consultation discussions with the following stakeholders who are key to the successful implementation of the proposals:

- Animal Health Dairy Hygiene – regarding the future provision of official controls
- Assured Dairy Farms – regarding the operation of the ADF scheme
- Dairy UK – regarding the proposed official control regime
- Representatives from companies who are purchasers of raw milk – regarding industry controls and reporting of adverse sampling results
- National Milk Laboratories – regarding the collection and testing of milk samples from dairy farms

21. We welcome comments from all stakeholders. Please send your response by email or post using the contact details given. All responses received as part of this consultation will be given careful consideration; they will be summarised and published on the Agency's website in due course.

Questions asked in this consultation:

Q1: Stakeholders are asked to comment on the proposals to reduce the frequency of official inspection on dairy farms as identified above

Q2: Stakeholders are asked to comment on the costs and benefits (both monetised and non-monetised) identified in the consultation stage impact assessment for Options 1, 2 and 3

Responses to this consultation

22. Responses are required by **close Monday 14 March 2011**. Please state in your response whether you are responding as a private individual or on behalf of an organisation/company (including details of any stakeholders your organisation represents).

Thank you on behalf of the Food Standards Agency for participating in this public consultation.

Yours sincerely,



John Cragg
Hygiene Delivery Branch

Enclosed

Annex A: Standard Consultation Information

Annex B: Impact Assessment

Annex C: List of interested parties

Queries

1. If you have any queries relating to this consultation please contact the person named on page 1, who will be able to respond to your questions.

Publication of personal data and confidentiality of responses

2. In accordance with the FSA principle of openness our Information Centre at Aviation House will hold a copy of the completed consultation. Responses will be open to public access upon request. The FSA will also publish a summary of responses, which may include personal data, such as your full name and contact address details. If you do not want this information to be released, please complete and return the Publication of Personal Data form, which is on the website at <http://www.food.gov.uk/multimedia/worddocs/dataprotection.doc> Return of this form does not mean that we will treat your response to the consultation as confidential, just your personal data.
3. In accordance with the provisions of Freedom of Information Act 2000/Environmental Information Regulations 2004, all information contained in your response may be subject to publication or disclosure. If you consider that some of the information provided in your response should not be disclosed, you should indicate the information concerned, request that it is not disclosed and explain what harm you consider would result from disclosure. The final decision on whether the information should be withheld rests with the FSA. However, we will take into account your views when making this decision.
4. Any automatic confidentiality disclaimer generated by your IT system will not be considered as such a request unless you specifically include a request, with an explanation, in the main text of your response.

Further information

5. A list of interested parties in England to whom this letter is being sent appears in Annex C. Please feel free to pass this document to any other interested parties, or send us their full contact details and we will arrange for a copy to be sent to them direct.
6. A parallel consultation will be carried out in Wales.
7. Please let us know if you need paper copies of the consultation documents.
8. This consultation has been prepared in accordance with HM Government Code of Practice on Consultation, available at: <http://www.berr.gov.uk/files/file47158.pdf> The Consultation Criteria from that Code should be included in each consultation and they are listed below:

The Seven Consultation Criteria

Criterion 1 — When to consult

Formal consultation should take place at a stage when there is scope to influence the policy outcome.

Criterion 2 — Duration of consultation exercises

Consultations should normally last for at least 12 weeks with consideration given to longer timescales where feasible and sensible.

Criterion 3 — Clarity of scope and impact

Consultation documents should be clear about the consultation process, what is being proposed, the scope to influence and the expected costs and benefits of the proposals.

Criterion 4 — Accessibility of consultation exercises

Consultation exercises should be designed to be accessible to, and clearly targeted at, those people the exercise is intended to reach.

Criterion 5 — The burden of consultation

Keeping the burden of consultation to a minimum is essential if consultations are to be effective and if consultees' buy-in to the process is to be obtained.

Criterion 6 Responsiveness of consultation exercises

Consultation responses should be analysed carefully and clear feedback should be provided to participants following the consultation.

Criterion 7 Capacity to consult

Officials running consultations should seek guidance in how to run an effective consultation exercise and share what they have learned from the experience.

9. Criterion 2 of HM Government Code of Practice on Consultation states *Consultations should normally last for at least 12 weeks with consideration given to longer timescales where feasible and sensible.* As we have formally consulted for 12 weeks previously on the principle of recognising ADF audits, as well as carrying out informal consultations with key stakeholders, we are reducing the current consultation to seven weeks to allow us, subject to the responses, to introduce the planned changes from 1 April 2011.
10. The Code of Practice states that an Impact Assessment should normally be published alongside a formal consultation. Please see the Impact Assessment at Annex B.
11. For details about the consultation process (not about the content of this consultation) please contact: [Food Standards Agency Consultation Co-ordinator](#), Room 1B, Aviation House, 125 Kingsway, London, WC2B 6NH. Tel: 0207 276 8140.

Comments on the consultation process itself

12. We are interested in what you thought of this consultation and would therefore welcome your general feedback on both the consultation package and overall consultation process. If you would like to help us improve the quality of future consultations, please feel free to share your thoughts with us by using the Consultation Feedback Questionnaire at <http://www.food.gov.uk/multimedia/worddocs/consultfeedback.doc>
13. If you would like to be included on future Food Standards Agency consultations on other topics, please advise us of those subject areas that you might be specifically interested in by using the Consultation Feedback Questionnaire at <http://www.food.gov.uk/multimedia/worddocs/consultfeedback.doc> The questionnaire can also be used to update us about your existing contact details.

Title: Proposal to amend the frequency of certain official control inspections for on-farm dairy hygiene in England and Wales Lead department or agency: Food Standards Agency Other departments or agencies:	Impact Assessment (IA)
	IA No: FOOD0092
	Date: 17/12/2010
	Stage: Consultation
	Source of intervention: Domestic
	Type of measure: Other
	Contact for enquiries: John Cragg 0207 276 8371 john.cragg@foodstandards.gsi.gov.uk

Summary: Intervention and Options

What is the problem under consideration? Why is government intervention necessary?

Food can pose a risk to human health if it is not produced, manufactured and handled hygienically. Consumers are not usually able to observe this, and it is difficult for food business operators credibly to inform consumers how far food safety risks have been minimised. Government intervention is necessary to address this, Farms producing milk are subject to official on-farm inspections usually carried out without prior warning to ensure compliance with hygiene regulations. The Government is committed to reducing burdens on farmers and the Agency's review of the risk basis for official inspection frequency will minimise the burden of official inspections on milk production holdings while maintaining consumer protection.

What are the policy objectives and the intended effects?

The policy objective is to ensure consistency in risk rating of milk production holdings by bringing risk-based official controls in England and Wales into line with official controls for other food establishments and in addition to take account of the audit results (hygiene aspects only) for farms that are members of the Assured Dairy Farm (ADF) scheme. The intended effect is to reduce the costs of inspection on farms by reducing the overall frequency of official inspections, focussing enforcement resources on high risk holdings without compromising consumer safety

What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base)

Three options have been considered:

Option 1 – Do Nothing – the current inspection arrangements remain in place

Option 2 – Delivery of existing controls through Local Authorities

Option 3 - Harmonising risk rating system in England and Wales, recognising Assured Farm Status when setting inspection frequencies.

Option 3 is the preferred option as it a consistent risk-based approach which recognises the expertise of third-party schemes, reducing the burden on business while maintaining consumer protection.

Will the policy be reviewed? Yes If applicable, set review date: 4/2015

What is the basis for this review? Not applicable. If applicable, set sunset clause date Not applicable

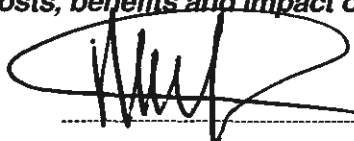
Are there arrangements in place that will allow a systematic collection of monitoring information for future policy review?

Yes

SELECT SIGNATORY Sign-off For consultation stage Impact Assessments:

I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.

Signed by the responsible Chief Executive:



Date: 14/12/16

Summary: Analysis and Evidence

Policy Option 2

Description:

Delivery of existing controls through Local Authorities

Price Base Year 2010	PV Base Year 2011	Time Period Years 10	Net Benefit (Present Value (PV)) (£m)		
			Low: Optional	High: Optional	Best Estimate: 11.24

COSTS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low	Optional	Optional	Optional
High	Optional	Optional	Optional
Best Estimate	0.10	0	0.10

Description and scale of key monetised costs by 'main affected groups'

Total cost of policy option: £104.4K (constant price). Total industry: £65.5K in one-off familiarisation costs. Local Authorities: £11.7K in one-off familiarisation costs; £27.2k in initial training.

Over a 10-year period the total equivalent annual cost of familiarisation and initial training is approximately £12.6K

Other key non-monetised costs by 'main affected groups'

Additional costing may be incurred by those regional LA's carrying out Dairy Farm Hygiene visits:

- LAs may need to employ additional resource to deal with increased inspection workloads.
- Potential but minimal legal cost associated with misapplication of RANs.
- LAs may need to host and run a dedicated/ adapted server for storing and sharing of Dairy Farm related information that includes data on inspection of dairy farms.

BENEFITS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low	Optional	Optional	Optional
High	Optional	Optional	Optional
Best Estimate	0	1.32	11.35

Description and scale of key monetised benefits by 'main affected groups'

Total benefits of policy option: £13.18m (constant price). Total industry: £1.32m in reduced costs for farmers as they will not have to accompany inspectors as often around their farms. Taxpayers: £11.86m through reduced frequency of inspections on compliant farms.

Other key non-monetised benefits by 'main affected groups'

Non-monetised benefits were not identified (see monetised benefits above).

Key assumptions/sensitivities/risks

Discount rate (%)

3.5

Cost per inspection figure based on 2009/10 estimates; inflated to 2011/12 prices using September 2010 GDP deflator forecasts. Time taken for farmers (Industry) and EHOs (LAs) to familiarise themselves with proposal: 22 minutes and 1½ hours respectively. EHOs are allocated ½ day to undertake initial training. Equivalent Annual Costs (EAC) is applied to 'one-off' transition costs (familiarisation) in order to compare, on an equivalent basis, across policies spanning different time periods i.e. policies in excess of a one year time period. We assume the rate of follow-up inspections and the risk of non-compliance remains constant over time; potentially lowering the net benefit of the intended policy objective.

Direct impact on business (Equivalent Annual) £m):			In scope of OIOO?	Measure qualifies as
Costs: 0.01	Benefits: 0.14	Net: 0.13	Yes	OUT

Enforcement, Implementation and Wider Impacts

What is the geographic coverage of the policy/option?	England and Wales				
From what date will the policy be implemented?	01/04/2011				
Which organisation(s) will enforce the policy?	Food Standards Agency				
What is the annual change in enforcement cost (£m)?	-£1.19				
Does enforcement comply with Hampton principles?	Yes				
Does implementation go beyond minimum EU requirements?	No				
What is the CO ₂ equivalent change in greenhouse gas emissions? (Million tonnes CO ₂ equivalent)	Traded:		Non-traded:		
Does the proposal have an impact on competition?	No				
What proportion (%) of Total PV costs/benefits is directly attributable to primary legislation, if applicable?	Costs:		Benefits:		
Distribution of annual cost (%) by organisation size (excl. Transition) (Constant Price)	Micro N/A	< 20 N/A	Small N/A	Medium N/A	Large N/A
Are any of these organisations exempt?	No	No	No	No	No

Specific Impact Tests: Checklist

Does your policy option/proposal have an impact on...?	Impact	Page ref within IA
Statutory equality duties ¹ Statutory Equality Duties Impact Test guidance	Yes	25
Economic impacts		
Competition Competition Assessment Impact Test guidance	Yes	25
Small firms Small Firms Impact Test guidance	Yes	25
Environmental impacts		
Greenhouse gas assessment Greenhouse Gas Assessment Impact Test guidance	No	
Wider environmental issues Wider Environmental Issues Impact Test guidance	No	
Social impacts		
Health and well-being Health and Well-being Impact Test guidance	Yes	Throughout
Human rights Human Rights Impact Test guidance	No	
Justice system Justice Impact Test guidance	No	
Rural proofing Rural Proofing Impact Test guidance	No	
Sustainable development Sustainable Development Impact Test guidance	Yes	25

¹ Public bodies including Whitehall departments are required to consider the impact of their policies and measures on race, disability and gender. It is intended to extend this consideration requirement under the Equality Act 2010 to cover age, sexual orientation, religion or belief and gender reassignment from April 2011 (to Great Britain only). The Toolkit provides advice on statutory equality duties for public authorities with a remit in Northern Ireland.

Summary: Analysis and Evidence**Policy Option 3****Description:****Harmonising the risk-rating system in England and Wales, recognising Assured Farm Status when setting inspection frequencies**

Price Base Year 2010	PV Base Year 2011	Time Period Years 10	Net Benefit (Present Value (PV)) (£m)		
			Low: Optional	High: Optional	Best Estimate: 11.27

COSTS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low	Optional	Optional	Optional
High	Optional	Optional	Optional
Best Estimate	0.08	0	0.08

Description and scale of key monetised costs by 'main affected groups'

Total cost of policy option: £75.1K (constant price). Total industry: £65.5K in one-off familiarisation costs. AHDH £9.6K for amending farm records.

Over a 10-year period the total equivalent annual cost of familiarisation and initial training is approximately £9K

Other key non-monetised costs by 'main affected groups'

The FSA currently hosts and run a dedicated server; additional costing may be required for IT to update current system to ensure the system is fit for purpose.

BENEFITS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low	Optional	Optional	Optional
High	Optional	Optional	Optional
Best Estimate	0	1.32	11.35

Description and scale of key monetised benefits by 'main affected groups'

Total benefits of policy option: £13.18m (constant price). Total industry: £1.32m in reduced costs for farmers as they will not have to accompany inspectors as often around their farms. Taxpayers: £11.86m through reduced frequency of inspections on compliant farms.

Other key non-monetised benefits by 'main affected groups'

Non-monetised benefits were not identified (see monetised benefits above).

Key assumptions/sensitivities/risks**Discount rate (%)**

3.5

Cost per inspection figure based on 2009/10 estimates; inflated to 2011/12 prices using September 2010 GDP deflator forecasts. Time taken for farmers (Industry) to familiarise themselves with proposal: 22 minutes. AHDH staff are allocated 3 minutes per record update. Equivalent Annual Costs (EAC) is applied to 'one-off' transition costs (familiarisation) in order to compare, on an equivalent basis, across policies spanning different time periods i.e. policies in excess of a one year time period. We assume the rate of follow-up inspections and the risk of non-compliance remains constant over time; potentially lowering the net benefit of the intended policy objective.

Direct impact on business (Equivalent Annual) £m):			In scope of OIOO?	Measure qualifies as
Costs: 0.01	Benefits: 0.14	Net: 0.13	Yes	OUT

Enforcement, Implementation and Wider Impacts

What is the geographic coverage of the policy/option?	England and Wales				
From what date will the policy be implemented?	01/04/2011				
Which organisation(s) will enforce the policy?	Food Standards Agency				
What is the annual change in enforcement cost (£m)?	-£1.19				
Does enforcement comply with Hampton principles?	Yes				
Does implementation go beyond minimum EU requirements?	No				
What is the CO ₂ equivalent change in greenhouse gas emissions? (Million tonnes CO ₂ equivalent)	Traded:		Non-traded:		
Does the proposal have an impact on competition?	No				
What proportion (%) of Total PV costs/benefits is directly attributable to primary legislation, if applicable?	Costs:		Benefits:		
Distribution of annual cost (%) by organisation size (excl. Transition) (Constant Price)	Micro N/A	< 20 N/A	Small N/A	Medium N/A	Large N/A
Are any of these organisations exempt?	No	No	No	No	No

Specific Impact Tests: Checklist

Does your policy option/proposal have an impact on...?	Impact	Page ref within IA
Statutory equality duties ¹ Statutory Equality Duties Impact Test guidance	Yes	24
Economic impacts		
Competition Competition Assessment Impact Test guidance	Yes	24
Small firms Small Firms Impact Test guidance	Yes	24
Environmental impacts		
Greenhouse gas assessment Greenhouse Gas Assessment Impact Test guidance	No	
Wider environmental issues Wider Environmental Issues Impact Test guidance	No	
Social impacts		
Health and well-being Health and Well-being Impact Test guidance	Yes	Throughout
Human rights Human Rights Impact Test guidance	No	
Justice system Justice Impact Test guidance	No	
Rural proofing Rural Proofing Impact Test guidance	No	
Sustainable development Sustainable Development Impact Test guidance	Yes	24

¹ Public bodies including Whitehall departments are required to consider the impact of their policies and measures on race, disability and gender. It is intended to extend this consideration requirement under the Equality Act 2010 to cover age, sexual orientation, religion or belief and gender reassignment from April 2011 (to Great Britain only). The Toolkit provides advice on statutory equality duties for public authorities with a remit in Northern Ireland.

Evidence Base (for summary sheets) – Notes

No.	Legislation or publication
1	Previous consultation is at http://www.food.gov.uk/multimedia/pdfs/consultation/officialinspectdairysecteng.pdf
2	Summary of responses to the previous consultation document is at http://www.food.gov.uk/multimedia/pdfs/consultationresponse/consultrespfarminsp.pdf
3	
4	

+ Add another row

Evidence Base

Annual profile of monetised costs and benefits* - (£m) constant prices

	Y ₀	Y ₁	Y ₂	Y ₃	Y ₄	Y ₅	Y ₆	Y ₇	Y ₈	Y ₉
Transition costs	£0.01	£0.01	£0.01	£0.01	£0.01	£0.01	£0.01	£0.01	£0.01	£0.01
Annual recurring cost	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total annual costs	£0.01	£0.01	£0.01	£0.01	£0.01	£0.01	£0.01	£0.01	£0.01	£0.01
Transition benefits	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Annual recurring benefits	£1.32	£1.32	£1.32	£1.32	£1.32	£1.32	£1.32	£1.32	£1.32	£1.32
Total annual benefits	£1.32	£1.32	£1.32	£1.32	£1.32	£1.32	£1.32	£1.32	£1.32	£1.32

* For non-monetised benefits please see summary pages and main evidence base section

1. Problem under consideration

- 1.1 Food can pose a risk to human health if it is not produced, manufactured and handled hygienically. Consumers are not usually able to observe this, and it is difficult for food business operators credibly to inform consumers how far food safety risks have been minimised. Government intervention is necessary to address this.
- 1.2 Milk production holdings are subject to official on-farm inspections usually carried out without prior warning to ensure compliance with hygiene regulations. The Government is committed to reducing burdens on farmers. The Agency's review of the risk basis for official inspection frequency will minimise the burden of official inspections on milk production holdings while maintaining consumer protection.
- 1.3 In a Public Consultation earlier in 2010⁵ the Food Standards Agency (FSA) explored the recognition of Assured Farm Status in setting inspection frequency for dairy farms in England and Wales. These proposals build on the evidence gathered during that Public Consultation.

2. Rationale for intervention

- 2.1 The FSA is the Central Competent Authority in the UK for Official Controls in milk production holdings, the delivery of these controls is currently undertaken by 34 different competent authorities. In England and Wales these are carried out by Animal Health Dairy Hygiene (AHDH), an executive agency of the Department for Environment, Food and Rural Affairs (Defra), in Scotland by 32 individual local authorities and in Northern Ireland by the Department of Agriculture and Rural Development Quality Assurance Branch (DARD-QAB).
- 2.2 Delivery in England and Wales is undertaken against a Service Level Agreement (SLA) between the FSA and AHDH. A similar but separate agreement exists in Northern Ireland, and in Scotland delivery is against the requirements of the Food Law Code of Practice (Scotland).
- 2.3 The Agency recently carried out a wide ranging internal review of official controls for on-farm dairy hygiene across the UK. The review findings were reported to FSA directors in October of last year.
- 2.4 The key findings were that:
 - Over the years different risk rating regimes have developed within the UK to drive the frequency of routine official hygiene inspection on dairy farms. In Scotland a minimum 2 year inspection frequency is used for all dairy farms, whereas in England, Wales and Northern Ireland a frequency of between 6 months and 2 years is followed dependent upon the risk rating for the dairy holding.

⁵ <http://www.food.gov.uk/consultations/consulteng/2010/officialinspectiondairysectoreng>

- Most dairy farms in England, Wales and Scotland, and approximately 7% in Northern Ireland are assessed on dairy hygiene issues at least every 18 months by ADF.
- Other information is available, particularly test results from milk purchasers, that could provide additional assurance and be used to inform risk based ad hoc inspections and follow up visits in addition to the routine programmed hygiene inspections.
- Category 1 (highest risk category) farms are currently inspected every 6 months with follow up visits where non-conformance is detected. This mirrors the inspection frequency for those food premises generally considered to be the highest risk across the food chain and selling food direct to the final consumer.

2.5 The recommendation arising from the findings of the review was that risk rating schemes across the UK should be harmonised and that all dairy farms across the UK should be subject to a routine official inspection at a frequency of a minimum of 24 months. In addition, where a dairy farm is a member of the ADF scheme, the official control inspection frequency should be extended to 10 years.

3. Policy objectives and Intended Effects

- 3.1 In England, Wales and Scotland 11,680 holdings are audited every 18 months against an independent Assured Dairy Farm Scheme – or Red Tractor Scheme. In England and Wales a Public Consultation by the FSA closed in June 2010 which looked at recognising this scheme in setting the frequency of Official Controls. There are a small number of Assured Dairy Holdings accredited in Northern Ireland (175 of 3,565).
- 3.2 The policy objective is to introduce consistency in risk rating of milk production holdings by bringing official controls in England and Wales in line with official controls for other food businesses and in addition to take account of the audit results (hygiene aspects only) of farms that have Assured Dairy Farm (ADF) status. The intended effect is to reduce the costs of inspection on farms by reducing the overall frequency of official inspections without compromising consumer safety, focussing enforcement resources on least compliant holdings.

4. Background

- 4.1 The EU food hygiene regulations (EC 852/2004, 853/2004 and 854/2004) set out food hygiene requirements with which food businesses (including those undertaking primary production) must comply. EC 854/2004 sets out the requirements for official controls on products of animal origin. The EU Regulation on official feed and food controls (EC 882/2004) requires that official controls are carried out without prior warning. These EC regulations are implemented in the UK by the following statutory instruments - The Food Hygiene (England) Regulations 2006, The Food Hygiene (Wales) Regulations 2006, The Food Hygiene Regulations (Northern Ireland) 2006 and The Food Hygiene Regulations (Scotland) 2006.

- 4.2 Under current arrangements, milk production holdings in England and Wales are subject to official inspections by AHDH on behalf of the FSA. The majority (94% in England and Wales and 98% in Scotland) of these holdings are also audited for compliance with farm assurance scheme standards by ADF.
- 4.3 AHDH inspections are carried out in accordance with terms and procedures set out in a Service Level Agreement (SLA) with the FSA, this currently places the AHDH delivery emphasis on large inspection volumes, the SLA places insufficient emphasis on improving hygiene compliance at under-performing dairy farms.
- 4.4 The EU regulations on official food controls recognise the use of relevant third party quality assurance schemes in setting the frequency of Official Controls. In the June 2010 Public Consultation to assess whether this approach might be used in the dairy sector we noted the findings of an independent study to assess and compare the approaches of AHDH (official) inspections and ADF (assurance scheme) audits to monitoring and verifying compliance with food hygiene legislation at milk production holdings in England and Wales. A number of aspects were looked at in the study, but significantly, an assessment of the underlying risk rating scheme was outside of its remit.
- 4.5 The following aspects were included in the study: assessor training, inspection focus and approach, risk establishment, reporting of outcomes, addressing contraventions and auditing. It was found that both organisations had similar training requirements. However, a number of differences were found:
- *AHDH inspections are more practical while ADF audits are broader* – this reflects that AHDH use an inspection based approach focusing on structure and equipment and ADF audits focus more on controls being applied with an inspection element. In this relatively low risk type of establishment a mix of audit and inspection with effective follow-up action is appropriate;
 - *AHDH provide advice to farmers whereas ADF do not* – ADF needs to maintain independence as an assurance body but advice on hygiene issues will still be given when official inspections are made. Dairy farmer trade associations will also give advice;
 - *AHDH inspections are generally less frequent but risk based, whereas ADF audits are routine unless there is evidence of non-conformance* – this consultation sets out the reasons why the risk basis underpinning the current official inspection regime is not considered to be appropriate. For this type of lower risk food production activity routine ADF audits supplemented by AHDH routine official inspection and ad-hoc official inspection for non-conforming dairy farms are appropriate; and
 - *AHDH visits are unannounced and include milking time; non-conformity could lead to prosecution by AHDH, whereas ADF can halt milk collection. In practice ADF visits are announced and audits require non-conformities to be rectified within 28 days* – in the year 2009/10 21% of AHDH inspections were at milking time. The proposed fall in overall AHDH inspections will reduce the number of milking time inspections but assurance from the large number of ADF audits will add to the evidence available on conformance, and offset any adverse effect on official controls. Under the current and future

arrangements the halting of milk collection following suspension of ADF membership probably provides a stronger driver for compliance than the threat of prosecution.

- 4.6 Further analysis was then carried out to assess the similarities and differences between the outcome of ADF and AHDH inspections in terms of the risk category applied to farms following audit/inspection. The aim of this was to inform the feasibility and extent to which the results of farm assurance (ADF) audits could be taken into account when deciding the frequency of official controls (AHDH inspections). This was based on the current risk rating scheme in place for holdings in England and Wales.
- 4.7 Data on inspections/audits were drawn together from ADF and AHDH databases, underwent a matching exercise and were analysed. The analysis involved matching individual farm assessments across both schemes and comparing the outcome of the most recent visit from each scheme.
- 4.8 The main conclusions of the analysis:
- There appeared to be a general correlation between the risk assessments of the two schemes (i.e. more farms assessed as low risk by ADF were assessed as low risk by AHDH than in other ADF categories; more farms assessed as high risk by ADF were assessed as high risk by AHDH than in other ADF categories), although the extent of alignment differs across AHDH risk categories.
 - Where holdings are already in the AHDH low risk category, ADF risk assessments appear to be as good an indicator of future compliance as the previous AHDH risk categorisation.
 - Where holdings are in the AHDH high risk category, ADF audits did not appear to be a good indicator of future compliance.
 - Evidence for the use of ADF audits was less clear for the AHDH medium risk category.
- 4.9 Evidence from the analysis provided a good case for AHDH to take into account the outcome of ADF audits when assessing the appropriate inspection interval for AHDH lower risk farms. The analysis appeared to find that for AHDH high risk farms, ADF assessments were not a good indicator of future compliance. However an assessment of the underpinning risk rating scheme was outside of the scope of the study and recent review work by the Agency provides an improved insight.
- 4.10 In England and Wales the guidance on risk rating dairy farms post inspection is contained within the Operating Procedures for authorised officers where the inspection protocol identifies “critical contraventions” as “ones which pose a direct risk to the milk”. These nominated “critical contraventions” were driving higher risk scores at official inspection when in fact, relative to risk in the wider food chain and considering critical controls further down the milk processing chain, these contraventions should not have been regarded as critical.
- 4.11 The recent Agency review of official controls indicates that the current system with three separate risk rating systems in place for dairy farms across the UK is inconsistent. Whilst we accept that the holdings that retail raw drinking milk should

be treated as high risk, the findings of the review suggest that for the remainder there is a significant anomaly in the manner of risk rating dairy farms.

4.12 An effective risk-rating system for official inspection will take account of the type of product being handled, the processes a food undergoes before consumption and the effectiveness of an individual food business operator's controls to deal with hygiene hazards. If we contrast the types of establishment that would fall into a 6 month official inspection frequency under the current dairy farm risk rating regime and the risk rating regime used by local authorities for all other food establishments we see the following:

- **Category 1 dairy farm (inspection frequency 6 months)⁶** – a dairy farmer, not subject to HACCP-based requirements, with weak/variable hygiene compliance producing raw milk that will be tested by the purchaser and/or processor and will be pasteurised (or subject to another process) to ensure that bacterial loading is at an acceptable level for human consumption.
- **Category A general food establishment (inspection frequency 6 months)** – a food business operator that is subject to the requirement to have a functioning HACCP-based food safety management system in place, with weak/variable hygiene compliance, in a business that may be preparing and processing raw foods with a high bacterial loading in close proximity to high risk⁷ cooked foods for sale to the final consumer that may not be subject to any further processing or testing.

4.13 It is clear from the above examples that when compared to the inspection regime for general food establishments the risk from on-farm dairy production is overstated. The proposals therefore seek to redress this inconsistency and introduce a risk-based inspection regime that references other risk-based inspection judgements across the wider food chain, taking assurance from other reliable sources.

4.14 The Agency is of the opinion that the categorisation of dairy farms into four risk bands that are not referenced to other risk-based official control regimes across the food chain cannot be supported in terms of risk to public health; dairy farms should be subject to an inspection frequency based on all available evidence.

Description of options considered

5 Option 1 – Do Nothing – the current inspection arrangements remain unchanged.

5.1. The delivery of Official Controls for food hygiene on dairy farms in the UK is undertaken by 34 different competent authorities. In England and Wales by AHDH, in Scotland by 32 individual local authorities and in Northern Ireland by the Department of Agriculture and Rural Development Quality Assurance Branch (DARD-QAB). Numbers of inspections carried out can be found in section eight of this Impact Assessment.

6. Option 2 Delivery of existing controls through Local Authorities

⁶ Not including those dairy farms producing raw milk for consumption which are outside this proposal

⁷ High risk food – will readily support the growth of bacteria harmful to humans

- 6.1. In Scotland official controls are carried out by the 32 Scottish LAs through the Food Law Code of Practice (Scotland). There are differences in the risk-rating models used to deliver dairy hygiene controls across the UK. The result is that the frequency of visits to dairy holdings by Inspectors is inconsistent across the UK and there could be as much as 18 months' difference for similar dairy holdings in different regions.
- 6.2. The three risk-rating systems in the UK for determining the risk profile of holdings, including the local authority rating system, are set out in Annex 1 of Annex B. Although there is no evidence that any of these systems is used inconsistently within the territory within which it operates, the effect is that across the UK similar holdings will have different risk-rating scores and will be therefore be visited at different frequencies.
- 6.3. The model currently used in Scotland requires 32 local authorities to undertake primary production inspections against the risk-rating scheme defined in the Food Law Code of Practice (Scotland) resulting in a frequency of inspection of 2 years or greater for dairy farms. To extend this model to LAs in England and Wales it would be necessary to amend Annex 5 of the Food Law Code of Practice for each country.
- 6.4. Within England and Wales there are around 11,000 dairy holdings, approximately 11,500 inspections were carried out in those countries in 2009/2010 including revisits, sampling activity and investigations. In Scotland, the rate of inspection activity is much lower as risk scoring against the Food Law Code of Practice (Scotland) designates holdings as low risk when compared with other food establishments.

Table 1: Number of holdings by inspection frequency band 2010/11

Inspection Frequency	Risk Rating by farm					
	England		Wales		England and Wales	
	Number of holdings	%	Number of holdings	%	Number of holdings	%
6 months	1,318	14.3%	272	13.7%	1,590	14.2%
12 months	4,384	47.7%	1,016	51.1%	5,400	48.3%
18 months	3,285	35.7%	667	33.6%	3,952	35.3%
24 months	208	2.3%	32	1.6%	240	2.1%
Total	9,195	100.0%	1,987	100.0%	11,182	100.0%

Source: Service Level Agreement of Milk Hygiene, Quarterly Report 2nd Quarter

- 6.5. The highest risk holdings in England and Wales are currently inspected at least every 6 months. The profile of holdings in each risk category in England, and Wales has remained stable year on year with little evidence of any general improvement in compliance with food hygiene regulations across the dairy farm sector.
- 6.6. Adding additional on-farm inspections into LA intervention programmes would add to the local authority inspection burden at a time of diminishing resource and also fragment official control delivery. The effects on LAs would not be uniform,

particularly in England with those in the west of the country with a higher concentration of dairy farms likely to see the highest level of additional official control activity.

- 6.7. Across the 376 LAs involved the necessary co-ordinated focus on the least compliant businesses would be harder to achieve; it would also be more difficult to ensure consistency in official control and there would be a training need for local authority officers.

7 Option 3 – Harmonising the UK risk rating system, recognising Assured Farm Status when setting inspection frequencies

- 7.1. This is the FSA's preferred option. Under this option a consistent and proportionate risk-rating scheme will be introduced in England and Wales from April 2011 for Official Controls for Dairy Holdings. This will include a single risk assessment scheme which will make use of further controls for milk and dairy production which already exists further down the milk production chain through analysis of samples for bacterial contamination, subsequent pasteurisation and other processing.
- 7.2. Under this option, routine inspections will be reduced to a frequency of once every two years and once every 10 years for ADF accredited holdings where there is additional assurance from ADF audits. This will reduce official inspections from around 11,335 per annum across England and Wales to circa 2,890 per annum.
- 7.3. The 10 years' inspection frequency would apply to holdings supplying cows' milk to milk purchasers who are members of ADF which represents around 94% of all cows' milk producers, Holdings processing their own milk, or farms supplying milk to purchasers who are not members of ADF, would be aligned to a two year inspection frequency as is currently the case in Scotland. Inspections carried out at holdings producing raw drinking milk for human consumption will be on a six-monthly basis.
- 7.4. All available evidence will be used to inform the inspection of the least compliant individual holdings and contribute to a more intelligence led enforcement framework. This will include sample results from industry, notification of new holdings, notifications from other regulators relating to non-conforming operations, notifications from ADF where their audits have identified significant contraventions, complaints and outbreak information.
- 7.5. The current number of inspections does not show a relationship to improving compliance, with the profile of holdings in each risk category in England and Wales remaining relatively stable year on year. The level of formal enforcement activity is not proportionate to the level of inspections and the proposed system will focus attention and firmer action at non-conforming holdings. Enforcement action will be taken against persistent offenders.
- 7.6. Routine sampling undertaken at holdings that retail raw cows' drinking milk will continue to be prioritised and other sampling activity across the UK will focus on high-risk holdings. This will be in support of other enforcement activity by AHDH to improve compliance in these premises.

7.7. It is proposed that the risk assessment used in England and Wales aligns with the scheme within the Food Law Code of Practice (Scotland) which is used to risk assess food establishments under local authority control. This results in a routine inspection frequency of around two years before any assurance scheme membership is taken into account.

Table 2: Current and proposed inspection frequencies for ADF Holdings in England, and Wales

Current frequency of Official Control Inspections	Proposed frequency of Official Control Inspections	Prioritised Inspections if ADF find non-conformances
Every 19 – 24 months	At minimum of every 2 years and at least every 10 years for ADF Members	Farms where ADF have identified 4 ⁸ or more relevant non-conformances at the most recent audit will be prioritised for inspection to enable AHDH to determine whether more formal enforcement is required to improve compliance. Evidence suggests that 15% of ADF inspections receive a relevant non-conformance (11% of current Category 4 farms in England and Wales).
Every 13 – 18 months	At minimum of every 2 years and at least every 10 years for ADF Members	Farms where ADF have identified 4 or more relevant non-conformances at the most recent audit will be prioritised for inspection to enable AHDH to determine whether more formal enforcement is required to improve compliance. Evidence suggests that 10% of ADF inspections will have 4 or more relevant non-conformances (7% of current Category 3 farms in England and Wales).
Every 6 – 12 months	At minimum of every 2 years and at least every 10 years for ADF Members	Farms where ADF have identified 4 or more relevant non-conformances at the most recent audit will be prioritised for inspection to enable AHDH to determine whether more formal enforcement is required to improve compliance. It has been assumed for this purpose that 10% ADF inspections of category 2 farms will have 4 or more relevant non-conformances (7% of current Category 2 farms in England and Wales).
Every 6 months	At minimum of every 2 years and at least every 10 years for ADF Members	As part of the transitional arrangements, all holdings in the highest risk Category in England and Wales will be inspected irrespective of ADF-membership. Following this inspection either the holding will be deemed broadly compliant and will then fall into either a 10 year or a 2 year inspection frequency depending on ADF-membership, or appropriate follow up action will be taken to ensure improved compliance.

Cost and benefits of options

8 Costs

Option 1 – Do nothing. - the current inspection arrangements remain in place

8.1 There are no incremental costs. This option is the baseline for comparison.

Option 2 – Delivery of existing controls through Local Authorities

⁸ This is subject to change depending on emerging statistical evidence as the proposals are implemented

Costs to Local Authorities

Familiarisation costs

- 8.2 It is expected that one Environmental Health Officer (EHO) in each local authority will read the proposal and disseminate the information to appropriate staff in their authority. We estimate that an officer will invest 30 minutes reading and familiarising themselves with revisions to Annex 5 of the Food Law Code of Practice and a further one hour disseminating to other authorised officers in the organisation⁹. This means a total of 90 minutes for familiarisation. The familiarisation cost per enforcement authority is calculated by multiplying the reading time, 90 minutes, by the average hourly wage rate applied to an Environmental Health Officer of £20.70¹⁰, generating a familiarisation cost per enforcement authority of £31.05¹¹.
- 8.3 To quantify the overall familiarisation cost to enforcement authorities we multiply the familiarisation cost per LA by the number of LAs in the UK. There are 376 LAs in England and Wales with responsibility for the enforcement of food hygiene legislation, who will need to familiarise themselves with this guidance. This includes 354 and 22 LAs in England¹² and Wales respectively.
- 8.4 The total one-off familiarisation cost for enforcement authorities in England and Wales totals £11,675. By country this equates to £10,992¹³ in England and £683 in Wales¹⁴ Table 3 displays the number of LAs per country with familiarisation cost.

Table 3 Option 2 - Familiarisation cost to Local Authorities in the England and Wales.

Cost to Enforcement	England	Wales	England & Wales
No. of LAs	354	22	376
Familiarisation Costs	£10,992	£683	£11,675

Note: Costs are estimated by multiplying wage rates uplifted by 30% to account for overheads. This means that the wage rates reported in the text are approximate to 2 d.p. and when grossed may result in a rounding error.

Do stakeholders agree with the numbers of hours stated for EHOs to familiarise themselves with the policy?

One-off training costs

- 8.5 Local Authority EHOs may need one-off update training on the appropriate use and serving of RANs at dairy farms. It is estimated that the average one-off

⁹ While we recognise that dissemination of information will result in an opportunity cost in terms of time of key staff members we anticipate that this will be minimal and the additional hour will cover these costs.

¹⁰ Wage rate obtained from the Annual Survey of Household Earnings (2009) (<http://www.statistics.gov.uk/StatBase/Product.asp?vlnk=15313>). Median hourly wage of an 'Environmental health officer' is used, £15.92, plus 30% overheads totalling £20.70.

¹¹ 1.5 hours * £20.70 = 31.05

¹² The number of English local authorities has been updated to reflect boundary changes and the creation of nine new Unitary authorities

¹³ 354 * £20.70 = £10,992

¹⁴ 22 * £20.70 = £683

training cost to LAs in England and Wales would equate to approximately £27,240. The cost of training is based on the opportunity cost of a principal EHO attending training for half a day. The training cost applied to each local authority is quantified by multiplying half a working day of an EHO lost to training (3.5 hours) by the hourly wage rate of an EHO (£20.70),¹⁵ which equates to a cost per EHO being trained of £72.45¹⁶.

Table 4 Option 2 – One-off training cost to Local Authorities in the England and Wales

Cost to Enforcement	England	Wales	England & Wales
No. of LAs	354	22	376
One-Off Training Costs	£25,647	£1,594	£27,240

Note: Costs are estimated by multiplying wage rates uplifted by 30% to account for overheads. This means that the wage rates reported in the text are approximate to 2 d.p. and when grossed may result in a rounding error.

Do stakeholders believe the number of hours stated for training is sufficient?

Equivalent Annual Costs (EAC)

- 8.6 In order for 'one-off' transition costs to be compared on an equivalent basis across policies spanning different time periods, it is necessary to 'equivalently annualise' costs using a standard formula¹⁷. Under Standard HMT Green book guidance a discount rate of 3.5% is used.
- 8.7 A total one-off cost to enforcement authorities affected by this proposal is an estimated £38,916. This yields an EAC for of approximately £4,680 over 10 years, which per country equates to £4,406 in England and £274 in Wales. Table 5 displays the breakdown of the EAC per country.

Table 5 Option 2 – Equivalent Annual Cost (EAC) for Local Authorities in the England and Wales

Location	England	Wales	England & Wales
EAC	£4,406	£274	£4,680

¹⁵ Wage rate obtained from The Annual Survey of Household Earnings (2009) (<http://www.statistics.gov.uk/StatBase/Product.asp?vlnk=15313>). Median hourly wage of an 'Environmental Health Officers' (£20.70 which has been up-rated by 30% to cover overheads)

¹⁶ £20.70 * 3.5 hours = £72.45

¹⁷ The equivalent annual cost formula is as follows: $EAC = PVC/A$, where $A = [1 - 1/(1+r)^t]/r$, where PVC is the present value of costs, r is the social discount rate and t is the time period over which the policy is being appraised.

Non-Monetised Costs

IT Costs

- 8.8 LAs may need to host and run a dedicated or adapted server for storing and sharing of Dairy Farm related information that includes data on inspection of dairy farms. As it is not possible to quantify this, the cost remains non-monetised.

Resourcing

- 8.9 To deal with the predictable increased inspections LAs in certain regions of England and Wales where a majority of dairy farms are located may need to employ/enlist additional resource to deal with the increased inspection workloads. Other Local Authorities with no dairy farm interests will not be directly affected by the proposal.

Legal Costs

- 8.10 The faulty service of a RAN at a dairy establishment could lead to loss of income for a dairy farmer as they would be required to cease or restrict operations immediately until corrective action is taken. This cost would be both difficult to estimate and quantify as it would depend on the size and type of business with a defined loss of volume of output and income. Agency research has shown that an appeal against the service of a RAN by a food business operator is very rare and therefore it can be assumed that the incidence of faulty service is very low.

Other Costs

- 8.11 Additional costing may be incurred by those regional LAs carrying out Dairy Farm Hygiene visits. No foreseeable savings are expected to those Local Authorities without Dairy Farm involvement.

Do stakeholders envisage any additional non-monetised costs resulting from this policy?

Cost to Farmer

Familiarisation Costs

- 8.12 There will be a reading and familiarisation cost to farmers. It is estimated that it will take between 15 and 30 minutes to familiarise themselves with the change. Taking the midpoint this equates approximately to a total of 22 minutes for familiarising. There are currently 11,182 dairy farms in England and Wales that would be directly affected by the proposal.
- 8.13 To quantify the one-off familiarisation cost to industry we calculate the familiarisation cost per farm by multiplying the hourly wage rate of a manager of a farm of £15.63¹⁸ by the 22 minutes taken to understand the new charging

¹⁸ Wage rate obtained from The Annual Survey of Household Earnings (2009)

arrangements, resulting in a familiarisation cost per business of £5.86. To quantify the overall one-off familiarisation cost to farmers we multiply the familiarisation cost per farm by the number of farms affected by the regulation. This results in a one-off familiarisation cost in England and Wales to farms of approximately £65,540. Table 6 displays the familiarisation cost to farmers.

Table 6 Option 2 - Familiarisation cost to Farmers in the England and Wales

Cost to Farmers	England & Wales
Number of farms	11,182
Reading Time (hours)	0.38
Farm Manager hourly rate	£15.63
Cost per farm	£5.86
Familiarisation Costs	£65,540

Note: Costs are estimated by multiplying wage rates uplifted by 30% to account for overheads. This means that the wage rates reported in the text are approximate to 2 d.p. and when grossed may result in a rounding error.

Do stakeholders agree with the Agency's assumptions regarding farmers familiarising themselves with the policy?

Equivalent Annual Costs (EAC)

8.14 In order for 'one-off' transition costs to be compared on an equivalent basis across policies spanning different time periods, it is necessary to 'equivalently annualise' costs using a standard formula¹⁹. Under Standard HMT Green book guidance a discount rate of 3.5% is used.

8.15 A total one-off cost to farmers affected by this proposal is an estimated £65,540. This yields an EAC of approximately £7,881 over 10 years for England and Wales.

8.16 The total one-off cost of option 2 is £104,456 which is comprised of £38,916 in one-off costs for LAs and £65,540 for farmers.

Benefits

Savings under Local Authority Delivery

8.17 It is envisaged that under this option there would be no direct incremental benefit to LAs. Under the current system the 11,182 farms are inspected at various intervals generating 11,335 inspections per year. The proposed system will reduce routine inspections to a frequency of once every 10 years for ADF-accredited holdings and once every 2 years for non-ADF-accredited holdings. In the proposed system it has been assumed that 10% of ADF farms would have a follow-up inspection and 30% of non-ADF farms would receive a follow-up visit. It has also been assumed that 0.05% of farms would receive antibiotic inspections, with ad hoc inspections for 10% of ADF farms; an extra 100 farms being inspected based on Local Authority intelligence and adverse sampling results. Under the

(<http://www.statistics.gov.uk/StatBase/Product.asp?vlnk=15313>). Median hourly wage of a 'Farm Manager' is used (£15.63 including 30% overheads)

¹⁹ The equivalent annual cost formula is as follows: $EAC = PVC/A$, where $A = [1 - 1/(1+r)^t]/r$, where PVC is the present value of costs, r is the social discount rate and t is the time period over which the policy is being appraised.

proposed system the total number of inspections equates to 2,890 per year. We also assume that the cost of inspection to LAs would be the same as that incurred by the FSA at a cost per inspection of £140.51²⁰.

8.18 As a result of inspections being reduced from 11,335 to 2,890 on average per year the cost of inspections is reduced from £1,592,587 to £406,089 a saving of £1,186,498; a 75% cost saving to taxpayers.

Table 7: Option 2 - Annual Savings to taxpayer under Local Authority Delivery

Benefit to Taxpayer	England & Wales
Cost per inspection	£140.51
Current number inspections	11,335
Current cost of inspections	£1,592,587
Cost per inspection	£140.51
Proposed number of inspections	2,890
Estimated cost of inspections	£406,089
Estimated savings per year	£1,186,498
Percentage savings per year	75%

Note: Costs are estimated by multiplying wage rates uplifted by 30% to account for overheads. This means that the wage rates reported in the text are approximate to 2 d.p. and when grossed may result in a rounding error.

Benefits to Farmers

8.19 The benefits for farmers are the savings from not escorting inspectors around their farms. Under the current system the total cost of escorting inspectors is £176,707 while under the proposed system it will cost farmers £45,058 per year, a saving of £131,649. The reduction in the number of inspections results in a 75% cost saving to farmers. The table below details how the benefits to farmers have been calculated.

Table 8: Option 2 - Annual Savings to Farmers under Local Authority Delivery

Benefit to Farmer	England & Wales
Cost per inspection	£15.59
Current number inspections	11,335
Current cost of inspections	£176,707
Cost per inspection	£15.59
Proposed number of inspections	2,890
Estimated cost of inspections	£45,058
Estimated savings per year	£131,649
Percentage savings per year	75%

²⁰Total cost of inspection (England FSA)/ Proposed number of inspections = £1,550,514/11,571 = £134 (2009/10 prices), which we inflate to 2011/12 prices using September 2010 GDP deflator forecasts (inflation forecast on previous year of 2.9% in 2010/11 and 1.9% 2011/12). Latest forecast can be accessed via: http://www.hm-treasury.gov.uk/data_gdp_fig.htm

Note: Costs are estimated by multiplying wage rates uplifted by 30% to account for overheads. This means that the wage rates reported in the text are approximate to 2 d.p. and when grossed may result in a rounding error.

Do stakeholders agree with the Agency's data used to generate the benefits for the Agency and Industry?

Total net benefits under option 2

8.20 The total incremental benefit associated with policy Option 2 equates to £13,181,471 over a 10 year period compared to the 'do nothing' baseline, with an average annual benefit of £1,318,147, which is comprised of £1,186,498 for taxpayers and £131,649 for farmers. Once the benefits are discounted at a rate of 3.5%²¹ they give the present value benefit of £11,346,197 and a net present value estimate of £11,241,741.

Option 3 – Harmonising the UK risk rating system, incorporating an accreditation scheme

Costs

Familiarisation Costs

Cost to AHDH

8.21 There will be a cost to AHDH of adapting their systems to collaborate and utilise the audits carried out by ADF. It has been assumed that each farm record on AHDH database will require updating which is expected to take 3 minutes per record.

8.22 There are 11,182 farms in England and Wales, and it is believed that it will take 3 minutes for a public sector employee at a wage rate of £17.11²² to amend each record resulting in a cost per farm record of approximately £0.86. To quantify the overall one off cost of amending farm records we multiply the cost per farm record by the number of farms affected by the regulation. This results in a one off cost in England and Wales to AHDH of approximately £9,566.

Table 9 Option 3 – One-off cost to Farmers in the England and Wales

Cost to AHDH	England & Wales
Number of farms	11,182
Reading Time (hours)	0.05
Public Sector hourly rate	£17.11

²¹ Under Standard HMT Green Book guidance a discount rate of 3.5% is used (http://www.hm-treasury.gov.uk/data_greenbook_index.htm)

²² Wage rate obtained from The Annual Survey of Household Earnings (2009) (<http://www.statistics.gov.uk/StatBase/Product.asp?vlnk=15313>). Median hourly wage of a 'Public Service And Other Associate Professionals' is used (£17.11 including 30% overheads)

Cost per farm record	£0.86
Total Cost	£9,566

Do stakeholders agree with the Agency's data used to calculate the costs to AHDH as a result of this policy?

Equivalent Annual Costs (EAC)

8.23 In order for 'one-off' transition costs to be compared on an equivalent basis across policies spanning different time periods, it is necessary to 'equivalently annualise' costs using a standard formula²³. Under Standard HMT Green book guidance a discount rate of 3.5% is used.

8.24 A total one-off cost to farmers affected by this proposal is an estimated £9,566. This yields an EAC of approximately £1,150 over 10 years for England and Wales. Northern Ireland will be carrying out an independent assessment.

Cost to Farmer

Familiarisation Costs

8.25 As per option 2 there will be a reading and familiarisation cost to farmers. An hourly wage rate of £15.63²⁴ has been applied to a farm manager and is multiplied by the reading time which is between 15 and 30 minutes. This equates to a one-off familiarisation cost in England and Wales to farms of approximately £65,540 (see table 6). Northern Ireland will be carrying out an independent assessment

Equivalent Annual Costs (EAC)

8.26 As for AHDH (see above), the one-off cost to the farmers must also be expressed as equivalent annual costs (EAC). Total one-off costs to the farmer have been estimated as £65,540. This yields an EAC of approximately £7,881 over 10 years for England and Wales. Northern Ireland will be carrying out an independent assessment

Non-Monetised Costs

IT Costs

8.27 The FSA currently hosts and runs a dedicated server in Aviation House which is used for the storing of Dairy Farm related information that includes data on inspection of dairy farms undertaken by Animal Health Dairy Hygiene on behalf of the FSA. The program was developed by the former Dairy Hygiene Branch, and additional costing may be required for IT to update current system to ensure the

²³ The equivalent annual cost formula is as follows: $EAC = PVC/A$, where $A = [1 - 1/(1+r)^t]/r$, where PVC is the present value of costs, r is the social discount rate and t is the time period over which the policy is being appraised.

²⁴ Wage rate obtained from The Annual Survey of Household Earnings (2009) (<http://www.statistics.gov.uk/StatBase/Product.asp?vlnk=15313>). Median hourly wage of a 'Farm Manager' is used (£15.63 including 30% overheads)

system is fit for purpose. As it is not possible to quantify this, the cost remains non-monetised.

Benefits

Government savings

8.28 As per option 2 we estimate that the number of inspections being carried out per year will be reduced from 11,335 to 2,890. The reduction in the number of inspections results in the total cost of inspections for the Agency carrying out inspections falling from £1,592,587 to £406,089, a saving of £1,186,498 per year.

Table 10: Option 3 - Annual Savings to taxpayer and FSA

Benefits to FSA / Taxpayer	England & Wales
Cost per inspection	£140.51
Current number inspections	11,335
Current cost of inspections	£1,592,587
Cost per inspection	£140.51
Proposed number of inspections	2,890
Estimated cost of inspections	£406,089
Estimated savings per year	£1,186,498
Percentage savings per year	75%

Note: Costs are estimated by multiplying wage rates uplifted by 30% to account for overheads. This means that the wage rates reported in the text are approximate to 2 d.p. and when grossed may result in a rounding error.

Benefits to Farmers

8.29 As for option 2 the benefits for farmers are the savings from not escorting inspectors around their farms. We estimate that farmers could save an estimated £131,649 per year, which results in a 75% reduction for farmers. The table below details how the benefits to farmers have been calculated.

Table 11: Option 3 - Annual Savings to Farmers

Benefit to Farmer	England & Wales
Cost per inspection	£15.59
Current number inspections	11,335
Current cost of inspections	£176,707
Cost per inspection	£15.59
Proposed number of inspections	2,890
Estimated cost of inspections	£45,058
Estimated savings per year	£131,649
Percentage savings per year	75%

Note: Costs are estimated by multiplying wage rates uplifted by 30% to account for overheads. This means that the wage rates reported in the text are approximate to 2 d.p. and when grossed may result in a rounding error.

Total net benefits under option 3

8.30 The total benefit associated with preferred policy Option 3 equates to £13,181,471 over a 10 year period compared to the 'do nothing' baseline, with an average annual benefit of £1,318,147, which is comprised of £1,186,498 annual benefit for taxpayers and £131,649 annual benefit for farmers at constant prices. Once the benefits are discounted at a rate of 3.5%²⁵ they give the present value benefit of £11,346,197 and a net present value estimate of £11,271,090.

The Agency welcomes opinions, preferably with an evidence backing, regarding the assumptions and data used to calculate the costs and benefits.

9 Risks and assumptions

- 9.1 The main risk to any change in the delivery of Official Controls is that the new system will not afford at least the same level of protection to consumers as that being replaced. There are several manageable risks to the proposals which will be addressed during implementation to ensure that public protection is maintained and that resources are effectively directed towards the worst-performing holdings.
- 9.2 Measures will need to be in place to ensure that there is good co-operation between the FSA, AHDH, ADF and the dairy industry. FSA will lead on the development of these arrangements so that they are in place to support the proposed changes. These measures will include:
- A written memorandum of understanding between FSA and ADF setting out how the two organisations, and AHDH, will work together and share information. This will also need to identify the level of non-conformance that will prompt ad-hoc intervention by AHDH in addition to routine inspection.

²⁵ Under Standard HMT Green Book guidance a discount rate of 3.5% is used (http://www.hm-treasury.gov.uk/data_greenbook_index.htm)

- FSA/AHDH representation to the ADF Technical Advisory Committee to enable exchange of information on conduct of audits/inspections, improve awareness where standards do not match legislative requirements and resolve differences where there are matters relating to interpretation of those requirements.
- Improved links with first purchasers of raw milk to ensure that adverse sampling results are reported fully and promptly to the appropriate competent authority with any necessary supplementary information. The aim is to improve the effectiveness of existing requirements and reporting lines – it would not introduce additional testing requirements.
- Refresher training for Inspectors where necessary to ensure they are fully competent to undertake delivery of the new scheme.
- Establishing links with the RPA and their equivalents in Wales to receive notification of any adverse findings of dairy hygiene related non-conformance when their inspectors carry out on-farm cross cutting inspections.

9.3 Other relevant controls are:

- Routine milk samples are collected by raw cows' milk purchasers (either daily or every other day depending on individual farm collection arrangements) for microbiological standards, somatic cell counts and antibiotic residues. Interpretation of test results is available to the purchaser the following day.
- Additional layers and increased levels of food safety are built into the milk processing chain and applied to all incoming bulk deliveries of raw milk to the purchaser. All deliveries undergo additional controls either by a heat treatment process before being released onto the market, or if required for further processing it will undergo further additional treatment and checks to ensure the product is safe before it is placed on the market.
- The proposed changes will give Inspectors better tools to detect and deal with the worst performing holdings and increase the number of premises which comply with food hygiene legislation.
- The introduction of RANs will make available to enforcement officers an additional enforcement tool to restrict or prevent the use of a process, piece of equipment or milk production holding.

Do stakeholders agree that the actions proposed above will provide at least the same level of protection to consumers as the current policy? If not please explain why you think protection will be reduced.

9.4 For the purposes of the impact assessment we have assumed that the rate of follow-up inspections and the risk of non-conformance remains constant over time;

potentially lowering the net benefit of the intended policy objective.

10 Wider impacts

Summary and preferred option with description of implementation plan

- 10.1 Option 3, the FSA's preferred option, will result in a fall in the planned annual inspections of holdings in England and Wales from 11,335 to 2,890 with around 1,164 of those flowing from follow-up enforcement action and intelligence-led inspections; this will result in a potential annual saving of £1.32m. Resources will be focused on those holdings which have been identified, through a variety of reporting mechanisms, as higher risk and drive effective enforcement action against these holdings. The proposals will underpin an enforcement regime which is focussed on driving up standards across the sector and is flexible enough to adapt to future priorities without compromising consumer safety.
- 10.2 This proposal is in line with requirements under EU and domestic legislation and aligns the UK with enforcement regimes carried out in other Member States.
- 10.3 The recommended option aligns with wider Government initiatives to reduce the burden on business by sharing information, reducing the impact of farm visits and streamlining and targeting enforcement activity on the basis of risk, including the joint On-Farm Inspections Steering Group and the industry-led Task Force on Farming Regulation. Details can be seen at the following link <http://engage.defra.gov.uk/farm-regulation/>
- 10.4 The Agency undertook a period of informal consultation and meetings with leading members of the dairy industry and representatives of dairy farmers. This included National Milk Laboratories, Dairy UK, Milk Link Limited, Arla Foods UK, Robert Wiseman Dairies PLC, Dairy Crest Group PLC and the NFU. Consumer groups have also been approached for their views.

11 Administrative Burden Costs

- 11.1 There are no additional administrative burden costs for the preferred option. However, Option 3 does reduce current administrative burdens (see Simplification section below).

12 Simplification

- 12.1 By recognising relevant quality assurance programmes and reducing the frequency of official inspections accordingly, the administrative burden of inspection for farmers will be reduced. This will save time and money for farmers without compromising food safety or having an adverse impact on public health. Figures for administrative burden reduction have been calculated using Standard

Cost Model Methodology^{26 27}. Figures are for England only, therefore the number of English farms is a percentage derived from AHDH28.

Admin Burden Reduction – England only

Table 12: Admin Burden Reduction

Admin Reduction (England)	
Cost per farm	£15.59
Current number of inspections (England)	9,321
Current Admin Burden per year	£145,307
Cost per farm	£15.59
Proposed number of inspections (England)	2377
Proposed Admin Burden per year	£37,051
Admin Burden Reduction per Option 3	£108,256
Rounded	£108,300

We estimate there will be an administrative burden reduction of £108,300 from Option 3 relative to the current system (Option 1).

13 Competition Assessment

13.1 The preferred option may provide an advantage for low-risk (category 3 and 4) farms but encourages higher-risk farms to increase compliance with hygiene regulations and also makes better use of enforcement resources.

14 Small Firms Impact Test

14.1 Small firms are a feature of dairy farms, with around 98.73% being micro firms. The preferred option will reduce the inspection burden on the businesses.

15 Sustainable development

15.1 Impacts under the three pillars of sustainable development (environmental, economic and social) have been, and continue to be, considered in this Impact

²⁶ All consistent with SCM except that 2009 wage rates are used in anticipation of revised admin burden targets and methodology. These figures will be revised once the revised admin burden methodology is agreed.

²⁷ <http://archive.cabinetoffice.gov.uk/brc/publications/lessismore/entry-2.html>

²⁸ UK Business: Activity, Size and Location 2009 <http://www.statistics.gov.uk/StatBase/Product.asp?vlnk=933>²⁸
AHDH Service Level Agreement of Milk Hygiene Quarterly Report 2nd Quarter 2010-2011

Assessment in the main evidence base. Option 3 is the relatively more sustainable option because it reduces the costs of inspection on farms that are low risk and have Assured Dairy Farm status without compromising consumer safety.

15.2 The use of existing ADF audits will reduce the number of official inspection journeys and therefore the overall mileage will be reduced, with a consequent positive effect on the environment.


16 Race/Gender/Disability equality issues

16.1 The FSA does not envisage an impact.

Annex 1 of Annex B: comparison of Risk Ratings schemes currently used across the UK

The frameworks for each of the three risk rating schemes currently used in the UK are set out here.

Risk Rating and Scoring – England and Wales


	Lowest risk  Highest risk			
Level of Compliance	0	10	25	40
Confidence in Management	0	10	25	40

An additional score of 70 is applied to all milk production holdings producing untreated drinking milk for direct human consumption to ensure these are inspected at a frequency no greater than every 6 months.

Inspection Rating Score	0	10 - 25	35 – 60	65 or higher
Minimum Inspection frequency	19 – 24 months	13 – 18 months	6 – 12 months	6 months

In England and Wales, any holding scoring “0” for Level of Compliance and Confidence in Management will be visited every 19-24 months. Any holding scoring anything but “0” will immediately be visited at least every 18 months meaning a visit more frequently than every 2 years is triggered towards the low end of the scoring framework.

Risk Rating and Scoring – Northern Ireland

	Lowest risk  Highest risk				
Food Hygiene & Safety Compliance	0	5	15	20	25
Structural Compliance	0	5	15	20	25
Confidence in Management	0	5	10	20	25

An additional score of 35 is applied to all dairy farms in Northern Ireland. At present, no untreated milk is sold for human consumption in Northern Ireland.

Inspection Rating Score	31 - 41	42 - 71	72 – 91	92 or higher
Minimum Inspection frequency	2 years	18 months	12 months	6 months

In Northern Ireland a holding scoring “0” in all three categories will receive a visit every 2 years. A holding scoring “5” in more than one category will be visited at least every 18 months meaning a visit more frequently than every 2 years is triggered towards the low end of the scoring framework.

Risk Rating and Scoring – Scotland

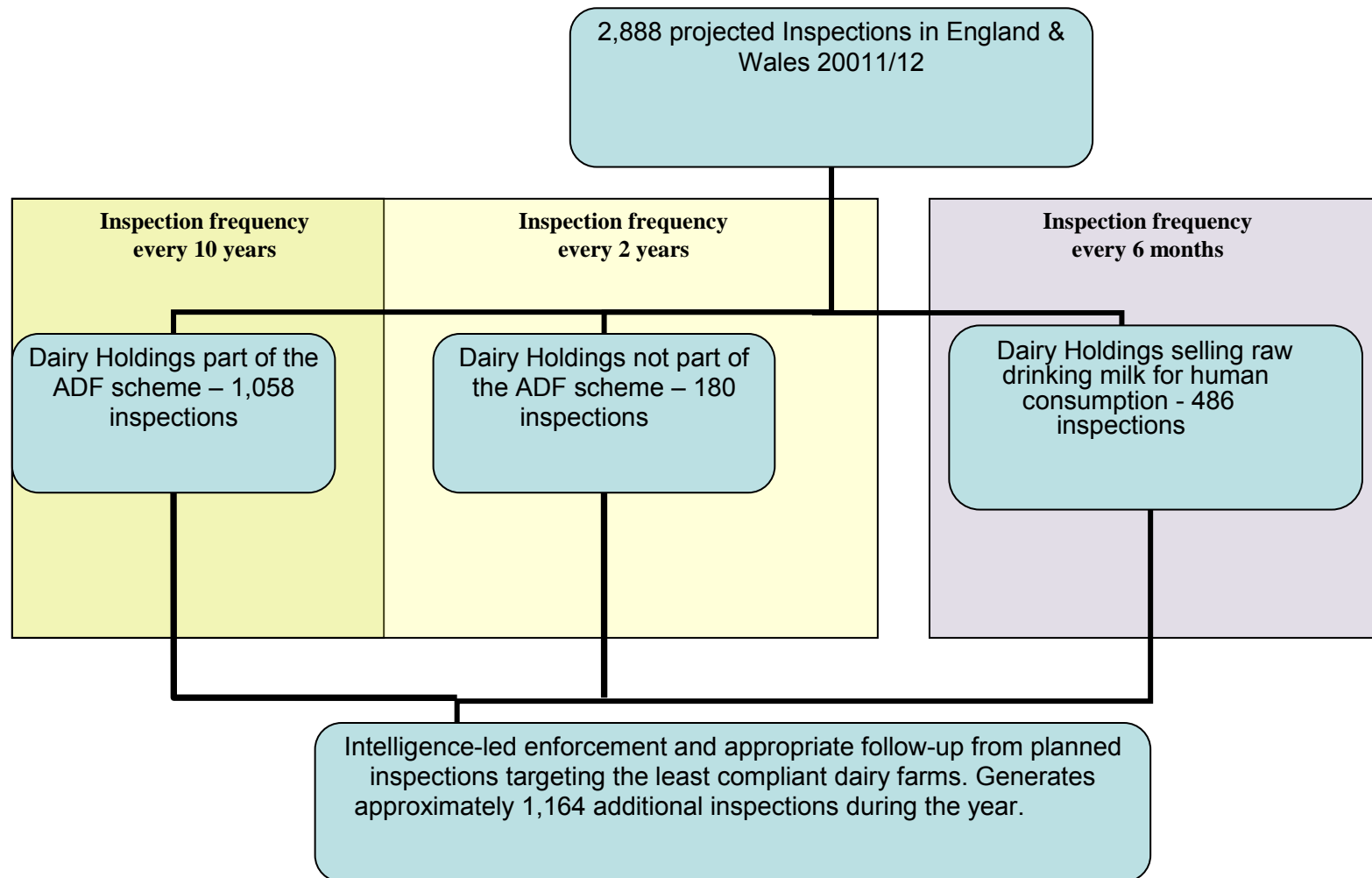
	Lowest risk Highest risk					
Level of Compliance	0	5	10	15	20	25
Confidence in Management	0	5	10	20	30	

An additional score of 10 is applied to all dairy farms in Scotland under the Code of Practice. No untreated milk is sold for human consumption in Scotland.

Inspection Rating Score	0 - 30	31 - 41	42-71	72-91	92 or higher
Minimum Inspection frequency	2 years (for dairy farms)	2 years	18 months	12 months	6 months

In Scotland, a holding is likely to score at least “15” in level of compliance and “20” in Confidence in management to be visited at a frequency of more than every 2 years. This is to the high end of the scoring system and reflects the relatively low risk of dairy holdings where milk is being transported for further processing.

Annex 2 of Annex B: Overview of Planned Inspections proposed in the UK 2011/12



Annex 3 of Annex B: Post Implementation Review (PIR) Plan

A PIR should be undertaken, usually three to five years after implementation of the policy, but exceptionally a longer period may be more appropriate. If the policy is subject to a sunset clause, the review should be carried out sufficiently early that any renewal or amendment to legislation can be enacted before the expiry date. A PIR should examine the extent to which the implemented regulations have achieved their objectives, assess their costs and benefits and identify whether they are having any unintended consequences. Please set out the PIR Plan as detailed below. If there is no plan to do a PIR please provide reasons below.

<p>Basis of the review: [The basis of the review could be statutory (forming part of the legislation), i.e. a sunset clause or a duty to review, or there could be a political commitment to review (PIR)];</p>
<p>Review objective: [Is it intended as a proportionate check that regulation is operating as expected to tackle the problem of concern?; or as a wider exploration of the policy approach taken?; or as a link from policy objective to outcome?]</p>
<p>Review approach and rationale: [e.g. describe here the review approach (in-depth evaluation, scope review of monitoring data, scan of stakeholder views, etc.) and the rationale that made choosing such an approach]</p>
<p>Baseline: [The current (baseline) position against which the change introduced by the legislation can be measured]</p>
<p>Success criteria: [Criteria showing achievement of the policy objectives as set out in the final impact assessment; criteria for modifying or replacing the policy if it does not achieve its objectives]</p>
<p>Monitoring information arrangements: [Provide further details of the planned/existing arrangements in place that will allow a systematic collection of monitoring information for future policy review]</p>
<p>Reasons for not planning a review: [If there is no plan to do a PIR please provide reasons here]</p>

List of interested parties

Animal Health Dairy Hygiene
 Animal Health Distributors Association
 Arla Foods UK
 Asda Stores Limited
 Association of Directors of Public Health
 Assured Dairy Farms
 Assured Food Standards
 Booker Group plc
 British Cattle Veterinary Association
 British Cheese Board
 British Veterinary Association
 Chartered Institute of Environmental Health
 Consumer Focus Wales
 Co-operative Group
 Country Landowner and Business Association
 Dairy Council
 Dairy Crest Group plc
 Dairy UK Ltd
 Dee Dairy Services
 Department for Environment, Food and Rural Affairs
 Farm Assured Welsh Livestock
 First Milk Limited
 Food Matters Partnership Ltd
 Goat Dairy Trade Association
 Goat's Milk Processors Federation
 Haemolytic Uraemic Syndrome Help
 Institute for Animal Health
 J Sainsbury plc
 John Lewis Partnership
 Leatherhead Food International
 Lidl UK GmbH
 Local Government Regulation
 Long Clawson Dairy Limited
 Marks and Spencer plc
 Mars Drinks UK Ltd
 Milk Link Limited
 Muller Dairy UK Ltd
 Musgrave Retail Partners GB
 National Cattle Association (Dairy)
 National Consumer Federation
 National Farmers' Retail and Markets Association
 National Farmers' Union
 National Farmers Union Cymru
 National Office of Animal Health Ltd
 National Sheep Association
 Netto Foodstores Ltd
 OMSCo
 Organic Farmers & Growers Ltd

Provision Trade Federation
Rachel's Dairy Limited
Robert Wiseman Dairies PLC
Royal Association of British Dairy Farmers
Royal Society for Public Health
Society of Food Hygiene and Technology
Soil Association
Soil Association Certification Ltd
Spar (UK) Ltd
Specialist Cheesemakers Association
Stilton Cheesemakers Association
Sustain: the alliance for better food and farming
Tenant Farmers Association
Tesco Stores plc
Trading Standards Institute
UK Public Health Association
Veterinary Public Health Association
Waitrose Limited
Welsh Assembly Government
Which?
Wm Morrison Supermarkets plc
Womens Food & Farming Union