

FOOD STANDARDS AGENCY CONSULTATION

Title: The Food Law Code of Practice Review

CONSULTATION SUMMARY PAGE

Date consultation launched:	Closing date for responses:
25 June 2013	17 September 2013

Who will this consultation be of most interest to?
Local Authorities and food businesses.

What is the subject of this consultation?
Direction and guidance on the approach that local authority food law regulatory services should take is given in a statutory Code of Practice. This Code, which sets out instructions and criteria to which the authorities must have regard, requires periodic revision to ensure that it reflects the current enforcement practices and supports local authorities' delivery of their official control obligations and that enforcement is effective, consistent, risk based and proportionate.

What is the purpose of this consultation?
The FSA is inviting comments on its proposals to amend the Food Law Code of Practice:
1: increase the consistency in risk scoring by updating and clarifying the risk descriptors used to assign risk scores.
2: improve the effectiveness in enforcement by redistributing the minimum inspection frequency of a number of businesses to allow enforcement to focus on risk categories businesses that are non-complaint with food law.
3. avoid overlaps in enforcement by enabling the transfer of enforcement powers that overlap to one single authority.

Responses to this consultation should be sent to:

Name Robert Pilling Division/Branch Delivery Quality Assurance FOOD STANDARDS AGENCY Tel: 0207 276 8436 Fax:	Postal address: Aviation House, 125 Kingsway London WC2B 6NH Email: codereviewresponses@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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If you would prefer to receive future FSA consultations by e-mail, or if you no longer wish to receive information on this subject please notify the named person in this consultation.



The Food Law Code of Practice Review

DETAIL OF CONSULTATION

Introduction

In the UK, local authorities (LAs) are responsible for the verification of compliance with food law in food business establishments. Direction and guidance on the approach that LAs should take is in the statutory Code of Practice (Code). This Code sets out instructions and criteria which LAs must have regard to when discharging their duties. It requires periodic revisions to ensure that it reflects current enforcement policies so that enforcement action taken by officers is effective, consistent and proportionate.

The review process is being undertaken in a staged approach and is the second of three planned revisions. The Food Standards Agency (FSA) has identified a number of improvements required that can be undertaken now and will underpin further more significant revisions. The review process, therefore, is a long term project with changes planned in to the 2014. This impact assessment only covers two of those areas, which the FSA has considered to be crucial to implement now which will improve operational efficacy in relation to the allocation of resources in the delivery of official controls.

Proposals

The overall objective for this initiative is to enable LAs to adopt a flexible approach to enforcement while maintaining a high level of public health protection. The proposed changes are driven by three issues:

1. Annex 5 of the Code is a fundamental for the delivery of official controls activities by LAs and is the primary tool used to quantifying the risk presented by a food establishment. Due to the changing nature of the food industry it is imperative that the system employed reflects current working practices and reduces any incidents that result in food industry being subject to inconsistent approach by the regulators.
2. Due to increasing financial pressures LA are forced to focus their available resources at those food establishments that present the greatest risk to public health. The FSA will amend Annex 5 to reduce the minimum intervention frequency for a proportion of the lower risk establishments, allowing better targeting of resources and reducing the regulatory burden on compliant establishments.
3. Under the current arrangements an establishment can be subject to enforcement activity by both the FSA and an LA if it is involved in certain activities resulting in unnecessary regulatory burden. To reduce the need for establishments to be subject to dual enforcement by separate official bodies, the FSA will take over the enforcement of all activities where possible with the consent of all parties.

This review of the code will therefore focus on the following three policy proposals to address these issues (and undertake minor updates of referencing or clarification):

Key proposal(s):

For risk assessment:

- **Increase the consistency in risk scoring by updating and clarifying the risk descriptors used to assign risk scores.**
- **Improve the effectiveness in enforcement by redistributing the minimum intervention frequency of a number of businesses to allow enforcement to focus on risk categories businesses that are non-compliant with food law.**

Division of enforcement responsibilities in co-located meat establishments in Great Britain:

- **Avoid overlaps in enforcement by enabling the transfer of enforcement powers that overlap to a single competent authority.**

Proposed Amendment 1: Risk assessment

There are approximately 600,000 food establishments in the UK. These include primary producers, manufacturers, processors, packers, importers, distributors, wholesalers, retailers, restaurants and caterers. These establishments are all subject to the requirements of food law. Food law that applies in the UK originates at European Community level, and this includes rules on food hygiene and food standards.

Responsibility in the UK for verifying compliance with food law in food establishments is divided between different competent authorities. For the most part, this responsibility is delegated by the Food Standards Agency (FSA) as the Central Competent Authority to the 434 local authorities in the UK. In undertaking these responsibilities, LAs must comply with the requirements of Regulation (EC) No. 882/2004 on official controls. This Regulation sets out the general approach that must be taken and the principles that must be adopted to undertake regular official controls (checks to ensure compliance with food law) on the basis of risk.

In carrying out their duties, LAs must have regard to the direction given by the FSA in the Code (separate but parallel Codes apply in England, Scotland, Wales and Northern Ireland) when discharging their duties. The current Code for England, the Food Law Code of Practice (England), was published in 2012.

The Code includes food establishment intervention-rating schemes - one for food hygiene and one for food standards (composition, chemical contaminations, adulteration and labelling) - for determining the frequency for interventions at food establishments using risk assessment criteria. These criteria include: the potential hazard or potential risk; the level of (current) compliance by the establishments and, the confidence in management and control systems. These individual criteria are "scored" and the collective total is used to assign a "risk category" to an establishment, which then determines the minimum intervention frequency it should receive (see Figure 1 below).

The FSA has identified inconsistencies in the application of intervention ratings, in that establishments carrying out similar activities are being subjected to different

intervention frequencies, depending on how LAs interpret the current intervention ratings. This situation has generated two main concerns:

- I. food safety may be jeopardized, if risk criteria are not properly addressed; and
- II. unfair competition may occur, if similar activities are subject to different interpretation by different LAs.

The FSA, therefore, intends to revise this scheme in two ways:

- I. updating and clarifying the text used to describe the level of risk; and
- II. Redistributing the type of establishment's allocated to different risk categories.

Updating and clarifying the text in relation to food establishment intervention rating scheme for hygiene:

It has become apparent that the current descriptors are subject to a range of interpretations leading to LAs assigning different intervention frequencies to food establishments presenting similar risks. This inconsistency of approach has been highlighted by the food industry. The FSA has delivered consistency training to all local authorities within the UK over the last 5 years and during this process a number of conflicting interpretations have been presented.

For example, the intervention rating scheme (A5.3, part 1B) requires that the level of risk within an establishment should be higher when establishments is involved in certain high risk methods of processing. The interpretation of what constitutes a higher risk method of processing can vary between officers and LAs. The revised descriptors should focus the officers on those:

“that undertake a specific method of processing (including those that extend the shelf life of the product) that has the potential to increase the risk to public health beyond that of the normal cooking or storage”

These clarifications would improve the harmonised interpretation of existing definitions, and mitigate the level of inconsistencies in the scoring. The proposed changes to the descriptors will assist local authority officers undertaking official controls to profile the potential risk a food establishments presents to public health. This profiling allows local authorities to assign Intervention frequency based on individual circumstances within a establishments.

The FSA has already committed to providing consistency training to all local authorities within the UK over the last 5 years and will continue to do so in the future. The feedback received during this training has been an invaluable source of information that has informed the intended revisions. The proposed amendments also seek to modernise the language used to better describe the more complex nature of the food industry and provide illustrative examples which reflect situations that local authority officers are likely to encounter.

The proposed descriptors would be applied at the next scheduled intervention of the food establishment; it is not expected that LA would need to retrospectively apply this to establishments who have already been assigned an intervention rating.

Questions: Updating and clarifying the text in relation to food establishment intervention rating scheme for hygiene

Q1: Do you think that the proposed amendments to the descriptors will affect the consistency of scoring of food businesses by LA officers?

Q2: Do you think additional clarification should be added to the descriptors in Annex 5, and if so which factor needs additional material and why?

Q3: Do you consider that the content and presentation is clear and easily understood, if not, how and where should this information be presented to improve this?

Redistribute the type of establishments allocated to different risk categories for hygiene:

Existing situation

The Annex 5 risk intervention categories are based upon the collective score of the various risk assessment criteria. This enables LA's to determine a minimum intervention frequency that the establishment needs to be subject to within their area.

To ensure that public protection is maintained during a time when resources are limited the FSA need to make changes to the Code that will ensure that resources are directed at those establishments that present the greater risk.

The FSA intends to address this need to refine the allocation of risk category to an establishment to allow for increased targeting of resources. The current numerical distribution (see Figure 1) of the risk bandings results in local authorities assigning large volume of food establishments with the risk category of "C". This results in establishments that are broadly compliant with food law being assigned the same frequency of intervention as those that struggle to meet legal requirements.

Figure 1: Current Food Hygiene Intervention Frequency

Category	Score	Minimum intervention frequency
A	92 or higher	At least every six months
B	72 to 91	At least every 12 months
C	42 to 71	At least every 18 months
D	31 to 41	at least every 24 months
E	0 to 30	A programme of alternative enforcement strategies or interventions every three years

LAs are under increasing resource pressure to deliver their official control programme. Given that these resources are finite, the proposals will allow them a smarter way of allocating resources to those establishments that are in the higher risk category.

Anecdotal evidence from LA is that the current break down in risk categories in Annex 5 is not functioning as well as intended, with excessively large amounts of establishments being allocated within the “C” category and its broad range including compliant establishments struggling to move to one of the lower risk categories (“D or E”). This amendment to the scoring will increase the recognition given to those food establishments that are broadly compliant with food safety legislation.

This evidence is supported by the analysis within this document below which was based on the Local Authority Enforcement Monitoring System returns data for 2010/2011. Under the current distribution an estimated 230,107 food establishments within the UK are currently categorised within the medium risk category of “C”, with only 99,171 current with the “D” band.

Proposed situation

The FSA is proposing to reduce the width of the “C” category and increase the width of the “D” category which would redistribute a number of establishments to the lower risk category.

The proposed amendment to the bands would, for example, reduce the intervention frequency for a subset of the establishment currently inspected every 18 months to a frequency of every 24 months, will allow local authorities to direct their resources in targeting high risk establishments. (see Figure 2).

Figure 2: Proposed Food Hygiene Intervention Frequency

Category	Score	Minimum intervention frequency
A	92 or higher	At least every six months
B	72 to 91	At least every 12 months
C	52 to 71	At least every 18 months
D	31 to 51	at least every 24 months
E	0 to 30	A programme of alternative enforcement strategies or interventions every three years

The two tables below show the current distribution of food establishments by their risk category (see Figure 3) under the existing scheme and the distribution under the proposed scheme (see Figure 4). A revised upper limit to the “D” banding would give a more even distribution across the three lower risk category bandings.

Figure 3: the current distribution of food establishments by their risk category

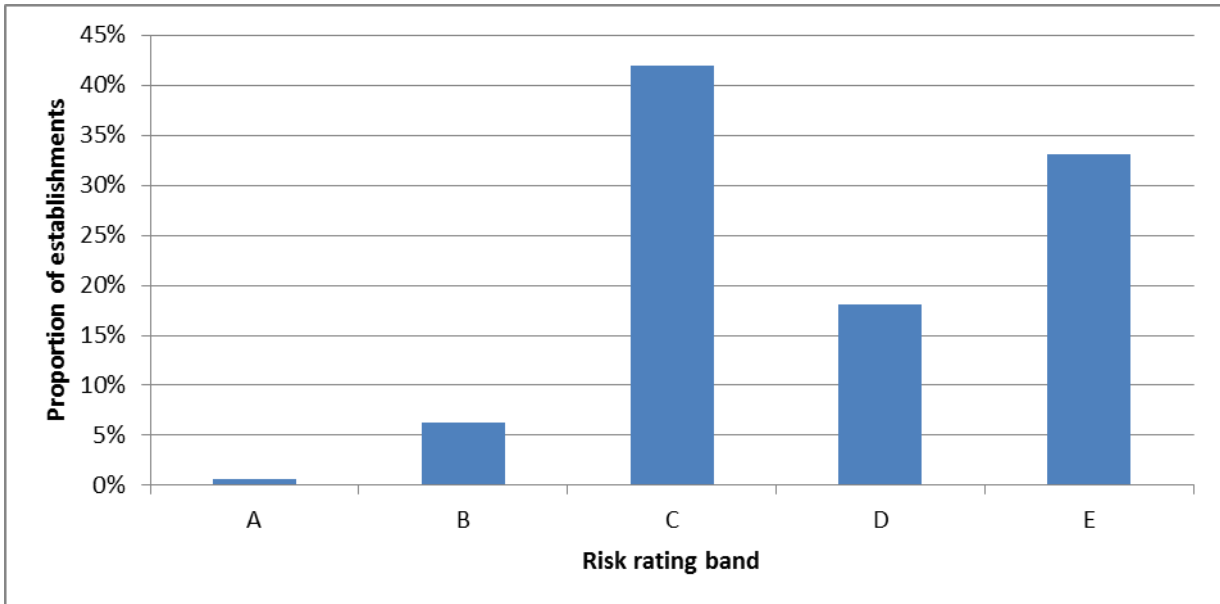
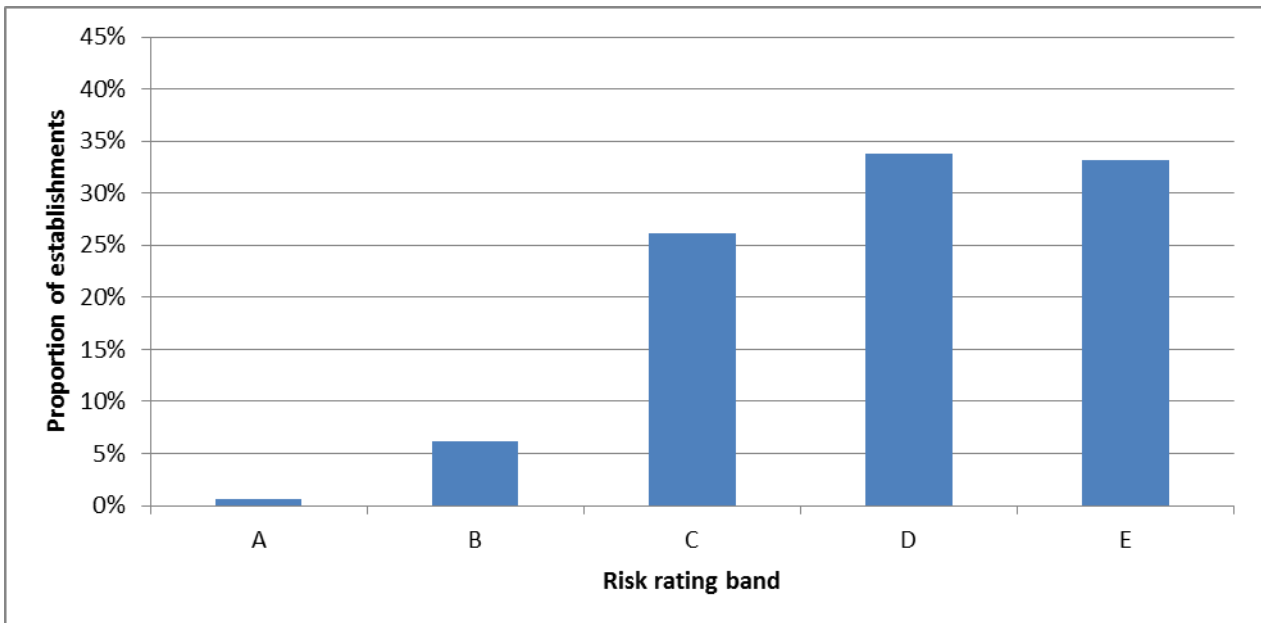


Figure 4: the proposed distribution of food establishments by their risk category



The proposed changes would recognise those food establishments that comply with the hygiene regulations. The level of an establishment's compliance is considered and rated by the following three elements (each factor has a range of scores, with 0 indicating the best possible score):

- I. the level of current compliance with food hygiene and safety procedures (0-25);
- II. the structure of the establishment(0-25); and
- III. confidence in management/control procedures (0-30)

This change would result in a larger percentage of establishments with total compliance scores (0-15) being assigned a rating of band “D”, while those with poorer compliance scores remaining in Band “C”. This would result in a reduced intervention frequency for better performing establishments (see Figures 4 & 5).

Figure 5: Band “C” establishments: compliance scores under the current banding

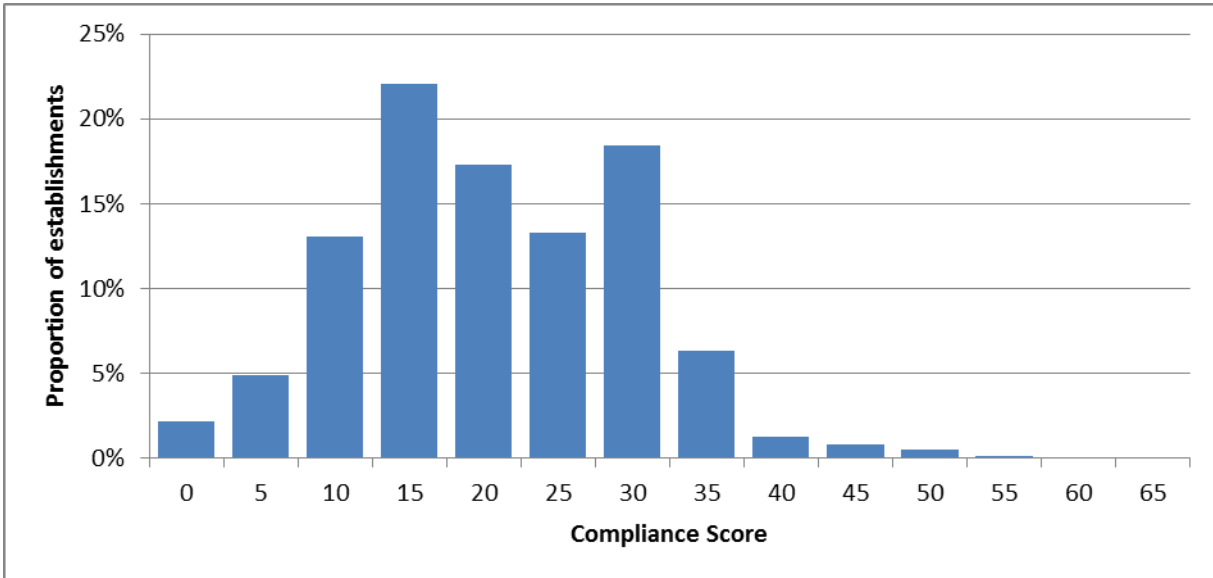
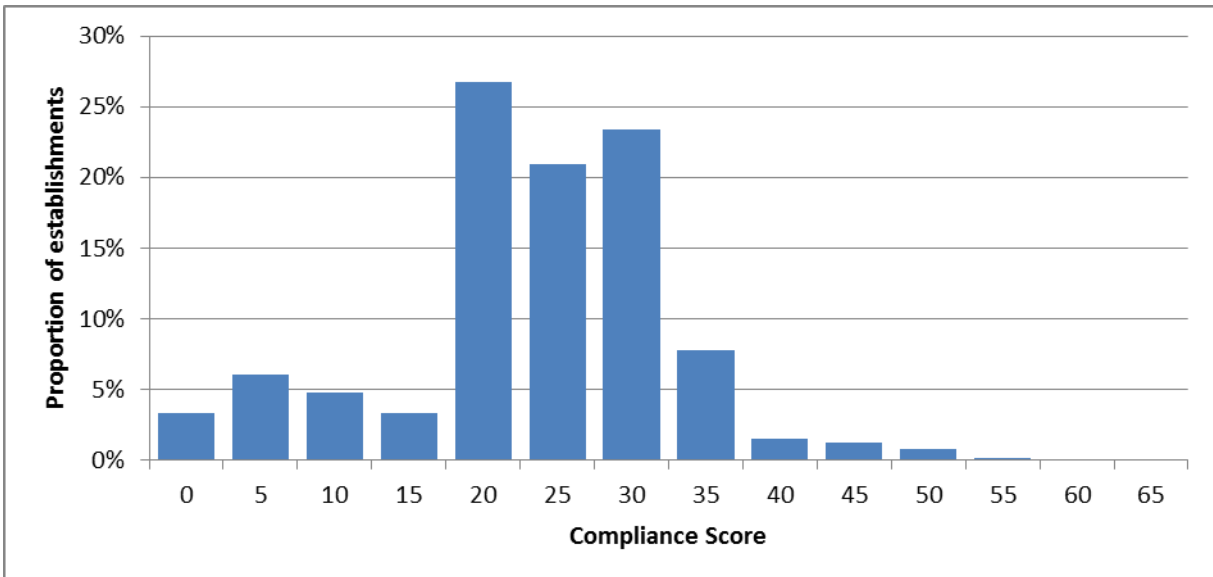


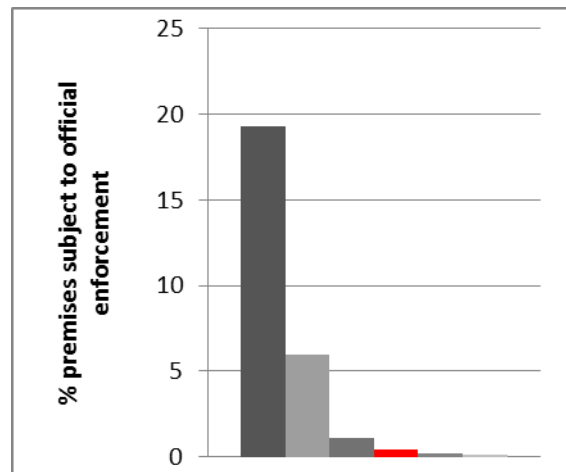
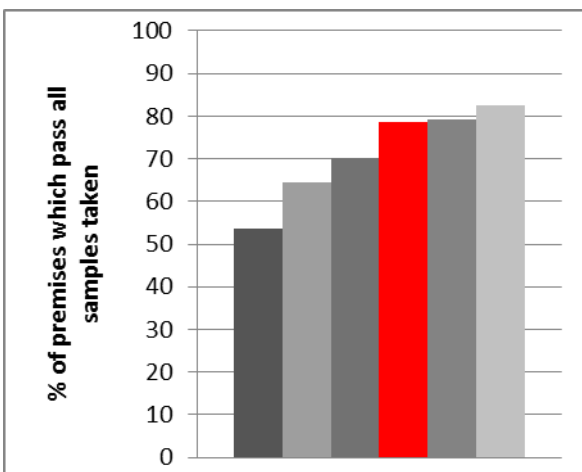
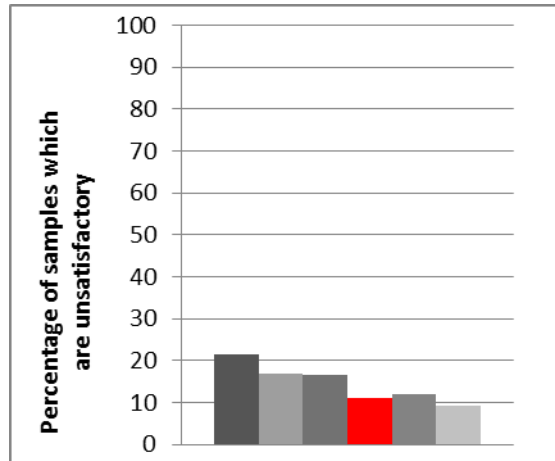
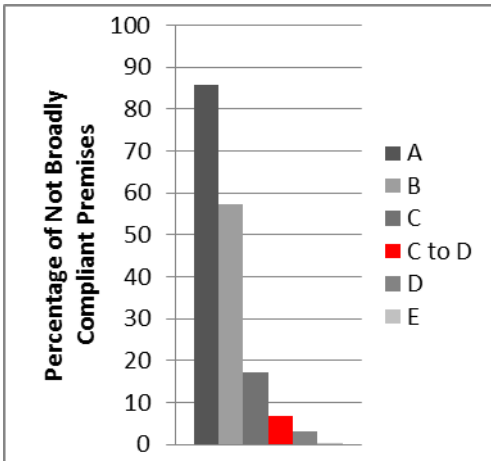
Figure 6: Band “C” establishments: compliance scores under the proposed banding



The proposed amendment would result in an estimated 4.7% reduction of interventions a year within the UK. The effect on different establishment types can be seen in the figure below. It is estimated that the proposed change will result in the reduction in the number of interventions, based on current estimations there are 86,265 food establishments operating in the UK that would be directly affected by the proposed change.

In addition to comparing the Annex 5 information we are able to compare other characteristics of establishments in each risk band across a range of measures. These characteristics represent secondary indicators that can be used to provide further reassurance of the conditions within the establishments.

These indicators are the percentage of establishments that are not broadly compliant, the percentage of samples which are unsatisfactory, the percentage of premises which pass all samples taken, and the percentage of premises subject to official enforcement.



The red bar represents the establishments that would move from C band to D band if D band were to be widened. As can be seen, this subset of the current C rated establishments (those that would move) is “better” on all indicators than the remaining establishments in the C band. The group of establishments that would move from the C band to the D band therefore represents a “good” subgroup of current C rated establishments, which would support the move to reduce the inspection frequency of these establishments.

In addition, they are closer to the current D establishments’ performance, than the rest of the current C establishments, suggesting that they align more naturally with D rated establishments rather than C rated establishments.

The extent to which this change will affect individual local authorities is dependent on their existing distribution of food establishments within their area. To illustrate the effect this change will have a number of examples can be found at Annex D which are based on the following local authorities:

- I. Belfast City Council
- II. Winchester City council
- III. London borough of Barnet
- IV. South Tyneside Council

Questions: Redistribute the type of establishments allocated to different risk categories for hygiene.

Q4: Do you agree with the proposal to redistribute the risk categories to focus on high risk establishments and will this help local authorities identify those businesses that need more regulatory activity, please provide evidence to support your views?

Q5: Do you foresee any positive or negative effects arising from this change?

Q6: Would you support further revisions to the Code to increase the frequency of intervention at higher risk establishments and reduce the frequency at lower risk establishments and how would you like to see this achieved?

**Q7: At figure 8 within the impact assessment at Annex B we have estimated an average time to undertake an inspection at business type. Do you agree with the estimations given?
(Can any alternative estimations submitted please state whether they include time spent pre and post the inspection)**

Q8: We have estimated that each officer involved in implementing Annex 5 will now need to spend an additional hour familiarising themselves with the changes, do you agree with this estimation?

Proposed Amendment 2: Division of enforcement responsibilities in co-located meat establishments in Great Britain

EU Regulation 852/2004 lays down general food hygiene rules which apply to all food establishments, while EU Regulation 853/2004 provides specific hygiene rules for Products of Animal Origin (POAO).

Responsibility for executing and enforcing the EU hygiene legislation is divided between the FSA and LAs as set out in Regulation 5 of the Food Hygiene (England) Regulations 2006 (similar legislation applies in the devolved countries). In the case of food business operators (FBOs) whose operations fall to both Regulation 852/2004 and Regulation 853/2004, Regulation 5(2) provides that –

- I. The FSA shall execute and enforce the Hygiene Regulations in so far as the operator concerned is carrying out operations in relation to (i) a

slaughterhouse, (ii) a game handling establishment (GHE), or (iii) a cutting plant (CP); and

- II. The FSA or the food authority in whose area the FBO carries out his operations shall execute and enforce the Hygiene Regulations in so far as the operator concerned is carrying out operations in relation to any establishment that is not specified in sub-paragraph (a).

The FSA is designated as having enforcement capability for the Hygiene Regulations in any establishment where both Regulation 852/2004 and Regulation No 853/2004 apply to the FBO's operations, while the LA has this capability only in such establishments which are not approved slaughterhouses, game-handling establishments or cutting plants.

The flexibility provided by Regulation 5(2) (b) allows for enforcement in establishments where a combination of meat, other products of animal origin (OPOAO) and/or non-products of animal origin (non – POAO) are handled to be arranged between the FSA and the LA on a case-by-case basis at the request of the FBO.

It is proposed to make the current policy more flexible in cases where responsibility for enforcement of food hygiene rules in co-located establishments is divided between a LA and the FSA. This occurs in situations where a combination of meat, other products of animal origin (OPOAO) and/or products of not animal origin (non-POAO) are handled or produced in establishments. This flexible policy would be applied only on a case-by-case basis at the request of the FBOs in **Great Britain**.

Enforcement in stand-alone establishments producing minced meat, meat preparations, mechanically separated meat, meat products, rendered animal fats and greaves, treated stomachs, bladders and intestines, gelatine and/or collagen is the responsibility of the local authority. However, the current policy, as set out in the Code, is that, where a slaughterhouse, GHE or CP is also producing any of the above products, the FSA will take sole responsibility for enforcement at the establishment

In the light of the flexibility in the division of enforcement responsibilities the FSA proposes that the current policy be extended so that FBOs may request that the FSA becomes the sole enforcement body in relation to food operations, to which either Regulation 852/2004 or Regulation 853/2004 applies, except co-located establishments involved in retail activity which would remain under LA control.

A change of enforcement responsibility at any particular establishment must be subject to mutual agreement between the FBO, the FSA and the LA that would normally be responsible for enforcement at the establishment in respect of any OPOAO operations subject to Regulation 853/2004 or activities subject to Regulation 852/2004 except those of retail. In these cases, the LA will consider what, if any, future information it wants from the FSA about the establishment.

The aim of this amendment is, wherever possible; to avoid dual enforcement of official controls in establishments where meat and other food activities are co-located. This change would apply only to enforcement of hygiene controls. Other requirements of food law will continue to be enforced by other bodies, such as local trading standards teams upon referral by the FSA when non-compliance is observed or when other regulators have scheduled interventions.

Questions: Division of enforcement responsibilities in co-located meat establishments in Great Britain.

Q9: Do you consider that the increased flexibility will make it easier for businesses and LAs?

Q10: Will this increased flexibility provide benefits for business in reducing the time spent dealing with dual official control activity?

Q11: The Agency would welcome any evidence submitted on the amounts of time saved from the introduction of this flexibility.

Q12: Will there be any additional considerations necessary by the competent authorities when transferring responsibility from one body to another?

Consultation Process

The amendments to Annex 5 have been discussed at the Food Hygiene Focus Group (FHFG) prior to this public consultation. During this consultation period the proposed amendments will be discussed in full by the FHFG and by the Code review stakeholder group.

Information gathered as part of this consultation will be considered when preparing a finalised version of the Code for submission to the Minister of State for approval. Information supplied by consultees will also inform the assessment of the impact these revision will have.

Other relevant documents

1. Specify here, and provide links to them if available, other key documents that are not included in the consultation packs, such as EU or EFSA documents. (There is an offer in Annex A to provide paper copies of these if requested.)

Responses

2. **Responses are required by close 17 September 2013.** 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,

**Nathan Philipppo
Delivery Quality Assurance
Enforcement and Local Authority Delivery Division**

Enclosed

Annex A: Standard Consultation Information

Annex B: Impact Assessment

Annex C: List of interested parties

Annex D: Examples

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 we shall keep a copy of the completed consultation and responses, to be made available to the public on receipt of a request to the [FSA Consultation Coordinator](#) (020 7276 8140). The FSA will publish a summary of responses, which may include your full name. Disclosure of any other personal data would be made only upon request for the full consultation responses. 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 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. Please contact us for alternative versions of the consultation documents in Braille, other languages or audiocassette.
7. Please let us know if you need paper copies of the consultation documents or of anything specified under '**Other relevant documents**'.
8. This consultation has been prepared in accordance with HM Government consultation principles¹.
9. An Impact Assessment will normally be published alongside a formal consultation. Please see the Impact Assessment at Annex B.
10. For details about the consultation process (not about the content of this consultation) please contact: [Food Standards Agency Consultation Co-ordinator](#), Room 2B, Aviation House, 125 Kingsway, London, WC2B 6NH. Tel: 020 7276 8140.

¹ <http://www.bis.gov.uk/policies/bre/consultation-guidance>

Comments on the consultation process itself

11. 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>
12. 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: The Food Law Code of Practice Review IA No: FOODSA0140 Lead department or agency: Food Standards Agency Other departments or agencies:	Impact Assessment (IA)
	Date: 01/03/2013
	Stage: Development/Options
	Source of intervention: Domestic
	Type of measure: Other
Contact for enquiries: Nathan.philippo@foodstandards.gsi.gov.uk Tel: 0207 276 8503	

Summary: Intervention and Options **RPC Opinion:** RPC Opinion Status

Cost of Preferred (or more likely) Option			
Total Net Present Value	Business Net Present Value	Net cost to business per year (EANCB on 2009 prices)	In scope of One-In, Measure qualifies as One-Out?
£0.96m	£-1.02m	£-0.96m	Yes/No
			In/Out/zero net cost

What is the problem under consideration? Why is government intervention necessary?
 In the UK, local authorities are responsible for monitoring compliance of establishments with, and enforcement of, the main body of food law (including rules on food hygiene and safety, and on food standards). Direction and guidance on the approach that local authority food law regulatory services should take is given in a statutory Code of Practice. This Code, which sets out instructions and criteria to which the authorities must have regard, requires periodic revision to ensure that it reflects the current enforcement practices and supports local authorities' delivery of their official control obligations and that enforcement is effective, consistent, risk based and proportionate.

What are the policy objectives and the intended effects?
 The objectives are to:
 (i): clarify and update the risk descriptors used to assign intervention frequency scores at food establishments, thereby enhancing consistency of approach by local authority officers in intervention scoring;
 (ii): improve the effectiveness in enforcement by redistributing the minimum intervention frequency of a number of establishments, which would allow local authorities to focus on those establishments that are persistently non-compliant with food law; and
 (iii): To enable a single competent authority to take on all enforcement and control activities at an establishment where possible, thereby reducing need for dual enforcement.

What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base)
 Option 1: Do nothing, the Code would not be amended and the current system would continue

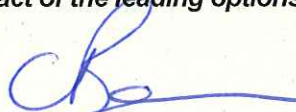
 Option 2: Improve efficiency in delivery through amendments to the existing scheme within the Code of Practice to reduce the regulatory burden and extend existing flexibilities.
 Option 2 is **preferred** as it would improve the effectiveness and efficiency of the delivery of interventions and enforcement compared to the current situation.

Will the policy be reviewed? It will be reviewed. If applicable, set review date: Month/Year

Does implementation go beyond minimum EU requirements?			No		
Are any of these organisations in scope? If Micros not exempted set out reason in Evidence Base.	Micro Yes	< 20 Yes	Small Yes	Medium Yes	Large Yes
What is the CO ₂ equivalent change in greenhouse gas emissions? (Million tonnes CO ₂ equivalent)			Traded:		Non-traded:

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: 19/6/13

Summary: Analysis & Evidence

Policy Option 1

Description: Do nothing, the Code would not be amended and the current system would continue

FULL ECONOMIC ASSESSMENT

Price Base Year 2012	PV Base Year 2012	Time Period Years 10	Net Benefit (Present Value (PV)) (£m)		
			Low: Optional	High: Optional	Best Estimate: n/a

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	n/a	n/a	n/a

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

None. This is the baseline which all other options are appraised against

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

None. This is the baseline which all other options are appraised against

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	n/a	n/a	n/a

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

None. This is the baseline which all other options are appraised against

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

None. This is the baseline which all other options are appraised against

Key assumptions/sensitivities/risks

Do Nothing represents the current policy situation, without intervention

Discount rate (%)

3.5

BUSINESS ASSESSMENT (Option 1)

Direct impact on business (Equivalent Annual) £m:			In scope of OIOO?	Measure qualifies as
Costs: n/a	Benefits: n/a	Net: n/a	Yes/No	IN/OUT/Zero net cost

Summary: Analysis & Evidence

Policy Option 2

Description: Improve efficiency in delivery through the amendments to the existing scheme within the Code of Practice to reduce the regulatory burden and extend existing flexibilities

FULL ECONOMIC ASSESSMENT

Price Base Year 2012	PV Base Year 2012	Time Period Years 10	Net Benefit (Present Value (PV)) (£m)		
			Low: Optional	High: Optional	Best Estimate: £0.96

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	£0.06	£0	£0.06

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

One-Off Familiarisation costs to Local Authorities: £55,426

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

None

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	£1.02	£1.02

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

Annual time savings to Industry from lower frequency of interventions of low risk establishments: £1,023,224.

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

Efficiency benefit to Local Authorities from more efficient resource allocation

Key assumptions/sensitivities/risks	Discount rate (%)	3.5
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BUSINESS ASSESSMENT (Option 2)

Direct impact on business (Equivalent Annual) £m:	In scope of OIOO?	Measure qualifies as
Costs: £0	Yes	OUT
Benefits: £1.02		
Net: £-1.02		

Evidence Base (for summary sheets)

Problem under consideration and rationale for intervention

In the UK, local authorities (LAs) are responsible for the verification of compliance with food law in food business establishments. Direction and guidance on the approach that LAs should take is in the statutory Code of Practice (Code). This Code sets out instructions and criteria which LAs must have regard to when discharging their duties. It requires periodic revisions to ensure that it reflects current enforcement policies so that enforcement action taken by officers is effective, consistent and proportionate.

The review process is being undertaken in a staged approach and is the second of three planned revisions. The Food Standards Agency (FSA) has identified a number of improvements required that can be undertaken now and will underpin further more significant revisions. The review process, therefore, is a long term project with changes planned in 2014. This impact assessment only covers two of those areas, which the (FSA) has considered to be crucial to implement now which will improve operation efficacy in relation to the allocation of resources in the delivery of official controls.

Policy Objectives

The overall objective for this initiative is to enable LAs to adopt a flexible approach to enforcement while maintaining a high level of public health protection. Furthermore, the proposed initiative would also have an impact on the economic cost and benefit of the whole food production industry, including small and medium size enterprises (SME) such as retailers.

The specific objective is to update and revise the Code to:

- I. clarify and update the risk descriptors used to assign intervention frequency scores at food establishments, thereby enhancing consistency of approach by local authority officers in intervention scoring;
- II. improve the effectiveness in enforcement by redistributing the minimum intervention frequency of a number of establishments, which would allow local authorities to focus on those establishments that are persistently non-compliant with food law; and
- III. To enable a single competent authority to take on all enforcement and control activities at an establishment where possible, thereby reducing need for dual enforcement.

The underlying drivers are different for the proposed amendments, as explained below:

- I. The Annex 5 of the Code is a fundamental for the delivery of official controls activities by local authorities and is the primary tool used to quantifying the risk presented by a food establishment. Due to the changing nature of the food industry it is imperative that the system employed reflects current working practices and reduces any incidents that result in food industry being subject to inconsistent approach by the regulators.
- II. Due to increasing financial pressures LA are forced to focus their available resources at those food establishments that present the greatest risk to public health. The FSA will amend Annex 5 to reduce the minimum intervention frequency for a proportion of the lower risk establishments, allowing better targeting of resources and reducing the regulatory burden on compliant establishments.
- III. Under the current arrangements an establishment can be subject to enforcement activity both the FSA and an LA if it is involved in certain activities resulting in an unnecessary regulatory burden. To reduce the need for establishments to be subject to dual enforcement by separate bodies, the FSA will take over the enforcement of all activities where possible with the consent of all parties.

Proposed Amendment 1: Risk assessment

1. There are approximately 600,000¹ food establishments in the UK. These include primary producers, manufacturers, processors, packers, importers, distributors, wholesalers, retailers, restaurants and caterers. These establishments are all subject to the requirements of food law. Food law that applies in the UK originates at European Community level, and this includes rules on food hygiene and food standards.
2. Responsibility in the UK for verifying compliance with food law in food establishments is divided between different competent authorities. For the most part, this responsibility is delegated by the Food Standards Agency (FSA) as the Central Competent Authority to the 434 local authorities in the UK. In undertaking these responsibilities, LAs must comply with the requirements of Regulation (EC) No. 882/2004² on official controls. This Regulation sets out the general approach that must be taken and the principles that must be adopted to undertake regular official controls (checks to ensure compliance with food law) on the basis of risk.
3. In carrying out their duties, LAs must have regard to the direction given by the FSA in the Code (separate but parallel Codes apply in England, Scotland, Wales and Northern Ireland) when discharging their duties. The current Code for England, the Food Law Code of Practice (England), was published in 2012³.
4. The Code includes food establishment intervention-rating schemes - one for food hygiene and one for food standards (composition, chemical contaminations, adulteration and labelling) - for determining the frequency for interventions at food establishment's using risk assessment criteria. These criteria include: the potential hazard or potential risk; the level of (current) compliance by the establishments and, the confidence in management and in control systems. These individual criteria are "scored" and the collective total is used to assign a "risk category" to an establishment, which then determines the minimum intervention frequency it should receive (see Figure 1 below).
5. The FSA has identified inconsistencies in the application of intervention ratings, in that establishments carrying out similar activities are being subject to different intervention frequencies, depending on how LAs interpret the current intervention ratings. This situation has generated two main concerns:
 - I. food safety may be jeopardized, if risks criteria are not properly addressed; and
 - II. unfair competition may occur, if similar activities are subject to different interpretation by different LAs.
6. The FSA, therefore, intends to revise this scheme in two ways:
 - I. updating and clarifying the text used to describe the level of risk; and
 - II. Redistributing the type of establishment's allocated to different risk categories.

Updating and clarifying the text in relation to food establishment intervention rating scheme for hygiene:

7. It has become apparent that the current descriptors are subject to a range of interpretations leading to LAs assigning different intervention frequencies to food establishments presenting similar risks. This inconsistent approach has been highlighted by the food industry. The FSA has delivered consistency training to all local authorities within the UK over the last 5 years and during this process a number of conflicting interpretations have been presented.
8. For example:

The intervention rating scheme requires that the level of risk within an establishment should be higher when establishments are involved in certain high risk methods of processing. The interpretation of what constitutes a higher risk method of processing can vary between officers and LAs. The revised descriptors should focus the officers on those:

¹ <http://www.food.gov.uk/multimedia/pdfs/board/fsa121106.pdf>

² <http://www.food.gov.uk/multimedia/pdfs/8822004ecregulation.pdf>

³ <http://www.food.gov.uk/enforcement/enforcework/foodlawcop/copengland/>

“that undertake a specific method of processing (including those that extend the shelf life of the product) that has the potential to increase the risk to public health beyond that of the normal cooking or storage”

9. These clarifications would improve the harmonised interpretation of existing definitions, and reduce the level of inconsistencies in the scoring. The proposed changes to the descriptors will assist local authority officers undertaking official controls to profile the potential risk a food establishments presents to public health. This profiling allows local authorities to assign Intervention frequency based on individual circumstances within a establishments.
10. The FSA has already committed to providing consistency training to all local authorities within the UK over the last 5 years and will continue to do so in the future. The feedback received during this training has been an invaluable source of information that has informed the intended revisions. The proposed amendments also seek to modernise the language used to better describe the more complex nature of the food industry and provide illustrative examples which reflect situation that local authority officers are likely to encounter.
11. The proposed descriptors would be applied at the next scheduled intervention of the food establishments; it is not expected that LA would need to retrospectively apply this to establishments who have already been assigned an intervention rating.

Redistribute the type of establishments allocated to different risk categories for hygiene:

Existing situation

12. The Annex 5 risk intervention categories are based upon the collective score of the various risk assessment criteria. This enables LAs to determine a minimum intervention frequency that the establishment needs to be subject to within their area.
13. To ensure that public protection is maintained during a time when resources are limited the FSA need to make changes to the Code that will ensure that resources are directed at those establishments that present the greater risk.
14. The FSA intends to address this need to refine the allocation of risk category to a establishment to allow for increased targeting of resources. The current numerical distribution (see Figure 1) of the risk bandings results in local authorities assigning large volume of food establishments with the risk category of “C”. This results in establishments that are broadly compliant with food law being assigned the same frequency of intervention as those that struggle to meet legal requirements.

Figure 1: Current Food Hygiene Intervention Frequency

Category	Score	Minimum intervention frequency
A	92 or higher	At least every six months
B	72 to 91	At least every 12 months
C	42 to 71	At least every 18 months
D	31 to 41	at least every 24 months
E	0 to 30	A programme of alternative enforcement strategies or interventions every three years

15. LAs are under increasing resource pressure to deliver their official control programme. Given that these resources are finite, the proposals will allow them a smarter way of allocating resources to those establishments that are in the higher risk category.
16. Anecdotal evidence from LAs is that the current break down in risk categories in Annex 5 is not functioning as well as intended, with excessively large amounts of establishments being allocated within the “C” category and its broadly range including compliant establishments struggling to move

to one of the lower risk categories (“D or E”). This amendment to the scoring will increase the recognition given to those food establishments that are broadly compliant with food safety legislation.

17. This evidence is supported by the analysis with this document below which was based on the Local Authority Enforcement Monitoring System returns data for 2010/2011. Under the current distribution an estimated 230,107 food establishments within the UK are currently categorised within the medium risk category of “C”, with only 99,171 current with the “D” band.

Proposed situation

- 18. The FSA is proposing to reduce the width of the “C” category and increase the width of the “D” category which would redistribute a number of establishments to the lower risk category.
- 19. The proposed amendment to the bands would, for example, reduce the intervention frequency for a subset of the establishment currently inspected every 18 months to a frequency of every 24 months, will allow local authorities to direct their resources in targeting high risk establishments. (see Figure 2).

Figure 2: Proposed Food Hygiene Intervention Frequency

Category	Score	Minimum intervention frequency
A	92 or higher	At least every six months
B	72 to 91	At least every 12 months
C	52 to 71	At least every 18 months
D	31 to 51	at least every 24 months
E	0 to 30	A programme of alternative enforcement strategies or interventions every three years

20. The two tables below show the current distribution of food establishments by their risk category (see Figure 3) under the existing scheme and the distribution under the proposed scheme (see Figure 4). A revised upper limit to the “D” banding would give a more even distribution across the three lower risk category bandings.

Figure 3: the current distribution of food establishments by their risk category

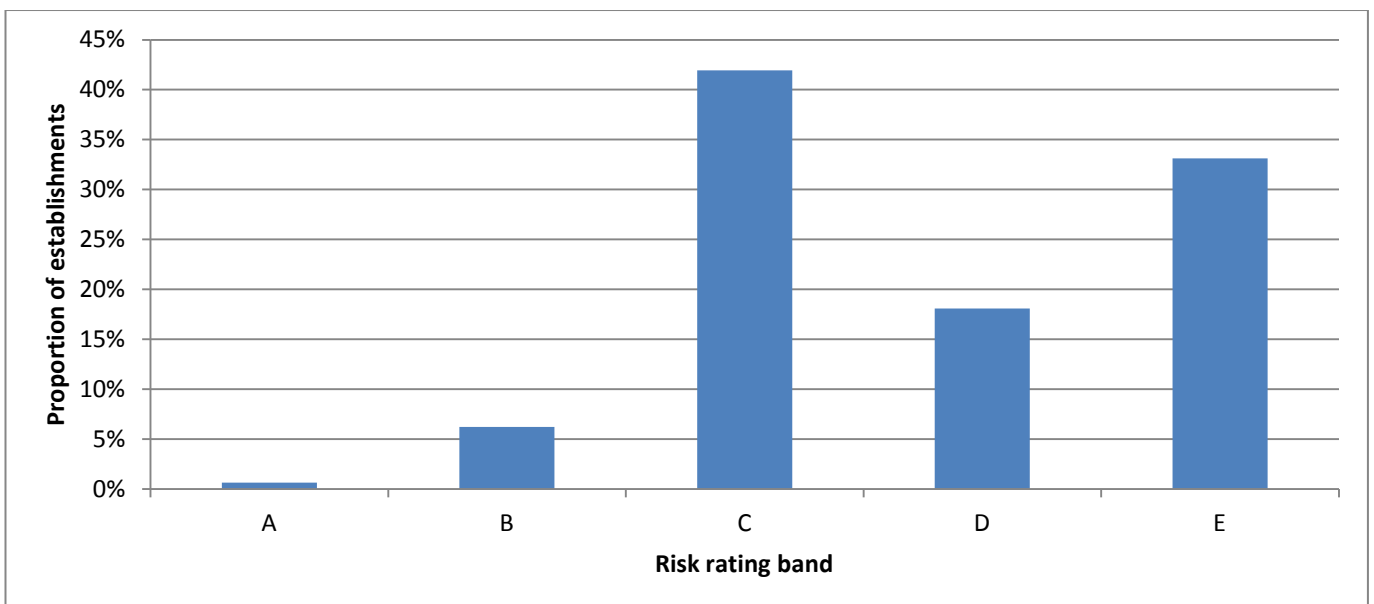
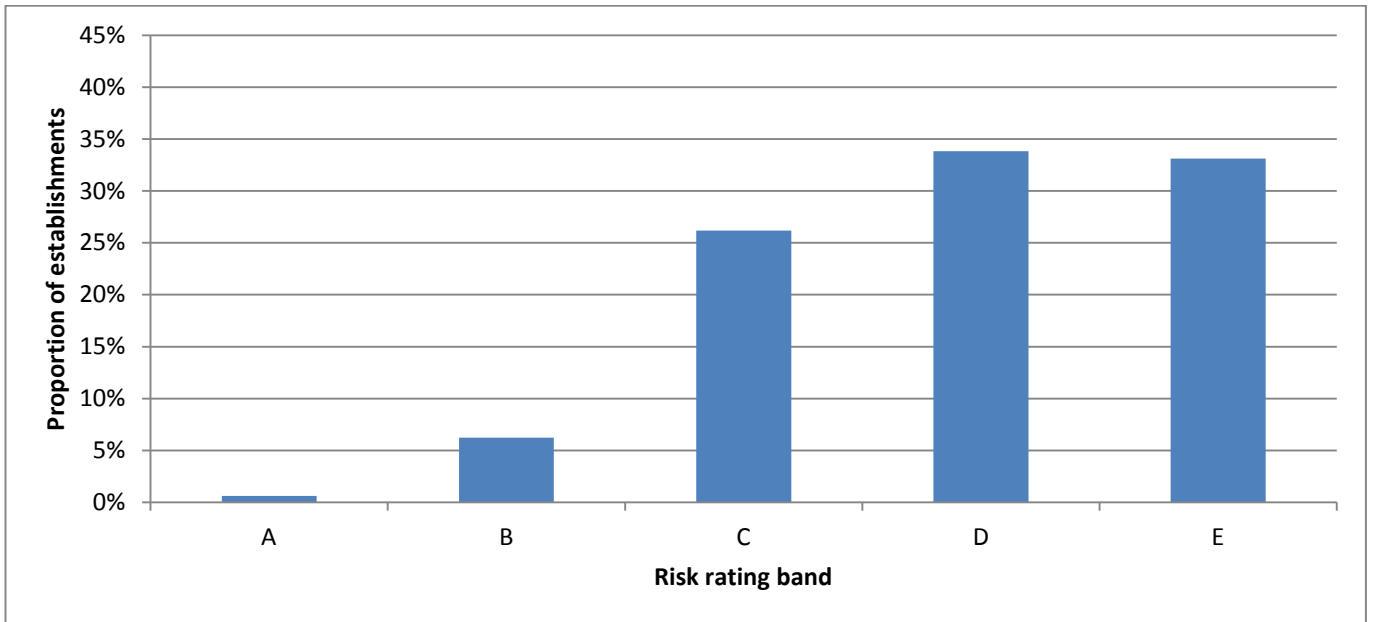


Figure 4: the proposed distribution of food establishments by their risk category



21. The proposed changes would recognise those food establishments that comply with the hygiene regulations. The level of establishments compliance is considered and rated by the following three elements (each factor has a range of scores, with 0 indicating the best possible score):

- I. the level of current compliance with food hygiene and safety procedures (0-25);
- II. the structure of the establishment(0-25); and
- III. confidence in management/control procedures (0-30)

22. This change would result in a larger percentage of establishments with total compliance scores (0-15) being assigned a rating of band “D”, while those with poorer compliance scores remaining in Band “C” (see Figures 5 & 6).

Figure 5: Band “C” establishments: compliance scores under the current banding

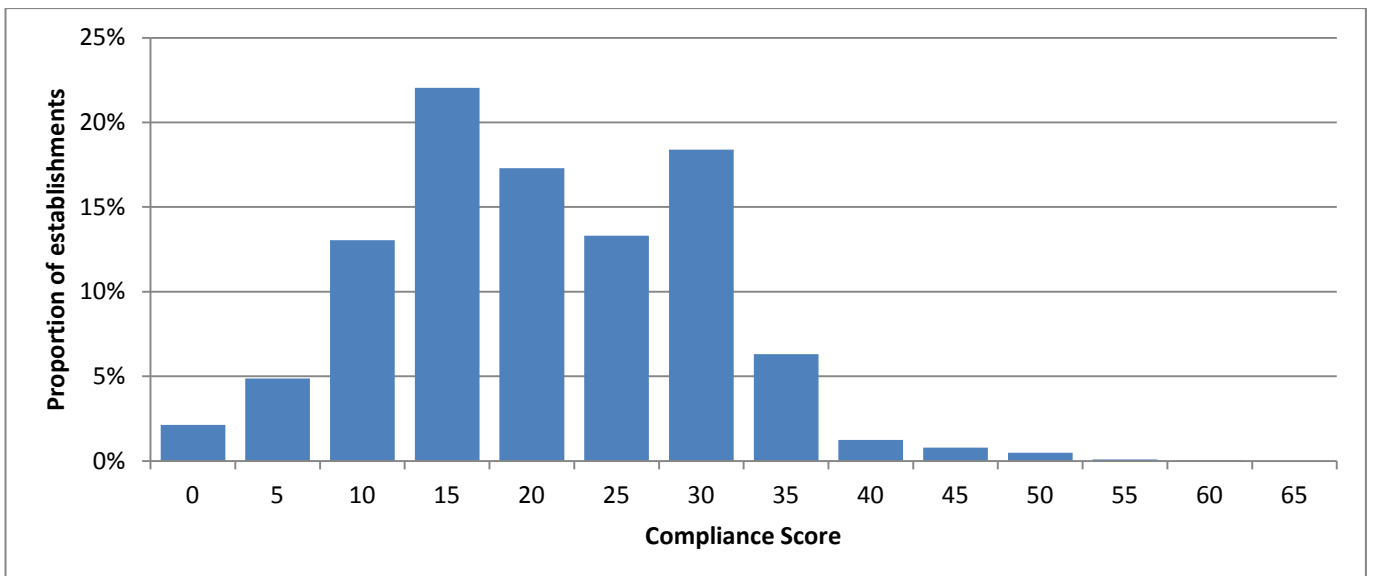
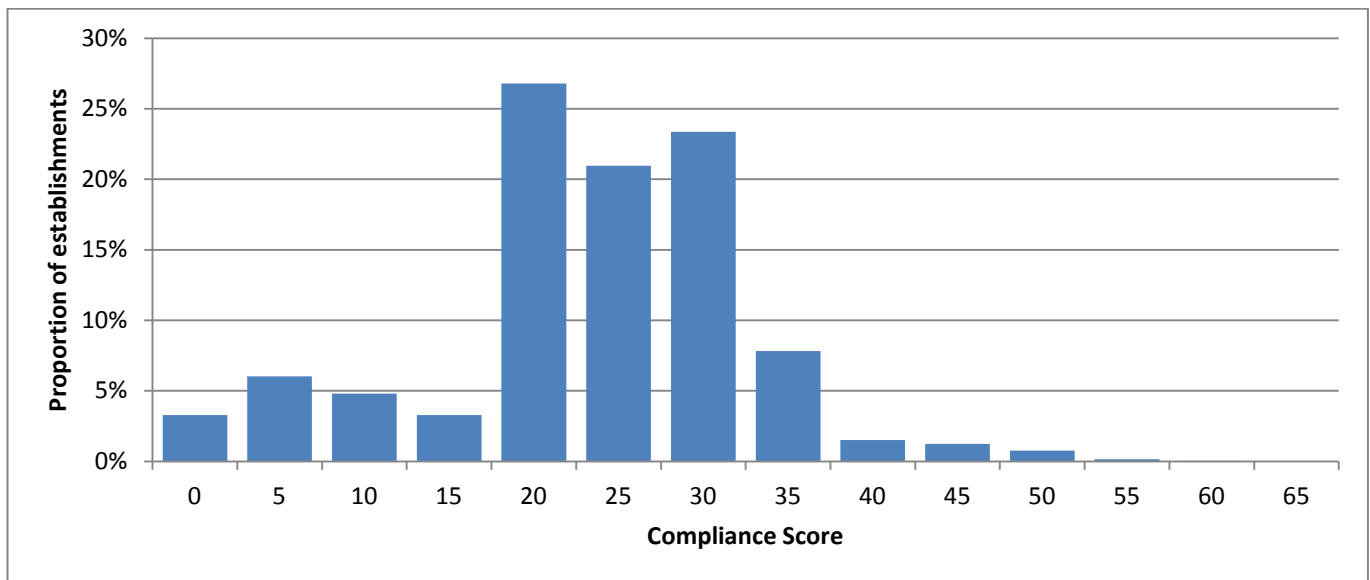


Figure 6: Band “C” establishments: compliance scores under the proposed banding



23. The proposed amendment would result in an estimated 4.7% reduction of interventions a year within the UK. The effect on different establishment types can be seen in the figure below. The figure 7 shows the effect on the intervention frequencies for the different food establishment types, by comparing the current intervention data with data generated if the proposed amendments were made. The application of this amendment would have an immediate effect on the intervention plans of a local authority.

Figure 7: Reduction in intervention frequency by establishment type

Risk Band	Distributors / Transporters		Importers / Exporters		Manufacturers and Packers	
	Currently	After Changes	Currently	After Changes	Currently	After Changes
A	50	50	4	4	1,224	1,224
B	105	105	13	13	2,701	2,701
C	738	304	71	32	3,528	2,419
D	915	1,240	83	112	1,293	2,125
E	1,680	1,680	163	163	1,583	1,583
Total	3,487	3,379	334	324	10,329	10,051

Risk Band	Primary producers ⁴		Restaurants and Caterers		Retailers	
	Currently	After Changes	Currently	After Changes	Currently	After Changes
A	34	34	4,724	4,724	862	862
B	83	83	28,232	28,232	3,018	3,018
C	252	141	128,227	82,338	20,588	10,558
D	329	412	33,121	67,538	13,847	21,369
E	816	816	35,330	35,330	21,010	21,010
Total	1,514	1,486	229,634	218,162	59,325	56,817

24. The FSA sees these proposed changes as being consistent with its intention to deliver improved risk and outcome-based regulatory enforcement practice. Those establishments with poor compliance scores pose a greater risk to public health as they fail to implement adequate controls to mitigate potential risk. This proposed change would result in reduced intervention frequencies for broadly compliant establishments that pose less of a risk to public health, while freeing up LA resources to

⁴ The frequency of intervention for primary production is now determined by the visit frequency set for the purposes of food standards as it is undertaken by trading standards officers.

focus their efforts appropriately at those businesses that pose a significant risk, such as establishments where poor hygiene practices result in cross contamination.

Proposed Amendment 2

Division of enforcement responsibilities in co-located meat establishments in Great Britain

25. EU Regulation 852/2004 lays down general food hygiene rules which apply to all food establishments, while EU Regulation 853/2004 provides specific hygiene rules for Products of Animal Origin (POAO).
26. Responsibility for executing and enforcing the EU hygiene legislation is divided between the FSA and LAs as set out in Regulation 5 of the Food Hygiene (England) Regulations 2006 (similar legislation applies in the devolved countries). In the case of food business operators (FBOs) whose operations fall to both Regulation 852/2004 and Regulation 853/2004, Regulation 5(2) provides that –
 - I. the FSA shall execute and enforce the Hygiene Regulations in so far as the operator concerned is carrying out operations in relation to (i) a slaughterhouse, (ii) a game handling establishment (GHE), or (iii) a cutting plant (CP); and
 - II. The FSA or the food authority in whose area the FBO carries out his operations shall execute and enforce the Hygiene Regulations in so far as the operator concerned is carrying out operations in relation to any establishment that is not specified in sub-paragraph (a).
27. The FSA is designated as having enforcement responsibility for the Hygiene Regulations in any establishment where both Regulation 852/2004 and Regulation No 853/2004 apply to the FBO's operations, while the LA has this capability only in such establishments which are not approved slaughterhouses, game-handling establishments or cutting plants.
28. The flexibility provided by Regulation 5(2) (b) allows for enforcement in establishments where a combination of meat, other products of animal origin (OPOAO) and/or non products of animal origin (non – POAO) are handled to be arranged between the FSA and the LA on a case-by-case basis at the request of the FBO.
29. It is proposed to make the current policy more flexible in cases where responsibility for enforcement of food hygiene rules in co-located establishments is divided between a LA and the FSA. This occurs in situations where a combination of meat, other products of animal origin (OPOAO) and/or non-products of animal origin (non-POAO) are handled or produced in establishments. This flexible policy would be applied only on a case-by-case basis at the request of the (FBOs) in Great Britain.
30. Enforcement in stand-alone establishments producing minced meat, meat preparations, mechanically separated meat, meat products, rendered animal fats and greaves, treated stomachs, bladders and intestines, gelatine and/or collagen is the responsibility of the local authority. However, the current policy, as set out in the Code, is that, where a slaughterhouse, GHE or CP is also producing any of the above products, the FSA will take sole responsibility for enforcement at the establishment
31. In the light of the flexibility in the division of enforcement responsibilities the FSA proposes that the current policy be extended so that FBOs may request that the FSA becomes the sole enforcement body in relation to food operations, to which either Regulation 852/2004 or Regulation 853/2004 applies, except co-located establishments involved in retail activity which would remain under LA control. However, such a change of enforcement at any particular establishment would be must be subject to mutual agreement between the FBO, the FSA and the LA that would normally be responsible for enforcement at the establishment in respect of any OPOAO operations subject to Regulation 853/2004 or activities subject to Regulation 852/2004 except those of retail. In these

cases, the LA will consider what, if any, future information it wants from the FSA about the establishment.

32. The aim of this amendment is, wherever possible; to avoid dual enforcement of official controls in establishments where meat and other food activities are co-located. This change would apply only to enforcement of hygiene controls. Other requirements of food law will continue to be enforced by other bodies, such as local trading standards teams upon referral by the FSA when non-compliance is observed or when other regulators have scheduled interventions.

Sectors and Groups affected

33. Under **Proposed Amendment 1**, LAs that are responsible for intervention rating food establishments for hygiene purposes will need to read and familiarise themselves with the amended scheme. LAs and lower risk food establishments will be subject to a reduced intervention requirement.
34. Under **Proposed Amendment 2**, LAs and the FSA, as competent authorities that undertake official control activities will see a potential reduction or increase in official control activities. Food establishments that adopt this flexibility should see a reduction in the number of separate official control visits undertaken by different competent authorities.

Option Appraisal

Option 1: Do nothing, the Code would not be amended and the current system would continue

Costs and Benefits

35. There are no costs and benefits associated with this option; this is the baseline against which all other options are appraised.

Option 2: Improve efficiency in delivery through the amendments to the existing scheme within the Code of Practice to reduce the regulatory burden and extend existing flexibilities

Costs

Costs to industry:

36. There are no identified costs to industry in relation to either of the two proposed amendments as food establishments do not need to familiarise themselves with the contents of the Code as it places requirements on LAs. None of the proposed amendments will lead to additional costs for industry. As a result of the change, some businesses will be subject to a higher inspection frequency, whilst others will be subject to a lower frequency. The overall impact of the proposed change is however a reduction in the total number of inspections (both overall and within each establishment category).

Costs to Local Authorities:

37. Under **Proposed Amendment 1**, there will be a familiarisation cost to LA for all staff involved in determining intervention frequency of food establishments. FSA enforcement data shows that there were 2,709 full time equivalent LA staff engaged in UK food law enforcement (as at 31st March 2012), split over 406 LA in the UK (326 in England, 32 in Scotland, 22 in Wales and 26 in Northern Ireland).
38. We estimate that an Environmental Health Officer (EHO) will invest 1 hour reading and familiarising themselves with how Annex 5 should be applied to an establishment. The familiarisation cost is monetised by multiplying the time it takes for familiarisation (1hr) by the

wage rate of an EHO (£20.46⁵) and the number of EHOs required for familiarisation (2,709). This results in a total familiarisation cost to Local authorities in the UK of £55,426.

39. In order for one-off costs to be compared to annual costs on an equivalent basis across the time span of the policy, one-off costs are converted into Equivalent Annual Costs (EACs) by dividing the one-off cost by an annuity factor.⁶ The total one-off familiarisation cost to UK enforcement in this proposal is £55,426 which yields an equivalent annual cost of £6,439 over a ten year period.

40. Under **Proposed Amendment 2** there are no identified costs to LAs as the only change from the amendment is a decrease in their regulatory activity.

Benefits

Benefits to industry: Reduced Frequency of Interventions

Benefits to Industry under Proposed Amendment 1

41. There will be benefits to industry due to a reduction in the frequency of intervention at lower risk food establishments. It is estimated that the proposed change will result in the reduction in the number of interventions per establishment category (see Figure 8 below). Based on current estimations there are 86,265 food establishments operating in the UK that would be directly affected by the proposed change.

42. Figure 8 provides an estimated average time for an intervention to be undertaken at the different food establishment, broken down by category. The right hand column shows the reduction in intervention frequency by establishment type. While the a range of interventions exist for the purposes of this impact assessment the time taken is based upon an ‘inspection’ intervention as these are the type most commonly employed by local authorities (derived from Figure 7).

Figure 8: Intervention times per establishment type

Establishments type	Time to undertake an intervention	Reduction (number of interventions)
Primary Producers	Frequency of intervention is determined under a separate system so will not be affected by this change.	28
Manufacturers and Packers	7 hours	278
Importers/Exporters	1 hour	10
Distributors/Transporters	3 hours	108
Retailers	1 hour	2,508
Restaurants and Caterers	3 hours	11,472

43. The benefit to industry from a reduction in the number of interventions can be monetised as a time saving. Normally an establishment manager needs to accompany the LA officer during an intervention and the reduction in interventions therefore represents a time saving since the establishment manager can now focus on establishment activities instead.

⁵ Wage cost from the Annual Survey of Household Earnings (2011) (<http://www.ons.gov.uk/ons/guide-method/surveys/list-of-surveys/search/index.html?survey=Annual+Survey+of+Hours+and+Earnings+%28ASHE%29&content-type=Dataset&content-type=Reference+table&sortDirection=DESCENDING&sortBy=pubdate3>). Median hourly wage of an ‘Environmental health officer’ is used and is £15.74, plus 30% overheads totalling £20.46.

⁶ The annuity factor is essentially the sum of the discount factors across the time period over which the policy is appraised. The equivalent annual cost formula is as follows:

$$a_{t,r} = \sum_{j=0}^{t-1} \prod_{i=0}^j \left(\frac{1}{1+r_i} \right)$$

44. To calculate the time saving per sector we multiply the time it takes to undertake an intervention in that sector by the sector reduction in interventions and by the wage rate of a establishments manager (£26.10⁷). Summing up over all sectors we obtain a per annum time saving to industry of £1,023,224, which represents a total cost saving of £8.8m (NPV over 10 years), see Figure 9 below. To note is that this is an underestimate as we currently do not have data on inspection times for primary producers.
45. The proposed amendment should not have any significant positive or negative effect on competition between firms.
46. The establishment group most affected by this amendment is restaurants and caterers, the majority of which are micro or small/medium enterprises. This will result in a proportionally greater benefit for compliant micro or S/MEs compared to the wider food industry.
47. While this amendment represents a reduction in the number of interventions undertaken at food establishments as regards to official control activity. Some of the resource saved by this amendment will be redirected to other parts of the industry as regulatory activity while the majority will not involve an establishment manager devoting time to regulatory activities. Therefore a limited number of non compliant establishments will experience an increase in regulatory or enforcement activity but this is something we are not currently able to quantify.

Benefits to Industry under Proposed Amendment 2

48. While the FSA believes that this will result in a reduction to the number of official control visits at establishments that adopt this flexibility, we have no basis upon which to estimate the numbers of establishments that might seek to use this flexibility. Given that the circumstances and processes undertaken in each case are unique, it is impossible to estimate the average cost saving.

Benefits to Local Authorities: More Efficient Resource Allocation

Benefits to Local Authorities under Proposed Amendment 1

49. LAs will carry out fewer interventions at low risk establishments which mean that they can focus their time and resources on higher risk establishments and enable them to undertake more activities to support these establishments. This represents an efficiency saving. Monetising this efficiency saving is however difficult.

Benefits to Local Authorities under Proposed Amendment 2

50. While the FSA believes that this amendment will result in a better resource allocation, so that enforcement authorities can focus on higher risk establishments, this is a saving that we are unable to monetise.

Benefits to Food Standards Agency:

51. While the FSA believes that this will result in a reduction to the number of official control visits at establishments that adopt this flexibility, we have no basis upon which to estimate the numbers of establishments involved. Given that the circumstances and processes undertaken in each case are unique, it is impossible to estimate the average cost saving.

Summary of Costs and Benefits under Option 2

⁷ Wage rate obtained from The Annual Survey of Household Earnings (2011), <http://www.ons.gov.uk/ons/publications/reference-tables.html?edition=tcM%3A77-235202>. Median hourly wage of a production manager (£20.08 which has been uprated by 30% to cover overheads: £20.08 * 1.3 = £26.10

52. As can be seen from Figure 9 below, policy option 2 has a total net benefit of £8,752,169 (Net Present Value over 10 years).

Figure 9: Summary of Costs and Benefits under Option 2

	Year 0	1	2	3	4	5	6	7	8	9	Total	EAC/p.a.	PV
Costs													
Familiarisation LA	55,426	0	0	0	0	0	0	0	0	0	55,426	6,439	55,426
Benefits													
Industry Time Saving	1,023,224	1,023,224	1,023,224	1,023,224	1,023,224	1,023,224	1,023,224	1,023,224	1,023,224	1,023,224	10,232,244	1,023,224	8,807,595
Net Impact													
Net Benefit	967,798	1,023,224	1,023,224	1,023,224	1,023,224	1,023,224	1,023,224	1,023,224	1,023,224	1,023,224	10,176,818	1,016,785	8,752,169

Consultation

53. The FSA's proposals will now to be the subject of a formal written consultation for a period of twelve weeks. The FSA will be seeking the views of consumers, consumer groups, charities, industry stakeholders and representatives, and enforcement authorities, their representatives and professional bodies.

SPECIFIC IMPACT TESTS

[As you develop your proposal you need to think about all of the following specific impact tests, but they may not all be relevant to your policy. Click on the relevant box to show which are. For those shown as relevant, include the heading and relevant text in the Evidence Base. When you have completed the table, delete this paragraph but keep the following Note and the table in your IA.]

Note: the Health and Wellbeing specific impact test is not in the list, because the whole of an FSA IA focuses on food safety in the health context.

Type of test and link to guidance (Double click on each of the headings to follow link)	Click on a box for EACH row to show if the test is relevant or not:	
	Relevant	Not relevant
Competition assessment	<input checked="" type="checkbox"/> See paragraph 46	<input type="checkbox"/>
Small firms impact test	<input checked="" type="checkbox"/> See paragraph 47	<input type="checkbox"/>
Sustainability: Economic impact Social impact Environmental impact	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	
Carbon impact	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Equality impact	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Justice impact	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Rural proofing	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Human rights	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Privacy impact	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Creation of new criminal offence	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Impact on powers of entry	<input type="checkbox"/>	<input checked="" type="checkbox"/>

STAKEHOLDERS LIST FOR CODE OF PRACTICE REVIEW (L2060)

3663 First for Foodservice
7 Day Catering Ltd
ABM Catering Ltd
Age UK
Aldi Stores Limited
Arena - The Hospitality Network
Asda Stores Limited
Association of Convenience Stores
Association of Independent Meat Suppliers
Association of Licensed Multiple Retailers
Association of Public Analysts
Autograph Food Services
Baguette Express Franchise Limited
Bangladesh Caterers Association UK
BaxterStorey Limited
Bay Restaurant Group
Bed and Breakfast Association
Better Regulation Executive
Boots UK Limited
Brakes Group
Brewing, Food & Beverage Industry Suppliers Association
British Beer and Pub Association
British Frozen Food Federation
British Hospitality Association
British Institute of Cleaning Science
British Institute of Inn keeping
British Meat Processors Association
British Poultry Council
British Retail Consortium
British Sandwich Association
Caffe Nero Group Ltd
Campden BRI
Catering Industry Liaison Council
Center Parcs
Charlton House Catering Services Ltd
Chartered Institute of Environmental Health
Chicken Cottage Limited
Chilled Food Association Ltd
Compass Group UK & Ireland Limited
Consortium of Caterers in Education
Consumers For Health Choice
Co-operative Group
Dolphin Public Health Limited
Dominos Pizza Group Limited
EAT Ltd
Elior UK
Federation of Bakers
Federation of Small Businesses
Food and Drink Federation
Food Solutions Publishing Ltd
Forum of Private Business
Gondola Group Limited
Greater London Forum for Older People
Greggs plc
Guild of Bangladeshi Restaurateurs
Harbour & Jones Ltd
Health and Safety Executive
Health Protection Agency

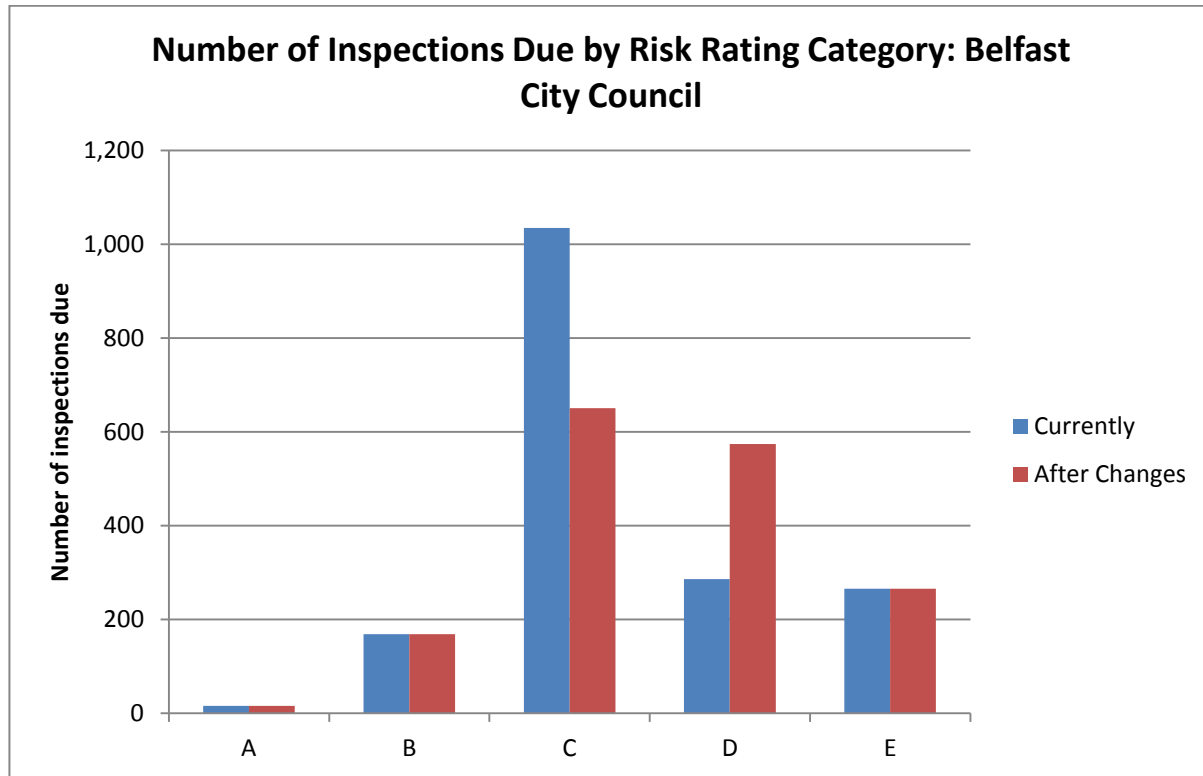
Horticultural Trades Association
Iceland Foods Limited
Institute of Food Research
Institute of Hospitality
Institute of Public Health
International Meat Traders Association
Isbourne Environmental Ltd
ISS Eaton Limited
ISS Facility Services Healthcare
J D Wetherspoon plc
J Sainsbury plc
John Lewis Partnership
John Lewis Partnership
K M B Caterers Ltd
KFC UK and Ireland
Leatherhead Food International
Lexington Catering Company
Lidl UK GmbH
Local Authority Caterers Association
Local Government Association
London Retail Meat Traders Association
Marks and Spencer plc
Mars UK
Marston plc
McDonalds Restaurants Ltd
Meat Training Council
Mitchells & Butlers plc
MITIE Facilities Management
Moto Hospitality Ltd
Musgrave Retail Partners GB
Nandos Chicken Restaurants Ltd
National Association of British Market Authorities
National Association of Catering Butchers
National Association of Master Bakers
National Beef Association
National Consumer Federation
National Consumer Federation
National Farmers Retail and Markets Association
National Federation of Fishmongers Ltd
National Federation of Meat and Food Traders
National Halal Food Group
National Market Traders Federation
National Pig Association
National Sheep Association
Nationwide Caterers Association
Nisa-Todays (Holdings) Ltd
NSF-CMi Limited
OCS Group UK Ltd
Olive Catering Service Limited
Orchid Group
Pizza Express Restaurants Ltd
Pizza Hut (UK) Limited
Pret A Manger (Europe) Ltd
Provision Trade Federation
Punch Taverns Plc
Restaurant Group plc
Royal Society for Public Health
Rural Shops Alliance
Smithfield Market Tenants' Association
Sodexo UK & Ireland

Spar (UK) Ltd
Spirit Pub Company
SSP UK Limited
Subway International
Support, Training & Services plc
Sustain: the alliance for better food and farming
SVA Ltd
Taylors of Harrogate
Tesco Stores plc
Tragus Group Limited
UK Food Safety
Vegetarian Society of the United Kingdom
Waitrose Limited
Which?
Whitbread Group plc
Wimpy UK
Wm Morrison Supermarkets plc
Worshipful Company of Butchers
YO! Sushi

Annex D: Case studies

Case study 1: Belfast City Council

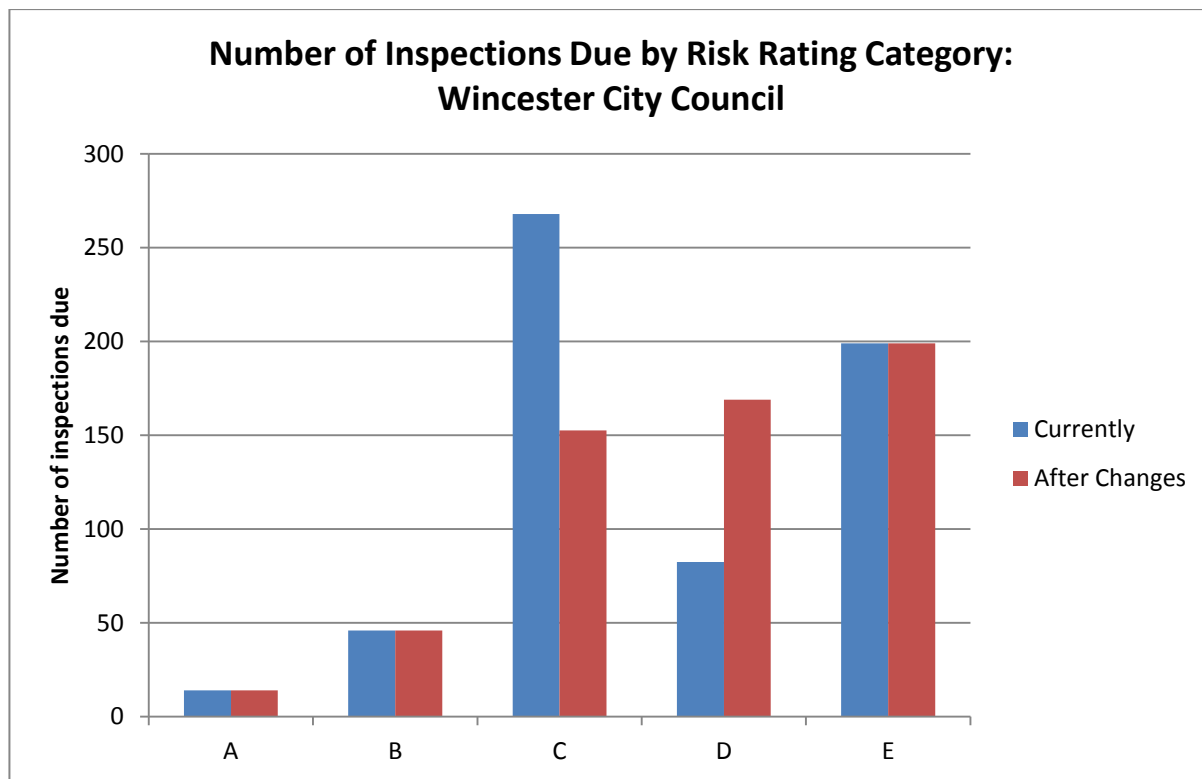
Authority Type: Unitary



Risk Band	Number of Premises		Number of Inspections Due	
	Currently	After Changes	Currently	After Changes
A	8	8	16	16
B	169	169	169	169
C	1553	976	1,035	651
D	572	1149	286	575
E	798	798	266	266
Total	3100	3100	1,772	1,676

Case study 2: Winchester City Council

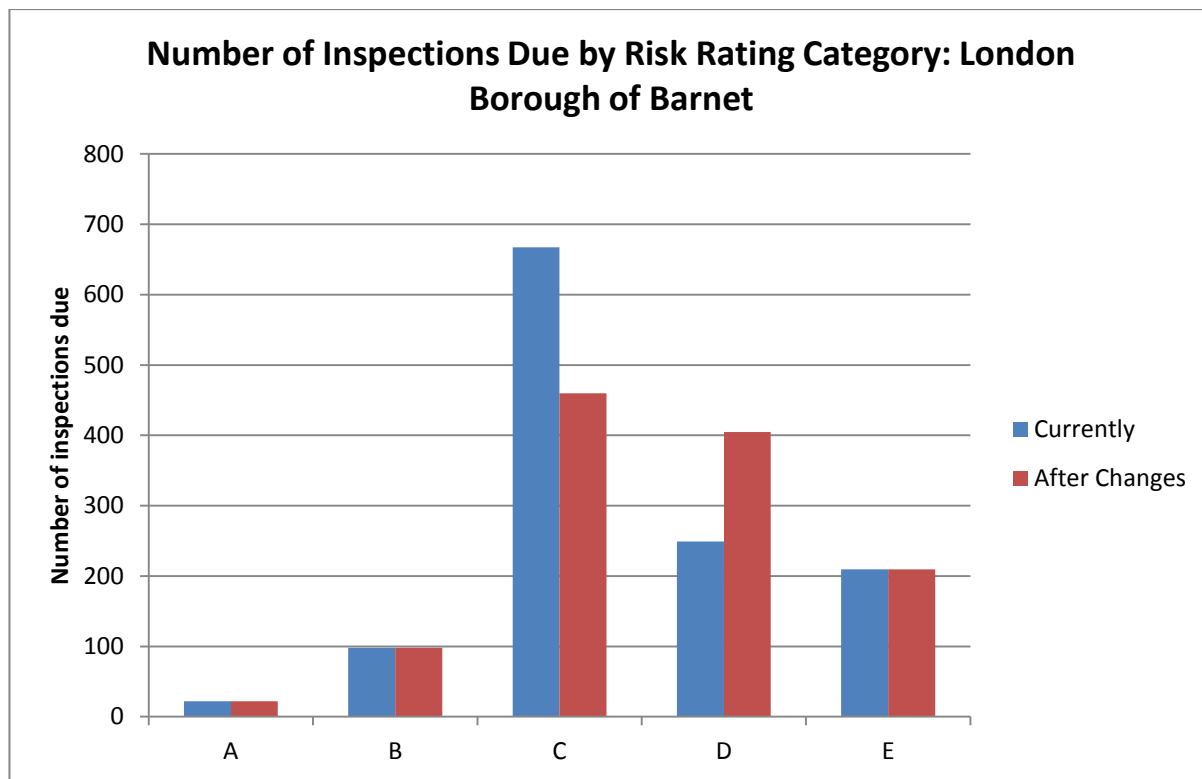
Authority Type: District



Risk Band	Number of Premises		Number of Inspections Due	
	Currently	After Changes	Currently	After Changes
A	7	7	14	14
B	46	46	46	46
C	402	229	268	153
D	165	338	83	169
E	597	597	199	199
Total	1217	1217	610	581

Case study 3: London Borough of Barnet

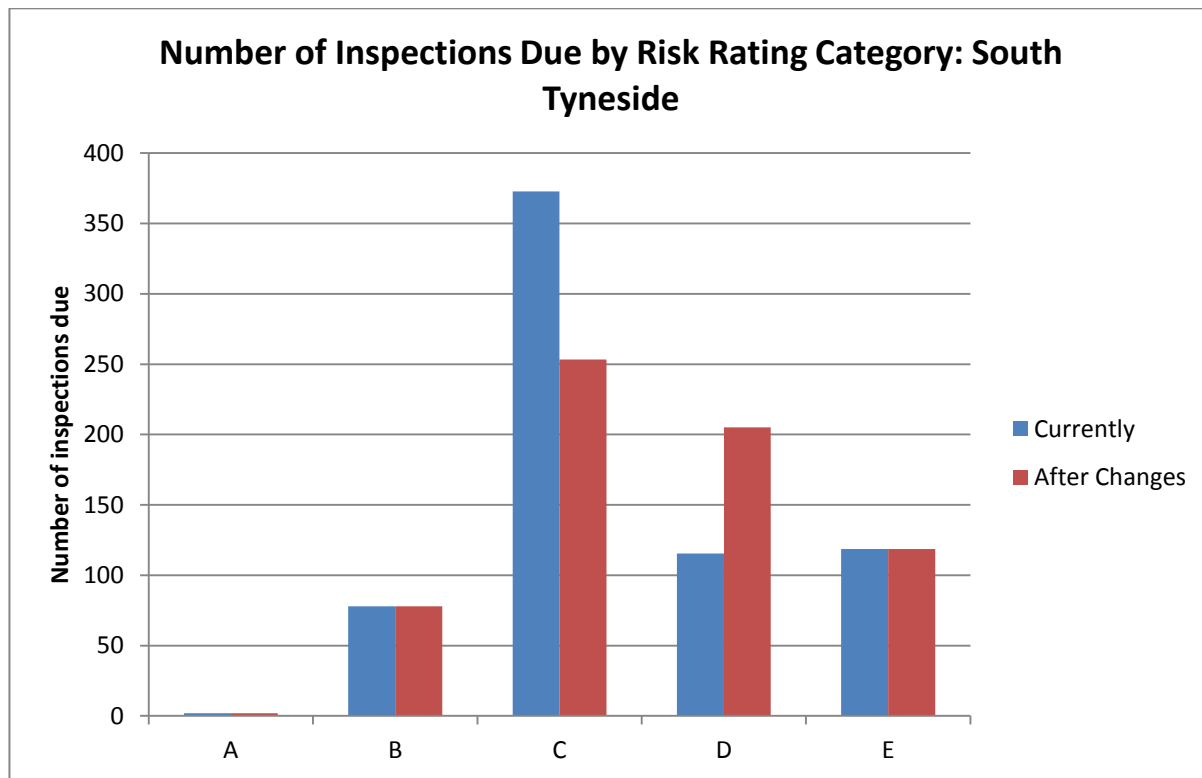
Authority Type: London Borough



Risk Band	Number of Premises		Number of Inspections Due	
	Currently	After Changes	Currently	After Changes
A	11	11	22	22
B	98	98	98	98
C	1001	690	667	460
D	498	809	249	405
E	629	629	210	210
Total	2237	2237	1,246	1,194

Case study 3: South Tyneside Council

Authority Type: Metropolitan



Risk Band	Number of Premises		Number of Inspections Due	
	Currently	After Changes	Currently	After Changes
A	1	1	2	2
B	78	78	78	78
C	559	380	373	253
D	231	410	116	205
E	356	356	119	119
Total	1225	1225	687	657