

ANGUS COUNCIL

ENVIRONMENTAL AND CONSUMER PROTECTION COMMITTEE - 26 SEPTEMBER 2000

BURDENS OF FOOD REGULATIONS ON SMALL FOOD BUSINESSES

REPORT BY THE DIRECTOR OF ENVIRONMENTAL AND CONSUMER PROTECTION

ABSTRACT

The Food Standards Agency has set up a Task Force to assess the burden of food legislation on small food businesses.

1. RECOMMENDATIONS

It is recommended that the Committee note the contents of this report and agree to send a copy of the report to COSLA and the Scottish Executive as the Angus input into this consultation exercise.

2. BACKGROUND

In response to concerns expressed by small food businesses regarding the escalating burden of legislation the Food Standards Agency has established a Task Force.

The role of this Task Force is to review the burden of food safety and other food regulations on small businesses. Farms which sell directly to the public will also be included within the scope of the review.

3. THE TERMS OF REFERENCE

The following are terms of reference of the review:

- To evaluate quantitatively the impact of food safety requirements and food regulations on the economic viability of small food businesses.
- To consider the long term impact of the above on consumer choice, and,
- To consider what beneficial changes might be made from the consumer and small business point of view.

The focus of the review will therefore be on the effect of the burden of food regulations and the way they are applied on the viability of the small business.

4. THE TASK FORCE'S APPROACH

The Task Force has decided to address these Terms of Reference by seeking views through a consultation exercise. Whilst the main approach will be to industry the Task Force would be interested in responses from other interested organisations on the following issues.

- a) identify which regulations small businesses find burdensome,
- b) specify in what way they find them a burden, and,
- c) describe how they effect the viability of small businesses.

5. RESPONSE TO THE CONSULTATION EXERCISE

Whilst this review relates to industry it would be pertinent for the Council as a Food Authority to respond to this consultation exercise. The Council continues to support and advise small businesses in Angus and is therefore in a unique position to comment on this issue.

The consultation document is requesting industry to identify specific regulations, define the burden and how the regulations affect the viability of the small business. It is however, not one specific piece of legislation but an accumulation of statutory instruments enacted as a result of various food scares and perceived public concern eg GM, BSE, Salmonella etc. This has resulted in an increase in legislative pressure on the food industry but it is the small business with limited resources which struggles to comply.

The following are two examples from different sectors of the food industry to demonstrate the above hypothesis.

5.1 The Butchery Trade

If a small to medium sized butchery business sells meat products ie pies to another retailer they are required to be approved in terms of the Meat Products (Hygiene) Regulations 1994 which covers the production, handling and transportation of meat products. The business however, is also required to be licensed in terms of The Food Safety (General Food Hygiene) (Butchers' Shops) Amendment (Scotland) Regulations 2000 if the business sells ready to eat food and raw meat. Both pieces of legislation are similar requiring a Hazard Analysis Critical Control Points management system to be used to manage food safety in the business. Unfortunately the business must comply with both pieces of legislation because one relates to manufacture and the other to retailing of food.

5.2 Fishing Industry

As a Food Authority we are required to charge Fish Premises approved in terms of the Food Safety (Fishery Products and Live Shellfish) (Hygiene) Regulations 1998 a fee for hygiene inspections. The fee is calculated in EUROS paid in sterling and based on the amount of fish processed in the business. The application of this piece of legislation is bureaucratic and quite onerous on the small approved fish business according to the proprietors consulted. From the Council's perspective the amounts of the fee received from the small business ie approximately £10 per quarter is costing more to collect and process.

To attempt to specify particular pieces of legislation and their impact on a small food business is simplistic. The Task Force must look at the accumulation of legislation and the impact it is having on the economic viability of small food firms in Scotland. By adopting this approach the Task Force will gain a strategic view of the impact of legislation on the small business.

6. FINANCIAL IMPLICATIONS

There are no financial implications in responding to this consultation exercise.

7. CONSULTATION

The Chief Executive, Director of Law and Administration, Director of Finance and the Economic Development Manager have been consulted on the contents of this report.

S R Heggie
Director of Environmental and Consumer Protection

JB/FMCI
6.9.00

No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information were relied on to any material extent in preparing this report).