

ANGUS COUNCIL

ENVIRONMENTAL AND CONSUMER PROTECTION COMMITTEE – 25 SEPTEMBER 2001

TASK FORCE REPORT – BURDENS OF FOOD REGULATIONS ON SMALL BUSINESSES

REPORT BY DIRECTOR OF ENVIRONMENTAL AND CONSUMER PROTECTION

ABSTRACT

This report summarises and comments on the recent report of the Task Force on the Burdens of Food regulations on Small Businesses.

1. RECOMMENDATION

It is recommended that the Committee:

- a) note the contents of this report,
- b) support any review which is undertaken by the Food Standards Agency into enforcement as a result of the recommendations made by the Task Force, and,
- c) this report should form the basis of the Council's response to the Task Force Report.

2. BACKGROUND

The Task Force on the Burdens of Food Regulations on Small Businesses was established by the Food Standards Agency in June 2000 to examine whether for small businesses existing Regulations were disproportionate either in their nature or in their enforcement.

The Task Force's approach was to consult with 495 trade associations and 140 other bodies. The Associations nominated small businesses that would welcome a visit from members of the Task Force for further research. The Task Force representatives therefore visited thirty small businesses across the UK. The Report's findings are therefore based on the consultation with Trade Associations rather than actual small businesses.

3. THE REPORT

The report notes that the broad picture drawn from the consultation is that food safety legislation does not impose a particularly onerous burden on small businesses. A number of issues of concern did emerge and these are outlined as follows:

i) Hazard Analysis Critical Control Points (HACCP)

Of the premises visited by members of the Task force the majority had an HACCP plan of some description. There was a mixed reaction to the use of HACCP some businesses found this management system to be invaluable others found barriers to its full and effective implementation principally because of insufficient technical knowledge of particular food processes.

The Survey found that the most commonly cited complaint regarding the regulations was the requirement for record keeping associated with HACCP. The Task Force concluded that some HACCP schemes were overly complicated and that businesses should be encouraged to review their HACCP plans.

ii) Enforcement

The two main points from the Task Force's piece of research in relation to enforcement were that:

- Enforcement of the legislation is inconsistent.
- Some enforcement officers were not sufficiently familiar with specific food processes to carry out effective inspections.

However, the Task force members did discuss these issues with a range of bodies representing the enforcement organisations. The Task force however, recommended that a review is undertaken on the ways officers acquire expertise in food processes.

iii) Keeping Up-to-Date with Legislative Change

With regard to legislative change the Task Force found that some small businesses had difficulty in keeping up with changes in legislation. It therefore, concluded that there is a need for a facility for small businesses to be kept up-to-date with such developments.

The Task Force recommended that the DTI Small Business Service and its equivalents in the devolved administrations should explore how this need for information could be met.

iv) Cheese-making

Substantial responses were received from the Cheese-making sector of the food industry. The Task Force however, concluded that overall the existing legal framework is not significantly burdensome on this sector.

v) Shellfish

The businesses and Trade Associations involved in this sector of the fishing industry emphasised the difficulties of the present classification system for waters. The Task Force however, concluded that the long-term solution is the improvement of water quality.

vi) The Report concludes by addressing a number of specific regulatory issues, the main points were as follows:

- **Lower Standards for Small Businesses**

There was some support from respondents for food safety standards in small businesses to be lower than larger businesses. The Task Force however recommended that the Food Standards Agency assist the small business sector to achieve the present legal standard.

- **Clear Procedure for Reviewing the Impact of Proposals on Small Businesses**

The Task Force Report recommended that the Food Standards Agency when preparing proposals for regulation visits should be made to individual small businesses to assess the impact of the proposed legislation.

- **G M Labelling**

Although three of the firms visited flagged up this issue as burdensome the Task Force concluded that the GM Labelling requirements do not represent an unreasonable burden on small businesses.

- **Audit Requirements of Customers**

Concerns were raised over the resources required to fulfil the audit requirements of customers. The Task force recommended that local authorities should take into account audits undertaken within commercial arrangements when formulating their inspection plans.

- **Lack of Statutory Obligations on Labelling of Origin**

The small business etc surveyed expressed concern that the present labelling regime places the home industry at a competitive disadvantage because it allows imports to be passed off to consumers as UK produce. In response to this concern the Task Force recognised that the Food Standards Agency has accepted the need for Country of Origin labelling and is seeking to change the present legislation.

- **Quantitative Ingredient Declarations (QUID)**

Some respondents indicated difficulties in the consistent application of QUID rules. The Task force therefore, recommended that the Food Standards Agency considers providing further guidance in this area of food labelling.

4. RESPONSE TO THE TASK FORCE REPORT

i) Methodology

Whilst the statistical methodology adopted by the Task force could be criticised as biased its findings are of interest to both the Food Standards Agency and local Authorities because of its attempt to assess the legislative burden on small and medium sized food businesses.

Certainly the areas of legislation highlighted in the report are those that the Council's enforcement staff have found to be of concern to food businesses in Angus.

ii) Hazard Analysis Critical Control Points (HACCP)

HACCP continues to be used by small and medium sized firms however the conclusion by the Task force fails to address the issue of the requirement for this food safety management system to be in writing and the impact that this requirement can have on a one man business.

iii) Enforcement

The issue of consistency of enforcement continues to cause concern however it is not just related to the size of business. This is however, being addressed by authorities and the Food Standards Agency.

The second concern highlighted by the report regarding enforcement relates to the expertise of enforcement officers. An interesting finding of this report is that the issue of lack of expert knowledge of food processes is also a problem with proprietors of small businesses as well as enforcement staff.

However, the issue of the lack of expertise with food safety enforcement staff should be addressed through the adoption of the training parameters outline in the Framework on Local Authority Food Law Enforcement by Local Authorities. The Food Standards Agency should be supported in their efforts to facilitate the training provided by Local Authorities to keep the expertise of their enforcement staff up-to-date.

iv) Keeping Small Firms Up-to-Date with Changes in Legislation

The DTI , Food Standards Agency and devolved administrations should be supported in an initiative to assist small businesses to adapt to changes in legislation.

However, the Council's support should be conditional on adequate funding being made available by the Scottish Executive for the initiative.

v) Specific Regulatory Issues

The Food Standards Agency should be supported in their efforts to clearly assess the costs and benefits to small businesses of new legislation. Especially if this is based on an effective dialogue between small businesses and the Agency.

With regards to the issues relating to Labelling mentioned in the Report the Food standards Agency should be supported in their efforts to simplify the legislation to provide consumers and proprietors with more effective information. Support should also be given to the Food Standards Agency in its efforts to promote more accurate labelling with regards to the Country of Origin.

5. FINANCIAL IMPLICATIONS

There are no financial implications in responding to this report.

6. HUMAN RIGHTS

There are no Human Rights issues to be addressed in terms of this report.

7. CONSULTATION

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

S R Heggie
Director of Environmental and Consumer Protection

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.

JB/FMCI
6.9.01