

HM Government

Review into the Integrity and Assurance of Food Supply Networks

Note of meeting with the British Hospitality Association (BHA)

Location: Defra, Hobel House

Date: 27 June 2013

Attendees:

John Dyson - Director of Food and Technical Affairs – BHA

Professor Chris Elliott – Independent Reviewer – Review into the Integrity and Assurance of Food Supply Networks

Mary Newman – Secretary - Review into the Integrity and Assurance of Food Supply Networks

David Foot – Assistant Secretary - Review into the Integrity and Assurance of Food Supply Networks

1. Chris Elliott (CE) Introduction

CE explained that the intention of the Review was to look forward and to identify ways to improve the integrity of the food supply network and not to look backwards and focus on the horsemeat incident given that industry had already responded to deal with the specific problems which had arisen. Consumer confidence and trust had to be significantly improved to above levels before the horsemeat incident. We need to make the UK a harder place to commit fraud. Industry had to ensure robust supply chain controls.

2. Hospitality sector supply chain controls

John Dyson (DH) acknowledged that supply chain controls had not proved to be adequate. Some companies relied on certification bodies and their processes failed. It was difficult for businesses to spot problems and there was a need to improve horizon scanning. Businesses were not keen on supplying regular samples to laboratories as part of their supply chain assurance controls, even though there might be overall cost benefits compared with only providing samples during an incident. There was a general lack of knowledge about authenticity testing e.g. they were not sure what tests to do.

Businesses were already making changes to their supply chains. Some had already changed and others were either in the process of making changes or were planning to do so. There was a widespread determination to try to avoid a similar event again.

3. Sharing of information/intelligence of food fraud adulteration. Categorisation/prioritisation of risk

CE suggested that risk categorisation could be one way to have a shared understanding of how to prioritise action in response to food fraud. He said one approach could be a categorisation matrix which prioritised frauds which had a direct impact on health. Lower prioritisation could apply to frauds with an indirect impact such as those leading to lower than expected nutritional value or those which impacted on religious beliefs (halal/kosher foods).

JD said the horsemeat incident provided a small window of opportunity to work with industry on ways to facilitate greater sharing of information with government. But steps to make that a reality needed to be taken quickly. Businesses were already sharing information with FSA, but there were concerns about sharing information both because there was a trust issue and because industry feared information could get into the public domain through Freedom of Information Act requests. There were concerns that that could damage their businesses.

4. Relationships with regulators

JD said there was a general concern amongst companies that it had not been clear during the incident who in government had been in charge, FSA or Defra. There was a perception that the machinery of government changes in 2010 had led to confusion about responsibilities. Relationships had also been affected by the fact that companies felt that FSA had not put accurate information on its website during the incident. For example, a BHA member has been wrongly identified as a producer. FSA did not appear to have a communications plan. It did not seem to have a plan to deal with emergencies. It needed to improve its horizon scanning.

BHA members wanted a comprehensive response to the horsemeat incident, particularly clear guidance and advice from the regulator. BHA members would want to contribute to work to develop a strategic response. Large companies would feed in through BHA.

5. Other areas of discussion

JD said that companies did not have a good understanding of corporate risk and some did not easily understand how an incident like the horsemeat scandal could affect their business. The hospitality sector contributed 13% of GDP and the costs from the

horsemeat incident had been significant. DH agreed to consider what information they could share with the Review on costs to the hospitality sector.

CE asked how the Review could best engage with the hospitality sector. JD suggested that CE should do an interview with the Caterer magazine to reach BHA members. It was agreed that CE should visit BHA member businesses to better understand supply chain issues and systems. JD also undertook to see if there were any BHA meetings already arranged which CE could attend. It would be best to hold meetings in September as companies would be very busy in the run up to Christmas.

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