

Department for Environment, Food and Rural Affairs

# Government response to the Elliott review of the integrity and assurance of food supply networks

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# Introduction

1. Food fraud is unacceptable. Consumers have a right to know that food is what it says it is. Fraud undermines consumer confidence and damages the interests of legitimate food businesses that follow the rules. The food chain is a significant part of the UK economy, accounting for 7% of GDP, and food manufacturing is the largest manufacturing sector in the UK. It is a sector which is making an important contribution to growth, including through expanding exports. British food is renowned throughout the world for its quality and high welfare standards. The government sees consumer confidence as vital to that continuing growth.
2. That is why we have taken significant action since the horsemeat incident to learn lessons and have worked with industry to restore confidence in food. Government welcomes the final report of the Review into the Integrity and Assurance of Food Supply Networks. The Review examines the strengths and weaknesses of food supply networks in the UK. It recognises that current systems for safeguarding food safety and public health in this country are robust and that UK consumers have access to some of the safest food in the world. The Review identifies ways to help make assurance systems for food integrity as robust as those for food safety.
3. The key findings of the report support the actions being taken by government to strengthen consumer confidence in food and remove unnecessary burdens on food businesses. We are committed to:
  - Setting up a **Food Crime Unit in the Food Standards Agency (FSA)** to give greater focus to enforcement against food fraud in government by analysing intelligence, initiating investigations and liaising with other criminal and regulatory enforcement agencies
  - Taking a strategic approach to ensuring that the country has a **resilient network of food analytical laboratories** capable of testing consistently for food authenticity in the future
  - **Improving coordination across government** to protect food integrity and tackle food crime
  - Implementing measures to ensure better **intelligence sharing** between the food industry and government about potential threats to food integrity
  - Supporting industry to ensure that food businesses know their supply chain. In particular by encouraging industry's efforts to put in place a robust and effective **supply chain audit** system that does not just rely on paper audit trails

## The Review

4. In all of these areas the government accepts the key principles of the report and is already taking action.
5. The Review was commissioned by government to help restore consumer confidence following the horsemeat fraud incident in 2013 and to learn the lessons. The government believes the horsemeat incident was managed well and this was confirmed by the Troop Review in June 2013. Professor Elliott was asked by Government to undertake a much wider review of the issues which impact on consumer confidence in the authenticity of food products. The Reviewer was asked to provide advice to the Secretaries of state for Defra and Health on any systemic failures in food supply networks and systems of oversight with implications for food safety, public health and authenticity. His final report was presented to government in July 2014.
6. Food businesses and their representative organisations have reacted positively to the Review. They have worked with the Review team over the past year to explore options for strengthening current systems. The report recognises the significant action already taken by industry since the interim report was published in December 2013.

## Government response

### Food Crime Unit

7. The government agrees with the principle of a Food Crime Unit to give a focus to enforcement efforts against fraud and criminality in the food chain. We are committed to delivering the first stage of the Unit with a review of progress and likely future need after 2 years.
8. The FSA has initiated setting up the Unit and it will be operational by the end of 2014. During the first phase the Unit will focus on building the intelligence and evidence picture of the risks and the nature of food fraud and food crime in the UK. FSA has already started to develop its analytical and intelligence capability by recruiting and seconding the relevant expertise. The Unit will be supported by a range of partners including law enforcement agencies, the National Fraud Investigation Bureau and the National Trading Standards Board. By working with these partners it will access intelligence networks shared by law enforcement agencies at a national, regional and local level, as well as internationally by building on links established with food fraud agencies across the EU and internationally. The work of the Food Crime Unit will be overseen by a Board made up of government Departments and relevant criminal enforcement agencies, with an escalation route to Ministers.

9. In setting up a Food Crime Unit we will bring together the FSA's existing expertise and understanding of the food chain with criminal law enforcement capability, making the connections with local authorities, police forces and the National Crime Agency where appropriate and necessary.

## **Food analytical laboratories**

10. The government agrees that a strategic approach is needed to maintain a resilient network of food analytical laboratories providing services for local authorities and businesses. This is not a short term issue; we know that existing laboratories coped well with the large volumes of testing for horsemeat undertaken in 2013. This is about ensuring we have a robust network for the long term.
11. We are already looking at options for improving the standardisation of testing methodologies. Defra has asked the Analytical Methods Working Group, which advises government on the Food Authenticity research programme, to identify specific actions to achieve greater standardisation of testing methodologies. This work is in addition to the existing knowledge transfer events which the programme funds to make new analytical methods available to public analysts. We are also working with interested parties to develop 'Centres of Excellence' in food authenticity and are scoping the concept of a virtual network of these interested laboratories.
12. We will continue to work with local authority public analyst laboratories to drive more effective and efficient working in scientific services. Department of Health and PHE have examined the scope for sharing of knowledge and capacity across analytical laboratories with local authorities and public analysts, and have identified scope for closer working.
13. In reviewing the capacity and developing Centres of Excellence we will strengthen the long term resilience of food analytical laboratories to support the needs of inspection and enforcement bodies.

## **Improving co-ordination across government**

14. The government accepts that there needs to be better co-ordination of activity across departments.
15. We will establish a government Group on Food Integrity and Food Crime. The Group will be chaired by the Defra Minister for food and farming and will bring together the FSA Chair and Ministers from DH, Home Office, BIS, and other interested departments to share information, monitor the implementation of the Review recommendations and horizon scan future issues. The Group will meet on a bi-annual basis and will be supported by officials from departments with interests in food integrity, surveillance and crime.

16. In setting up a Food Integrity and Food Crime Group we will create a shared understanding of all aspects of food fraud, co-ordinate relevant activity and identify future risks to consumers and the UK food industry whilst recognising and reaffirming our commitment to an independent Food Standards Agency.

## Information sharing

17. The government welcomes the recommendation that we should work with food businesses to help them develop and establish mechanisms for better gathering and sharing of sensitive information about potential and actual food fraud.
18. The FSA has already put in place mechanisms to receive such information in an anonymised format and to facilitate sharing and analysis of potentially sensitive information on a routine basis between industry and government. In setting up a new intelligence hub the FSA is developing their existing databases based on principles used by the police and other enforcement agencies for analysis of intelligence.
19. Local authority regulators are currently providing valuable Primary Authority partnership support to 800 food companies operating at tens of thousands of locations throughout the country, including supermarkets, manufacturers and importers, large and small. This successful scheme means that these regulators are well placed to quickly identify and share vital food fraud information with other local authorities and the FSA, as well as co-ordinate enforcement effort around the country. This enables better targeting of resources to where they are most needed and helps simplify inspections for those food businesses which can demonstrate a good track record of compliance with food law.
20. By continuing with the work started under the Review we will help facilitate industry's development of options for setting up an industry 'safe haven' for information sharing to improve the sharing of intelligence across the food chain and with government.

## Supply chain audits

21. The government agrees that audit and assurance regimes should be strengthened to remove duplication and to cover food fraud prevention.
22. We will continue to support the actions already being taken by the British Retail Consortium (BRC) to review the BRC Audit Standard to provide an additional food fraud module and to encourage an approach by its members which will significantly reduce the overall number of supply chain audits. This will remove duplication and increase the effectiveness of audits at addressing potential food fraud, including through shifting the balance towards unannounced audits. We will also support the work of the British Hospitality Association to update guidance to the food service

and catering sector on protecting themselves against food fraud in recognition of the large proportion of SMEs operating in the sector.

23. We will look for further opportunities to help high quality food businesses by building on the benefits of the Primary Authority Partnership Scheme. We will also look to expand earned recognition across the sector for businesses which can demonstrate a good audit and compliance record.

## Conclusion

24. The food industry and British food are an important part of our economy. Whilst government and industry have already taken significant action in the key areas of the Review, it is right that we do not become complacent. The government will publish a report of progress with implementing the commitments above in 2 years' time to coincide with a review of the Food Crime Unit and likely future needs. The actions and commitments highlighted above are summarised in Annex A.
25. The government is grateful to Professor Chris Elliott, and his Review team of subject matter experts and secretariat, for all the hard work that has gone into this report over the last year and for his leadership in exploring these issues thoroughly with a wide range of interested parties in the food sector.

## Annex A: summary of actions and commitments

Key finding	Government action / commitment	Departmental lead
Greater focus in government to enforcement against food fraud	1. Set up a Food Crime Unit in the Food Standards Agency (FSA) to be operational by the end of 2014	1. FSA – in progress
A strategic approach to ensuring a resilient network of food analytical laboratories in England	2. Identify opportunities and actions to achieve a greater standardisation of testing methodologies 3. Work with interested parties to develop 'Centres of Excellence' in food authenticity and a virtual network 4. Take forward work to share knowledge and capacity across analytical laboratories	2. Defra – in progress 3. Defra – in progress 4. DH with PHE – in progress
Improving coordination across government to protect food integrity and tackle food crime	5. Establish a cross government Group bringing together Ministers and the FSA Chair on Food Integrity and Food Crime issues	5. Defra – in progress
Ensure better intelligence sharing between the food industry and government	6. Establish an intelligence hub in government to receive and share information 7. Make effective use of information sharing mechanisms at the local authority level through the Primary Authority Partnership Scheme 8. Facilitate industry's development of options for setting up their own 'safe haven' for information sharing	6. FSA – delivered 7. BIS with local authorities – delivered 8. FSA with Defra – in progress
Supporting industry to ensure that food businesses know and can trust their supply chain	9. Continue to support industry led initiatives to strengthen audit and assurance regimes and to remove duplication 10. Continue to look for further opportunities to reduce regulatory burden of food businesses (Primary Authority Partnership Scheme and Earned Recognition)	9. Defra / FSA – in progress 10. Defra / FSA / BIS – in progress



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