Opinion: EANDCB validation

Origin: domestic

RPC reference number: RPC-4022(1)-FoodSA

Date of implementation: August 2015



# Food Standards Agency Revision of the Food Law Code of Practice RPC rating: Validated

## **Description of proposal**

The FSA has made amendments to its code of practice for local authorities (LAs) on the enforcement of food laws (including rules on food hygiene and standards). Although the code is a guidance document for LAs, it sets out updates to the risk rating mechanism used by authorities in determining the frequency of on-site inspections of food businesses. These amendments revise the descriptors that underpin LA officers' judgements about the risks associated with the management of food safety procedures in a given establishment. The intention of the changes is to make the implementation of the risk rating system more consistent.

The risk rating system determines the frequency of food standards inspections of individual businesses. As the amendments will affect some businesses' risk ratings (their CIM scores), individual businesses will see changes in the frequency of inspections.

# Impacts of proposal

In establishing how revisions to the code affect risk scoring, the FSA consulted LAs. Based on this, the regulator expects 9% of businesses will receive a lower CIM score under the updated risk rating approach, and will therefore experience fewer inspections. None are expected to receive a higher CIM score.

Using its own modelling of revised scores, administrative data from local authorities and ASHE salary data for the industry (appropriately uprated), the regulator estimates a total annual saving of £2,000.

The regulator anticipates no other costs to business associated with the updates. The RPC verifies the estimated equivalent annual net direct cost to business (EANDCB) of £0.0 million.

# **Quality of submission**

The regulator provides a proportionate estimate of the savings for business associated with LA guidance changes.

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Given that respondents to consultation estimated that between 0% and 9% of businesses would receive a different risk rating following updates, the assessment would have benefitted from explaining why the FCA has chosen to use the conservative assumption of 9%. It would also have been improved by justifying its assumption that the average inspection takes two hours of a catering manager's time. However, in both cases, the EANDCB would not be altered materially on any reasonable set of assumptions, and the RPC is therefore able to validate the EANDCB presented.

### **Departmental assessment**

| Classification   | Qualifying regulatory provision (OUT) |
|--|---------------------------------------|
| Equivalent annual net direct cost to business (EANDCB) | £0.0 million                          |
| Business net present value                             | £0.0 million                          |

### RPC assessment<sup>1</sup>

| Classification               | Qualifying regulatory provision (IN) |
|------------------------------|--------------------------------------|
| EANDCB – RPC validated       | £0.0 million                         |
| Business impact target score | £0.0 million                         |

Michael Gibbons CBE, Chairman

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<sup>&</sup>lt;sup>1</sup> For reporting purposes, the RPC validates EANDCB and BIT figures to the nearest £100,000