



Briefing

Elliott Review into the Integrity and Assurance of Food Supply Networks

Which? position on the interim report

Which? welcomes the publication of the Elliott Review Interim Report and broadly supports its emphasis and recommendations. We agree that a systems approach is needed, along with a culture change across the food industry so that the vulnerabilities of food supply chains are better understood, checks and controls enhanced and consumers better protected from food fraud as well as food safety risks.

Overview of our position

- **Consumer first and a zero tolerance approach**

We strongly support the emphasis on putting consumers first and are concerned that many of the lessons that have been learned from previous food scares, most notably the BSE crisis, have been neglected particularly in the current economic climate. It is in the interests of responsible food businesses, as well as consumers, to make sure that there are effective controls in place across food supply chains and that there is a much more strategic approach to identifying potential threats facing supply chains. Which?'s most recent research showed that around half of consumers had changed their meat eating habits as a result of the horsemeat scare in 2013. We agree that consumer interests have to be put first and that there should be a zero tolerance approach to food crime.

- **Industry controls**

We agree with the recommendations for a culture change within the industry, as well as more specific industry controls. These include, for example, improved checks in cold stores, unannounced audits and for audits to incorporate testing. We are, however, concerned that while larger businesses may have the technical expertise to understand the potential risks and what is needed to mitigate them, this may be more difficult for smaller businesses. Some businesses will also appreciate the benefits of enhanced checks to protect consumers more than others - and while there has been a lot of emphasis on meat products, it is also important that there are effective controls in place for other supply chains.

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We would like to see greater emphasis on the need for Government to provide guidance to ensure this happens and to set minimum standards to help smaller as well as larger players understand the level of action that is appropriate, including the level of testing that is needed. We also think that there should be greater transparency from businesses about the nature of their supply chains and about their standards.

- **Intelligence gathering**

More effective intelligence gathering is crucial. The need for effective horizon scanning has been identified as a priority following previous food scares, but the Government and food industry have struggled to ensure that an effective system is in place. We therefore support the proposals for the Food Standards Agency (FSA) to use different types of skills and intelligence, such as the creation of an economic intelligence hub. We also welcome the proposals for some form of ‘safe haven’ to enable industry intelligence to be better shared.

We are, however, still sceptical about whether this will ensure that information that is detailed and timely enough can be reported. We also consider that better engagement with the EU and other agencies by the FSA is crucial. If better networks and analysis had been in place, the horsemeat contamination could have been identified as a potential risk and picked up much sooner. The final report should also include stronger recommendations about the need for mandatory local authority testing and sharing of information in order to identify problems and draw national linkages.

- **FSA relationship with local authorities**

We agree with the recommendations about better co-ordination and the need for a crime unit led and hosted by the FSA. Greater emphasis also needs to be given to formal mechanisms for more on-going co-ordination between the FSA and local authorities (for example, by drawing on regional food liaison groups). The FSA needs to take a more pro-active approach to enforcement, understanding the national picture better and working with local authorities to identify risks and share resources and expertise.

Which?’s recent assessment of how local authorities are performing on food hygiene and food standards work highlighted a very variable situation, with some authorities performing well and other struggling to ensure basic compliance with hygiene requirements in medium and high risk businesses or do any food testing. As part of a more strategic approach, we think there is a need for specialist teams at a regional level (not just for high profile investigations as is suggested) and a review of the trading standards and environmental health split which applies in many parts of the UK. The FSA powers to intervene also need to be strengthened. We therefore hope that the Review can give greater emphasis to the need for the FSA to review how it currently works with local authorities and ensure that there is a much more robust system with far better communication and sharing of information.

- **Enforcement tools, penalties and incentives**

As part of this strengthened approach to enforcement, we would also like to see the final report recommend the need for the tools available to enforcement officers to be strengthened. This includes the need to ensure that there are tougher penalties and more rapid enforcement tools (for example, improvement notices for standards and remedial action notices for all food businesses), as well as the option of criminal prosecutions. We would also



like to see a recommendation for mandatory display of hygiene ratings across the UK, as is already a requirement for food businesses in Wales and will soon be in Northern Ireland.

- **FSA role, governance and co-ordination**

We strongly agree that food labelling and standards policy should be returned to the FSA. This should include origin labelling as this is important consumer information. We also think that nutrition policy should return to be the responsibility of the FSA in order to ensure a joined up and consumer focused approach to food policy. We agree with the recommendations about the FSA being better linked into government, but are concerned that it should not become too close to government. Its ability to speak out in the consumer interest must be ensured. Greater focus should also be given to how the FSA can be re-invigorated as an independent consumer champion, taking a more pro-active approach to issues facing the food supply chain.

We agree with the proposal for greater co-ordination across government departments through a National Food Safety and Food Crime Committee, but think that there is also a need to ensure more effective co-ordination of all aspects of food policy across government departments - for example by re-establishing a Cabinet Sub-Committee on Food and adopting a cross-cutting food strategy that sets out the priorities across Government. This includes issues such as food security, affordability, sustainability and diet and health, as well as food safety and food labelling and composition.

- **Improved consumer information**

We would like to see greater emphasis on the importance of effective consumer information. In particular, clear origin labelling of meat products should be supported. While this would not have prevented horsemeat, it would help to ensure greater traceability across supply chains. We hope that the Elliott Report can highlight the flaws in recent rules adopted for origin labelling of fresh meat, other than beef, which will only require the place of rearing and slaughter, but not birth, to be disclosed. This is likely to confuse consumers about where the meat they buy comes from, as meat from pigs initially born and reared in another country could appear to be British, for example. 83% of people in a Which? survey after the horsemeat contamination became public said that they wanted the country of origin to be shown on meat products. The content of meat products should also be clear, whether sold pre-packed or loose, and it should remain a criminal offence to fail to comply with food labelling requirements. Defra has recently changed this, other than for labelling breaches where there is a safety issue.

Comments on the specific recommendations

Recommendation	Which? comments
Consumers First	
1. All parties involved in the governance of the food chain should prioritise consumer confidence in the food they eat over all other aims. To this end, contamination and adulteration of food along with making false claims relating to food products must be	We strongly welcome the recognition that consumers have to be put first - and that this is in everyone's interests.

made as difficult as possible to commit. Food safety and food crime prevention must be considered our primary objectives.	
2. Estimates of the extent of criminality in food provision vary widely. In the UK we don't know the scope or extent of the problem. Data collection and well-structured surveys should be considered as a matter of urgency to fill in this knowledge gap.	We agree. The substitution of beef with horsemeat could have been predicted if there had been an adequate system in place to identify potential vulnerabilities in the supply chain.
Zero tolerance	
3. Consumers and their champions need to ask searching questions about whether certain deals are too good to be true.	Yes, to some extent - but consumers cannot shoulder the responsibility. If food is on sale, consumers should be able to assume that it is what it says it is and is safe.
4. Shareholders, board members, owners and those managing food businesses should ask, and be obliged to consider searching questions about whether certain deals are too good to be true. Opportunities for fraud need to be recognised in company risk registers.	We strongly agree that a culture change is needed. It is particularly concerning that as the Elliott Report highlights, in some instances retailers have asked for products at prices that could not have been achieved under normal circumstances given the market rate.
5. All incidences of suspected food crime should be reported directly by staff to their own employers and by industry customers to the senior management of those companies with responsibility for the goods. Mechanisms to allow this to happen need to be developed.	We agree that supporting whistleblowers is important.
6. Those charged with governance and management in the food industry need to adapt incentive mechanisms to reward thoughtful procurement practice as well as supporting improvements in technical controls.	We strongly agree that the adversarial procurement of products, as described in the Report, needs to change.
7. Industry must ensure that arrangements for the testing and supervision of food supplies are reliable at all stages of the supply chain including at point of sale to the public, if it is to protect its reputation and its market relationship with consumers.	We agree. Greater business transparency about their checks and audits should also be developed - and be stressed in the final report (e.g. reporting on web-sites and in annual reports). There appeared to be a lot of variation across different companies and making this more visible will help to drive up standards.
8. There are particular responsibilities for those who take overall responsibility for providing food for institutions such as hospitals, schools and prison service establishments. They should be provided with statutory guidance on what to include in contracts to ensure the validation and	We agree. It is worrying that these businesses can often be sourcing the cheapest ingredients (the food poisoning outbreaks that have been linked to imported eggs in recent years are another example of this) and so statutory guidance on what to include in contracts would help

assurance of their supply chains.	ensure a minimum level of protection.
9. Education and advice is required on the prevention and identification of food crimes. My preference is for advice to be given in a format already familiar to the food industry, such as that expressed in terms of critical control points for hygiene in a food safety management system (the HACCP approach).	We agree and consider a HACCP-based approach could also be applied here. The Government must recognise the importance of education and advice to companies. It is important that there is clear guidance for all businesses on what is an acceptable standard to work to, but particularly for smaller businesses that may have more limited technical expertise.
Intelligence gathering	
10. I believe that the collection and 'sanitisation' of information from industry - through the maintenance of a confidential source register - needs to be undertaken by an organisation with its own legal status supported directly by industry, without recourse to the resources of government. Its purpose would be to convert information into intelligence that can be disseminated both to government and across organisations in competition with one another.	We agree that this is an important, but difficult area. We support the idea of this type of 'safe haven', but it needs to be ensured that the intelligence is not made so generic it becomes impossible to act on and that it is provided in 'real' time to the extent possible. This approach should cover suspicion of fraud, but there should also be a statutory requirement on businesses to declare known cases of fraud.
11. I suggest that this industry focussed information gathering facility needs to be appointed by its contributors in such a way that it can rely on legal privilege in receiving information and is trusted - again through legal privilege - to protect market sensitive disclosures from being shared with competitors.	This seems reasonable, but we would need to see more detail about how this would work in practice and ensure that the information passed on to authorities was useful and timely enough.
12. Giving information to this industry service should be free, but the costs associated with the running of the service should be paid for by subscription from those who want to share in the intelligence it produces. The service must share intelligence with the FSA as a protected disclosure unless there is clear evidence that suggests that the public health would be best and most immediately served by immediate full and open public disclosure. It should be as open as possible about its activities; perhaps through the mechanism of an annual, or more regular, public report.	This balance between secrecy and public disclosure needs to be carefully set out. It is essential that where there is a risk to the public, the FSA is able to speak out. We think that reporting needs to be more regular than annual.
13. In addition to this new 'safe haven', I am firmly of the view that the FSA should take the lead in discharging the Government role in the collection, analysis and distribution of information and intelligence	We strongly agree. The FSA needs to dramatically improve co-ordination. This includes putting in place more formal co-ordination mechanisms with local authorities. Local authorities should be

from a wide range of sources (including governmental e.g. Local Authorities, Police, EU counterparts).	required to carry out both food safety and standards testing and to submit the results to the FSA and a formalised UK Food Surveillance System.
14. I consider that the lead role for supporting research into authenticity testing, and policy over compositional labelling should revert to the FSA, so as to have closer links to its operational activities. Defra has a justifiable interest in Country of Origin Labelling, Protected Geographical Indication (PGI) and Protected Designation of Origin (PDO) policy and should keep its responsibilities in this area. Research into authenticity and the development of information to support clear labelling about composition however need to have closer links to delivery. I suggest that the FSA is the most appropriate body for this and should take back the lead now, but its' staff must work closely with Defra and industry in doing so	We agree that the FSA is the most appropriate body and the FSA should have responsibility for food labelling, composition and authenticity policy (as well as enforcement) across all of the UK. We would not, however, distinguish origin labelling - as this is also important consumer information about the source of food and not merely a marketing issue.
15. The FSA should support a national food economic intelligence hub, with appropriately qualified staff that can study trends in commodities, commodities futures trading and differential pricing across commodities with the potential for adulteration. This intelligence hub should analyse information from multiple sources including international evidence, information from testing and sampling programmes and consider whether these offer new opportunities for criminal profits.	We strongly agree. The FSA needs to develop skills in this area so that it is better able to anticipate potential adulteration and fraudulent practices.
16. The intelligence produced by both the industry and regulator led information bodies suggested above will need rapid dissemination if it is to be useful. Industry trade associations are an obvious ally. In addition, I recommend the FSA develop close links with local authorities and the advisory services they provide for local retailers. Likewise, the FSA should be proactive with primary authorities in using their close relationships with major companies as a means of getting information to them.	We agree, but think that the FSA needs to review and improve its communications channels with local authorities. This information also needs to feed more directly into enforcement activity.
17. It also seems sensible for 'web crawling' services to be commissioned as a specialised service. This service should be supervised by	We agree. The Sudan I scare a few years ago, could also have been pre-empted if there had been better monitoring of Asian

the FSA and shared with industry, so that a single service collates news reports from round the world to spot any new frauds that are being enabled by new technology and innovation.	food science publications, for example.
18. I believe industry will and should contribute to the cost of the information services outlined above, which would add to or confirm any intelligence they develop in-house or share through an industry safe haven.	We agree, but the nature of this funding should not restrict its use by the FSA and public authorities.
Laboratory services	
19. The laboratory community testing for food authenticity should standardise their approaches.	We agree that this is important and needs to be addressed.
20. Officials from Defra's current Food Authenticity Programme, Food and Environment Research Agency (FERA), LGC21 and the FSA should work with the Elliott Review to develop a framework for standardising authenticity testing, ahead of the establishment of an EU-RL in this area.	We agree.
21. Guidance should be developed by the current Food Authenticity Programme and the FSA, setting out the considerations that need to be taken into account when introducing and developing programmes of surveillance. This guidance should feed into existing and future national sampling programmes.	We agree, but central to this is a much more effective system of collecting and sharing data from local authorities through a mandatory surveillance system - and a greater focus on standards testing by local authorities.
22. Under the combined leadership of the FSA and DH, and facilitated by the LGA, PHE, APA and Defra should work with the Elliott Review to consider appropriate options to secure the merger and rationalisation of current public sector laboratory provision around food standards.	We agree that a much more strategic approach to ensure that there is sufficient, and the right type of, laboratory capacity is needed. The move towards privatisation can bring additional expertise and capacity, but it needs to be ensured that work for public bodies will also be prioritised in a crisis.
23. (i) This work [to explore the possibility of a merge of Local Authority laboratories] should be overseen by an external organisation to act as a broker. I suggest a professional body such as the Institute for Science and Technology could fulfil this role. (ii) This project should also be subject to appropriate public scrutiny; I believe the House of Lords Science and Technology Committee would be an appropriate body to undertake this scrutiny.	This seems sensible.
Audit	
24. The FSA and BRC should work with	We agree that the approach to audit should

<p>industry and accreditation bodies to better coordinate and standardise audit to reduce burdens on producers and suppliers, and improve outcomes.</p>	<p>be made as efficient as possible and that there should be sharing of resources between companies where possible in order to ensure that there are sufficient checks in place across suppliers. The FSA should also be able to require food industry testing and require industry disclosure of testing results.</p>
<p>25. Buyers, auditors and inspectors need to receive specialist training and advice from their employers about critical control points for detecting food fraud or dishonest labelling in the foodstuffs considered to be medium and high risk. This should be delivered in much the same way as they are trained in food hygiene issues.</p>	<p>We agree that training and professional practice needs to be consistent with recognised standards of good practice in place.</p>
<p>26. Audit processes and methodologies used in the scrutiny of food preparation and processing should continue to be established by industry according to agreed standards, and criteria. These criteria and standards should be rooted in British Standards Institute approved methodologies.</p>	<p>We agree. These processes should be as transparent as possible.</p>
<p>27. The food industry moves to reducing the number of announced audits undertaken and replacing them with unannounced thus creating the opportunity to reduce the overall audit burden on those who earn recognition for excellence.</p>	<p>We strongly agree that there must be more unannounced inspections by food companies as well as by local authorities when carrying out their work. These should be the norm, with prior notice only given in exceptional circumstances.</p>
<p>28. Third party accreditation bodies are ideally positioned to collect and analyse food samples. I would like to see surveillance sampling to the standards set out in section 2.4, incorporated into unannounced audits, to be coordinated by the standard holder. This would act as an additional deterrent to food businesses knowingly trading in fraudulent food.</p>	<p>We agree. Testing is an important way of ensuring that food is of the standard that is expected. Clearer FSA guidance is also needed on the level of testing required by food companies.</p>
<p>29. All sectors of the food industry that purchase directly or indirectly from cold stores should acknowledge the extent of risk posed by cold stores and only store goods in, or purchase goods out of, those cold stores that are audited and inspected regularly, including through unannounced audits outside of regular business hours. I also recommend that where they store food materials in cold stores, other than their own, that they take all necessary measures to ensure that those goods cannot be</p>	<p>We agree. There needs to be much greater attention paid to the potential risk of fraud and unannounced inspections are important to gain a true picture of practices in cold stores.</p>

tampered with during storage.	
30. Accreditation bodies should develop new standards that cover traders and brokers who are currently subjected to little scrutiny by those responsible for either official controls or assurance of private standards. Such standards must be fraud aware and incorporate disciplines such as forensic accountancy in order to guarantee their rigour. The adoption of new standards for brokers and traders will allow food retailers greater visibility of their entire supply chain and not just production facilities.	We agree. The horsemeat incident showed that these intermediaries have an important role, but have been operating largely outside of food law controls. They need to be subject to much greater scrutiny and they must be required to register as food businesses.
31. Once the standards for traders and brokers are established, these should become a condition of contract.	We agree.
32. Industry must acknowledge the extent of risk of food crime being perpetrated during transportation. For their own loads, retailers, processors and manufacturers must apply and check tamper-evident seals at every stage of the transport process. If using group haulage, industry must make their own products tamper-evident.	We agree. This is an area that also needs to be under much greater scrutiny and control. The FSA has an important role in ensuring the industry acts on this.
33. Industry should use their own hauliers, or hauliers that are properly audited/ inspected to their own criteria which incorporate anti-fraud measures.	We agree.
34. I recommend that industry acknowledge the extent of risk associated with frozen blocks of meat and introduce effective inspection combining thorough and unannounced audits and include regular sampling (surface and core).	We agree - but the FSA also has an important role in setting out guidance that should apply industry-wide.
35. Both industry and Government acknowledge the risks of substitution of meat not fit for human consumption entering the human supply chain and introduce anti-fraud auditing measures that will make such substitutions more easily detected.	We agree. This starts with the better intelligence gathering set out above. The FSA also has an important role in defining what these anti-fraud auditing measures should be in order to ensure that they are implemented by smaller as well as larger producers.
Government support	
36. (i) As all parties become more aware of opportunities and potential for food fraud/crime, it would be sensible for the FSA and local authority staff to work to develop a coherent approach across all areas of hygiene and standards, learning from each other so that businesses see no	We agree. Which?'s recent report on food law enforcement sets out how we think the FSA needs to work far more strategically, taking a national overview of how enforcement is delivering and ensuring that there is more effective sharing of resources and expertise. This includes: establishing

distinction between local authority and FSA regulatory approaches. (ii) This could be effected through improved guidance and training to enforcement officers coordinated between FSA with the professional bodies (including CIEH, TSI, the National Trading Standards Board).	formal co-ordination mechanisms, identifying weaknesses and high risk areas, developing shared expert teams that can operate at a regional level and reviewing how the environmental health and trading standards split works.
37. The FSA should work with the NTSB, TSI and CIEH to develop a model for coordination of local authority high profile investigations and enforcement. This requires a skills set that is distinctly different from more routine enforcement hierarchy, starting with business support and advice on good practice	We agree, but think that there also needs to be a review of specialism at a regional level more generally, not just for high profile investigations.
38. The FSA should remain a non-Ministerial department but changes to its governance arrangements are necessary to make it a more robust organisation.	We would be concerned about any changes that would affect the FSA's independence and limit its ability to speak out in the public interest. We do, however, think that it needs to be strengthened and reinvigorated as a consumer champion.
39. The FSA must engage, simultaneously and regularly, at a very senior level with all the other Government departments it shares interests with. A suitable forum e.g. a 'National Food Safety and Food Crime Committee' must be developed to cover topics including the content of FSA's business plan, its longer term strategic plan and briefing on emerging issues. How those discussions would be conducted should be set out in a Memorandum of Understanding.	We agree that the FSA needs to engage more effectively with the rest of Government. We strongly support the proposal for it to lead a national food crime unit. However, as well as food crime, we think that there needs to be a better mechanism for co-ordinating wider food policy that brings together FSA, DH, Defra and other relevant government departments.
40. The FSA and Government should consider the benefits of Government having the opportunity to comment on the FSA's longer term strategic plan. This approach would help ensure that an independent and robust FSA would have the added benefit of a partnership approach with Government in how it takes forward its role to protect the interests of consumers.	The FSA should be able to set its own priorities, while consulting with the rest of government. Care is needed to ensure that the FSA works more effectively, but that its independent status, sole remit to protect consumers and the powers that it has to publish its own advice - are maintained and ideally enhanced.
Leadership	
41. I have been persuaded by the evidence I have collected that food crime already is or has the potential to become serious organised crime. If so, food crime deserves to be considered by the Government Agency Intelligence Network and the lead food crime agency needs to be involved; I believe this lead agency to be the FSA. Given the	We agree that food crime should be considered by the Government Agency Intelligence Network and that the FSA should be the lead food crime agency.

wide range of responsible and interested parties, it should not be wholly controlled by FSA but should operate under carefully defined terms of reference to a governance board.	
42. Given my assessment of the seriousness and complexity of food crime, I believe that a new unit, hosted by the FSA should take over the intelligence lead from the Intellectual Property Office on Operation Opson.	We fully support the establishment of a food crime unit, led by the FSA, working closely with other key agencies.
43. While the optimal outcome would be to create a new 'food crime' unit to deal with food fraud incidents, I believe there is action FSA could consider now to enable it to take a lead role in dealing with national incidents. I urge FSA to review whether there might be an existing legislative mechanism to do so, as a matter of urgency.	We agree and that the FSA should recruit the necessary skills and expertise to enable this unit to function effectively - and consider how it can take on this leadership role more effectively in the short-term.
Crisis management	
44. The FSA will always need and expect the support of other government departments if the combined response is to be effective.	We agree. More effective co-ordination of government departments and agencies is essential.
45. Elements in this [Defra's] contingency plan (e.g. on preparedness, organisational structures for control and co-ordination, suspicion and confirmation and communication) apply equally to the handling of a major food incident. I recommend that the FSA follow a similar template as they develop their own plans.	We agree that the FSA needs to have an effective contingency plan in place - and agree with the report that there can be no silos or boundary fights that delay action in the public interest.
46. Professor Troop's report helpfully described the key elements of a Major Incident Plan and highlighted the importance of ensuring that appropriately trained staff are in place to increase its resilience. I fully endorse those comments and I would urge the FSA to finalise its Major Incident Plan as quickly as possible.	We agree. The FSA also needs to run regular training exercises simulating a crisis in order to ensure that staff are clear about how to operationalise the plan.
47. Defra, DH and FSA should work closely together to ensure all are clear about their respective roles when another authenticity incident occurs. The creation of the 'National Food Safety and Food Crime Committee' will help facilitate the handling of such incidents.	We agree - but, as commented above, think that a body (ie. a Cabinet Sub-Committee and Steering Group made up of senior officials) is needed for wider co-ordination of food policy across government departments.
48. For inspection purposes, all incidents should be regarded in the first instance as potential risks to public health, until there is evidence to the contrary. Once one part	We agree. It is also another reason why food standards and labelling policy should be moved back to the FSA to ensure that there is less confusion over what is a 'standards'

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of the system fails, we cannot have confidence in the whole. This has implications for the organisation of any response, which I recommend the FSA explores with the Cabinet Office.	issue and what is a safety issue.
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