ADVISORY COMMITTEE ON ANIMAL FEEDINGSTUFFS

Information Paper

Implementation of Earned Recognition in the Feed Sector

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Arrangements for the Implementation of Earned Recognition

Briefing Note for ACAF

April 2014

1.0   Action

1.1   This brief is for information only and provides ACAF with an update regarding the implementation of earned recognition in the feed sector which is part of the wider programme of change in this area.

2.0   Background

2.1   Earned recognition is not new to the Agency. The FSA has implemented ER in primary production for food hygiene (2006) and dairy hygiene (2012).

2.2   At the November 2012 FSA Board meeting it was agreed that a programme of work would be established to improve the delivery of feed controls and this included the development of ER in the feed sector.

2.3   Measures to introduce ER have been incorporated into the revised Feed Law Code of Practice and supporting guidance which has been approved by the Minister for publication in England and is awaiting approval in Wales. The revised Code and guidance document describe two key processes for the implementation of ER:

- initial approval of an industry assurance scheme for ER: and
- monitoring to ensure on- going confidence that approval is justified

2.4   To assess the impact of ER on the delivery of official feed controls, enforcement authorities (EA) in England have completed a desk top study, which would indicate a reduction of approximately 10,000 inspections per annum. This will allow EA's to focus on less -compliant businesses and the 55,000 premises that were identified as not being visited.

2.5   As part of the consultation process for the revised Code, the FSA engaged a research body to assess consumer attitudes to ER through the use of industry assurance schemes. Consumers broadly welcomed the development of ER. The survey showed:

- consumers appreciate the benefits of assurance schemes maintaining standards, but feel strongly that schemes should be regularly monitored and that local authorities should remain involved in the process;
- Approximately 75% of respondents thought it was a good idea to use the assurance scheme's audit process to influence the frequency of inspections;
- Over 75% of respondents see better targeting of non-compliant businesses and more frequent inspections as a positive feature of implementing earned recognition; and
- the capacity to inspect a business even if it is a member of a scheme should remain with the LA.

The formal consultation process indicated that respondents were overwhelmingly in favour of the introduction of ER in the feed sector.

3.0   Processes for the Approval of an Industry Assurance Scheme for Earned Recognition in Feed

3.1   The approval process requires an industry assurance scheme to demonstrate that their scheme meets FSA Criteria for Earned Recognition (annex 2) in the following areas:

- governance arrangements surrounding standard setting, certification and assessment process ;
- scheme standards cover all applicable legislative requirements associated with the feed sector it is designed to support;
- the certification process and UKAS accreditation; and
- the availability of data which they are willing to share with the FSA to support the process/monitoring.

3.2   The FSA is currently discussing ER arrangements with a number of industry assurance schemes and a high degree of correlation between scheme standards and legislative requirements has been found.

3.3   Once an industry scheme has been approved for ER, this arrangement will be captured in a Memorandum of Understanding (MOU). The MOU defines roles and responsibilities of the FSA and industry assurance scheme implementing ER.

3.4   This process describes the implementation of ER in the feed sector. However, the process has been developed so that it can be easily adapted to operate in other sectors.

4.0   Governance Requirements for Earned Recognition

4.1   To support the implementation of ER across the FSA, governance arrangements are required to:

- provide a continuing connection between operational implementation and strategic development of earned recognition;
- ensure a consistent, fair and evidenced based approach is taken when applying or implementing ER; and
- provide a system accountability for approval and monitoring of earned recognition.

4.2   Governance arrangements would see the development of two distinct areas of responsibility:

- the collection of evidence to support approval, continuing approval or termination of approval, and
- the decision making process, responsible for approving or terminating approval of earned recognition and ensuring the system aligned with the Strategic Plan and wider approach to earned recognition within the Agency.

5.0   Proposed Governance within the FSA

5.1   Discussions are currently taking place with the Regulation and Legal Services Directorate (RLSD), which holds policy responsibility for ER as to the future governance arrangements that will be put in place for ER. Such a structure

would oversee the consistent development and application of ER as well as assuming responsibility for scrutiny and verification of ER across the Agency.

5.2 As an interim measure the Feed Programme Board will provide ER governance until such time a decision is made by RLSD as to where the governance body will be permanently located.

6.0 Role of Operations

6.1 Operations will be responsible for establishing systems to monitor the performance of approved schemes, to ensure consumers are not exposed to risk and clearly demonstrate the FSA remains in control of the process.

6.2 Operations will work with local authorities and approved schemes to monitor the ER process, through:

- assessing compliance with FSA Criteria for ER that lead to approved status being awarded;
- monitoring of audit performance, (assurance schemes);
- assessing the quality of audits carried out by the certification body;
- ensuring data flows between the FSA,LAs and assurance scheme regarding new members, businesses that leave the scheme, suspended members and members that are found to be an imminent threat to public health and/or animal health or welfare;
- monitoring the sample check undertaken by LAs of approved scheme members; and
- assessing non-compliance information to direct information and training to industry and the FSA.

7.0 Summary

7.1 The Feed Law Code of Practice has been approved for England and arrangements for the introduction of ER remain on tract.

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Annex 1

Proposed Terms of Reference for Earned Recognition.

Terms of Reference: Earned Recognition	
Description of Role	To provide strategic leadership, direction and scrutiny to the extension of earned recognition (ER) and to approve applications and monitor progress and delivery by the FSA.
Responsibilities	- Provide governance to ensure ER supports the delivery of the FSA's strategic plan and wider Government priorities. - Provide leadership and set direction to extend ER across the FSA and with other government departments, industry and the EU. - Set direction for the delivery of ER by acting as the final review panel and decision making body for awarding or withdrawing of ER in relation to sectors covered by earned recognition (currently feed, dairy hygiene and primary production food). - Provide support and guidance to the ER responsible officer. - To ensure the ER process is evaluated on an ongoing basis to ensure it helps target official controls and maximises consumer protection.
Accountability	Accountable to the Executive Management Team?
Governance	Operations teams will be responsible for the development and implementation of ER in relevant sectors. LIRA Directorate will be responsible for the strategic development and coordination of ER across the FSA. Operations and LIRA will report to the ER Board on ER issues, who will be responsible for ensuring the further development and implementation of ER is effectively and consistently applied and evaluated and supports the delivery of FSA strategic aims and government priorities.
Membership	Rod Ainsworth Chair and Senior Responsible Officer
	(To be decided)
Frequency	Quarterly.
Term	Ongoing, with review of effectiveness after one year of meetings.
Standing Agenda Items	- Membership and ER ToR of the Board. - Minutes of the last meeting - Action points - Update report for earned recognition - Quarterly verification report on earned recognition
Reporting	The ER Board will update the EMT on a quarterly basis through the Senior Responsible Officer.

Annex 2

Criteria for Earned Recognition.

1.0   Standard Setting

1.1   The industry scheme and standards should cover applicable legislative requirements for the sector it covers, and include the following aspects of governance surrounding the establishment and setting of standards:

- Governance: The role and governance of the standard setting body should be clearly defined within the scheme and include representatives of all relevant stakeholders;

- Standards: There should be clearly defined processes for developing standards, with access to expertise and experience in relation to the sector to which the standards relates;

- Legislation: Processes should be in place to ensure standards are reviewed and developed in line with legislative changes; and

- Risk based: A risk based approach to standard setting should be used drawing upon HACCP or an equivalent risk assessment process that identifies safety hazards and controls.

2.0   Compliance and Certification

2.1   The industry schemes should clearly describe compliance as well as processes for assessment and review, in particularly:

- Compliance: The scheme should provide guidance on interpretation and assessment of compliance and how non conformities with standards are dealt with;

- Review: Systems should be in place to monitor and adjust scheme requirements to ensure they achieve acceptable standards of compliance; and

- Assessment: The scheme should have appropriate mechanism for the development and review of inspection criteria, with the ability of relevant stakeholders, including central competent authorities, to contribute to this process.

2.2   The industry scheme must have the following processes/criteria in place for its certification bodies:

- be UKAS accredited or equivalent having EN45011 accreditation;

- promotes quality management, including clearly defied management structure, processes for monitoring audits and the objective collection and recording of evidence as part of the certification process;

- that the certification process is reviewed at least annually to ensure it is operating effectively and in accordance with the requirements of the assurance scheme;

- to ensure non-conformances are tracked, closed off or otherwise addressed subject to the schemes requirements;

- to monitor the competence/performance of assessor;

- to ensure those responsible for certification are kept up to date with developments in standards and guidance for interpretation of standards; and

- that the certification decision making process is clear, transparent, proportional, consistent and documented.

3.0   Assessment Process

3.1   The industry scheme will need to demonstrate the following:

- the assessment process must be underpinned with guidance that deals with the assessment of standards and how non conformities are dealt with in relation to the risk posed by non-compliance. Guidance should include procedures for dealing with repeat non conformities, failure to rectify non conformities and situations when certification should be withheld or suspended and circumstances in which it might be re-instated. In addition the guidance must include verification of corrective action;

- the assessment must be carried out by assessors who are impartial, competent and have relevant sector knowledge;

- frequency of assessments must be no less than the minimum set by legislation for the sector covered by the assurance scheme, risked based and take into account previous history;

- assessment must review all the standards set by the scheme applicable to the business and as a minimum must include a visual inspection of the site, observation of operations and examination of records;

- comprehensive records of assessment findings should be maintained. (date, name of assessor, scope of assessment, non-conformities, timescales for rectification etc.); and

- Where possible assessments should be unannounced or at short notice.

4.0   Assessor Authorisation/Competence

4.1   The industry scheme should have defined the following and have systems in place to ensure the certification body has:

- criteria for appointing and authorising assessors including reference to professional qualifications, auditing skills, relevant experience and arrangements for ensuring on-going competency; and

- induction and continued learning to enable assessors to demonstrate a clear understanding of scheme requirements procedures and guidance for interpretation of standards and how non conformities are handled.

5.0   Standard Mapping

5.1   Scheme standards will need to encompass legislation applicable to the sector the scheme identifies with. The FSA will work with the assurance scheme to ensure applicable legislation is identified.

5.2   If the FSA identifies that the scheme fails to cover any of the relevant legislative measures, the assurance scheme will be notified and invited to amend the scheme.

6.0   Data Sharing and Communications

6.1   The assurance scheme must be in a position to provide the following information to the FSA and relevant enforcing authority:

- information is made available to determine membership (new members/members that leave or suspended from the scheme) of the scheme and such data is kept up to date;

- processes are in place to ensure the FSA, and enforcement authority are informed quickly about members that are suspended from the scheme/where assessors have doubts that a member can manage or control risks as a result of repeat non conformities; and,

- processes are established to ensure that the FSA, and enforcement authority are informed immediately of an immediate threat to public health or animal health or welfare is identified.

6.2   The Industry scheme must be in apposition to agree the following processes with the FSA:

- the review of planned and actual assessments;

- the review of high level non-conformance/compliance data, rectification timescales;

- the establishment of effective communications, between the assurance scheme, the FSA, the VMD and enforcement authorities;

- the FSA is notified of changes to the scheme with particular reference to standards that reflect legislative requirements;

- the review of criteria that lead to earned recognition being approved for the scheme;

- key contact details;

- regularly meet with the FSA to discuss the operation of the scheme; and

- be in a position to enter into a memorandum of understanding to support the earned recognition process with the FSA and VMD.