

DEVELOPING THE FSS STRATEGY - UPDATE

1 Purpose of the paper

- 1.1 This paper is for **Discussion**.
- 1.2 Following the Board's discussion in July, the purpose of this paper is to update the Board on developing the FSS Strategy and Strategic Plan, and seek agreement to the next steps.
- 1.3 The Board is asked to:
 - **Comment** on the draft Strategy (Annex 1)
 - **Agree** the proposed five strategic priority outcomes for FSS
 - **Agree** the mapping of FSS outcomes to Scottish Government National Outcomes
 - **Comment** on the draft Strategic Plan to March 2019 (Annex 2)
 - **Agree** timing for the Board sign-off of the Strategy to 2021 and Strategic Plan from 2016-2019.

2 Background

- 2.1 The Board had its first discussion on the FSS Strategy in June 2015. The Board agreed the general approach to developing the Strategy, and made a number of comments on the initial proposals which have been taken into account in the latest iteration attached at Annex 1.

3 Timescales

- 3.1 On timescales, the Board favoured a Strategy that set out a longer term vision, with Strategic Plans over shorter periods, which would allow FSS to flex and be adaptable where appropriate, and recognising that not all of the strategic outcomes will be delivered over the life of the first Strategic Plan.
- 3.2 It is proposed that that the timescale for the Strategy be five years, from April 2016 – March 2021, and that the first Strategic Plan should run for three years from April 2016 – March 2019, with another Strategic Plan to take us from April 2019 - March 2021. The Strategic Plans will be translated through annual business planning into objectives and milestones that will allow the Board to monitor progress towards our strategic outcomes.
 - *Does the Board agree the proposed timescales for the Strategy and Strategic Plan?*

4 Strategic Outcomes

- 4.1 In June, the Board provided helpful comment on the early iteration of strategic outcomes for FSS. These have been further refined in light of that discussion, and five proposed strategic outcomes for FSS are outlined in paragraph 3.1 in the Strategy document (Annex 1).
- 4.2 These reflect the statutory objectives for FSS – that public health and the other interests of consumers are protected, and that consumers can choose better diets -

and that FSS should contribute to the SG's wider national purpose: *to focus Government and public services on creating a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable growth.*

- *Does the Board agree the five strategic outcomes proposed at paragraph 3.1 in Annex 1?*
- *Does the Board agree how the proposed Strategic Outcomes for FSS map onto relevant Scottish Government national outcomes?*

4.3 In the June discussion, the Board was broadly supportive of the values and principles that will help deliver FSS's vision *to create a food and drink environment in Scotland that benefits, protects and is trusted by consumers.* The values and principles have been revised in light of the Board's comments and will be integrated throughout all levels of our planning and delivery – from Strategy and Strategic Plan through annual business plans to individuals' objectives.

5 Engagement on the Strategy and Strategic Plan

5.1 Consumer and stakeholder input and comment into our Strategy and Strategic Plan will help ensure that our strategic direction and priorities are informed by the views of those who we are here to protect, regulate and collaborate with.

5.2 In addition to doing this through routine, planned engagement, we have identified a number of key opportunities to share progress so far and seek views and comments from others:

Stakeholder forums (October/November)

Local authority summit (August)

Consumer engagement, e.g. Citizens' Forums

- *Does the Board agree this approach to seeking input from stakeholders and consumers?*

6 Finalising the Strategy and Strategic Plan

6.1 The Board noted in June that pending an agreed Strategy, that FSS's activities for 2015-16 are focussed on the objectives that the Chair agreed for the Chief Executive, and that many of these have been translated into initiatives that are our priorities for this year. Some of these initiatives will carry forward into the draft Strategic Plan for 2016-19 (Annex 2).

6.2 It is proposed that the final iterations of the Strategy and Strategic Plan should be presented to the Board for agreement in January 2016.

- *Does the Board agree this timetable for finalising and agreeing the Strategy to 2021 and Strategic Plan to 2019?*

7 Conclusion

7.1 The Board is asked to:

- **Comment** on the draft Strategy (Annex 1)
- **Agree** the proposed five strategic priority outcomes for FSS
- **Agree** the mapping of FSS outcomes to Scottish Government National Outcomes
- **Comment** on the draft Strategic Plan to March 2019 (Annex 2)
- **Agree** timing for the Board sign-off of the Strategy to 2021 and Strategic Plan from 2016-2019.

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ANNEX 1 FOOD STANDARDS SCOTLAND – OUR STRATEGY TO 2021**Our Purpose**

- 1.1 FSS's purpose is defined in the Food (Scotland) Act 2015¹.
- 1.2 The 2015 Act gives FSS three *objectives*:
- to protect the public from risks to health which may arise in connection with the consumption of food;
 - to improve the extent to which members of the public have diets which are conducive to good health; and
 - to protect the other interests of consumers in relation to food;
- 1.3 In setting out our purpose, the Act provides FSS with the legitimacy to carry out activities to help achieve these objectives, and in doing so, to protect consumers and help them to have better health.
- 1.4 The Act also identifies a number of *general functions* for FSS, summarised below:
- a. to develop and help others develop policies on food and animal feed;
 - b. to advise the Scottish Government, other authorities and the public on food and animal feed;
 - c. to keep the Scottish public and users of animal feed advised to help them make informed decisions about food and feed stuffs; and
 - d. to monitor the performance of food enforcement authorities.
- 1.5 And FSS is defined in law as a 'competent authority' and an 'enforcement authority' to implement and monitor Scottish and EU food and feed regulations. This gives us a role as a *regulator* in relation to food and feed law.

Our Vision

- 2.1 It is clear from the statutory objectives in the Act that consumers – the public – should be at the heart of everything we do, and therefore FSS should put the consumer first and foremost. Putting the consumer first is the value that must be at the heart of FSS's vision: *to create a food and drink environment in Scotland that benefits, protects and is trusted by consumers.*

Our Strategic Priorities

- 3.1 To deliver our Vision in the context of the food landscape described in paragraphs 8.1- 8.11 in Annex 1, we propose the following five strategic outcomes:
1. Food is safe
 2. Food is authentic
 3. Consumers choose healthier diets
 4. Responsible food businesses flourish
 5. FSS is a trusted organisation

¹ <http://www.legislation.gov.uk/asp/2015/1/contents/enacted>

3.2 Achieving these high level outcomes will take FSS a long way to delivering our Vision. The developing Strategic Plan sets out what we will do over the first three years of the Strategy to move us towards these outcomes, and identifies key activities that will contribute to each outcome.

Our Contribution to the Scottish Government's Purpose

4.1 As a non-ministerial office, FSS is not part of the core Scottish Government, but is part of the wider Scottish Administration. As such, our activities should contribute to the Scottish Government's purpose: *'To focus Government and public services on creating a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable growth.'* The Scottish Government has a well-developed National Performance Framework, which is founded upon an Outcomes Based Approach. By FSS similarly taking an outcomes based approach to its strategic direction, we will be well placed to contribute to this wider purpose.

4.2 The National Performance Framework contains 16 National Outcomes. These outcomes describe what the Government wants to achieve, articulating the Purpose more fully. The outcomes help to sharpen the focus of government and bodies such as FSS who will contribute to achieving the SG's ambition, enabling the priorities to be clearly understood and provide a clear structure for delivery. SG recognises that by organisations collaborating and working in partnership to achieve these outcomes together, we will collectively make Scotland a better place to live and a more prosperous and successful country.

4.3 The National Outcomes that are most relevant to FSS's purpose and remit are:

- We live longer, healthier lives
- We have tackled the significant inequalities in Scottish society
- Our children have the best start in life and are ready to succeed
- We realise our full economic potential with more and better employment opportunities for our people
- We live in a Scotland that is the most attractive place for doing business in Europe
- We reduce the local and global environmental impact of our consumption and production
- Our public services are high quality, continually improving, efficient and responsive to local people's needs.

4.4 The last two on the list above are outcomes that the SG expects all public bodies to contribute to. The last one is particularly relevant to FSS's strategic outcome of people having confidence in FSS, and the penultimate one may resonate with protecting the other interests of consumers in relation to food, for example in how people in Scotland can have diets that are safe, healthy and sustainable now and in future. Table 1 shows how the FSS outcomes will contribute to the National Outcomes.

4.5 FSS's activities throughout the period of the Strategy must also reflect what the Government is aiming to achieve in transforming public services. This work, in

response to the Christie Commission's recommendations² seeks to reform public services through: a decisive shift towards **prevention**; greater integration at a local level driven by better **partnership**; **workforce** development; and a sharper, more transparent focus on **performance**. This links closely to the values and principles that underpin FSS's Strategy. Strong and effective partnerships will be key for us, as a relatively small organisation that wants to punch above our weight. We need to strengthen the partnerships we already have and build new ones where these will help us to achieve more for the people of Scotland, by leading or collaborating as appropriate to move towards the outcomes we seek.

Our Values

5.1 The values against which we will measure everything we do are:

- **Public service** - having people at the heart of what we do, putting the consumer first;
- **Authority** – being a credible, consistent and trusted voice of authority on food matters in Scotland, basing our decisions upon sound science and evidence;
- **Openness** – being open and transparent in our dealings with the public, stakeholders and partners;
- **Independence** - at arm's length from Ministers, but aligned with the Government's Purpose; and
- **Partnership** – collaborating with others to achieve the best outcome for the public.

Our Principles

6.1 The principles that govern our actions are:

- Public health and consumer protection in relation to food will be at the heart of FSS's Strategy. This puts people first, aiming to improve people's lives by preventing ill health related to food and diet.*
- FSS engages consumers and stakeholders in determining and then delivering its strategic priorities and listens to what matters to consumers in relation to food. As a body charged with putting the consumer first, engaging with people is fundamental to what we do, and we have a good track record from FSA to build on.*
- In working to deliver its strategic outcomes FSS takes decisions based on evidence. Again, an area where we can build on experience from previously being part of FSA. It will be important for FSS to recognise and articulate the relative strength of different pieces of evidence, and to be clear when there is uncertainty or conflicting evidence.*
- FSS will seek to work collaboratively with other bodies in Scotland, the UK and beyond when this can realise greater consumer benefit than working alone. The partnerships that we develop with stakeholders and other bodies will be critical to*

²<http://www.gov.scot/resource/doc/352649/0118638.pdf>

how we deliver for people in Scotland. We will build on existing partnerships and identify new ones where these will help us deliver more.

- e. *FSS values its independence alongside Government, whilst recognising its role in contributing to wider outcomes.* FSS is part of the Scottish Administration, and as a public body, will contribute to the wider National Purpose.
- f. *FSS fulfils its role as Competent Authority (CA) in relation to EU food and feed law.* We must ensure that food businesses meet their responsibilities in producing safe and authentic food, and ensure that our own performance and that of others such as local authorities makes us an effective regulator, prioritising consumer protection.
- g. *Food and feed businesses and other stakeholders that engage with FSS are treated fairly and with respect.* In carrying out all of our functions, our people will be well informed, skilled and professional in their approach.
- h. *FSS fulfils its regulatory obligations.* We will ensure that in carrying out our role as a regulator, that we are aligned with the wider objectives of the Scottish Regulators' Strategic Code of Practice, which sets out the performance expected of regulators to help make Scotland a better place to do business, whilst protecting consumers.
- i. *FSS's decisions and actions should support compliant businesses, and be effective at dealing with non-compliant ones.* This means that we will recognise and reward good performance, and act robustly to deal with poor performance.
- j. *FSS is clear that compliance is good for consumers and good for business - protection of public health is compatible with business and economic growth.* FSS will ensure that in protecting consumers by being an effective regulator, this will not stifle the growth or success of businesses that meet their responsibilities.

Putting the Consumer First

7.1 To put the consumer at the heart of what we do, we need to understand what matters to consumers in relation to food. We also need to understand consumer attitudes and how consumers behave in relation to food. And we want consumers to understand us and what we do, so they can trust us. A recent survey shows that FSS is fortunate in inheriting from the Food Standards Agency in Scotland (FSAS) a strong level of trust from consumers in Scotland,³ alongside recognition of FSS's wide remit.

7.2 We already know quite a lot about consumers attitudes and behaviours in relation to food, through the evidence and insight gathered as part of FSA, and as FSS, we will further expand and develop this understanding, with a clear focus on what matters to consumers in Scotland in how they think, act and behave on food issues. And it's important that we are doing this whilst looking forward, recognising that much is expected to change in the food chain over the years ahead.

What consumers think and how consumers behave

³<http://www.food.gov.uk/science/research/ssres/publictrackingsurvey/biannual-public-attitudes-tracker-survey-may-2015>

7.3 A challenge for FSS will be persuading consumers to do things differently, when this is necessary to achieve our goals. By means of example, we have evidence that many consumers in Scotland understand what constitutes a healthy balanced diet and report that they eat a healthy balanced diet⁴. Yet we also know that Scotland has a very poor record on dietary health and diet-related preventable illnesses, and around two-thirds of adults in Scotland are either overweight or obese. Improving the health of the Scottish population by reducing the impact of preventable diet related diseases will require consumers to change what they do. We know that behaviour change in relation to diet is not easy, and that this will be a challenging area for FSS, working in partnership with others, to help people move towards better diets. And we also know that consumer behaviour change alone is unlikely to deliver the scale of change we seek, and that there will be things that the food and drink industry can do to help people eat healthier diets. This is only one example, but to fully determine the things we need to do to achieve our strategic goals, we need to understand the landscape in which we operate.

The Food Landscape

- 8.1 Describing the landscape now and in the foreseeable future is helpful in contextualising how we should translate our purpose into strategic priorities to 2021.
- 8.2 FSA in Scotland participated in the work to develop FSA's Strategy to 2020^{5,6}. That work involved wide-ranging analysis of the external landscape in relation to the food supply, and identified that many different things are expected to affect the supply of food to the UK over the next 25 years or more, but that it is difficult to predict the pace and nature of these changes. Most of the factors that FSA identified as potentially having an impact on the supply of food to the UK as a whole are equally relevant to Scotland.
- 8.3 It is recognised that pressures on production systems and supply chains at home and elsewhere may have impacts on consumers. These pressures may be environmental, for example in relation to the availability of land, water and energy for growing and producing food, they may be demographic, such as increasing demand for food from a growing population or they may be economic, where market forces or the wider economic environment may encourage unscrupulous operators in food supply chains to cut corners. Whilst it is the responsibility of food businesses to produce and sell safe food, FSS has a role in ensuring that they meet these responsibilities, and to ensure that effective action is taken if and when they do not.
- 8.4 There are political and structural factors that are important to take into account – nearly all food and feed law now originates from the European Union, so ensuring that FSS is well placed to reflect Scottish perspectives into developing EU policy at the earliest possible stage will be key to achieving some of our objectives. Locally, FSS is highly dependent on our partners in Scotland's 32 local authorities who are responsible for carrying out much of the 'on the ground' compliance and enforcement work. The future sustainability of these services, provided by skilled and competent

⁴<http://www.food.gov.uk/sites/default/files/scotland-executive-summary-food-and-you-2014.pdf>

⁵<http://www.food.gov.uk/sites/default/files/fsa141105.pdf>

⁶<http://www.food.gov.uk/sites/default/files/fsa141105a.pdf>

teams and individuals, is key to our activities in protecting consumers, in an environment where resources to support these services are reducing.

- 8.5 FSS's primary concerns are protecting public health in relation to food safety and diet, and the other interests of consumers in relation to food, for example ensuring that consumers can have confidence that the food they buy is authentic and accurately labelled with information that they can understand and trust. In working to achieve these goals and putting the consumer interest first, we also have a responsibility to ensure that food businesses are treated fairly and that our regulatory functions are proportionate and do not add undue burden to industry. To underpin this we will develop a specific regulatory strategy which transparently outlines our approach to regulatory decision making and targets interventions in a way that effectively identify and dissuade non-compliance while providing incentives and rewards for compliance.
- 8.6 The food and drink sector is a significant part of Scotland's economy. Employing some 350,000 people in Scotland, there are ambitions to grow the industry to £16.5 billion by 2017⁷. It was recently announced that Scottish food exports have surpassed £1.1 billion for the first time, with total food and drink exports valued at £5.1 billion in 2014⁸. These new figures, which have been extracted from official HMRC export statistics for 2014⁹, show that food exports grew by 3.5 per cent on 2013, driven primarily by an increase in fish and seafood, which was up £38m. The food and drink sector therefore makes a significant contribution to the Scottish economy and has an important role to play in meeting the Scottish Government's purpose to focus Government and public services on creating a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth¹⁰.
- 8.7 The importance of the food and drink sector to Scotland is widely recognised. Recipe for Success¹¹, Scotland's first national food and drink policy, published in 2009, focused primarily on the economic growth of the sector. In 2014, the Scottish Government launched the next phase of its public dialogue on food and drink through its discussion paper 'Becoming a Good Food Nation'¹². This paper recognised that whilst considerable progress has been and continues to be made, particularly in terms of economic growth, substantial challenges remain. These include areas where FSS can make an important contribution, for example in relation to diet, health, awareness about food and food culture. The aspirations of Good Food Nation recognise the need for a cross-policy approach, and FSS is ideally placed to contribute to some of these wider ambitions.
- 8.8 Scotland faces considerable challenges in relation to food and health. Challenges related to the Scottish diet are well known – Scotland has one of the highest prevalence rates of overweight and obesity in Europe¹³. Almost two thirds of adults in Scotland are either overweight or obese, and we know that progress in meeting

⁷ <http://www.scotlandfoodanddrink.org/about-us.aspx>

⁸ <http://news.scotland.gov.uk/News/New-record-for-Scottish-food-exports-1933.aspx>

⁹ <https://www.uktradeinfo.com/Statistics/EUOverseasTrade/Pages/EuOTS.aspx>

¹⁰ <http://www.gov.scot/About/Performance/scotPerforms/purpose>

¹¹ <http://www.gov.scot/Publications/2009/06/25133322/0>

¹² <http://www.gov.scot/Publications/2014/06/1195>

¹³ <http://www.oecd.org/els/health-systems/Obesity-Update-2014.pdf>

the Scottish Dietary Goals is very slow¹⁴. Health outcomes related to poor diet are also well known – overweight and obesity contributes to higher risk of heart disease, stroke, Type 2 diabetes and some cancers. The Scottish Government's Obesity Routemap published in 2010¹⁵ estimates that the direct NHS Scotland costs of obesity will almost double by 2030, and that using assumptions made in previous estimates, the total cost to Scottish society of obesity, including both direct and indirect costs, range from £0.9 billion-£3 billion.

- 8.9 We also know that the affordability of food is important to many consumers, and we know from recent surveys¹⁶ that a small minority of consumers feel that cost is a barrier to eating more healthily. FSS does not have the direct drivers to influence the cost of food, but could help consumers find ways to eat an affordable, healthier diet.
- 8.10 Health issues related to food are not just about diet – considerable numbers of consumers in Scotland suffer from food poisoning every year. Data derived from the FSA's second Infectious Intestinal Disease Study^{17,18} (IID2) suggests that there are an estimated 43,000 cases of foodborne illness in Scotland each year, of which 23,000 are thought to be caused by *Campylobacter*. And Scotland knows at first hand the devastating impact that foodborne illness can have – the *E. coli* O157 outbreak in Wishaw in 1996 claimed 21 lives¹⁹.
- 8.11 So, whilst Scotland's food and drink sector continues to flourish and makes a very important contribution to the Scottish economy, there remain significant challenges around food, diet and public health. FSS's efforts must be focussed on addressing these and other challenges related to the consumer interest, ensuring that consumers' health and wellbeing is protected, and that they can have confidence in the authenticity of food they buy.

¹⁴ <http://www.foodstandards.gov.scot/monitoring-progress-towards-scottish-dietary-goals-2001-2012-report-2>

¹⁵ <http://www.gov.scot/Publications/2010/02/17140721/0>

¹⁶ <http://www.food.gov.uk/sites/default/files/scotland-executive-summary-food-and-you-2014.pdf>

¹⁷ <https://www.food.gov.uk/science/research/foodborneillness/b14programme/b14projlist/b18021>

¹⁸ https://www.food.gov.uk/sites/default/files/IID2%20extension%20report%20-%20FINAL%2025%20March%202014_0.pdf

¹⁹ The Pennington Group (1997) 'Report on the Circumstances Leading to the 1996 Outbreak of Infection with *E.coli* O157 in Central Scotland: The Implications for Food Safety and the Lessons to be Learned' Edinburgh: The Stationery Office

Table 1 – Mapping FSS Outcomes to Scottish Government's National Outcomes

National Outcome	FSS Outcome	<i>Food is safe</i>	<i>Food is authentic</i>	<i>Consumers choose healthier diets</i>	<i>Responsible food businesses flourish</i>	<i>FSS is a trusted organisation</i>
<i>We live longer, healthier lives</i>		✓		✓	✓	✓
<i>We have tackled the significant inequalities in Scottish society</i>		✓	✓	✓		✓
<i>Our children have the best start in life and are ready to succeed</i>		✓		✓		✓
<i>We realise our full economic potential with more and better employment opportunities for our people</i>		✓	✓	✓	✓	
<i>We live in a Scotland that is the most attractive place for doing business in Europe</i>		✓	✓	✓	✓	✓
<i>We reduce the local and global environmental impact of our consumption and production</i>				✓	✓	
<i>Our public services are high quality, continually improving, efficient and responsive to local people's needs.</i>		✓	✓	✓	✓	✓