

NewsLetter



Inspection charges on the way? FSA Board to discuss cost recovery for local authorities

The Food Standards Agency Board is due to discuss a paper entitled <u>"Local Authority Cost-Recovery, Initial Findings and Proposed Way Ahead"</u> at its board meeting scheduled for Wednesday 26th March.

In September 2024, the Board asked FSA officials to undertake initial engagement with Local Authorities to understand more around the opportunities and risks associated with charging for the delivery of official controls. Since then, discussions have been had between the FSA and representatives of local government in England, Wales and Northern Ireland.

Food Standards Scotland are currently investigating the potential to centrally recover and administer annual business registration fees from food businesses across Scotland to reinvest in food law enforcement to support a sustainable function and enable an investment approach that supports both industry and regulators.

Why are the FSA consulting LAs?

The purpose of the informal consultation exercise by the FSA was to establish local authorities initial views on a system of charging food businesses for the performance of official controls such as regular food hygiene and standards inspections.

The views of the food industry have not been sought at this point.

The FSA report that there was strong support for a charging scheme from local authorities in England and Wales but not in Northern Ireland.

What might a cost recovery scheme look like?

The FSA and local authorities discussed different models for recovering costs including:

- A fee for intervention model calculated on the basis of the actual costs of each individual official control activity and applied to all businesses.
- A fee for registration model charging a flat fee or set of flat fees at the point when a food business registers
- A permit to trade/ licensing approach
- A fee for fault model. Non-compliant businesses are charged for the time and expertise it takes to address non-compliance with the law or where they are at fault.

The FSA stress that this is the initial stages of a broader discussion on the issue of charging food businesses for local authority inspections and the board paper sets out a series of "next steps" for the FSA Board to consider.

More information

 Local Authority Cost-Recovery, Initial Findings and Proposed Way Ahead