



Environment, Food and Rural Affairs Committee

Oral evidence: [2 Sisters and Standards in Poultry Processing](#), HC 490

Wednesday 25 October 2017 [morning sitting]

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Written evidence from witnesses:

– British Poultry Council [[2SP0003](#)]

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Members present: Neil Parish (Chair); Alan Brown; Paul Flynn; Dr Caroline Johnson; Sandy Martin; Sheryll Murray; David Simpson¹; Julian Sturdy.

Questions 1 - 106

Witnesses: **Richard Griffiths**, Chief Executive, British Poultry Council; **Jim Moseley**, Chief Executive, Red Tractor; **Sue Lockhart**, Head of Assurance, Red Tractor; **Mark Proctor**, CEO, BRC Global Standards; **David Brackston**, Technical Director, BRC Global Standards, gave evidence.

Q1 Chair: Thank you very much for coming to our session this morning. We are looking at the poultry sector and food safety. Can I first of all ask you to quickly introduce yourself for the record, and we will then start our questions? Welcome, lady and gentlemen.

Jim Moseley: I am Jim Moseley, CEO of Red Tractor Assurance.

Sue Lockhart: I am Sue Lockhart, Head of Assurance for Red Tractor Assurance.

Richard Griffiths: Hello. I am Richard Griffiths, Chief Executive of the British Poultry Council.

Mark Proctor: Hello. I am Mark Proctor, CEO of BRC Global Standards

David Brackston: I am David Brackston. I am Technical Director at BRC Global Standards.

Q2 Chair: Welcome. I will be quite straightforward with the first question, and we can start with whoever would like to. What role do your organisations play in

¹ David Simpson declared his non-pecuniary interest in relation to the Committee's inquiry.

maintaining standards in the poultry sector?

Richard Griffiths: First of all, thank you, Chair, and thank you, Committee, for the opportunity to present here today. The British Poultry Council is a trade association. We represent approaching 90% of the 1 billion birds that are produced in this country for meat every year. We are a responsible sector, always striving to improve. Looking at the roles specifically as a trade association, we can advise and guide standards, but as part of the industry, we are not in a position to verify or enforce; that is undertaken by independent third parties. Obviously, today we are here to talk about some issues that need to be addressed openly and transparently, because we are all well aware of the trust and confidence that need to be inherent in our system. While the investigation is ongoing I am limited as to what I am able to say, but I am sure there will be lessons to be learned from this process, and the Committee should be assured that we, the British Poultry Council, are taking this very seriously and any outcomes will be reviewed by our board.

Q3 Chair: Naturally, when producing poultry we need to be absolutely assured as the consumer that it is safe to eat and that the date on it is the right date. We also need to be assured that those who are producing the poultry produce it to a very high standard, and of course they are hugely affected when a very large processor with perhaps a third of the processed chicken market in this country is affected, as it affects all those that produce. What sort of role do you have, if any, coming back to the producer of that poultry?

Richard Griffiths: We can advise and we can help and guide the standards as they are taken forward within what I believe is a very robust and strong regulatory and assurance scheme framework. My colleagues either side of me can give more colour on the role of the assurance schemes.

Q4 Chair: Jim Moseley, at Red Tractor you launched a little inquiry into the 2 Sisters Site D in October. Obviously your intelligence as to what was going on or not going on was, dare I say it, not as good as that of *The Guardian* and ITV. Why was this?

Jim Moseley: Let me explain. Red Tractor is the UK's biggest farm assurance and processing whole-chain assurance scheme in the UK. In that regard, it means that we set standards for the farms and for the whole chain right through, including the meat processing side. When it comes to meat processing, we have a Red Tractor standard for those plants that are not BRC-accredited.

Chair: BRC?

Jim Moseley: British Retail Consortium Global Standards. Where the plant is already BRC-accredited, we recognise that standard as being equivalent to the Red Tractor meat-processing standard, so in order to avoid the burden of two audits on the plant, we use BRC where BRC is already being applied. That is how we operate.

You are right that with the intelligence we gained from the footage, we suspended 2 Sisters, both on that evidence and indeed on their own admission. We did our own inspection; we reinstated them with the findings of our inspection a week later, on 9 October.

Q5 Chair: You have reinstated them, and this afternoon we will be taking direct evidence from 2 Sisters. You reinstated the poultry unit. What is the reaction of the retailers? The problem is, if the factory sorts itself out but the retailers do not get



back into the market, then for all of those producing poultry, the whole chain stops, right from the eggs being hatched through the whole process of the unit. Where are the retailers in this?

Jim Moseley: To be fair and honest, I cannot answer for the retailers. I can only really answer for what Red Tractor sees at the factories. For the retailers, it is their own decision whether they want to draw from that site or not.

Q6 Chair: We are probably going to go to the Global Standards now, so, Mark, do you want to answer that one? I ask you the same question really. The whole idea of food safety, going back to days of horsemeat, was that we were going to have intelligence and we were going to know exactly what was going to go on. Big processing plants need to have that stick as well as carrot to know that you are watching them. Why are you not watching them? Why are you are not acting more quickly?

Mark Proctor: If we start with what we are trying to do, our mission is “science for a safer world”. We are working with a wide range of stakeholders to produce standards for the supply chain, and in that we involve manufacturers, retailers, academics and the catering sector, so a wide range of stakeholders, to continuously improve on standards throughout the supply chain. That is where we start from, and in the work that we do, it is worth reminding ourselves that the UK has some of the highest food safety standards in the world.

This is backed up by some of the data that we have. We operate in over 130 different countries from three offices, here in London, Chicago and New Delhi, and when you start to look at that data, the number of non-conformities that are raised in the poultry sector in the UK are the second lowest in the world, only behind the US.

Q7 Chair: That is good news, but that is not what we are here for this morning. As I said, there has been a breach, so do all of you who are inspecting—the assurance schemes and everybody—work together at all? Do you compare notes? As far as I can see, everybody seems to do separate audits, nobody seems to talk to anybody and then people can slip through. I agree with you that we have a great poultry industry and a great record, but we have to put this right, because you cannot just live off past glories; you have to deal with situation. This should not have happened and all of you are culpable, one way or the other. I was at the Food Standards Agency yesterday, who were praising themselves to the hilt; no, they are not praising themselves to the hilt because there is a problem here, so what are you going to do about it?

Mark Proctor: I absolutely agree, and an audit is only one part of the food supply assurance system; it is not a silver bullet for everything, so we should not say that an audit is everything and that is okay and you are going to find that. Obviously it gives you an ongoing confidence that the site is operating to a particular standard, but when an audit is not taking place the standards may be different. There are lessons to be learnt and things we can do, and there are other things outside of audit and other tools that we should be using to assess a supplier’s performance. We are working on things like culture and assessment of culture. It is really important that we look at that, in terms of what the culture of an organisation is and how that affects the ongoing standards within a plant. We have developed a tool that will assess food safety culture within a plant. Again, we would be looking to roll that out more widely as a more proactive approach to assessing a site’s performance.

Q8 Chair: Whose role is it to bring all these various audits together, whether it is Red Tractor Assurance or each brand of supermarket that will also be doing its own audits of the plants because they are so big. There does not seem to be anybody bringing all this evidence together and comparing it. Surely you would start to get a better picture of when there is a problem. Everything seems to happen in isolation, and it allows people to break the rules or bend the rules and not be detected.

Mark Proctor: I take your point about the sharing of information and there are probably confidentiality issues around the sharing of that information and difficulties around doing that.

Q9 Chair: Whose role would it be if there was a process? Is it the Food Standards Agency?

Mark Proctor: At this moment in time, there is nobody that brings all of that together and looks at it. As I say, my point is that if you looked at all of those audits, there would not be lot of difference between each of the audits. What we should look at is doing fewer, better audits and doing other assessments like food safety culture or predictive analytics. It is about enhancing the system rather than doing more audits.

Q10 Chair: I am not asking for more audits. I am asking you to share the information with one another. The last thing we want is more audits but what we do want is some drilldown on what those audits are saying.

Mark Proctor: Absolutely, but at the moment in time there is nobody that does that.

Chair: Okay. That is something that at least we have found out this morning.

Q11 Sandy Martin: I am not at all clear about what audits you are doing and what you are actually auditing. First of all—and this goes for Red Tractor as well—do you do anything other than looking at paperwork? Do you ever actually visit anybody?

Mark Proctor: Yes.

David Brackston: Shall I explain what the audit process is for BRC Global Standards? Just for the record, can I make it clear that BRC does not stand for British Retail Consortium; we are separate from the retailers.

Q12 Chair: So what is your connection to the retailers then?

Mark Proctor: None.

David Brackston: There is no direct relationship in that sense, but the audits that we undertake are shared with many of the retailers. Just to make it clear, in terms of the audit process, the auditors that we use work for certification bodies; we approve the auditors based on their experience, their knowledge and their industry knowledge. To that extent we have an examination for them in the poultry sector, which they have to pass, as well as having experience of the sector. We use highly skilled, professional people, often from an industry base.

The audits themselves occur at least annually, six monthly if the site is a poor-performing site. The audit usually lasts between two and three days; 50% of that time is supposed to be allocated for time spent on the floor in the factories, and that is time observing what is going

on, talking to workers and understanding their expectations and what they will do under various scenarios to assess it. The other half of the time is looking at documentation. The documentation is about the quality systems and the operating processes in the factory, because you need those to be documented in order to get continuity of process.

We also look at records and undertake a detailed traceability assessment, where we select a product at random, which has been produced normally between one and four months before the date that we are actually onsite, and we look at all of the records that relate to that product. That is the pure traceability but, we also use that as a way of cutting across that day's production, so we will also look at the cleaning records for that day, we will look at the raw material and where it is sourced from, and we will look at the approval process for the firms or the factories that have brought in that raw material. We use it as a way of doing a vertical cut-across the operations of that site on a random day. That includes a mass balance, where we look at the amount of product that has come in from a particular supplier and we look to see, through the records, where that product has been used and account for any wastage. We do a mass balance so that we can follow that traceability through.

It is a very thorough audit process. We also have to recognise that there will be some limitations around the audit process; it is a check, it is a check in time and we check particular days through the traceability. We are onsite for two to three days, and people will tend to be on their best behaviour.

Chair: These are good answers but they are too long. We have a lot to get through this morning.

Q13 **Sandy Martin:** Can I get to the nub of the matter in that case? Was it you who was doing this auditing process with 2 Sisters?

David Brackston: It was a certification body that is registered by us that did the audit—an auditing firm.

Q14 **Sandy Martin:** Right, so it was not Red Tractor.

David Brackston: No, it is audited under BRC Global Standards.

Q15 **Sandy Martin:** Given that there had already been evidence in the past from other places, which was in the public domain, were there any questions that arose? For instance, you talked about mass balances, where you were looking at the amount of material coming in and the amount of material coming out. Given some of the practices that had been put into the public domain in the past by *The Guardian*, by ITN on a previous occasion and by Jack Dromey, were there any questions that arose in your mind about the way mass balances were being measured?

David Brackston: Each time we do an audit we do a fresh and new mass balance, and that is a very challenging process for the site. We would take into account historical information, but actually what we do is use information around any failures anywhere in the world to inform the way that we do our audit processes.

Q16 **Sandy Martin:** Right, so for the failures that had been identified in the past that you had not noticed at the time, did you look at why you had not noticed them at the time and what it was about the way in which those failures had not been noticed by you at the time? Have you changed your practices at all?

David Brackston: We constantly update the standards. We are actually going through another rewrite process at the moment. We always take into account issues that have occurred through that process, yes.

Q17 Sandy Martin: Finally, Red Tractor tells us that just a week after the latest ITN film, you reinstated 2 Sisters. Was that based on looking carefully at all of the evidence and deciding that actually all of the stuff we saw on television was not true?

David Brackston: No, it was not based on the fact that that was or was not true. What we did was we went and assessed the factory, and understood the learnings and what they had put in place since the incident. There was extensive retraining of staff that had taken place. We assessed the situation. Our certification body was not able to find anything at the time of that visit that demonstrated that the issues were still occurring. We understood the training that had been given and our auditors did a thorough assessment of the process, and on that basis, we were able to continue their certification, with a programme in place to follow that up over the coming weeks.

Sandy Martin: On three separate occasions over a three-year period, people who were not engaged in your industry found very, very good reasons why the law was not being applied and you did not discover these things. Yet within a week of the most recent situation, you suddenly decided that all the problems that you had had in not noticing things that everyone could notice for a period of three years had suddenly all been done within a week. It seems a bit odd.

Q18 Chair: Surely you should be acting on intelligence and obviously your intelligence was not good, or not as good as the others'.

David Brackston: We act on audits that are undertaken—detailed audits of factories—and that is what we base our information on.

Q19 Chair: Yes, but surely food safety and monitoring of food processing are very much about trying to find a risk base and trying to find intelligence and you must act on that, or do you just carry on your paper trail, oblivious as to what is happening in the real world? What is it? There are wonderful processes of following everything online, but you do not seem to know what is happening on the ground. As far as I can see, it is quite easy for somebody to turn round and break the rules if you are not actually getting in there and sorting it out. I just cannot see why you are not reacting more to the situation. Previous history does matter in these cases if you are going to act on intelligence—surely that is what intelligence means, is it not?

Mark Proctor: Absolutely, and I would wholeheartedly agree. In addition to the audits that we have by third parties, we also have a compliance process where, when we get intelligence or act on information or a complaint, we would send in an independent person to ensure that the standards they are operating at that site are still appropriate and in line with what our certification bodies and the auditors have found. It is not just the case that we rely on that one audit and then it is all forgotten. We have a compliance process around how the CBs and the audits are operating.

Chair: So you will be looking at your compliance process now because of this recent finding. This is what it is because, according to you, you have all these wonderful systems in place, but they are not working. You just come here and tell us



what they are; you do not actually tell us what you are going to do in the future to make sure this does not happen again. This is what this inquiry is about; it is not for you to come and tell us how marvellous you are, because obviously you are not because this should not happen. That is what we are trying to get to. What I want to hear from you this morning is what you going to do in the future that is different from what you have done in the past. I do not want to hear about all you have done in the past, because that has not worked.

- Q20 Alan Brown:** Mark, you made the point about trying to identify company culture. That, on the face of it, seems to me to be something that needs to be done, because from banking to horsemeat to this, any big scandal has shown that self-policing and set-piece audits do not work. If you are getting to company culture, how do you do that? How do you get the correct information from employees and protect employees, because often there is an element of intimidation and a fear of losing their job? How do you get that information? When you get that information, how do you act on it? As you said, Red Tractor has reinstated accreditation within a week, so how do you get the intelligence, protect people and act on it going forward?

Mark Proctor: Absolutely, this is a fairly new thing for us, so we have launched this relatively recently. It is a tool for manufacturers to assess themselves at this moment in time. There is nobody specifying this tool, but what we do is we send out a survey that has to be completed by a minimum percentage of staff at each level. They then get a score under a number of different headings, which gives them an indication of the culture that is operating in the site. That is done independently, so that information is only available for that person.

In addition, we have a food safety culture score, and what we do as part of the audit is assess food safety culture within the organisation and try to marry the two up, to consider whether the culture found on the survey and the culture seen on the audit are the same. Yes, it is a fairly new thing that we have done, but we see this as one of the learnings of horsemeat and of this incident. An audit is not the only thing within a food safety evaluation system; it has got to get to culture and it has to look at things like predictive analytics. It is the data that manufacturers are producing that could indicate a heightened risk of these sorts of incidents; things like staff turnover and so on.

We think we operate the highest compliance systems of any of the independent audits out there, but we realise that audit is not the only thing and that we have to look beyond audit to assess our supply chains.

- Q21 Paul Flynn:** You have made a great deal about the culture of companies; in terms of the culture of 2 Sisters, the company does have a great deal of form; they are recidivists. Complaints of this kind have been made over a long period, certainly from 2009. What do you make of the effect on the culture of the company of the appointment of a new managing director in the summer who had two convictions and served two jail sentences for very unpleasant offences, one in which a child was left—

Chair: I do not think we need to go into that. You have made your point about the offences.

- Q22 Paul Flynn:** This is a person who was judged, a very short time ago, to be fit to be managing director of the company. Does this not give you cause for concern and

suggest that your surveillance should be stricter on this company than allowing them to go back to their practices after a week's absence?

Mark Proctor: You are quite right, and just to clarify, we have not allowed them to go back to the practices that they had before. We have put in additional surveillance. I do not want to go into detail about what that surveillance is, because obviously that would reduce the effectiveness of that surveillance.

Q23 Chair: When did you put the additional surveillance in?

Mark Proctor: Immediately.

Chair: When you say “immediately”, when is that?

Mark Proctor: On the first day of them restarting production.

Chair: This is after the event.

Mark Proctor: Correct.

Q24 Chair: But not before the event. Why was none of that in place before? Why is it necessary for *The Guardian* and ITV to expose all of this before you take any action? That is the obvious question, is it not?

Mark Proctor: The tactics that the media perhaps use are certainly not open to us. Whether they are open to other bodies is a question to ask them, but they are certainly not open to us. I do not think we could employ somebody to go into a site and work in that site; that is not open to us. As I say, we work on intelligence. We do independent audits as well as the audits done by the CB. It is not as though we are not doing anything; we act on intelligence and we focus our compliance processes on sites and companies and countries where we think there is an increased risk.

Q25 Chair: I am going to repeat one last question I have asked you before: what are you going to do differently now, which you did not do before? Otherwise, you are largely wasting your time—let us be absolutely blunt about it—because you did not find this, you did not have the intelligence and you have acted on an undercover operation, which I know you cannot carry out but you have got to have a system in place so that people have confidence in their poultry meat and all of those producing that poultry meat have the confidence that they can build their businesses and not be put out of business by food safety issues.

Mark Proctor: Absolutely.

Q26 Chair: I do not want to hear about the past. What is different? I have asked you a direct question. I do not want you to go back through. You are very good at process, are you not? What are you going to put in that is going to be different from what you had before?

Mark Proctor: Again, I have said that on this particular instance that we will have increased surveillance on the particular site and company; that is in process. We will look at those systems and our governance processes and enhance them, as we do on every incident. On horsemeat, we implemented additional clauses into our standard. We will take the learnings from this and improve.



Q27 Chair: Horsemeat was supposed to be the thing that was going to give us the intelligence, there was going to be a food crime unit—not you, but the Food Standards Agency—and the whole thing was not going to happen again. Here we are, sitting again. In many ways, this case is worse, because this could be a potential food health issue whereas the horsemeat was a fraud in as much as you were eating horsemeat and you were not eating beef. If chicken gets late in the dates that you have on that chicken, and it is getting older chicken in with younger chicken, that is potentially a food health issue.

Mark Proctor: Going back to the question, we are going to look at our systems and our governance. Also, the other thing that we are talking about—and this is important and the Committee should look at this—is the role that other things outside of audit play, such as food safety culture, predictive analytics and things like blockchain technology. We have to move on and we have to learn from these incidents.

Q28 Chair: How many times does Rome have to burn down before you do something?

Mark Proctor: We are continually improving our systems. We review our standards and, as I say, after horsemeat we had new standards; we were the first in the world to put food fraud prevention clauses into our standard. We were the first in the world to do that. We are continually improving not only the standard but the governance that is wrapped around the standard. It needs a step-change, and things like food safety culture, predictive analytics and blockchain technology are the sorts of things that we should be looking at in the future, and that would give us another step-change, rather than incremental changes.

Chair: Right, so you are going to act like lightning, are you? You certainly have not in the past.

Q29 Mrs Murray: Can I ask you some questions and ask you to be quite short with your answers, because I am very aware that we have other information we want to gather? I want to focus on consumer confidence, which is completely knocked back when we have this sort of adverse publicity. Could you tell me, first of all, whether you are looking at working together and sharing information in the future, so that British consumers can have confidence in Red Tractor and the British Poultry Council?

Secondly, surely you should be looking at working with the retail side, because it is in your interest to gain the confidence of the people who shop in supermarkets. Let us face it, particularly with the Red Tractor brand, it is all about persuading people that British produce is the best. When we have something like this it is in all of your interests to take it very seriously and make sure that housewives have confidence in what they are purchasing off our supermarket shelves. If you can all be very quick, can we start with somebody who has perhaps not spoken that much? Please keep your answers as short as you can.

Jim Moseley: I completely agree. The Red Tractor logo is there to provide assurance to consumers that the food is safe and responsibly produced. When we have an incident like that, I completely agree that it knocks that confidence and destroys it to a degree. That said, in the work that we are doing—and I echo everything that Mark has said—we are constantly looking to improve.

Q30 Mrs Murray: Are you working together?

Jim Moseley: We do have perhaps more visibility than has been described so far. We have an online checker on the Red Tractor website, which immediately informs everyone that a company has been suspended.

Q31 Mrs Murray: Are you working with the British Poultry Council and others to come up with some sort of system after something like this happens, or are you all just going off on one tangent and another?

Jim Moseley: The other thing we have is we use a risk rating system. We do within our farm population and we do within our meat processing, and we can also see where BRC Global Standards have rated their plants as well, so we can see where there is more risk and where there is less risk.

Q32 Mrs Murray: What do you do then to address the problem and to work with them to make sure that an incident does not happen again?

Jim Moseley: Clearly, the frequency of inspection changes depending on the nature of the risk, and we can demonstrate that throughout. That is the sort of thing: the more unannounced audits that we will do. The point about what we do in the future is a very well made one, about technology and how the role of technology can improve traceability and transparency. That is something we are looking at very actively.

Sue Lockhart: I would echo what Jim said. We took action at the time appropriate to the intelligence we received. I appreciate we did not get it directly ourselves, but we do get intelligence from different sources and we do act on it.

Q33 Chair: How are you going to get better intelligence? Obviously the intelligence you are getting at the moment is not good enough, is it?

Sue Lockhart: It is a good question and I cannot tell you the answer now, because obviously we are going to consider it.

Q34 Chair: What are you doing to instigate? I am not getting anything from you that you are changing. You are not changing your culture, are you?

Sue Lockhart: We are changing. I will come back to that, if that is okay, on the intelligence bit. Going forward, as the BRC are doing with their part of the chain, we have a series of unannounced audits across the whole of the 2 Sisters estate, not just the site that the allegations were about. Obviously, we cannot give you much detail on that now, because that would undermine the unannounced. We will continue to do that, because we appreciate one visit does not mean that everything is perfect.

I agree with you that we need to look at some of our internal workings. Whether it is around intelligence, I genuinely do not know the exact answer yet, but I can give you my word that we will look at this, because we do have sources of intelligence that we—

Chair: Will you look at it urgently? It is not going to be months and years and coming back here in two or three years' time and telling us you are still looking at it. There is no urgency in this panel at all, as far I can see.



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Mrs Murray: It is quite concerning. You have not started to work together to look at how to move forward on this. It is obvious that you have not, because you have all come in here and you are giving us your own views. You are not looking at working collectively. Finally, can I ask what you have done after this incident to have discussions with the Food Standards Agency? Surely you should all be working together. This is very serious.

Jim Moseley: We have a memorandum of understanding with the Food Standards Agency. We meet them on a quarterly basis. There is a bit of misinformation within the Committee, in the sense that we already have that open and sharing relationship.

Q35 **Mrs Murray:** What discussions have you had since this particular report?

Sue Lockhart: We have spoken to the Food Standards Agency since this report. We have submitted to them the findings of our own investigation in quite a lot of detail. They came back with a couple of questions, which we have answered. We have provided as much of our own intelligence to the Food Standards Agency as we can.

Q36 **Chair:** When you suspended the Red Tractor logo on 3 October, when did you then notify the FSA?

Sue Lockhart: I apologise. I would need to look at the records, but it would be the—

Chair: You are coming here this morning to give evidence about the whole thing and you do not know which day it was that you notified the Food Standards Agency.

Mrs Murray: Surely it would have been before or on that day.

Q37 **Chair:** Do you not flag up to the Food Standards Agency that you are likely to be taking away the logo, so should they not be informed before you do it? You do not even know what day you contacted the FSA. I am sorry; it is not good enough.

Jim Moseley: It was either the same or the next day. The only reason I say that is that we verbally advised—

Chair: We will have it writing then.

Jim Moseley: If I can answer, we verbally advised 2 Sisters first and then wrote to them, which was at the end of the day. I cannot remember when, but to be honest with you, they would have been notified on the same day, because as soon as a licence is suspended, it appears on our live checker system on Red Tractor. We also have quarterly meetings with the FSA where we go through food hygiene, food standards, non-compliances and suchlike. It is not as though we are not sharing information with the Food Standards Agency. It is an open relationship we have.

Chair: I suggest you need to share it much more quickly.

Q38 **Sandy Martin:** Very briefly, I have a suggestion to you. I believe at least one member of staff who tried to whistleblow on 2 Sisters at some stage in the past has been sacked. I believe that somebody involved in the most recent television programme has lost their job. Did it ever occur to you to employ some of people who have already lost their job as a result of malpractice in this company? It seems



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to me that there are yourselves and all sorts of other regulatory bodies, such as the CQC, who are out there floundering around with paperwork, only gaining evidence from the management and never speaking to anybody who knows about what is going on on the floor, including the people who tried to raise it.

Chair: You are quite right. Further to that, either employ or at least talk to them, because this is the lack of intelligence and this is what we were sold after horsegate—that this was going to be much better. It probably is, in some cases, but obviously it is not good enough. When particular processing units have a history, then surely intelligence on food security risks are higher and surely they will be looked at more closely. This is what we cannot understand.

Mark Proctor: It is a good point, and it is part of that evaluation of the culture of the organisation. I absolutely agree with that. It is not that we have not acted, because we have launched our food safety culture assessment. That is out there at the moment and people are using it. This thing about assessing culture is critical and your point about talking to ex-employees rather than just employees is something we can take away and look at.

Q39 **Sandy Martin:** Why not employ one? If somebody has put their job on the line to whistleblow and lost their job, if you employ them they have not only the inside knowledge but also the strength of character and attitude that is going to make them an extremely useful employee of yours, I would have thought.

Mark Proctor: We can take that away. The comment about talking to ex-employees is a good one and that is something that could fit into our food safety culture.

Q40 **Chair:** I rather think it is closing the stable door after the horse has bolted. All of this has been going on for a number of years, we know it, and it is not just this company; I suspect there are others. The retailers really drive the price of chicken meat down to the bare minimum, so therefore they put the biggest pressure they can on the processors. Therefore, if there is a corner to be cut, they might do it. It is your job to make sure they do not do it. I am not telling you something you do not already know. You know all these things and yet you are saying to us, “Oh, that is a good idea. We might look at that”.

Mark Proctor: We are being proactive. It is not as though we have not done anything.

Q41 **Chair:** You do not look very proactive from where I am sitting.

Mark Proctor: We have developed our food safety culture tool and that is in place now and working in the industry. We are looking at predictive analytics and taking the lead from other industries, like aerospace. We are looking at blockchain technology. To say we are not proactive is slightly unfair, because we are looking at new things that we can do to assess the supply chain and its performance.

Chair: What we are going to do with this inquiry is, as well as this short session today, we are definitely going to come back to it again, because we need to know what is going to be done in the future and that you are actually doing it.

Q42 **Julian Sturdy:** I just wanted to drill down into some of your protocols within the scheme. What protocols do you have in place for an instance where product labels have been changed? What would you expect to happen?

David Brackston: It would not be acceptable, obviously.

Q43 **Julian Sturdy:** You can change product labels, though. There are certain instances where you can and then there are other instances where it is fraud.

David Brackston: It would depend very much from industry to industry and how it works. Factories would be expected to have their own procedures for what they can and cannot do, and that goes to things like rework as well, and what is acceptable and what is not. What we would be assessing as part of the scheme is that what they are doing results in a safe product, which is traceable.

Q44 **Julian Sturdy:** Say, for example, within a factory they are doing their own internal audits and they find that for some reason a label has been changed; you have no protocols in place within your scheme that would say what they should have to do at that point.

David Brackston: It is about understanding how the schemes work. Our scheme developed to try to improve food safety. All that we do is about trying to improve food safety in factories, and we do that through an audit process and recognition of what people do. We do it through having an agreed audit standard, which is worked through and developed with retailers, food safety experts and manufacturers to make sure it is appropriate. We do it through our training materials and a series of guidelines that we produce, which helps the industry to improve.

Q45 **Julian Sturdy:** Within those guidelines, what triggers a product recall?

David Brackston: If a product is unsafe or illegal, then clearly it would trigger a product recall, but we are not involved in making decisions on a factory-by-factory basis in terms of a product recall. What we are involved in doing is making sure that there is an effective process within a factory for triggering a product recall and managing that recall effectively to get product back as and when it occurs.

Q46 **Julian Sturdy:** I cannot quite get my head around it. The schemes that you represent are schemes that the retailers obviously buy into. Most retailers would want to see their product come through the Red Tractor scheme. Consumers feel confidence when they buy through the Red Tractor scheme. If you are doing that, surely you must have specific protocols in place that, where there is an internal audit—because all these companies will do their own audits that you will inspect—if there is a problem found within that, that triggers a certain action that has to follow from that.

David Brackston: Yes.

Q47 **Julian Sturdy:** But you are not giving me any of that action. Sorry, I am a bit lost here.

David Brackston: Clearly, if a site was doing an internal audit and they come across an issue that would identify that the product was unsafe or illegal, they would be expected to immediately withdraw or recall that product if it had reached the consumer. That is part of the process.

Q48 **Julian Sturdy:** Okay, so given that, you took the Red Tractor scheme away from the 2 Sisters for that week, and you went in. You knew what evidence was there. When you went in and you looked at that audit trail, with the evidence that has been

publicly available would you have expected to see a product recall because of the change in the label?

David Brackston: It would depend very much on the circumstances.

Q49 **Chair:** Surely you know the circumstances of this particular issue, do you not? The whole world seems to know about it. Why do you not know about it?

David Brackston: We do. Obviously, we see—

Q50 **Chair:** What are you doing about it then?

David Brackston: We have already explained what we are doing about it. We have been back in—

Q51 **Chair:** You have not explained it so far. All you have spent the whole time in here this morning doing is talking about process. You have not talked about how you are going to get to grips with it and stop it from happening again. Red Tractor took it away and then put the actions back again. That is good, but we want reassurance that the situation is now right, and that is partly why we are taking evidence this afternoon, but we are not reassured by you at the moment. I am sorry.

David Brackston: As we have already explained, there was an audit that took place on the first day on which the site started to produce, which looked in detail, at their operations and how they were working, and we were satisfied that what they were doing was satisfactory. Our auditors also looked in detail at the training that had been provided. If you remember, the 2 Sisters site closed down so that they could completely retrain their staff. We went through the processes of retraining and understood what they had changed within their own systems and the training processes they had gone through. Our auditors also assessed that through talking to staff on the production line, to understand the training that had happened, their response and their level of understanding, which therefore gave us the confidence that the likelihood of something like this happening was significantly reduced. We have a programme of—

Q52 **Julian Sturdy:** When you went in there, did you look specifically to find the failings before you tried to remedy them? Did you look specifically at those failings?

David Brackston: In that particular instance? Yes, of course.

Q53 **Julian Sturdy:** Right, okay. With the evidence you found, did you feel that there should have been a product recall?

David Brackston: I do not know the very fine details of that—

Q54 **Julian Sturdy:** Does not changing labels and potentially fraudulent activity trigger a product recall within your scheme?

David Brackston: If there was fraudulent activity, it would spark a recall.

Q55 **Julian Sturdy:** Right, so did you find that when you went in? Did you look specifically at that, given the evidence you had, when you went in in that week?

David Brackston: No, we did not find evidence of that.

Q56 **Chair:** When you talked to the staff—and you said the staff had been retrained—did



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you feel that there was quite a lot of pressure being put on those staff to take the actions that they did? It is always very easy for a firm to say, “We will retrain the staff”. Where was the pressure coming from, in your view? Did they just take it on their own back that they were going to change the labels on this product today, because it seemed like a wonderful thing to do? I do not think so, so where did the pressure come from? We are starting to drill down on it now. You have been in there and you have interviewed staff; that is good. What did you feel when you were in there?

David Brackston: The opinion of the auditor who went in there was that the staff had been effectively trained, they did understand the significance of the allegations and they did understand the procedures that they had been trained on.

Q57 **Chair:** So why did they do it?

David Brackston: I am talking about the results of the audit that we did after the event.

Q58 **Chair:** No, the question I am asking you is why your auditors, when they spoke to the staff at 2 Sisters, believed that they changed the labels? If they knew they should not, why did they do it? Were they going to gain from it financially or was pressure put on them to do it? People are not going to behave in a dishonest way. Either they had pressure from above or there is some sort of financial fraud. This is surely part of what you were investigating.

David Brackston: We were principally making sure that, going forward, the site and the employees fully understood what was expected, and we also put into place, or are putting into place, additional checks to ensure that that continues.

Q59 **Paul Flynn:** You used the phrase that the dangers have been “significantly reduced”. What you are saying in that phrase is the danger of bad practices and bad hygiene still continue.

David Brackston: No, I am not.

Q60 **Paul Flynn:** You said they have been significantly reduced. Have they been removed?

David Brackston: In our view, yes, they will have been removed, but you cannot guarantee anything.

Q61 **Paul Flynn:** You are all in a state of denial. It is rather like listening to President Trump talking about his achievements. Can you not understand the simple truth that one reporter in the factory for just 12 shifts found out more than all that you have failed to discover over years? You have your jargon, your predictive analysis and so on. You seem extremely self-satisfied, but you did not supply the information that *The Guardian* and ITN supplied, which rightly frightened the nation, about the safety and hygienic conditions of their food. Why have you failed? If you have failed, and I think you have, look for solutions, as the Chair is suggesting. Should you not have the power to go into the factories incognito? In the present situation, the tom-toms start sounding as soon as you arrive at the plant and the place is closed up and standards improve. However, here we have evidence of the failure of all of you. Why are you in such deep denial that you cannot recognise the value of the work that the journalist did in doing the job that you should be doing?

David Brackston: I do not think we are in denial. We learn from every incident and I would certainly say that we are not self-confident, because—

Q62 Paul Flynn: Can you tell us what you have learned from the fact that the 2 Sisters company have had a record, certainly since 2009, with accusations of this kind? They have a record of acquiring other companies and making large amounts of money. How have they done it? Have they done it by reducing wages or by reducing standards? Is this not something that you should be looking at, the culture of the 2 Sisters company in reducing costs? One of the ways of reducing costs is to reduce hygiene standards. Is that not a likely conclusion?

David Brackston: I do not know. It does not necessarily follow one on the other and, as we have said, we do have measures for looking at cultures within organisations. We do have a compliance process as well, so in addition to the audits that are undertaken for us by accredited certification bodies, we also do our own supplementary unannounced audits of sites.

Q63 Chair: This is interesting, because we think that when you do an unannounced visit, you still give the plant enough time to do a few alterations before you get in there. Do you literally rush in the door, bang the door down and go charging in? Does it take you an hour to get in there by the time you have put your protective clothing on? We are suspicious that things happen before you get in. It is a really good idea, but you have to get in there fast, and I suspect you are not getting in there fast enough, whereas the undercover reporter, for all the rights and wrongs of it, was in there and could see what was going on. By the time your guys get in, they know you are there.

David Brackston: There are practical limitations. We say that for unannounced audits the auditor has to be on the production floor within 30 minutes of arriving on site. You are quite right, though, that they have to sign in; they cannot just walk in to any old factory; that would clearly not be acceptable in any way. They have to put on protective clothing, they have to announce their presence to the management, and then they are straight on to the production floor.

Q64 Chair: Sometimes, I imagine, it is more than 30 minutes before you get in there. You probably cannot help that. I suspect it is quite challenging to get in within the 30 minutes, is it not?

David Brackston: Normally, the auditors do manage to get in within 30 mins, and if there is procrastination or people are trying to avoid people getting into the site, that is raised as a non-conformance as part of the assessment.

Q65 Chair: Paul echoed what I have been saying. What we are concerned about this morning particularly is not only that the situation has happened and why it happened but, if we are doing our whole food safety on a risk-based, intelligence process, why the intelligence on this particular organisation was not better, and what you are going to do to make sure that it is better in the future.

Do not forget horsegate happened, where you had huge pressure on the price of beefburgers. In the end, the meat in those beef burgers could not be beef because it was too cheap, so it had to be something else. I think part of the problem with the poultry industry now is not resting with only 2 Sisters and the culture there; it is that the retailers are putting massive downward pressure on the price and that is driving



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people to cut corners. I know that is not part of your job but, on the other hand, surely it is part of your job when you think the situation is that been too much pressure has been put on processors to react with the retailer. Is that part of your job or not, or can the retailers act just as they like? They probably do.

Mark Proctor: To be quite honest, that is absolutely outside our remit. However, I take the point again that commodity prices should and do form part of our risk assessment when we are doing our compliance processes.

Q66 **Dr Johnson:** It is worth remembering that the reason these inspections are taking place is to ensure that the food is safe to eat, and that infections like campylobacter and salmonella, which can arise if the chicken is not safe to eat, are very serious, particularly for the young and the elderly, and lead to deaths in the UK each year. It is a really important job that you are doing, and I am somewhat disappointed that you are not disappointed in yourselves that you failed to pick this up and that your processes were not good enough to pick this up.

You say that one of the things you are going to bring in to try to improve matters is a food safety culture assessment. If I heard you correctly, you said that this is going to be done by companies themselves and they submit it to you. Is that not them marking their own homework?

Mark Proctor: What happens is that an independent survey is sent out to individuals within an organisation, and there is a requirement that a certain percentage at each level completes that survey. It is not the site that is doing it; it is individuals within that organisation.

Chair: They will all be employees of that particular company.

Mark Proctor: They will all be employees.

Q67 **Dr Johnson:** Can I just clarify that? Are these sent directly to employees chosen by you or sent directly to employees chosen by the company?

Mark Proctor: No, the company has to give a total list of employees. They are all then sent a survey and there is a requirement that a minimum number of employees at each level complete that for the survey to be valid.

Q68 **Chair:** In what language is that form filled in, because you have to remember that most of the processing industry speak all sorts of languages?

David Brackston: The survey has been translated into 17 or 18 different languages, because you are absolutely right that that is an issue and it is in multiple languages.

Q69 **Dr Johnson:** How do you ensure that it is done freely? Are these sent back to the company? Are they sent back to yourselves directly?

Mark Proctor: We work with a third party on the assessment and they go directly back to the third party.

Q70 **Dr Johnson:** Bearing in mind that we have heard about people who have lost their jobs following whistleblowing events, how do you ensure that people feel free to answer these questions honestly without fear for their job or of recriminations? How do you make sure that they can answer these questions freely?

Mark Proctor: They are sent directly to the individual, and that can be done on-site or off-site. It is the individual who completes the survey. If you are asking whether I think there could ever be coercion and people putting pressure on, that is not impossible. However, remember that there is a second part of that assessment where, as part of the audit, we are doing an assessment of the culture within the organisation. We marry the two up to see whether there is a correlation between what the audit found and what the survey found. If the survey said everything was brilliant and the audit said there was a concern about the culture, we would obviously look at why those two did not align.

Q71 **Chair:** I take it you will redouble your efforts on that due to this situation.

Mark Proctor: Absolutely, and we would encourage brand owners and retailers to specify that service.

Q72 **Dr Johnson:** Do you feel confident now that your processes would pick up the sort of things that *The Guardian* uncovered? This had been suggested before, three years ago. Presumably, you reassessed your processes and changed them then, and they still were not adequate to pick up, as you said, the 12 shifts that a reporter was able to pick up. Do you think that this safety assessment culture is going to be enough to pick up, or do you think that in three years' time we will have reporters in there again seeing similar practices?

Mark Proctor: Do I think there will never be another incident like this? I think the likelihood is small. I think we will have an incident like this, but what you have to think is we are ever-improving our food safety systems, and this is important. From a consumer-confidence point of view, we do have in the UK some of the safest food in the world.

Q73 **Chair:** I am not arguing with you and I agree with you but, like I said, I do not want you just coming in preaching at us. I want you to tell us what you are going to do to put it right. That is what we will be asking 2 Sisters this afternoon: what is going to be done to make sure this does not happen and to put it right? That is what we are interested in.

Mark Proctor: Just answering the question, we can reduce the risk and an audit is just one part of a system and we have to evolve, absolutely have to evolve, and that does involve looking at culture. It needs to look at data that are available that can predict heightened risk of these things happening. It needs to consider technology, such as blockchain. We are evolving and if you look at our standard today compared with what it was 10 years ago, it has changed massively, and we do that on the basis of learnings like this and we will continue to evolve and improve. We should not think that an audit alone will solve everything, but it does form an important part of a food safety system. Some 144,000 non-conformities were raised last year; that is 144,000 opportunities to improve food safety. While not infallible, the audit system has made a significant contribution to food safety.

Q74 **Chair:** However, your audit system at the moment is very much the company doing it. You are sending it there, but you are not monitoring who is answering those questions. They will be chosen, I suspect, by the company in the end, and so where you have a culture where there is massive pressure being put on staff, why are you not going in there interviewing, taking your own measures?

Mark Proctor: The food safety culture assessment does both of those things. Our third-party partner sends out the survey to every individual in that company.

Q75 Dr Johnson: Does it go to the company for them to distribute, or does it go to people's home address?

Mark Proctor: It goes to the individual.

Q76 Dr Johnson: At the company address or at the home address?

Mark Proctor: Where they have an address.

Q77 Dr Johnson: If it goes to the company address, the company could say, "He might say something, so I will put that to one side". There is the possibility that not everybody receives a survey.

Mark Proctor: Quite right, but the second part of that assessment is, as part of the audit, they would do an assessment of the food safety culture within an organisation and, as I said earlier, it is not the survey in isolation or the audit in isolation. It is about taking both of those pieces of information, putting them together and seeing whether they are aligned. If they are not aligned, then obviously you start asking questions about who has completed this survey or whether some have been thrown away, and being much more forensic about that. It is getting alignment between both of those bits of data and, where there is no alignment, doing further investigation.

Q78 Dr Johnson: Do you think that we should have CCTV in these factories, so that we can see? It seems that your processes of coming and visiting and not getting in for 30 minutes—and I understand that there are good reasons why you cannot get in immediately—are always going to leave opportunity for things to be changed in that half an hour. It means you cannot just walk in and see how the practice is right that minute. Would you like to see CCTV cameras? Would that be of benefit to you in that circumstance?

Chair: I want to broaden it, because this is not a slaughterhouse, is it? It is a cutting plant. We are talking about having CCTV in slaughterhouses; do we need them in the cutting plants as well?

Mark Proctor: There is no doubt that would be an added tool. For me, what we need to do is improve the culture so that people do not want to do these sorts of things. Yes, CCTV can play a part in that, but what we should be doing is getting people to want to do the right thing.

Q79 Dr Johnson: If you had CCTV, you would be able to see instantly if someone had picked something up off the floor.

Mark Proctor: If somebody was surveilling that on an ongoing basis, yes, absolutely, or retrospectively, so yes, that could be part of the armoury that enforcement authorities could have.

Chair: You could make it compulsory that the cameras are rolling at all times while that factory unit is being used. It is a very good point, Caroline, but it is not a slaughterhouse, is it? It is a cutting plant and that is where probably we need to broaden the aspect of CCTV.

Sandy Martin: There is film of somebody changing the label. I understand that the person who was filmed changing the label has now lost their job and has admitted that they deliberately changed the label. The label was deliberately changed. There



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is no possibility that the person who was doing the deliberate changing of the label was going to personally benefit from that action, so there is no way that they would have done that action unless they had been told to do so by somebody else. It is not at all clear that anybody else on the floor of that plant at that time would have personally benefited from changing that label.

Given that it was changed and given that there was evidence that lots and lots of labels were being changed, somebody at some step in the management of that company must have made a process decision that all of these labels were going to be changed on a regular basis. Have you found out who that person is? If you have not found out who that person is and at what level in the company that decision was taken, what on earth is the point of telling us that over a one-week period the very people who were ordering the staff to change the labels have re-trained the staff to not change the labels? It is Dracula in charge of the blood-bank time, is it not?

Q80 Chair: We have heard quite a lot of analogies this morning. It is a really fair point, because I do not believe those people on that shop floor were taking the actions because they were benefiting from it financially. I suspect they were worried about losing their job if they did not change the label. The trouble with your audit is to what degree are you able to drill down on that point? Is it one where you consider it is beyond the remit, because if it is beyond your remit when you do the audit then we need to change that, or are you able to look at the culture and the structure and where the pressure is coming from within a plant?

David Brackston: The audit was also expected to look at cultural aspects, but they are not things that easily manifest themselves and you can just see in an audit. That is why we also looked a lot at the training and the implementation of the changes they put in place, and also included interviewing staff to understand that those elements—

Q81 Chair: Just to ask you a question on the culture, you looked at the culture of management and the structure of the business. To what degree can you tell us this morning what you found out from your audit?

David Brackston: The auditor clearly felt that he was sufficiently confident in the way the site had tackled the problem that the certification was safe. However, we do not base it just on a single visit like that. We also recognise and have a programme in place for further visits to the plant to follow it up, as and when production builds up.

Q82 Chair: What we are trying to get to now is the crux of the matter. What we cannot understand is that if I was working in that factory and I was not going to gain anything from breaking the rules or breaking the law by changing a label, why would I do it? I think there has been pressure put on them. People have been fired from positions in the company. Surely it is a legitimate thing for you to drill down on, so that we can put it right, we can have confidence in this factory in the future and everybody can have confidence in the poultry. That is what I want to see, and we are trying to get to grips with whether you go that far.

Mark Proctor: We do not want to say too much about the surveillance programme that we are going to have, because that would somewhat dilute the effectiveness of that surveillance programme. However, I can assure this Committee the CB has been instructed to assess those things.

Q83 Chair: You can give us that assurance. I accept what you have said: that we have very good food security, food hygiene and food quality control in this country. I accept that entirely and this is not a witch hunt. However, every few years, we seem to get these problems, which we are bound to with the amount of meat and poultry being processed. The trouble with this particular site and company is that there is a history, whether we like it or not, and that is where the intelligence system has broken down. We want the reassurance, otherwise surely we just have to inspect every factory, every day, everywhere, and at huge cost—I accept that—but if you cannot get it to work on an intelligence basis, then we have to go a different process. We have to be reassured that your intelligence is going to be much better.

Mark Proctor: And we should not consider audit as the only tool to use.

Q84 Chair: Yes, so expand a little bit on that.

Mark Proctor: Again, that is about looking at food safety culture and about developing predictive analytic tools. It is not about staying still and saying, “We have an audit. We will do more audits.” This is about looking at other ways of assessing a company’s ability to produce safe food on an ongoing basis.

Q85 Chair: Would that look at the history of the site?

Mark Proctor: Absolutely. It is that continuous improvement. There are limitations to what we will find from an audit. We have to accept that and look at other ways of assessing a company’s ongoing performance.

Q86 Chair: We have more questions yet, but what I suggest we do is we have this one-off inquiry today. I want to restore confidence and I want the factory to be put right and we want confidence back in the industry and that particular establishment, but we will bring you all back in six months’ time, I suggest. I do not think we want to wait for several years; otherwise, we do not seem to get to grips with the whole situation.

Q87 David Simpson: With the BRC audits, there is a system whereby you can have unannounced audits. Have you any figures or statistics on how many unannounced audits were carried out on this plant from 2009?

David Brackston: I do not believe any of the audits on this particular plant were unannounced audits. The 2 Sisters Group as a whole have a number of plants, and I think eight of them are on the unannounced scheme at the moment. This particular plant was an announced audit.

Q88 David Simpson: I understand, but have the audits on the factory that we are talking about always been announced? Have they not been unannounced? I understand with the BRC accreditation—and I declare my interest, Chair, to the Committee and the panel—that if you have an unannounced audit your accreditation and scoring can be higher.

David Brackston: That is absolutely right. It is for the sites or their customers to nominate whether it will be unannounced or announced audits. However, we recognise unannounced audits as having more value to us and we recognise that in the scoring system, so a plus is given after the grade for an unannounced audit.

Q89 David Simpson: It is acceptable in any organisation, whether it is in the food sector

or even this place, that at any given point in time that organisation might not be 100% perfect, with human nature and all the rest of it. However, do you not feel that unannounced audits are something that you should develop more, certainly in the review that you are having at this moment in time? It would certainly put a few of us on our toes in relation to that.

To Richard, who has been very quiet—just like myself; two quiet gentlemen—in relation to the poultry sector itself and self-policing, do you think that the sector should be doing more of that self-policing? Who polices that?

Richard Griffiths: Right from the outset I would like to say something that perhaps was lost in this debate, which is that doing nothing from this point is unacceptable. We need to change, we need to improve and we need to restore confidence in the sector.

As to your specific question, it perhaps goes back to what the Chair said earlier in the session about whether we are joining up those audits and information, and whether we are using them intelligently. That is a big question to be answered. Conversely, are we giving our regulators enough support, and are the regulators keeping up with the science and technology that is developing in the food system? Risk-based is a good system and should be the right system, but it should be able to cope when things go wrong and it should be able to improve quickly and efficiently.

Q90 **David Simpson:** You are obviously in favour of it.

Richard Griffiths: Yes.

Q91 **David Simpson:** Practically, how do you think that would work?

Richard Griffiths: Improving the risk-based system is only going to be achieved by linking up the multiple layers that are currently in place in the audit systems and the regulatory systems, and giving food business operators the opportunity to demonstrate clear, good practices. It is not just about people seeing good practices; it is about how we, as an industry, can demonstrate good practices in everything we do. We do not have the tools in place to do that effectively when you talk about culture.

Q92 **David Simpson:** Exactly, but you have to have willing participants, who are willing to play by the rules and who are willing to improve the industry and that sector. Therefore, you need to have penalties for those who do not do it. If you are going to go down that direction, there have to be heavy penalties for those that do not keep to the policing procedure or whatever structures are put in place.

Richard Griffiths: As an industry body, we fully recognise that. Regulation should have those sorts of tools to apply. We have long been supporters of poor practices being removed permanently from the industry, because it is an industry reputation. It is an industry that, as a nation, we should be proud of and we should be proud of ourselves, so we need to do more to demonstrate that trust that is put in us.

Q93 **David Simpson:** How do you hope to start doing that, or when? Have you started to do that?

Richard Griffiths: We need to start by working with the assurance schemes; only two are represented here and there are multiple in the system. Perhaps more importantly, we, as the

industry, need to do a lot of work with the regulators to identify where the gaps are and what we can do to improve.

Q94 Chair: Richard, while you have the floor, I think I would be right to say, without leading you, that we have a great poultry industry. We have good farmers out there producing really good-quality, be they organic, free-range or conventional broiler chicken, and they are being let down if they are not processed properly. In the end, it is they who suffer. When you get a blockage at the factory, the sales are not going on, and it is the farmers who are hit really hard. This is why it has to be put right.

What I would query with a risk-based system—because I agree that it is right—is what greater risk you have to have in a particular unit before you take action. I am sorry it is a simplistic question, but this plant has had a history, and it has more history. I know we cannot say somebody is guilty all the time because they were guilty before—I accept that—but surely in a risk-based system you look at the weak links, and we are not doing that, are we, or how do we do it better?

Richard Griffiths: Lead away, Chair. Your last point is the valid one: how do we do it better? We are not doing it as effectively as we should be doing it. This incident and the details of that will obviously come out in your afternoon sessions, but in broad terms, we, as an industry, need to do more to give our members the tools to be able to demonstrate their good work.

You talk about the farmers, but it is very important to remember the other end of chain. Failures in British food systems let down British consumers.

Q95 Chair: Of course they do, yes, but they let down both ends. Do you see what I mean? They let down the consumer, but they also let down those who are producing a high-quality product, because it does not get to the consumer in the condition it should.

Richard Griffiths: The chain must be integrated; it must be open and transparent to scrutiny by Committees such as this or the general public. Everybody deserves that openness in their food system.

Q96 Dr Johnson: I have just two little questions. One is for David Brackston. I do not know if I misheard you, but did you say that the plants get to choose whether they have an announced or an unannounced visit? Is that what you said?

David Brackston: Yes, that is true.

Q97 Dr Johnson: They can just opt out of unannounced visits altogether. We have talked about the 30-minute deadline, but they can opt out of those.

David Brackston: There are two parts to it. The scheme operates to provide assurance and to improve food safety. That is what we are all about. We were the first scheme of our type to introduce unannounced audits. Most of the UK retailers who stipulate the use of our scheme ask for unannounced audits.

Q98 Dr Johnson: Did 2 Sisters have unannounced audits and did they have unannounced audits at this plant?

David Brackston: No, 2 Sisters did not have an unannounced audit at this plant; it was an announced audit.

Q99 Dr Johnson: Does that concern you? A company that, as the Chair has said, has a history was opting for the announced rather than the unannounced visit. Were they not in a higher-risk category that you would have strongly suggested to them that an unannounced visit was at least in their interest to demonstrate the improvements they may have made?

David Brackston: We prefer unannounced visits. My understanding is that they are going to go unannounced at all their sites going forward. That is something for you to clarify with 2 Sisters. About half of the sites currently are on the unannounced programme.

Mark Proctor: It is nine out of 16.

Q100 Dr Johnson: The other question I have is for Mr Moseley and Ms Lockhart. When I see a Red Tractor symbol as I go into the supermarket and purchase food, I think that product is of a higher quality than the item next to it, perhaps. At the beginning of the evidence session you seemed to suggest, Mr Moseley, that you were reliant on other people's standards, so that in fact the standard, at least of processing chicken, is the same. Whether it is a British Red Tractor symbol or whether it is Mr Proctor's team, you are relying on his team to decide whether the standards are good enough for you.

Jim Moseley: I will explain. The Red Tractor scheme is a complete food assurance scheme, starting from feed and inputs to the farm, through the farm, through transport to market, should product go that way, into slaughterhouses and from slaughterhouses through to meat-processing. We will audit the vast majority of that chain and the standards that are in there are high standards, higher than legislation in lots of instances, and therefore it is a good quality and we can guarantee the safety and the responsibility. When it gets to the cutting plant, and the meat-processing element, because factories are already using BRC Global Standards we will not put in our own standard, because we recognise it as being equivalent. Bear in mind that all the standards that have gone before to get to the cutting point are the things that are differentiating it.

Q101 Chair: The Red Tractor is involved very much with the production of the chicken, right up to the moment that it is slaughtered. Does it cover the slaughtering process?

Jim Moseley: Yes.

Chair: But it does not cover the cutting process.

Jim Moseley: It does cover the cutting process, and in an instance where there is a plant that is not BRC-accredited, we put in our own Red Tractor meat-processing scheme. Where it already is BRC, such as in the 2 Sisters instance, we will not duplicate the audit; we will recognise BRC.

Q102 Dr Johnson: In light of what you have heard today, in light of this incident that has happened at the 2 Sisters plant in West Bromwich, will you be changing that? Are you satisfied now that those standards, given that they did not pick up these failures, are good enough for your Red Tractor symbol and your Red Tractor customers, or will you be now instituting your own processes, so that you are confident, when you

put that Red Tractor on, that not just the production of the chicken but the processing of the chicken is being done to a high standard, as your customer would expect?

Jim Moseley: Because the audit under Red Tractor meat processing will be the same as the BRC Global Standards, it would not be worth our while replicating or duplicating that. That would simply be a burden that ultimately the consumer would pay for.

Q103 **Dr Johnson:** Do you think it is good enough, though?

Jim Moseley: I think it is good enough.

Q104 **Dr Johnson:** Even though it failed to pick up what a *Guardian* reporter was able to find in just 12 shifts, you still think it is good enough.

Jim Moseley: That is the point that the Chair has alluded to: ultimately, would you need an inspector there every day of every hour to be able to see those practices? We cannot afford that, so we do audits in the same way.

Chair: The point that Caroline has made is that the Red Tractor is a symbol of quality and people recognise it and buy it, so you, at the very least, have to be talking to the BRC to make sure that the system is more robust. People are buying your Red Tractor, which we all want them to do, but they must buy it with confidence and that is where the liaison between both organisations and the liaison generally between everybody is important. I shall be saying the same to the Food Standards Agency. Do not worry: they will have some of the wrath as well, so it will not be just down to you; perhaps you can share the pain in the end. Seriously, it is about how we all work together, and there is too much isolation, I feel.

Dr Johnson: As a consumer of Red Tractor products, it disappoints me to hear that you feel that the system is adequate, given that it did not pick things up. I will be looking for all of you to look at why repeatedly these things are not picked up and whether you feel that items such as perhaps CCTV—which is effectively an inspector there 24/7 and is not especially costly, compared with having an inspector there 24/7—would be beneficial going forward.

Chair: There might be a need for that in particular cases if there are repeated offences, might there not? This is what we will want to hear in a few months' time, I suspect.

Q105 **Julian Sturdy:** Mr Griffiths, I just wanted to come back to something you said in an earlier response. You talked about the importance of looking at the whole supply chain. Do you think that supermarkets and supermarket chains have any responsibility in driving the culture that we have seen come out with the investigation? To use an example, there is the possibility of products being returned from their distribution centres that then supposedly have been relabelled. Do you think there is any blame or any responsibility on this culture driven from the top, as in through the supermarkets?

Richard Griffiths: There is responsibility throughout the chain to drive good practice. It is not just one part of it. It cannot be one part of it. Mark spoke about audits being just one part of the system, and it is the same with the supply chain. You cannot rely simply on one element to drive culture; it has to be the entire supply chain. A really important question is how you embed that culture throughout the entire supply chain. Yes, retailers have a very

important role to play driving culture, but no more important than anybody else—the food processors, the farmers, all through the chain.

Q106 Sandy Martin: Very briefly, there are two risks here. The really serious risk is that British consumers are going to turn away from British poultry, and I do not want to see that happen; I do not think any of us do.

The other risk—and this is an existential risk to four of the five of you sitting at this table—is that people will lose faith in the Red Tractor scheme being a confirmation of quality. If they do, then supermarkets will stop bothering with the Red Tractor scheme, it will not be worth the ink it is printed with. Unless supermarkets can have a quality scheme that really does mean quality, and an inspection regime that really will pick up on bad practice, the consumer will not be able to rely on the safety of the product and the quality schemes and the Red Tractor scheme and the inspection regime will not be worth doing. People will stop employing you to do those things if you are not doing them well enough for people to be able to rely on them being done.

Chair: Sandy has summed it up quite well for our purpose this morning.

Mark Proctor: I absolutely agree. That is why we are in regular contact with retailers. They are part of our committees that develop the standards and develop our processes. On the part about driving culture, the retailers have driven a lot of the good culture as well, in that they specify the standards as part of their supply chain processes. In that way, they are driving up the culture. Could we work more and on other parts of that system? Yes, we could, and we will continue to work with retailers to improve and expand that system.

Chair: I do not apologise for our tough questioning this morning, because we are very concerned about the consumer. We are also very concerned about the industry. We have a great industry all the way through, but there obviously needs to be greater inspection in part and greater need to drill down on those who have a problem, so that we can all be safe to eat our chicken, our producers can produce those under good standards, the industry can thrive and we can have great chicken meat in this country and great food safety. That is what we want to see. That is what we want to be reassured on.

I thank you all for coming this morning. Look forward to another invitation. I do not know whether you will look forward to it or not, but there will be an invitation coming, I suspect next year, because what we will want to do is have this inquiry today and then look back on it in the future. We are going to put together a small report, take all the evidence and then we will come back to it in the future to see what processes have been put in place. I know there is always an opportunity that it may happen again, but we have to reduce the chances of that happening, and we want to see your procedures and processes and inspections put in place to stop it happening. Thank you, lady and gentlemen.