

Identification of factors associated with technical accreditation and food safety compliance in food and drink manufacturing and processing businesses in Wales, UK.

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Introduction

Technical accreditation and food safety scheme compliance are essential for food and drink manufacturing and processing businesses to enable brand protection and due diligence in compliance with UK food law. Such food safety schemes may enable businesses to supply commercial sectors, ultimately, such schemes ensure product safety for consumers.

Previous research has identified that the majority of businesses within Wales are Small-Medium sized enterprises, highlighting the potential for growth and development of the domestic market^{2,3}. The Welsh Government action plan aims to grow the Welsh food and drink industry by 30% from £5.2bn to £7bn by the year 2020¹.

Accreditation is said to lead to business growth by building consumer confidence, brand protection and opening new markets. To enable growth targets set out by the Welsh Government to be met and to facilitate further growth, factors associated with accreditation of food and drink manufacturing and processing businesses in Wales need to be identified.

Currently, data detailing the associated factors of technical accreditation and food safety scheme compliance of food and drink businesses in Wales are limited.

Aim

The study aimed to identify factors associated with food and drink manufacturing and processing businesses technical accreditation and food safety scheme compliance in Wales.

Methods

As part of the 'Wales Food and Drink Survey 2015-16', 768 Welsh food and drink manufacturing and processing businesses were contacted. A response rate of 13% was achieved and online questionnaires were completed by these Welsh food and drink manufacturing and processing businesses ($n=99$) to obtain baseline information. Collated data were statistically analysed to determine significant associations with accreditation.

References

1. Welsh Government. (2014). Towards Sustainable Growth: An Action Plan for the Food and Drink Industry 2014-2020. Accessed April 4th 2016 from: <http://gov.wales/docs/drah/publications/140611actionplanforfoodanddrinken.pdf>
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3. Office for National Statistics. (2014). UK Business: Activity, Size and Location. Accessed 4th April 2016 from: <http://www.ons.gov.uk/businessindustryandtrade/business/activitysizeandlocation/bulletins/ukbusinessactivitysizeandlocation/2014-10-29>
4. European Commission (EC) (2014). *What is a SME?* Accessed 4th April 2016 from: http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/sme-definition/index_en.htm

Results

Technical accreditation and food-safety compliance of food and drink businesses in Wales



Figure 1. Reported food safety compliance by Welsh Food and Drink Manufacturers ($n=99$)

As illustrated in figure 1, the majority (60%) reported having technical accreditation/food-safety compliance, including British Retail Consortium (BRC) (24%), Safe and Local Supplier Approval (SALSA) (16%) and Soil Association (12%).

It was determined that over a third of food and drink manufacturing and processing businesses in Wales (38%) reported having no accreditation.

Product sectors of food and drink businesses in Wales

The leading product sectors included bakery (26%), dairy (19%) and alcoholic drinks (18%) (see figure 2). Statistical analysis determined that no categories were more likely of having BRC or SALSA accreditation schemes, however it was established that:

- the alcoholic drink sector was less likely of having accreditation ($p<0.05$),
- the dairy and liquid egg sector, was significantly more likely of having Tesco Manufacturing Food-safety accreditation ($p<0.05$),
- the cereals and snacks sector was more likely of having SALSA accreditation ($p<0.01$), and
- the dairy sector was most likely of having Soil Association accreditation ($p<0.001$).

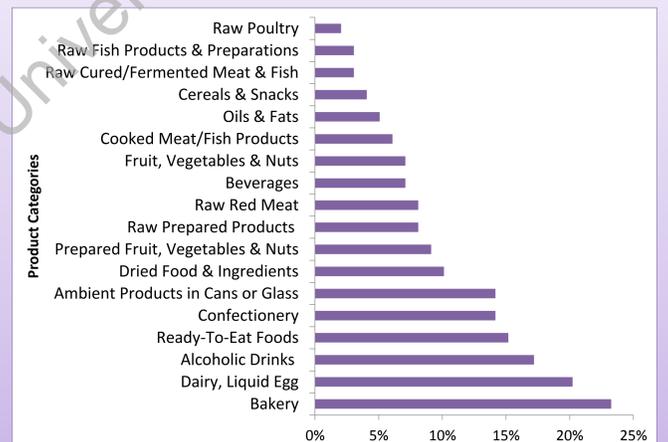


Figure 2. Reported product category by Welsh Food and Drink Manufacturers ($n=99$)

Business size of food and drink businesses in Wales by employee numbers and turnover

Table 1. Reported business size of Welsh Food and Drink Manufacturers by employee numbers ($n=96$)

Business Category*	Employees	Turnover	Food and Drink Manufacturers
Micro	<10	<£2 million	59%
Small	<50	<£10 million	26%
Medium	<250	<£50 million	11%
Large	>250	>£50 million	4%

*Categorised according to the European Commission's definitions of business size⁴

The majority of food and drink manufacturing and processing businesses that participated in the survey reported to be micro businesses (59%) with <10 employees and/or a turnover<£2 million; and 4% reporting to be large businesses with >250 employees/turnover>£50M (table 1). Statistical analysis determined:

- Micro-sized businesses were associated with not having accreditation ($p<0.001$).
- SALSA was most frequent among small/medium-food and drink manufacturing businesses ($p<0.001$).
- BRC accreditation was associated with large-food and drink manufacturing businesses ($p<0.001$).

Food and drink manufacturing and processing businesses reporting to have accreditation were significantly associated with having more than one manufacturing site, whereas 97% of businesses without accreditation reported to have only one manufacturing site.

Supply channels used by food and drink businesses in Wales

The most common supply channels reported were retail other such as small independent retailers (77%), wholesale (71%) and direct to consumers (60%). Public sector (16%) was the least frequently reported supply channel used by Welsh food and drink manufacturers.

Businesses with accreditation were significantly more likely of supplying wholesale ($p<0.05$), major retailers ($p<0.001$), major food service ($p<0.001$) and the public sector ($p<0.001$), than businesses without accreditation which were significantly associated with selling direct to the public ($p<0.005$).

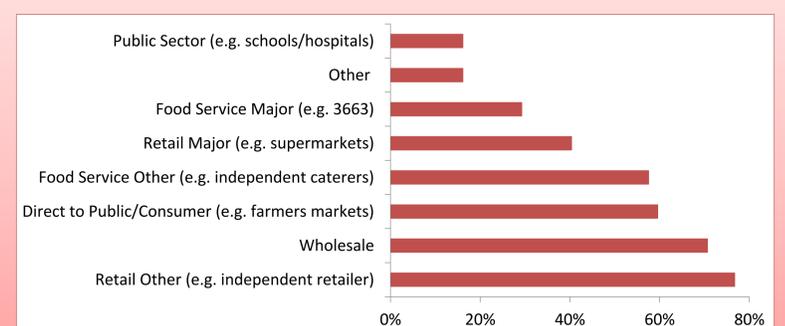


Figure 3. Reported supply channels by Welsh Food and Drink Manufacturers ($n=99$)

Significance of the study

- Significant associations were determined between sector, size and accreditation. Reporting to have accreditation was associated with supply to wholesale, major retailers, major food service and the public sector.
- Findings indicate a need to identify the barriers to micro/small-Food and Drink Manufacturers and specific product categories (e.g. alcoholic drinks sector) in Wales obtaining technical accreditation/food-safety compliance.
- Such data may inform the development of support mechanisms to enable increased accreditation and accelerate food sector growth in line with Welsh Government aspirations.