

IMPACT ASSESSMENT

Summary: Intervention & Options

Department /Agency: Food Standards Agency	Title: Impact assessment of recommendations on saturated fat and added sugar reductions, and portion size availability, for biscuits, cakes, buns, chocolate confectionery and soft drinks	
Stage: Final	Version: 1	Date: 17/02/2010
Related Publications: The final Saturated Fat and Energy Intake Programme and consultation links: http://www.food.gov.uk/healthiereating/satfatenergy/satfatprog http://www.food.gov.uk/consultations/ukwideconsults/2009/saturatedfat http://www.food.gov.uk/consultations/ukwideconsults/2009/promolowfatprodssatfatreductions		

Available to view or download at:

<http://www.food.gov.uk/healthiereating/satfatenergy/>

Contact for enquiries: Elizabeth Kendall

Telephone: 020 7276 8670

What is the problem under consideration? Why is government intervention necessary?

Two of the major health issues for the UK for which diet is particularly influential are cardiovascular disease (CVD) and obesity. Average intakes of saturated fat exceed the public health recommendation by around 20%. A high intake of saturated fat can raise blood cholesterol levels and this in turn can raise risk of CVD. Obesity levels have doubled in the last 25 years. Obesity is a risk factor for a number of illnesses such as CVD, some cancers and type II diabetes and results from excessive energy (calorie) intake in relation to energy output. While efforts to raise consumer awareness about saturated fat and healthy eating will continue and some businesses have already made significant changes, Government intervention is necessary to build on the success of the most progressive food companies and further encourage industry by providing direction on the reformulation of food and drink to reduce levels of saturated fat and energy, and on improving the availability of smaller portion sizes.

What are the policy objectives and the intended effects?

To establish voluntary recommendations on saturated fat and added sugar reductions, and voluntary recommendations on the availability of smaller single-portion sizes, for foods that contribute these nutrients significantly to the UK diet. The voluntary recommendations are intended to encourage industry to reformulate such products to help achieve public health recommendations on saturated fat intakes and contribute to national strategies to address obesity and overweight.

What policy options have been considered? Please justify any preferred option.

1. Do nothing
2. Establish voluntary recommendations for industry on reductions in saturated fat and added sugar and recommendations on the availability of smaller single-portion sizes in key food groups. This is the preferred option for the Food Standards Agency (the Agency) as it would encourage industry reformulation and innovation towards improving the nutrition profile of key foods without unduly burdening industry through regulation and associated costs.

When will the policy be reviewed to establish the actual costs and benefits and the achievement of the desired effects?

Initial review dates for each voluntary recommendation have been included at which progress on achieving the recommendations and the costs and benefits to industry will be assessed. This will commence from 2012. National Diet and Nutrition Surveys will allow progress towards achieving public health recommendations to be monitored against data from past surveys. The Agency has established an achievements and commitments table allowing food and drinks businesses to demonstrate changes they have made.

Ministerial/CEO Sign-off For Final Stage Impact Assessments:

I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options

Signed by the Food Standards Agency CEO*:



Date: 17/02/2010

* for non-legislative Impact Assessments undertaken by non-ministerial departments/agencies

Summary: Analysis & Evidence

Policy Option: 2	Description: Establish voluntary recommendations for industry on reductions in saturated fat and added sugar, and recommendations on the availability of smaller single-portion sizes in key foods.
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COSTS	ANNUAL COSTS		Description and scale of key monetised costs by 'main affected groups'. We acknowledge that firms who decide to follow the FSA's recommendations and do not face other pressures (competition, consumers etc) to do so will face reformulation costs potentially attributable to the recommendations. However, it would be misleading to calculate an overall cost to industry, given the number of assumptions required. See Annex for details. We have estimated the costs to the industry associated with reading and becoming aware of the recommendations and have estimated this to be approximately £118,000.
	One-off (Transition)	Yrs	
	£ 118,000		
	Average Annual Cost (excluding one-off)		
	£ 0		
		Total Cost (PV)	£ 118,000
Other key non-monetised costs by 'main affected groups' Businesses that strive towards achieving the recommendations, and which do not have other strategic drivers to do so will face reformulation costs, but will also gain from non-monetised benefits (see below). Potential requirement for the Agency to purchase salient product nutrient data to monitor industry progress towards the recommendations.			

BENEFITS	ANNUAL BENEFITS		Description and scale of key monetised benefits by 'main affected groups' The extent of the benefits accrued will depend on a number of key assumptions, such as level of industry uptake, technological progress and the respective roles of the Agency and other drivers. For these reasons, it is not possible to quantify the exact benefit of introducing voluntary recommendations. Illustrative benefits are provided in the IA.
	One-off	Yrs	
	£ N/K		
	Average Annual Benefit (excluding one-off)		
	£ N/K		
		Total Benefit (PV)	£ N/K
Other key non-monetised benefits by 'main affected groups' There may be reputation and marketing benefits for businesses that implement the saturated fat, added sugar and portion size recommendations from NGOs, consumer groups, individual consumers, particularly those who are health conscious, and the media.			

Key Assumptions/Sensitivities/Risks The analysis assumes consistent uptake across industry of the voluntary saturated fat, added sugar and portion size recommendations. Economic pressures that may divert industry resource from product reformulation is a potential risk that it has not been possible to account for in this analysis.

Price Base Year N/A	Time Period Years N/A	Net Benefit Range (NPV) £ -11.5m to -4.5m	NET BENEFIT (NPV Best estimate) £ -4.5m
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What is the geographic coverage of the policy/option?		UK		
On what date will the policy be implemented?		March 2010		
Which organisation(s) will enforce the policy?		N/A		
What is the total annual cost of enforcement for these organisations?		£ N/A		
Does enforcement comply with Hampton principles?		Yes		
Will implementation go beyond minimum EU requirements?		No		
What is the value of the proposed offsetting measure per year?		£ N/A		
What is the value of changes in greenhouse gas emissions?		£ N/A		
Will the proposal have a significant impact on competition?		No		
Annual cost (£-£) per organisation (excluding one-off)	Micro	Small	Medium	Large
	0	0	0	0
Are any of these organisations exempt?	No	No	N/A	N/A

Impact on Admin Burdens Baseline (2005 Prices)				(Increase -
Increase of	£ 0	Decrease of	£ 0	Net Impact £ 0

Key: Annual costs and benefits: Constant Prices (Net) Present Value

Evidence Base (for summary sheets)

Reason for Intervention

UK Government's objective is to improve the health of the nation by reducing the incidence of costly chronic diseases, such as cardiovascular disease, through improvements in dietary health.

Cardiovascular disease (CVD) is the leading cause of death in the UK and accounts for nearly 200,000 deaths per year¹. Obesity is an important risk factor for a number of illnesses including CVD, some cancers and diabetes and its prevalence has more than doubled in the last 25 years in the UK².

The Food Standards Agency (the Agency) has strategic targets to improve the nation's health with programmes of work to provide advice and raise consumer awareness about healthy eating, and is working with industry to encourage better labelling and promote healthier products³. The Agency is working with health departments and other stakeholders to encourage the reduction of population average saturated fat intakes from the current level of 13.3% to within the recommended 11% of food energy for everyone over 5 years of age. It has been estimated that reducing saturated fat intakes to within public health recommendations could result in approximately 3500 annual UK deaths averted and should improve the quality of many more lives, saving the UK economy about £1bn each year⁴.

The Agency has also committed to support wider government initiatives to address obesity levels by helping consumers to achieve a balance between energy (calorie) intake and energy output (as detailed under section Government programmes).

The Agency has run saturated fat awareness campaigns, with a focus on energy intake, that include a combination of television, press and poster advertisements to raise consumer awareness about the health impacts of eating too much saturated fat⁵. The Agency has also supported improvements in food labelling through the introduction of voluntary Front of Pack signposting schemes. Such efforts help to increase the demand for reformulated products.

There is scope to galvanise reformulation activity through voluntary saturated fat, added sugar and portion size recommendations in the food groups that contribute most to dietary intakes, and the Agency is encouraging reformulation of mainstream products. Voluntary recommendations will reinforce consumer trends and speed up the delivery of reformulated products so that public health outcomes can be achieved more rapidly. Further, reformulation of mainstream products has the potential to deliver significant reductions in population average intakes, in addition to the provision of lower fat healthier options.

¹ www.heartstats.org

² Government Office for Science (2007), *Foresight: Tackling Obesity: Future Choices*. Department of Innovation, Universities and Skills.

³ Food Standards Agency (2009), *Strategic Plan 2010-2015 – Putting consumers first*. Food Standards Agency www.food.gov.uk/aboutus/publications/busreps/strategicplan/

⁴ www.ofcom.org.uk/consult/condocs/foodads_new/ia.pdf

⁵ www.food.gov.uk/healthiereating/satfatenergy/satfatcons

According to industry intelligence, the market for 'healthy options' has risen twice as fast as the total food market at around 30% of retail sales in the five markets of dairy, bakery, crisps and snacks, confectionery and soft drinks⁶. The Agency is seeking to build on this market response and is encouraging reformulation of mainstream products, focusing on sectors that contribute the most saturated fat and energy through added sugars to the population's diet. Results from our recent public attitude tracker survey indicate that whilst the level of concern about saturated fat expressed spontaneously was low at 6%, this increases to 38% when consumers were offered a list of food issues to consider⁷. This suggests that the Agency recommendations address underlying consumer concerns already present about the market.

This impact assessment relates to a set of recommendations for soft drinks with added sugar, chocolate confectionery, biscuits, cakes and buns. Further recommendations with an appropriate impact assessment to cover dairy products, meat products and savoury snacks is subject to a public consultation launched on 1 December 2009⁸. The Agency's recommendation for pastry spans both sets of recommendations and is still subject to public consultation. For this reason, this recommendation will not be finalised until spring 2010 when the second consultation has ended and all responses reviewed.

Intended effect

The purpose of Government intervention is to establish voluntary recommendations for saturated fat reductions in biscuits, cakes, buns and chocolate confectionery that encourage food and drink businesses to reformulate their products to help to reduce the population average intake of saturated fat to within public health recommendations.

A further purpose is to establish voluntary recommendations for reductions in added sugar in soft drinks, and single-portion size availability for soft drinks and chocolate confectionery to help reduce the contribution these foods make to energy intakes.

These recommendations are designed to complement awareness campaigns targeted at the consumer with the overall goal of achieving public health recommendations.

By reducing saturated fat, added sugar and single-portion sizes of mainstream foods, public health is improved irrespective of whether consumers choose healthier alternatives or change their eating habits.

Our expectation is that these first step voluntary recommendations will focus food industry activity on reformulation and single-portion availability, complement the significant progress already made by some progressive UK businesses and build on consumer awareness activities that will result in consumers seeking products that contain less saturated fat and added sugar and choosing smaller single-portion sizes.

⁶ Mintel (2008), *Healthy Eating and Drinking – UK*. Note that 'healthy options' include low calorie, low fat, low salt, additive free and 'better for you'.

⁷ <http://www.food.gov.uk/science/socsci/surveys/publictrackingsurvey>

⁸ <http://www.food.gov.uk/consultations/ukwideconsults/2009/promolowfatprodssatfatreductions>

Background

Public Health Issues

Cardiovascular disease (CVD) and obesity are two of the major health issues for the UK for which diet is particularly influential.

Cardiovascular disease

In 2006, the cost of CVD to the UK economy was estimated at £30.7 billion (via health care costs, informal care costs and productivity losses)¹.

A high intake of saturated fat can raise blood total and low density lipoprotein (LDL) cholesterol levels and this in turn can lead to an increased risk of developing heart disease^{9,10}. Accordingly, it follows that reducing intakes of saturated fat should lower the blood total and LDL-cholesterol levels and that this in turn should lead to a reduced risk of developing heart disease. Therefore, reducing population average saturated fat intakes to within public health recommendations (i.e. from 13.3% to within 11% of food energy) would be expected to contribute to a reduction in the incidence of diet related CVD in the UK population.

In its 1994 report on *Nutritional Aspects of Cardiovascular Disease*, the Committee on Medical Aspects of Food Policy (COMA) published its recommendations on diet and cardiovascular disease⁹. This included a recommendation to reduce saturated fat intakes to no more than 11% of food energy (equivalent to no more than 10% of total dietary energy). This recommendation is consistent with the World Health Organization recommendation for saturated fat in its report on diet and chronic disease published in 2003¹⁰.

Obesity

Obesity is an important risk factor for a number of illnesses, including CVD, some cancers and diabetes, and has more than doubled in the last 25 years in the UK². Indeed in England alone, nearly a quarter of adults and about 10% of children are now obese, with a further 20-25% of children overweight². In Scotland over 25% of men and women were classified as obese with over a third of Scottish school children outside the healthy weight range¹¹. Further, the Government's Foresight programme suggests that, without intervention, based on current trends, approximately 60% of Britons will be obese by 2050². Obesity and overweight have a wide cost to society and business that are estimated to be £49.9 billion per year by 2050, with NHS costs expected to double to £10 billion per year by 2050².

Government programmes

⁹ Department of Health (1994), *Nutritional Aspects of Cardiovascular Disease. Report on Health and Social Subjects 46*. London: The Stationery Office.

¹⁰ World Health Organization (2003), *Diet, Nutrition and the Prevention of Chronic Disease. Report of a Joint WHO/FAO Expert Consultation*. Geneva.

¹¹ Scottish Health Survey 2008.

National strategies to tackle obesity levels are in place and this initiative supports these objectives.

In England, the cross-department strategy Healthy Weight, Healthy Lives was launched in 2008 and aims to reverse the trend in rising obesity and overweight, particularly for children, and to reduce it to the levels of 2000 by 2020¹². The Agency has a key role in this obesity strategy and is taking forward aspects of the 'healthy food code of good practice' with the food industry, including the reformulation recommendations described here.

Food Standards Agency Scotland has a key role in the Scottish Government's Healthy Eating, Active Living: An Action Plan to Improve Diet, Increased Physical Activity and Tackle Obesity (2008-2011) and is working closely with the Scottish Government to address obesity issues¹³.

In Wales, the Welsh Assembly Government's Food and fitness – Promoting Healthy Eating and Physical Activity for Children and Young People Implementation Plan (2006) sets out some of the ways in which the Welsh Assembly government is helping to support parents and young people in their efforts to eat well, be physically active and achieve the highest standard of health possible¹⁴.

In Northern Ireland, FSA Northern Ireland is supporting the Department of Health Social Services and Public Safety (DHSSPS) and other key partners to put in place an obesity prevention framework for NI, building on the 2006 DHSSPS report 'Fit Futures - Focus on Food, Activity and Young People'¹⁵.

Food Standards Agency Strategy and Programmes

The Agency's remit is to help improve the UK diet, reducing diet-related disease to help people live healthier lives and reduce the costs associated with ill-health. This work is aligned with that described above on diet and obesity.

These recommendations form part of the Agency's activity to make the healthy choice the easy choice and sits alongside other Agency initiatives, such as the voluntary targets to reduce salt.

In addition to working with businesses to promote healthier foods, the Agency provides advice and campaigns to raise consumer awareness to improve understanding about food and health, providing people with the skills to choose healthier diets. The Agency also seeks to address barriers to people making healthier food choices, for example, by encouraging front of pack nutrition

¹² Department of Health and the Department for Children, Schools and Families (2008), *Healthy Weight, Healthy Lives: A Cross-Government Strategy for England*. www.dh.gov.uk/publications

¹³ Scottish Government (2008), *Healthy Eating, Active Living: An action plan to improve diet, increase physical activity and tackle obesity (2008-2011)*. www.scotland.gov.uk/Publications/2008/06/20155902/0

¹⁴ Welsh Assembly Government (2006), *Food and Fitness: Promoting Healthy Eating and Physical Activity for Children and Young People in Wales 5 year implementation plan*. www.wales.gov.uk/topics/health/improvement/food/food-fitness/plan/?lang=en

¹⁵ Department of Health, Social Services & Public Safety (2006), *Fit Futures. Focus on Food, Activity and Young People*. www.investingforhealthni.gov.uk

labelling¹⁶ and promoting calorie labelling at the point of purchase in foodservice environments¹⁷.

These recommendations should be considered in the wider context of this broad programme of evidence-based work.

The Agency's Saturated Fat and Energy Intake Programme

The Agency's Strategic Plan to 2015 sets out the UK-wide objective to work with health departments/directorates and stakeholders to continue to achieve reductions in levels of saturated fat and calories in food products and to make sure that portion sizes are appropriate for a healthy diet are available and promoted³.

The Agency launched its UK-wide Saturated Fat and Energy Intake Programme in February 2008 following a public consultation in 2007¹⁸.

The Programme is comprised of four elements:

- improving consumer awareness and understanding of healthy eating with particular focus on the impact of saturated fat on health;
- encouraging promotion and increased uptake of healthier options, e.g. reduced fat products and retailers' 'healthier' ranges;
- encouraging increased accessibility of smaller food portion sizes; and
- encouraging voluntary reformulation of mainstream products to reduce saturated fat and energy.

Consumer awareness

The Agency launched its saturated fat consumer awareness campaign on 9 February 2009⁵. It covered TV, print, media advertising and a comprehensive website to engage consumers and raise awareness about the health implications of too much saturated fat. The campaign provided simple tips on how to reduce intakes through easy swaps when shopping, cooking or eating out.

A second phase of the campaign was launched in January 2010 focusing consumers' attention on choosing lower fat versions of products, with an emphasis on 1% fat milk.

This first element of the Programme is designed to encourage demand for healthier products providing an impetus to industry to meet this demand.

Working with industry

The other three elements of the Programme have been progressed in discussion with industry on the technical, legislative and operational challenges and opportunities for making available and enhancing healthier options, for reformulating mainstream products and for considering the accessibility of smaller portion sizes of energy-dense products.

¹⁶ www.food.gov.uk/foodlabelling/signposting/

¹⁷ www.food.gov.uk/healthiereating/healthycatering

¹⁸ www.food.gov.uk/healthiereating/satfatenergy/satfatprog/

Discussions with industry, together with wider stakeholders, have informed the development of these voluntary recommendations.

Industry good practice

There are many examples of progressive businesses with programmes in place to improve the nutrition profile of their products. For example:

- Dairy Crest launched its healthier alternative, Cathedral City Lighter in 2007, which contains 30% less fat than standard Cheddar cheese.
- United Biscuits reduced levels of saturated fat by 50% in its standard and lights plain biscuit range (Digestives, Hob Nobs, and Rich Tea) in 2008.
- Since 2003, Walkers has reduced saturated fat by up to 80% in its crisps and snacks portfolio.
- Coca-Cola Great Britain has halved the sugar content of 'Oasis' from 10g to 5g per 100ml and there is now 30% less sugar in the 'Fanta' range.

We acknowledge the efforts such businesses have already made, but believe there is a role for Government to help move forward reformulation activities across the food industry.

Options

We considered two broad options on saturated fat, added sugar and single-portion size reduction:

- Option 1: Do nothing – no further Government efforts to encourage industry to reduce levels of saturated fat and added sugar in foods and the availability of smaller portion sizes.
- Option 2: Introduce voluntary recommendations for reductions in saturated fat and added sugar and recommendations on the availability of smaller portion sizes for the food sectors identified.

Option 1: Do nothing

This would mean taking no action with industry to encourage reductions to saturated fat and added sugar levels and availability of smaller single-portion sizes. Reduction activities would rely on market forces and current industry policies.

Option 2: Introduce voluntary recommendations for reductions in saturated fat and added sugar and the availability of smaller portion sizes

To date, reformulation achievements for these nutrients have been as a result of individual businesses implementing their own nutrition policies. Option 2, the introduction of voluntary recommendations is the Agency's preferred option as

the recommendations will build momentum across the whole of the industry whilst at the same time allowing individual businesses to consider the recommendations in the context of their own portfolio, and drive reformulation initiatives that suit their business model.

The recommendations were developed following significant consultation with industry representatives and take into account the challenges raised and progress achieved. They are presented in a flexible format to allow individual businesses to determine how and which products hold the potential for improvements. The progress the food industry has achieved in reducing salt against voluntary recommendations published by the Agency in 2006 show the validity of this approach.

Costs and benefits of options

Sectors and groups affected

In our opinion, the following groups may be affected: UK food and soft drink manufacturing¹⁹ and UK consumers.

Specifically the following manufacturers, as defined by UK Standard Industry Classification²⁰ would be affected:

- 10.71 Manufacture of bread, fresh pastry goods and cakes;
- 10.72 Manufacture of preserved pastry goods and cakes;
- 10.82 Manufacture of cocoa, chocolate and sugar confectionery; and
- 11.07 Manufacture of soft drinks; production of mineral waters and other bottled waters.

Economic impacts

Option 1 (do nothing), whilst not involving any additional costs to business or the public sector, would not deliver the full public health benefits that can be delivered by Option 2. Given this, our preference is for Option 2, which also provides flexibility for businesses. The cost-benefit analysis is provided below to inform the current policy analysis.

The Agency considers that under Option 2 any actions taken by industry to reduce saturated fat, added sugar and portion size in foods are voluntarily undertaken. The introduction of recommendations is intended to focus and encourage industry activity in the key food groups identified. Whilst we emphasise the voluntary nature of the scheme, we acknowledge that businesses that engage in achieving the recommendations and which do not have other strategic drivers to reduce saturated fat, added sugar and portion size, will face reformulation costs, including capital expenditure where necessary and re-labelling costs. Further details can be found in the Annex.

¹⁹ Retailers tend to have own brand products manufactured by other food business manufacturers that also make branded products. As the number of businesses affected is already an over-estimate, retailers have not been explicitly included but can be assumed to have been incorporated into the calculations.

²⁰ http://www.statistics.gov.uk/methods_quality/sic/downloads/SIC2007explanatorynotes.pdf

Due to the voluntary nature of the policy, there are no direct administrative costs to be considered for industry as a whole. However we estimate that businesses are likely to face some reading costs in their decision to follow the FSA's recommendations. As with the other costs, it is assumed that businesses will take a business decision on whether to engage with this programme.

Familiarisation Costs

As outlined above, we expect that there may be one-off costs involved in being aware of, and becoming familiar with these recommendations. Accordingly, we have used SIC codes identified above to estimate the number of businesses affected. We believe this is an overestimate as it includes manufacturers of products which will not be affected, such as bottled mineral water and smaller, artisan manufacturers, to whom not all recommendations will be relevant.

It is estimated by the Agency that in manufacturing, it would take one R&D manager 1.5 hours to read the recommendations. The average hourly pay rate for R&D managers £22.75, and is up-rated by 30% to account for overheads to £29.58 or £44.36 for 1.5 hours. In the retailing and catering side, the hourly pay rate for purchasing manager is used (£22.98) and is up-rated by 30% to account for overheads yielding £44.81 for 1.5 hours. To estimate the total costs, the wage rates are multiplied out by the number of businesses affected as per the table below. The total estimated familiarisation cost amounts to £118,000.

<i>SIC Code</i>	<i>Number of Businesses</i>	<i>Industry Cost</i>
10.71	1,915	£84,949
10.72	215	£9,537
10.82	285	£12,643
11.07	235	£10,425
Total	2,650	£117,554
Rounded		£118,000

Benefits (Public Health)

It is not possible to accurately quantify the exact benefit that will be accrued, as this is dependent upon a wide range of factors including: the level of voluntary uptake of the recommendations by industry; technological progress; the effectiveness of consumer awareness activities to promote behavioural changes (campaigns) and promote improved choices through use of front of pack labelling; and changes over time of population consumption patterns. Nor can we make any assumptions about how the benefits of the Agency's recommendations will accrue to different parts of society.

However, to illustrate the potential benefits of reductions in saturated fat intakes we have estimated the health benefits afforded by a half a percentage point reduction i.e. from current intakes of 13.3% of food energy to 12.8%.

To estimate the public health benefits of saturated fat intake reductions we referred to the existing analysis laid out in Ofcom's Regulatory Impact Assessment on restricting broadcast advertising to children²¹.

²¹ www.ofcom.org.uk/consult/condocs/foodads_new/ia.pdf

It is estimated that a half a percentage point saturated fat reduction across the UK population yields an annual benefit of 217,500 Quality Adjusted Life Years (QALYs). A QALY (Quality Adjusted Life Year) is an economic measure that takes into account both the quantity and the quality of the extra life provided by a healthcare initiative. The Department for Transport gives a full value of life at £1.5m, however, when subjects have only the latter stages in life a full value of life could seem disproportionate and therefore a QALY would be used.

As explained in detail in the Ofcom RIA, the Agency considers it good practice to monetise a QALY at £30,000 in nominal terms. Discounting and summing these monetised QALYs yields a net present value benefit of £200 million delivered by a 0.5 percentage point reduction (discounted over 5 years in line with HM Treasury Green Book Guidance). Consultation responses indicated that there may also be benefits to oral health both directly from the reduction of sugar consumption and indirectly via the impact of general health on oral health.

With regards to reductions in overweight and obesity, the recommendations include improved availability of smaller single-portion sizes and reductions in added sugar for certain foods. These recommendations are intended to contribute to much wider Government initiatives to address rising obesity levels. The multifactorial nature of conditions such as overweight and obesity mean that it is not possible to identify and isolate the potential public health benefit of introducing voluntary recommendations on sugar and portion size for a limited range of foods.

Consumer Benefits

As indicated by the Agency's recent tracker survey, there may also be benefits from the Agency's recommendations to consumers who are concerned about the level of saturated fat in their diet²².

Administrative Burden Costs

When saturated fat and added sugar reductions and improved availability of smaller single-portions are not undertaken as part of the normal reformulation cycle there may be additional ongoing administrative costs to those businesses that engage in achieving the recommendations (such as additional re-labelling and record keeping). Businesses that do engage will be encouraged to report progress to the Agency through an Achievements and Commitments Table that will be published on the Agency's website. However, as this policy is not mandatory, these additional costs do not fall within the Government's definition of administrative burden.

Consultation

The Agency consulted on draft recommendations to industry between 28 July and 3 November 2009. The summary of responses can be found at www.food.gov.uk/consultations/ukwideconsults/2009/saturatedfat. We received fifty-eight formal written responses to the consultation exercise from a range of organisations.

²² The Food Standards Agency Public Attitudes Tracker December 2009 reports 38% of respondents are concerned about the amount of saturated fat in food.

In general, stakeholders supported the Agency's overall objective of improving consumers' health through a focus on saturated fat reductions and energy balance. However, there were differing views on the approach the Agency was proposing of introducing voluntary recommendations. Consumer organisations responded in favour of the Agency's objectives provided that industry action did not negatively impact on product quality for product categories that it reported to be considered to be treats by consumers. Health organisations were supportive and encouraged the Agency to go further and faster with their recommendations, suggesting for example that specific quantifiable reductions in calorie and sugar levels for specific foods should be introduced. In contrast, many industry organisations indicated that work to reduce saturated fat, sugar and energy levels in foods was already ongoing and questioned the need to introduce specific recommendations. The recommendations are intended to encourage wider engagement by the food industry and take account of achievements already made.

A number of detailed comments on the recommendations were received and have been fully considered. The recommendations have been amended in some cases to reflect the issues raised and are detailed in the document 'background to the outcome of the public consultation on the proposed recommendations'.

The Agency has sought independent expert advice on saturated fat reformulation and on portion size and actions to take in this area.

The Agency has also held discussions with other government departments; the Department for Environment, Food and Rural Affairs (DEFRA) to consider the potential environmental impacts of these recommendations, health departments to consider how the recommendations support other Government health initiatives, and the Department for Business Enterprise, Innovation and Skills (BIS) to consider impacts on business.

Enforcement

Both options (do nothing and introduce voluntary recommendations) carry no enforcement requirements or costs as activity to reduce saturated fat, added sugar and increase the availability of smaller portion sizes would be voluntary.

Sanctions

Neither option would carry sanctions, as any action is voluntary.

Simplification

The voluntary approach allows individual businesses to decide if and how to address the recommendations. There are therefore no simplification measures with this policy.

Implementation and Review

The Agency will continue to:

- Monitor saturated fat and added sugar intakes in people's diets;
- Review the major contributors in the diet;
- Monitor levels of saturated fat, added sugar and portion sizes of key foods.

Saturated fat, energy and sugar intakes will continue to be monitored through the National Diet and Nutrition Survey rolling programme, which will collect data on dietary consumption patterns and levels of saturated fat and sugar in composite food samples.

The Agency will monitor progress in foods through commercially sourced food label data on a regular basis – this would have no resource implications for industry but would result in limited costs to the Agency. Label data is insufficient for some food categories, such as the pastry component of pies, and therefore we would also wish to collect data at product level direct from industry.

The Agency will also collect information through an Achievements and Commitments Table for which we ask industry to provide details on a voluntary basis and to supply information in the following areas: overall progress to date (where this data is available) and their future work programme, where this is possible.

Under the preferred option (option 2) of introducing voluntary recommendations for reductions in saturated fat and added sugar and the availability of smaller portion sizes, implementation and delivery rests with the food industry. The timetable for product changes is therefore the responsibility of individual businesses. However, each recommendation includes a timeframe for achievement based on discussions with industry stakeholders. These points, plus data collated as part of the National Diet and Nutrition Survey rolling programme, will allow progress and costs and impacts to be reviewed and enable consideration of what further work with industry is necessary.

The Agency will continue to engage with stakeholders across the UK on its Saturated Fat and Energy Intake Programme. Officials regularly meet with stakeholders, including industry organisations and public health groups to discuss progress. As part of these reviews we will consider what further work will be required to meet public health targets.

Specific Impact Tests: Checklist

Use the table below to demonstrate how broadly you have considered the potential impacts of your policy options.

Ensure that the results of any tests that impact on the cost-benefit analysis are contained within the main evidence base; other results may be annexed.

Type of testing undertaken	<i>Results in Evidence Base?</i>	<i>Results annexed?</i>
Competition Assessment		Yes
Small Firms Impact Test		Yes
Legal Aid	No	
Sustainable Development		Yes
Carbon Assessment	No	
Other Environment	No	
Health Impact Assessment	Yes	
Race Equality		Yes
Disability Equality		Yes
Gender Equality		Yes
Human Rights	No	
Rural Proofing	No	

Competition Assessment

Industry bodies had previously expressed concerns that individual businesses may be at a competitive disadvantage if they act unilaterally in following any Government advice to reduce saturated fat, added sugar and increase the availability of smaller single-portion sizes. The introduction of voluntary recommendations is intended to facilitate individual action by businesses in a context where it is likely to be perceived as a generally desirable development.

Health is an area of strong competition among businesses. The Agency's recommendations are aspirational and not therefore a threat to competition or product innovation. Businesses make the decision to undertake reformulation individually, and our experience with salt reduction shows that some businesses seek to obtain a competitive advantage by going beyond recommendations.

Industry raised some concerns in its responses to the consultation regarding the potential 'harmonisation' of portion sizes and that the introduction of standards can stifle some aspects of competition. The Agency intends the recommendations around portion size to widen access to smaller portion sizes and encourage consumer's choice of these products, and not to restrict the market by standardising sizes.

The Agency has a remit to undertake work for the UK only. Imported foods make a contribution to the number and variety of products currently on sale in the UK and some concerns have been raised about the potential for recommendations to disadvantage UK businesses compared to their EU competitors. We acknowledge these concerns and are supporting a Commission initiative to consider the potential for EU wide action on fats including saturated fat intakes as part of a wider health programme.

Small Firms Impact Test

It is the Agency's opinion that the introduction of voluntary recommendations for reductions in saturated fat and added sugar and for the increased availability of smaller single-portion sizes for key foods (Option 2) is unlikely to impact on small businesses' policy-related or administrative costs disproportionately.

Lack of resources and expertise to develop reformulated products to reduce the levels of saturated fat and added sugar could impact on small businesses' engagement with this initiative. For this reason, we have specifically recognised the challenges small businesses face, as well as those that produce traditional/nice/seasonal products.

In terms of retailer influence, the main supermarkets already have in place nutrition strategies encouraging the reduction of saturated fat and added sugar. We wish this voluntary initiative to be a proportionate measure across a wide range of businesses, and it is not our intention for retailers to pressurise small businesses to work toward the recommendations within a shorter timeframe than our suggestion. We expect the larger, influential businesses to provide support to their smaller suppliers on how manageable reductions can be made and encourage them to do so. We will also consider how we can support the sharing of knowledge.

The Agency is involved with two projects in the East Midlands Region designed to help small manufacturing and retail businesses consider healthier eating in general and provide support for them to make changes.

The first project is managed by the Agency, funded by Department of Health for England and coordinated by the East Midlands Food and Drink Forum. It targets food manufacturers and provides free consultancy on technical and flavour issues related to reformulation and development of healthy options, dietetic advice on portion size, labelling advice on front-of-pack labelling, and labelling advice on health and nutrition claims. The project will be completed by March 2010.

The second project is funded by the National Social Marketing Centre (Regional Manager) as a Beacon Project with matched funding from Linc Teaching Primary Care Trust and additional in-kind funding from Trading Standards East Midlands sampling programme. The project works with Chinese and Indian takeaways in the region to develop a social marketing campaign to encourage and support the reduction of saturated fat, salt and energy in their meals. It follows regional sampling for this sector by Trading Standards Officers in the East Midlands and will use social marketing techniques to provide advice and guidance, but rather than focusing on changing consumer behaviour, this project aims to change the behaviour of food businesses. The project is intended to be completed by March 2010.

Sustainable development

Impacts under the three pillars of sustainable development (environmental, economic and social) have been, and continue to be, considered in the preparation of this Impact Assessment. Option 2 is the preferred option because it minimises the cost to industry whilst maximising the benefits to consumer health and costs to the NHS and wider economy.

Reformulation may require more frequent changes to labelling. To accommodate such label updates, the recommendations have been drafted to include flexible timescales, which allow businesses to incorporate label updates within their usual packaging cycle thereby minimising waste.

Option 2 should not increase volumes of packaging. This has been raised by industry as a deterrent to smaller packaging, but we are not suggesting a rise in units sold. Therefore, in line with the work by WRAP (Waste and Resources Action Programme) - which acts to help individuals, businesses and local authorities to reduce waste and recycle more - the presence of smaller single-portion sizes on the market could actually result in less packaging waste.

Some members of the soft drink industry raised the issue that reducing the portion size of soft drinks is less sustainable due to reduced shelf life and the use of the same weight of Polyethylene terephthalate (PET) for smaller plastic bottles than for larger bottles. We encourage manufacturers to use the most sustainable option available to them. We note that recycling rates for aluminium cans were estimated to be 52% in the UK in 2007²³.

²³ Aluminium Packaging Recycling Organisation. <http://www.alupro.org.uk/facts-and-figures.html>

With regard to fat and oil sources, it is our understanding from discussions with industry that the level of reformulation and fat/oil ingredient changes indicated within our recommendations are such that they are unlikely to influence world trade or, as a result, sustainable production.

Race equality issues

There are no statistical differences in consumption levels of any food category included in this policy by specific ethnic groups (Low Income Diet and Nutrition Survey²⁴).

However, ethnic differences in rates of obesity and CVD morbidity and mortality exist in the UK. For example, levels of obesity (based on body mass index) are lower in Black African, Indian, Pakistani, Bangladeshi and Chinese men compared to the general population²⁵. These differences may in part be due to differences in diet, though other factors such as level of physical activity, smoking and genetics may also influence obesity and/or CVD risk.

In our view there is little indication at this time of a differential health impact of this policy on any ethnic groups.

Gender equality issues

Some differences in patterns of consumption exist between genders in relation to both the type and quantity of food consumed. However, overall, the consumption of foods included in this policy does not vary greatly between genders. For example, men are less likely than women to eat buns, cakes and pastries (40% and 48% respectively), but when they consume these foods they consume them in greater quantities²⁴.

Gender differences in rates of obesity and CVD morbidity and mortality exist in the UK. For example, approximately 6.5% of men compared to 4.0% of women in England have coronary heart disease²⁶.

There is little evidence at this time that indicates a significant differential health impact of this policy on different genders.

Disability equality issues

Overall we do not consider there to be any differential impacts for disabled people other than positive impacts for people with heart disease and weight related problems who are within the scope of disability legislation.

²⁴ Nelson, M et al (2007), *Low income diet and nutrition survey. Volume 2 Food Consumption, Nutrient Intake*. London: TSO. www.food.gov.uk/multimedia/pdfs/lidnsvol02

²⁵ Department of Health (2005), *Health Survey for England 2004*. www.ic.hns.uk/pubs/hlthsvyeng2004upd

²⁶ Joint Health Surveys Unit (2008), *Health Survey for England 2006. Cardiovascular disease and risk factors*. The Information Centre: Leeds, and previous editions.

Industry Costs

Industry sectors affected

	Annual sales (£bn)	Number of products (SKUs)
Chocolate	£3.4 ²⁷	3535
Cakes	£1.5 ²⁸	4463
Biscuits	£1.5 ²⁹	4182
All Soft drinks	£6.0 ³⁰	300‡ ³¹

All in 2007 prices

SKUs=stock keeping units from TNS data

‡No. of soft drink cans derived from combination of TNS and Brandbank data (see footnote)

The number of SKUs listed above covers the entire market for each of the categories. We recognise that small businesses (those with fewer than 50 employees) and those that produce traditional, niche and seasonal products may face greater challenges in achieving the recommendations within the timeframes indicated, therefore the figures above can be interpreted an over-estimation of the number of SKUs likely to be amenable to reformulation.

Saturated fat reduction in chocolate confectionery, biscuits, cakes, and buns

Drivers for reformulation

Reformulation, including reviews of recipes, and the associated costs are part of product development within normal business practice. Therefore, in order to understand the influence of the saturated fat recommendations on reformulation activity, it is necessary to disentangle and isolate:

- the relative importance of saturated fat reduction vs recipe improvements; and
- if saturated fat reduction is a priority the relative importance of the Agency's saturated fat recommendations *vis a vis* other drivers such as competitive pressure, corporate social responsibility drivers etc.,

Based on discussions with stakeholders and consultation responses, we have identified a number of drivers for reformulation activity which are summarised in the diagram below.

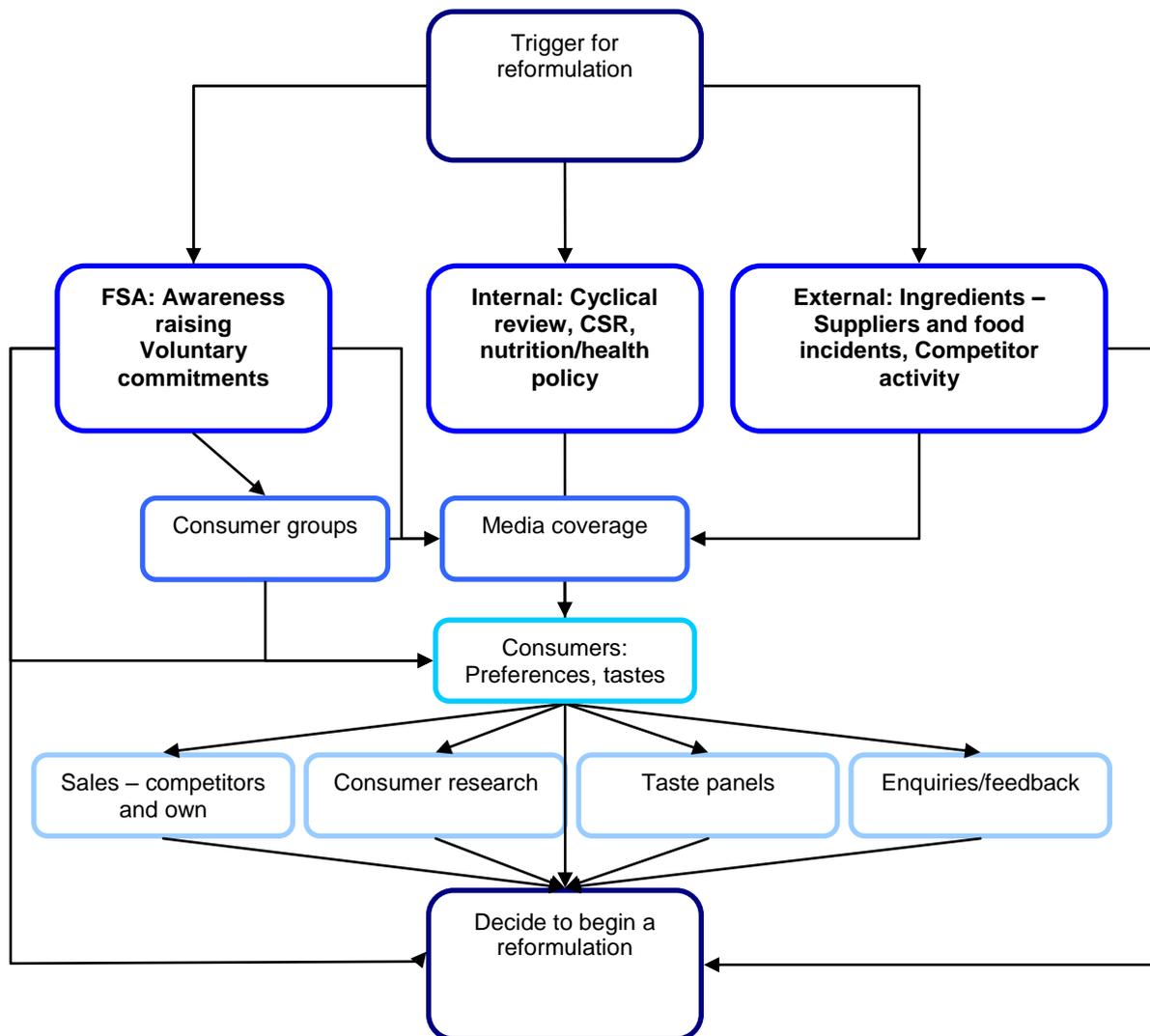
²⁷ Mintel (2008) Chocolate Confectionery

²⁸ Mintel (2008) Cakes and Cake Bars

²⁹ Mintel (2007) Sweet Biscuits

³⁰ Mintel (2009) Carbonated Soft Drinks

³¹ This figure represents an estimate of the total number of soft drink SKUs available; however our recommendations only apply to soft drinks with added sugar. This figure should therefore be treated as an over estimate of relevant SKUs.



The direct influence of saturated fat and energy recommendations will be only for those businesses that have engaged in this initiative. Our understanding from stakeholders is that firms that do undertake reformulation activity to reduce saturated fat or energy, will also include other changes that were on their general reformulation agenda and often generate additional benefits such as reputational, gaining a competitive edge etc.

We are aware that other Government-led initiatives may impact on the ability of a business to engage. For example, the Agency’s salt reduction strategy encourages businesses to reduce levels of salt in the foods they produce and sell along similar lines described above³². It is assumed that the drivers and challenges to reformulation to reduce salt, saturated fat and added sugar in foods are similar; however, we acknowledge that at the individual product level there will be trade-offs. It is for such reasons that the Agency’s voluntary recommendations are not prescriptive and allow firms flexibility to do what is best for their business.

Business as usual – Reformulation cycles

Based on information from our stakeholder workshops, most food products (not including staple or ambient products) are reformulated within 3 years as part of

³² www.food.gov.uk/healthierating/salt/

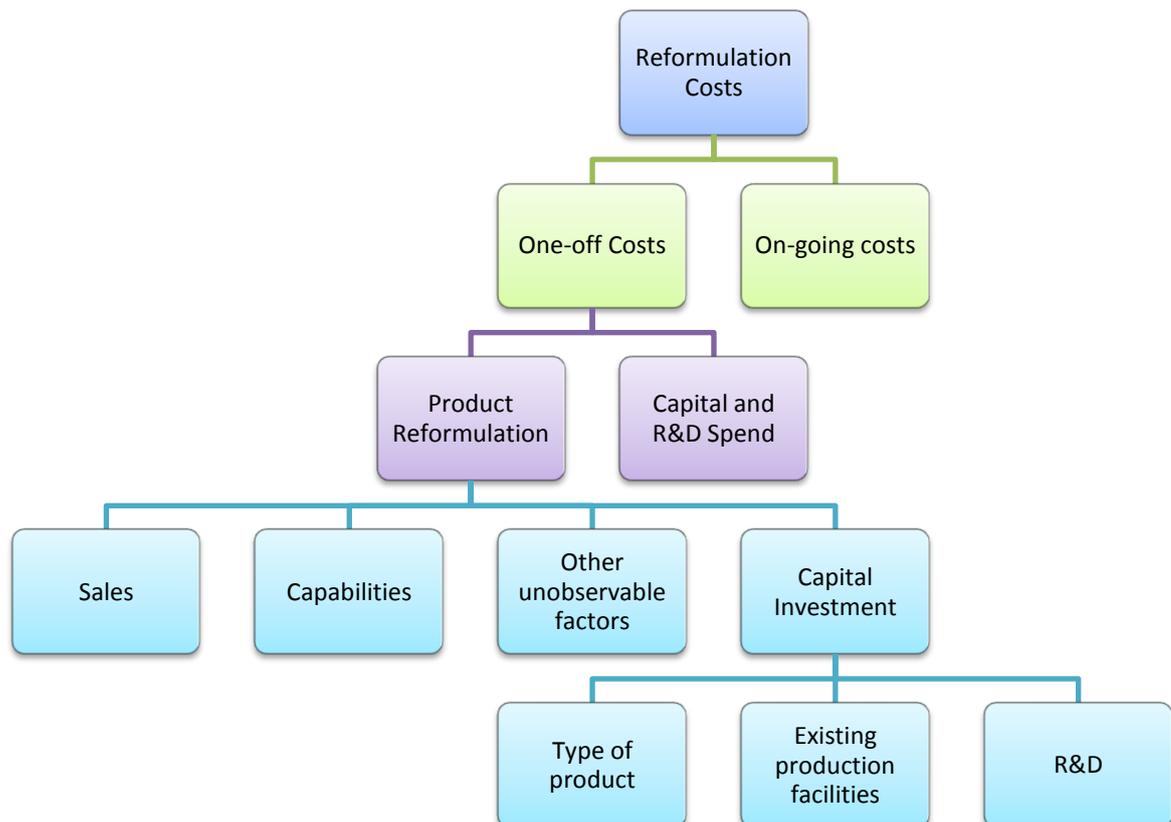
the normal business cycle (or at least reviewed); this average masks large variations amongst product categories.

Reformulation costs

For businesses that engage in achieving the Agency's recommendations and have no other drivers to do so, such as consumer trends, competitor benchmarking, pressure from NGOs etc, the key costs are likely to be reformulation costs.

Through a series of stakeholder workshops, both on saturated fat/energy and salt, the Agency has gained an insight into the different components of reformulation costs. For saturated fat/energy reduction, businesses have indicated that one of the largest costs will be sourcing and using new ingredients. Within the reformulation process the largest (and most varied) costs occur i) where a factory run is required ii) the labour costs involved in a long process and; iii) during sensory testing.

The diagram below outlines the factors that affect reformulation costs



One-off costs

Capital and R&D Spend

There are often capital investments needed relating to process changes (factory equipment, transportation, storage etc) and long-term research and development costs where new techniques are utilised beyond the short-term technical research as part of technical exploration. It is also worth noting the opportunity cost of the development teams' attention being focused on reformulation rather than new product development. To estimate this would require in-depth knowledge of a business' current factory and production capacity, as well as the problems of variability amongst food products described

above. The variety of possible technical solutions also adds to the difficulty in estimating this cost.

Product Reformulation Process

This covers the costs relating to the process of reformulation, excluding any on-going costs from either an increase in ingredients costs or any on-going processing costs from a different manufacturing process as a result of the reformulation.

The actual process of reformulation can last from 8 weeks to over a year and the costs can vary considerably. Estimating an average cost for reformulation would be misleading as it is influenced by number of factors:

Sales: Sales can act as a proxy for the scale of consumer usage and can indicate if the product is a market leader. This will affect the cost of reformulation through the following:

- The amount of sensory trialling needed is likely to be affected by consumer usage; if a product is sold across countries, trials will need to be conducted across different geographical regions.
- The cost of a trial factory run; larger sales would indicate larger factory runs as factories will be tooled to the demands of production.

Capabilities: The capabilities for reformulation within a food company e.g. the size of the technical team, in-house knowledge and the frequency of reformulation work.

Capital Investment: The capital investment for a saturated fat or energy reduction will be dependent on:

- *Type of Product:* The technical issues for saturated fat/energy reduction and therefore investment needed will vary considerably within broad food categories and even on a micro-level amongst product lines.
- *Existing Production Facilities:* The capabilities of the factories/production facilities to absorb new changes.
- *Research and development:* The amount of R&D previously undertaken and the R&D needed to implement capital changes will all contribute to the final cost.

Below is a summary of where the main one-off costs for the reformulation process occur, this excludes capital costs.

<i>Exercise</i>	<i>Main costs</i>		<i>Fixed or variable cost?</i>
Producing a product brief / technical exploration	Labour costs	The initial scoping and discussions with technical team/suppliers can take up to 6 months	Varies highly with product type
Creating the product for trial	Kitchen samples	£100 - 6000	Varies with product type
	Failure rates	% needed to repeat in the factory	Varies both with product type

			and existing production facilities
	Factory run	Opportunity cost of not running the factory £200 - 50,000	Varies highly with sales
		Industrial production run £1500 – 20,000	Varies highly with sales
Sensory testing	Consumer panels	Varies widely £1000 – 360,000	Varies highly with sales
Analytical testing	Nutritional analysis	£250 – 1500	Fixed
	Shelf life evaluation	£100 – 350	Fixed

Note:

- The costs given in ranges are based on a small sample of industry consultations for both salt targets and saturated fat/energy reformulations. The costs quoted are exemplary in order to illustrate the weighting of activities in terms of cost.
- Although the list is largely chronological, there may be several stages that need to be repeated e.g. the kitchen development stage, initial factory trials and sensory testing.
- The costs include food safety testing

As can be seen from the table above the reformulation cost least likely to vary is the analytical testing aspect, consisting of nutritional analysis and shelf life evaluation. Based on the information above, minimum costs for every reformulation would range from approximately £350-1,850 and can be considered as a lower boundary for reformulation costs. If manufacturers of chocolate, cakes and biscuits chose to reformulate all their products, minimum reformulation costs would range from £4.3m to £22.5m³³. In light of the consultation responses³⁴ we estimate that relabeling costs will vary between £1,500 – 3000. When multiplied out by the total number of SKUs in chocolate, cakes, biscuits and soft drinks, labelling costs would range between £18.7m to £37m.³⁵

However, the costs presented above, should be viewed as overestimates and not wholly attributable to FSA saturated fat recommendations, as they:

- do not account for other drivers to reformulate and re-label such as consumer pressure, competition as outlined previously; and.
- include all products under each category – not all products will follow the recommendations.

As outlined above, we acknowledge that total reformulation costs could be higher and will vary by product. However, we expect costs to be considerably

³³ Using costs of £350-1,850 multiplied by 12,180 SKUs from TNS data (see previous table)

³⁴ Most stakeholders indicated that these costs were around £1,500 however one respondent stated that costs were £3,000 - £5,000, therefore the higher end figure of £3,000 has been used to take account of this information. We understand that Defra will be soon publishing a report on labelling but at this stage have been unable to incorporate evidence from the forthcoming report due to timings.

³⁵ 12,480 SKUs to account for chocolate, cakes, biscuits and soft drinks (see previous table).

less as it is unlikely that business would seek to make changes outside of their normal re-labelling and reformulation cycles. A voluntary approach provides greater flexibility for businesses, enabling them to align labelling and reformulation changes with other activities such as branding exercises and any legislative changes.

Due to variation and complexity we have only calculated a 'minimum cost of reformulation'. While, it is theoretically possible to calculate a overall reformulation cost figure, based on the information that we have received to date, it would be misleading to calculate an overall reformulation cost figure given the number of assumptions required.

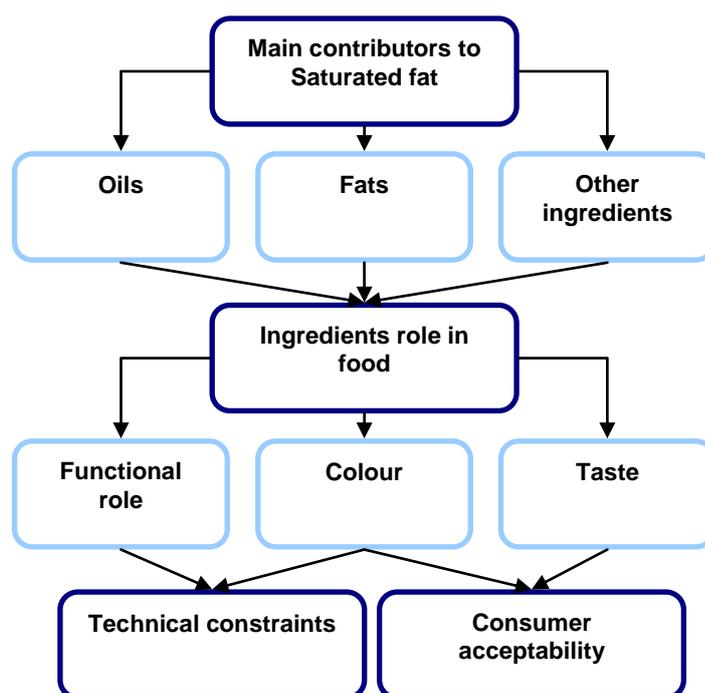
Variable costs

It could be possible to estimate the additional variable costs by deriving the relationship between total sales for a product and the factory run and consumer panels as a functioning formula but this would require more detailed information from industry stakeholders which we have not received. Given the lack of responses in this area from the consultation, it is not possible to make these generalisations across food product groups at present.

On-going costs

Ingredients

We understand that ingredients costs are likely to be a significant cost, as even a small increase in the costs of ingredients when aggregated up by volume sales would represent a large overall cost figure. Volatile commodity prices add to the difficulty of estimating the impact of ingredient costs on overall reformulation costs. The chart below illustrates the difficulties relating to replacing ingredients and reducing for example saturated fat. These difficulties are then related to the cause of the difficulties (final tier).



Change in fat/oil mixture

Discussions with industry indicate that oils that are generally higher in saturated fat (such as palm oil) tend to be cheaper than alternatives containing a lower level of saturated fat, such as sunflower or rapeseed oils.

The segments of the UK food industry that will be affected by the recommendations only represent a small fraction of world oil consumption; therefore an increase in demand for lower saturated fat oils is unlikely to affect its price.

Whilst we recognise that some businesses may be able to meet the recommendations through the use of less oil/fat ingredient, which may reduce costs, we have carried out an estimate on the increase in costs as a result of changing the type of oil/fat ingredient as this provides an indication of how costs may increase. The estimates of cost increases given below relate to the cost of raw ingredients and do not include the reformulation process costs and other costs detailed above. These costs have not been aggregated up to derive a cost for the whole market because the use of the ingredients below varies markedly between and even within product categories. Also, we do not have information on the proportion of cost of ingredients to the final retail price³⁶.

Shortening – Used in short crust pastry, desserts, boiled pastry, some biscuits
A reduction of between 14-20% in the saturated fat levels of the shortening, depending on where the original baseline is taken, would increase the cost of oil per metric tonne by 10-17%. This is based on a change from higher saturated fat levels to lower saturated fat levels amongst the highest volume sales.

Cake margarine – Used in cakes

A reduction of between 10-22% in the saturated fat levels of cake margarine, depending on where the original baseline is taken, would increase the cost of oil per metric tonne by 10-27%³⁷.

Biscuits

A reduction of approximately 8% in the saturated fat levels of biscuit oil blends would increase costs of oil per metric tonne by approximately 20%³⁸. This is based on limited data for the biscuit oils market.

Other

Other on-going costs could include changes to processes including transportation resulting from reformulation. We currently do not have accurate costing information for this.

Reduction in Portion size: Chocolate confectionery and Soft drinks

Benefits - industry

³⁶ One manufacturer estimates that 9.5 – 10% of commercial costs of products are derived from oil/fat.

³⁷ Consultation responses indicate one manufacturer estimates that this cost may double due to technical difficulty.

³⁸ Consultation responses indicate that this figure is difficult to confirm due to huge fluctuations in oil costs. One estimate expects cost increases to be 25%.

There may be benefits that arise due to a reduction in portion size, e.g. reduction in costs arising from reduction in ingredients used. However, there are also likely to be increases in costs such as those which are outlined below.

Benefits - consumers

Consumers will benefit from wider choice and the ability to consume smaller portions.

Further benefits will be accrued by those consumers who are concerned about the level of saturated fat in their diet³⁹.

Costs - industry

Changing to new packaging

As this will be a voluntary proposal to increase the prevalence of smaller portion sizes, the new packaging for smaller packaging sizes can be phased in alongside normal packaging and therefore no wasted packaging is anticipated. The amount of packaging stock held in reserve by manufacturers varies from 2 weeks to 6 months worth of stock. However there are likely to be costs if this would necessitate a design for new labelling. The cost of designing new packaging varies largely depending on product type and manufacturer. Industry estimates of re-packaging costs vary from £550 - £40,000⁴⁰ if design costs are included.

Factory and transportation re-tooling

Factories and transportation are likely to be tooled to the current portion sizes, so there are likely to be costs involved in altering production and distribution to accommodate alternative portion sizes. Again these costs vary with individual manufacturer and are therefore difficult to estimate. Industry feedback indicates the range of costs; one respondent estimates costs of £8000 for changes to moulding roller rings, jam depositor and cookie dies whereas another expects costs to be hundreds of thousands of euro to amend packaging equipment.

Vending machine changes

Vending machines will be designed for the current portion sizes and if these were changed to incorporate the new sizes it is likely they would have to be adjusted. This may be particularly acute for soft drinks.

International manufacturing

If some businesses are producing for the UK market and abroad there may be costs involved with producing different sizes for different markets.

³⁹ The Food Standards Agency Public Attitudes Tracker December 2009 reports 38% of respondents are concerned about the amount of saturated fat in food.

⁴⁰ £40,000 stated in the consultation response includes design agency fees. Cost of changing packaging for large ranges could be up to £100,000.