



Official Control Charge Rates 2025-26

March 2025

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- Overview of the Annual Process.
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Purpose of the Presentation

- The presentation is of the cost data for meat industry hourly charge rates for 2025-26.
- The presentation covers Scotland only.
- To update and provide transparency on:
 - process to calculate hourly rates.
 - direct and indirect essential support costs of Meat Official Controls.
 - FSS application of retained EU law and SSI relating to charging for meat official controls in Scotland.
- **No Meat Food Business Establishment will pay FSS full gross costs in 2025-26, because of a 1.08 million Ministerial discount being applied.**

The Annual Process

- November: FSS actuals and forecast calculated.
- December: FSS internal review.
- January/February: FSS budget inserted into model.
- February/March: Hourly rate calculations verified.
- February/March: Discount amount determined.
- March: Charge rates and discount agreed with Senior Leadership Team.
- March: Ministerial and Stakeholder engagement.
- 3rd March 2025: Meeting with SAMW.
- W/C 3rd March 2025: Ministerial submission.
- 31st March 2025: New charge rates and discount implemented.

Legal Background to Calculation

The meat industry is charged under Article 81 of Regulation (EU) No. 2017/625 which forms parts of retained EU law.

This comprises (but is not limited to) :

- (A) Staff salaries.
- (B) Facilities and equipment costs.
- (C) Consumables and tools expenses.
- (D) Services charged to competent authorities.
- (E) Staff training costs
- (F) Staff travel and sustenance expenses.
- (G) Sampling, testing and analysis expenses.

What information is used?

- All base cost figures used are the actual costs from 1 January - 31 December 2024 with any known actuals for the 2025-26 budget year, including for staffing.
- Hours figures are the plussed up hours* from 1st January to 31st December 2024 with consideration being taken for any material changes in the forecasted hours

*Plussed up hours – 1 hour equals:

Hours	Rate
Single	1
Overtime	1
Double time	2
Public Holiday	3

Total Gross Costs

- **Totals gross costs (before Ministerial discount) have increased by 3.4% for 2025-26 = £255,701.**
 - Direct costs have increased by 2.7%
 - Indirect costs have increased by 7.9%
 - Hours
 - OV up by 1.93% (989 hours)
 - MHI up by 0.91% (933 hours)

Total Costs Breakdown (GROSS COSTS BEFORE MINISTERIAL DISCOUNT)

	Costs 2024-25	Costs 2025-26	Variance
Employed staff costs	5,094,221	5,500,270	406,049
Locums	160,802	204,147	43,345
Agency	542,338	254,366	-287,972
Laundry/equipment costs	109,598	88,056	-21,542
Front-line travel costs	200,789	219,616	18,827
Sampling & testing	49,421	39,062	-10,359
Direct support costs	140,603	179,672	39,069
Other Direct costs	70,367	54,640	-15,728
Sub total direct costs	6,368,140	6,539,828	171,688
Operations Support	740,350	795,236	54,886
Corporate Services (inc IT)	218,050	243,260	25,210
Human Resources	85,120	91,043	5,924
Depreciation	20,239	18,232	-2,008
Sub total indirect costs	1,063,758	1,147,771	84,012
Total costs	7,431,898	7,687,599	255,701

Factors Impacting the 2025-26 Charge Rates

- Reduced reliance on agency staff as backfill for OV and MHI vacancies.
- Estimated SG pay award increase of 3% for 2025-26*
- Salary progression of direct and indirect staff in 2025-26.
- Inflation and NI employer contribution cost increases.
- Increase in OV pay supplement from £4K to £4,250.
- Variation to hours in the model.
- Variation in flat rate overtime due to changes in business work patterns.

Hours

	2024-25	2025-26	Variance	%
MHI	102,765	103,698	933	0.91%
OV	51,320	52,308	989	1.93%

- Increase in the MHI hours (933) and a similar increase in OV hours (989).

FSS Meat Official Controls Gross Hourly Rates (BEFORE MINISTERIAL DISCOUNT)

	2024-25	2025-26	Variance	%
MHI	43.28	44.51	1.23	2.85%
OV	58.15	58.72	0.57	0.98%

FSA Meat Official Controls Hourly Rate (BEFORE DISCOUNT)

FSA Charge Rate 2025-26

	FSS	FSA	Variance	%
MHI	44.51	43.20	1.31	3.04%
OV	58.72	65.90	(7.18)	-10.89%

Note: FSA use a different charging, delivery and costing model to FSS.

Direct Costs and Breakdown

2024-25	2025-26	Variance	%
6,368,140	6,539,828	171,688	2.7%

- Direct costs increases – Key highlights :
 - Total increase in employed staff equates to £406K.
 - 2025-26 pay award estimated at 3%.
 - Salary progression.
 - NI employer contribution costs.
 - OV Pay supplement.
 - Agency and Locum staff equates to £459K in total, which is a reduction in agency costs of £245K from 2024-25.
 - Approximately 50% of the agency costs are to provide support to business for export purposes and to provide a targeted, flexible and efficient service for 2 plants located in the Borders area.
 - Other costs incurred to support direct delivery of Official Controls have increased also.

Indirect Costs

2024-25	2025-26	Variance	%
1,063,758	1,147,771	84,012	7.9%

- Operational Support = same FTE as last year.
- Corporate Services = +0.16 FTE.
- Estimated 3 % Pay award.
- Staff salary pay progression.
- NI Employer Contribution Increases
- Other costs incurred to support indirect delivery of Official Controls have increased also.

Breakdown Indirect FTE

Category	Details/Comments	Total FTE Staffing	FTE Meat Essential Support %	FTE Meat Essential Support
Operations Support	Head of Ops Delivery	1	20%	0.20
Operations Support	Head of Field Ops	1	50%	0.50
Operations Support	Head Veterinarian	1	50%	0.50
Operations Support	Vet Advisors	3	75%	2.25
Operations Support	Field Vet Coordinator	1	25%	0.25
Operations Support	Vet Branch admin	1	25%	0.25
Operations Support	Operations Manager	3	75%	2.25
Operations Support	FOC	6	80%	4.80
Corporate Services	Head of Finance	1	20%	0.20
Corporate Services	Finance Manager	1	80%	0.80
Corporate Services	Finance Business Partner	1	80%	0.80
Corporate Services	Finance Assistant	1	50%	0.50
Corporate Services	Assistant Financial Accountant	0.8	10%	0.10
Corporate Services	Facilities, Health & Safety Manager	1	20%	0.20
Corporate Services	Admin Support	1	80%	0.80
Corporate Services	Records Management	1	2%	0.02
Corporate Services	IT Support	1	20%	0.20
Corporate Services	IT Assistant	1	20%	0.20
Corporate Services	HR Business Partner	1	50%	0.50
Corporate Services	Head of HR	1	10%	0.10

Total FTE = 15.42

Indirect Costs - Additional Overhead Costs

Category	Additional specific cost	% Meat essential support	Total £	Meat related costs
Operations support	Subsistence	50%	2,126	1,063
Operations support	Travel & hotels	50%	11,174	5,587
Operations support	On call costs	75%	27,504	20,628
Corporate services (inc IT)	SG Procurement shared service	5.23%	133,017	6,952
Corporate services (inc IT)	Printing/Binding/Repro	5.23%	12,092	316
Corporate services (inc IT)	Software/Hardware	5.23%	278,087	14,534
Human resosurces	SG HR service	33%	152,167	50,597
Human resosurces	Staff Medicals - Occupational H & S	33%	8,378	2,786
Human resosurces	Employee assisted programme	33%	1,841	612
Depreciation	Depreciation	5.23%	348,829	18,232
			975,214	121,307

Audit & Veterinary Approvals Charge Rate

2024-25	2025-26	Variance	%
100.98	110.34	9.36	9.27%

Total	
Chargeable Hours	1,381
Direct Costs	107,792
Indirect Costs	44,531
Total Costs	152,323
Charge Rate	110.34

- Hours are those collected from OWS directly relating to Audit and Approvals
- Direct Costs are for equivalent of 1.17 FTE auditor and the other direct costs to support their work.
- Indirect costs – 5% Head Vet, 75% of administration staff along with 0.27% of overhead costs (£2K)

Ministerial Discount

£1.08m – 2025-26
£1.07m – 2024-25

Discount

- Calculated using
 - Throughput data.
 - Full costs using data previously stated (using chargeable hours from 2024-25 plus/minus any known changes for 2025-26).
 - For 2025-26, five low throughput establishments have been added.
 - Ministers have agreed to increase the discount amount to c.1.08 million for 2025/26 to take account of the additional five low throughput establishments.

Ministerial Discount – Breakdown

% Discount	Number of Establishments
75.5%	18
60.1-70%	3
50.1-60%	0
40.1-50%	2
30.1-40%	1
20.1-30%	0
10.1-20%	6
0-10%	5
Total Establishments	35

Hourly Charge Rate Bandings After Ministerial Discount

Official Veterinarians (OVs)

Hourly Rate Banding (£) after discount 2025-26	
£14.39	18 plants
£21.45 - £22.23	3 plants
£30.65 - £39.26	3 plants
£47.42 - £49.32	5 plants
£51.82 - £55.63	6 plants

Meat Hygiene Inspectors (MHIs)

Hourly Rate Banding (£) after discount 2025-26	
£23.23 - £29.76	3 plants
£35.94 - £39.28	6 plants
£40.15 - £41.06	4 plants

Review

- FSS are committed to ensuring effective and efficient controls are in place to protect the consumer and are committed to work with all industry partners and other agencies to explore new methods and ways of working to drive efficiencies.
- A biannual review is undertaken of the official control charge rates.
- During 2024-25 this included a full review of the charge rate and discount model by FSS and SAMW.