



Official Control Charge Rates 2026-27

13 March 2026

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Purpose of the Presentation

- To explain the FSS costs & data for meat industry hourly charge rates calculations for 2026-27 & it covers Scotland only.
- To update and provide transparency on:
 - process to calculate hourly rates.
 - direct and indirect essential support costs for Meat Official Controls.
 - FSS application of retained EU law and SSI relating to charging for meat official controls in Scotland.
- Allow meat industry representatives to ask any questions, however individual bespoke statements will be issued upon request to each business to explain own specific changes from previous year.

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.
- 13th March 2026: Meeting with meat industry representatives.
- W/C 9th March 2026: Ministerial submission re discount.
- 16th March 2026: Letters sent to individual business operators.
- 30th March 2026: 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 full year's costs (actuals for 9 months + forecasted spend for 3 month) from 1st April 2025 – 31st March 2026 with any known adjustments for the 2026/27 financial year, including staff costs.
- Hours figures are the plussed up hours* from 1st December 2024 to 30th November 2025, as agreed with the industry, with consideration being taken for any material changes in the forecasted hours for 2026/27.

*Plussed up hours – 1-hour equals:

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

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

	2025-26	2026-27	Variance	%
MHI	44.51	49.14	4.63	10.41%
OV	58.72	63.78	5.06	8.61%

Total Gross Costs

- **Totals gross costs (before Ministerial discount) have increased by 5.8% for 2026/27, i.e. by £442,065.**
 - Direct costs have increased by 3.9%
 - Indirect costs have increased by 16.3%
 - Hours
 - OV down by 4.78% (2,501 hours)
 - MHI down by 2.81% (2,909 hours)

Hours

	2025-26	2026-27	Variance	%
MHI	103,698	100,788	-2,909	-2.81%
OV	52,308	49,808	-2,501	-4.78%

- Decrease in the MHI hours (2,909) and a similar decrease in OV hours (2,501).

Total Costs Breakdown (GROSS COSTS BEFORE MINISTERIAL DISCOUNT)

	Costs 2025-26	Costs 2026-27	Variance
Employed staff costs	5,500,270	5,680,989	180,720
Locums	204,147	151,069	-53,077
Agency	254,366	426,887	172,521
Laundry/equipment costs	88,056	103,182	15,126
Front-line travel costs	219,616	153,084	-66,532
Sampling & testing	39,062	44,364	5,302
Direct support costs	179,672	150,349	-29,324
Other Direct costs	54,640	85,227	30,587
Sub total direct costs	6,539,828	6,795,152	255,324
Operations Support	795,236	949,220	153,984
Corporate Services (inc IT)	243,260	267,276	24,016
Human Resources	91,043	103,755	12,712
Depreciation	18,232	14,260	-3,972
Sub total indirect costs	1,147,771	1,334,512	186,741
Total costs	7,687,599	8,129,664	442,065

Factors Impacting the 2026/27 Charge Rates

- SG pay award increase of 4.5% (1% difference for 25/26 and 3.5% for 2026/27)
- Salary progression of direct and indirect staff
- Annual price increase – inflation of most costs within the model
- Reduced travel and depreciation costs
- Reduced usage of OV and MHI contractors/agency in 2026/27
- Variation to hours in the model (FBO closures)

FSA-FSS comparison

Meat Official Controls Hourly Rate (BEFORE DISCOUNT)

	FSS	FSA	Variance	%
MHI	49.14	48.50	0.64	1.32%
OV	63.78	79.60	-15.82	-19.87%

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

Direct Costs and Breakdown

2025-26	2026-27	Variance	%
6,539,828	6,795,152	255,324	3.9%

- Direct costs increases – Key highlights:
 - Employed staff cost was increased by only £34k (1%) due to reduced staff numbers by 9.7 FTE, offset by increase in staff costs due to pay award
 - 2026/27 pay increase at 4.5% (1% for 25/26 and 3.5% for 26/27) and pay progression
 - Agency staff costs to provide support for long term absences and to provide a targeted, flexible and efficient service for 2 plants located in the Borders area.
 - Annual price increase on other costs incurred to support direct delivery of Official Controls.

Indirect Costs

2025-26	2026-27	Variance	%
1,147,771	1,334,512	186,741	16.3%

- Operational Support = +0.20 FTE
- Corporate Services = +0.05 FTE
- 4.5 % pay increase (1% + 3.5%) and pay progression
- Increased Procurement cost
- Annual price increase on other costs incurred to support indirect delivery of Official Controls

Breakdown Indirect FTE

Category	Details/Comments	Total FTE Staffing	FTE Meat Essential Support %	FTE Meat Essential Support
Operations Support	Head of Ops Delivery	1	40%	0.40
Operations Support	Head of Field Ops	1	75%	0.75
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 & Procurement	1	10%	0.10
Corporate Services	Finance Manager	1	68%	0.68
Corporate Services	Finance Business Partner	1	68%	0.68
Corporate Services	Finance Assistant	1	80%	0.80
Corporate Services	Financial Accountant	1	10%	0.10
Corporate Services	Assistant Financial Accountant	0.81	5%	0.04
Corporate Services	Procurement Officer	1	15%	0.15
Corporate Services	Facilities, Health & Safety Manager	1	20%	0.20
Corporate Services	Admin Support	1	50%	0.50
Corporate Services	Records Management	1	2%	0.02
Corporate Services	IT Support	1	15%	0.15
Corporate Services	IT Assistant	1	15%	0.15
Corporate Services	HR Business Partner	1	50%	0.50
Corporate Services	Head of HR	1	15%	0.15

Total FTE = 15.67

Audit & Veterinary Approvals Charge Rate

2025-26	2026-27	Variance	%
110.34	113.54	3.20	2.90%

Total	
Chargeable Hours	1,583
Direct Costs	126,113
Indirect Costs	53,645
Total Costs	179,758
Charge Rate	113.54

- Hours related to Audit and Approvals work are collected from OWS for same period (Dec 2024 – Nov 2025) and came 202 hours more than last year
- Direct costs are equivalent of 1.34 FTE Auditor’s post (as per hours) and direct costs to support their work (i.e. travel, subscriptions).
- Indirect costs – 10% Head Vet, 75% of administration staff along with 0.3% of overhead costs (£2K)

Ministerial Discount

£1.08m – 2026-27
£1.08m – 2025-26

No meat food business establishment will pay FSS full cost in 2026/27, as the Ministerial discount is maintained.

Discount is calculated based on:

- Throughput data from OWS
- Hours charged to FBOs in 2025/26
- For 2026/27, 2 low throughput establishments have been added
- During 2025/26, 2 establishments closed, discount pot could have been reduced accordingly down to **£971K**
- Ministers have confirmed allocation of the same total discount value.

Ministerial Discount – Breakdown

% Discount	Number of Establishments
76.5%	18
60.1-70%	3
50.1-60%	1
40.1-50%	1
30.1-40%	1
20.1-30%	0
10.1-20%	5
0-10%	5
Total Establishments	34

Hourly Charge Rate Bandings After Ministerial Discount

Actual Hourly Rate Banding (£) after discount 2026-27	
£14.99	18 plants
£22.89 - £23.74	3 plants
£30.40 - £37.08	2 plants
£41.44	1 plant
£51.37 - £59.13	9 plants
£60.42	1 plant

Meat Hygiene Inspectors (MHIs)

Actual Hourly Rate Banding (£) after discount 2026-27	
£23.42 - £28.57	2 plants
£31.93 - £39.58	2 plants
£40.69 - £45.56	8 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.
- During 2024-25 a full review of the charge rate and discount model was undertaken by FSS and SAMW.
- Proposal to look at this again together in 2026.