



The Future For Small Abattoirs In The UK:

**REPORT ON AN INQUIRY INTO
SMALL RED MEAT ABATTOIR PROVISION**



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2.0 Summary of Key Findings and Recommendations

National Agricultural Strategy Post-Brexit and Animal Welfare

Key Findings/Context

2.1 Given the extremely high dependency of upland and other livestock farmers on direct payments, which will be phased out, the economic sustainability of such farmers will depend on diversification and measures to improve profitability. Key to the latter is to enable farmers to add value to their primary products (as highlighted in the Agriculture Bill) and crucial to that is easy and affordable access to abattoirs.

2.2 The Government is committed to maintaining high animal welfare standards and recognises animal welfare as a 'public good' in the Agriculture Bill.

2.3 We found that animal welfare standards were high across both small abattoirs and larger ones and there was no historical data presented to us to indicate any significant difference in welfare standards between abattoirs of different sizes, although some witnesses opined that certain animals, e.g. native breeds, long-horned breeds, animals reared solely on one farm, may be better served in small abattoirs.

2.4 According to FSA data, most welfare problems associated with the farm to slaughterhouse chain occur in transport, although this is not simply about journey duration and includes other significant factors such as loading and unloading and fitness to travel. The Government's objective is to reduce travel time from point of production to slaughter and this was supported by the recent FAWC report.¹

¹ <https://gov.wales/sites/default/files/publications/2020-04/opinion-on-the-welfare-of-animals-in-transport-by-the-farm-animal-welfare-ommittee-fawc.pdf>

Whilst country-wide the *average* distance of travel to slaughter was similar between sizes of abattoirs, the *range* of distances was much larger for large abattoirs, so many animals end up travelling very long distances. The geographic distribution of abattoirs shows the absence of abattoirs in large areas of upland livestock rearing areas where small abattoirs, were they to exist, could enable much shorter livestock journeys.

2.5 An important contribution of small abattoirs to animal welfare is their role in emergency slaughter for injured or ill livestock.

2.6 It is recognised that there are different business models for livestock rearing and slaughter. Farmers who are producing for large retailers who either own their own processing plant or have strong affiliations with large processors, will not have their needs, mainly based around throughput, met in small abattoirs. Smaller producers who are producing for specific markets will prefer to use small local abattoirs and will find their needs are better met within them. There needs to be choice to enable a strong functional and sustainable market in the U.K.

Overarching Recommendations

2.7 The critical role small abattoirs can play in providing 'private kill' and the easy return of livestock products to farmers and collaborators to add value to those products should be recognised as key to enable the evolution of a self-sustainable rural farming economy.

2.8 It should be recognised that small abattoirs are a key link in the chain for livestock products and an essential part of the infrastructure for a rural livestock industry.

2.9 A well distributed network of small abattoirs could reduce journey distances and times for a number of animals, depending on the throughput of those abattoirs. In line with stakeholder opinion and government objectives, this strengthens a case for some financial support for small abattoirs through new funding outlined in the Agriculture Bill or other mechanisms. Specific measures are mentioned below.

2.10 The important contribution which small abattoirs in particular make to animal welfare could be recognised in some way in future support for animal welfare as a public good in the Agriculture Bill.

Financial Assistance

Key Findings

2.11 Small abattoirs face large overheads with very low profit margins. Without emergency interim support further small abattoir closures are unavoidable. Figure 9 shows the large rate of closures for the under 1,000 LSU abattoirs often referred to as micro-abattoirs.

2.12 Current rural business grants and opportunities come with entry criteria which are difficult to fulfil for small abattoirs.

2.13 Providing slaughter options that enable shorter journey times from point of rearing to point of slaughter and which enable 'private kill' - thus the potential to process and add value close to the source of production – have clear benefits for animal welfare, the environment and the rural economy.

2.14 Government's criteria for capital payments under environmental schemes currently appears to be limited to farmers for technology, equipment and methods that deliver 'public good'. It does not appear to take into account the wider network of businesses involved in delivering the end product which includes small abattoirs.

2.15 There are concerns among stakeholders that the waste collection market is not competitive and small abattoirs are facing costs which are too high. Business proposals for small abattoirs do not prove viable without a modern plan to deal with waste as current costs for disposal are unsustainable. There is a need for small abattoirs to handle waste in a more efficient and cost effective way.

2.16 Small abattoirs may be more economically sustainable if they can deal with a range of species to meet the needs of local farmers and this often requires different equipment and training.

Recommendations

2.17 A short-term emergency fund for small abattoirs should be put in place, until additional legislative provisions are enacted, such as in the Agriculture Bill. This fund should not be used to rescue businesses without a structured development and business strategy. The fund would be administered by the relevant Government body.

2.18 Small abattoirs contributing to the public goods of animal welfare and environmental benefits should be recognised and eligible for capital payments in any future agricultural support framework. The Government should make it explicit in the guidance to the Agriculture Bill Clause 1 Subsection 2(b) "The Secretary of State may also give financial assistance for or in connection with ...(b) supporting ancillary activities carried on, or to be carried on, by for a producer" can apply to the support of abattoirs.

2.19 In particular, funding waste disposal or re-usage technology within small abattoirs should be included in the Government's criteria for capital payments under environmental schemes. This needs to be integrated with the government waste agenda, and with initiatives such as the Waste and Resources Action Programme (WRAP).²

² https://www.wrap.org.uk/sites/files/wrap/RSC009-002_-_Meat_Resource_Map.pdf

2.20 The Competition and Markets Authority (CMA) should evaluate the waste collection market. It should ensure the current practices serve consumers fairly, as well as ensuring that current workings are not unfairly disadvantaging small rural businesses and communities.

2.21 Consideration needs to be made as to how small abattoirs could be supported to access training and development of skills that enable them to have an Animal Welfare Officer (AWO) and offer a wider range of services such as equine slaughter.

Collaborative Working

Key Findings

2.22 Knowledge transfer between abattoirs could be improved, with input from external expertise to shape best practice both technically and in financial planning.

2.23 There is scope for increased collaboration between farmers and producers. There are under-utilised existing sources of advice and sharing of best practice from successful models^{3 4}.

2.24 There is a need for modern businessplans that enable small abattoirs to expand their offer and respond to changing market demands. Some abattoir operators are not in a position to adapt but with guidance and financial support could do so and become more sustainable.

2.25 There are opportunities to explore integrated solutions with very short supply chains which could provide means to better exploit the 5th quarter e.g. a small tannery integrated with an abattoir to serve a number of farms in a given area.

2.26 There have been some limited examples of large retailers supporting the small producer network which have been successful and there could be scope for them to look at opportunities

to support small abattoirs within their procurement models focusing on the more specialist products. There are also opportunities for more support from local government for their local rural economy through their procurement policies, which in turn could support small abattoirs and through economic partnerships or forums seeing small abattoirs as essential infrastructure supporting the rural economy.

2.27 There is an ageing workforce managing small abattoirs and a real concern that skills around butchery and local meat supply are being lost. More apprenticeships and recognition of these skills would be helpful to gain the interest of young people to work in the sector and deliver high quality products.

Recommendations

2.28 Abattoir throughput, distribution and welfare outcome data should be centralized to improve accessibility, analysis and understanding. Therefore, it is recommended that a 'UK Strategy for Abattoirs' is developed enabling data and feedback to inform wider work on UK agricultural policy. Additionally full FSA audit reports should be published. All of this information could identify at-risk and low performance businesses, the impact their loss could have on farmers and enable early action.

2.28 It is recommended that a formal "Abattoir Sector Group" is established with representatives to include; Official Veterinarians, operators, processors, regulators and appropriate NGOs under an independent chair. The aim is to form a constructive long-term partnership, sustain an appropriately distributed network of abattoir services and share good practice as well as inform the Abattoir Strategy. This should be supported by the relevant Government bodies and recognised as a key group with which to engage.

2.29 The Abattoir Sector Group should develop an outline business strategy for small abattoir

³ <https://www.uk.coop/agri/uks-agricultural-co-operative-sector>

⁴ <http://www.saos.coop>

operators including ideas around succession planning and utilisation of flexibility in the existing regulatory framework to help operators develop responsive and forward-looking business plans. This should allow producers and processors to explore informal and formal cooperation to sustain their local abattoir, utilising existing sources of advice and share best practice from successful models

2.30 The creation of an online knowledge hub could provide operators with updates and information to help them continuously review their businessplans and working models. Information from this hub need to be sent once a year by hardcopy to operators. The FSA helpline should also be better utilised and promoted.

2.31 Consideration should be given as to how to encourage better uptake of apprentice and training opportunities to encourage careers in the abattoir environment by skill development and connecting it to wider agricultural careers.

2.32 Large retailers should seek to maximise the opportunities that a diversity of abattoir services could offer them in meeting sustainability and high welfare pledges to deliver more specialist products.

2.33 Producers, processors and retailers should be supported to showcase provenance as part of sustainability credentials. For example, clear identification for local meat produced within a certain limited carbon footprint using accredited animal welfare standards and should be developed through the LIS and supported by key stakeholders including AHDB.

2.34 As the Agriculture Bill appears to give provision for potential funding for ancillary activities, stakeholders need to work together to put together a business case for integrated solutions for the use of hides. The Abattoir Sector Group with the help of Leather UK could set out a useable model.

2.35 Government should ensure that public bodies and, in particular, economic partnerships or forums see small abattoirs as essential infrastructure supporting the rural economy.

2.36 Local government should seek to promote the rural economy by ensuring relevant procurement policies that support the local abattoir networks e.g. procuring locally supplied meat for schools.

Regulatory Aspects

Key Findings

2.37 Some abattoirs may not fully recognise the value of their Official Veterinarian (OV) as a knowledge resource. Conversely, some OVs may not always fully utilise the flexibility within the regulations to help small abattoirs meet standards. The OV is recognised as an essential element for animal health and welfare as well as food safety and consumer confidence and whilst the implementation of CCTV was intended to complement the work of the OVs, the majority of those who gave evidence believed that the respective roles of both OVs and MHIs should be re examined and guidance reviewed following the installation of CCTV. CCTV has already proven valuable for monitoring animal welfare⁵ and this will ensure the available flexibility is being utilised.

2.38 In Northern Ireland and Scotland, OVs and Meat Hygiene Inspectors (MHI) are employed directly as civil servants with clearer career development pathways to improve retention and staff effectiveness.

2.39 In small abattoirs, the regulatory requirement for an OV presence is not a particular financial burden because the FSA discounts costs by up to 90% for small abattoirs.

⁵ <https://www.food.gov.uk/sites/default/files/media/document/fsa-19-09-20-annex-animal-welfare-final.pdf>

2.40 Planning and building regulations may be disadvantageous on occasions to the expansion and relocation of small abattoirs.

Recommendations

2.41 It is suggested that a review into Official Veterinarians' job satisfaction and role in the wider food system should be undertaken by independent experts. A review could also consider how current technological or infrastructure measures can be used in small abattoirs alongside OV's, to lower costs whilst maintaining standards.

2.42 All information relating to the movement and slaughter of livestock should be consolidated into one portal, utilising the LIP, EID and both government and third-party systems. Small operators should be consulted to ensure this platform works for them as well as the larger operators and consideration given to utilising the information to showcase provenance. Safeguarding geographic indicators of origin could, as a secondary effect, help support local producers who may rely on small abattoirs.

2.43 Government should consider low capacity abattoirs processing under 1,000 LSUs and running alongside other farming and processing activities being deemed agricultural buildings with respect to business rates and building control, subject of course to planning conditions necessary for local community protection.

Mobile Abattoir Provision

Key Findings

2.44 Mobile abattoir provision may provide opportunities in some areas, in some circumstances, to help support the wider meat production chain and improve financial viability of small or rural businesses where there is a low geographical density of abattoirs.

2.45 The FAWC report into Welfare of Animals in Transport 2019 commissioned by Government has

recommended further research into the feasibility of the economics, design and use of mobile slaughter facilities so as to reduce the need to transport animals over long distances particularly with regard to sea crossings.

2.46 The Government may wish to take note of a recent Scottish Government report⁶ and the Gloucestershire trial⁷. We suggest that the UK Government considers if mobile abattoirs may be feasible to address the shortage of abattoirs in some area.

Recommendations

2.47 If mobile abattoirs can provide robust business plans, can demonstrate need and that there is no impact on existing abattoir businesses, as well as demonstrate that they can meet current legislative requirements in terms of animal welfare and food hygiene, consideration should be given to including them under all of the proposals suggested for small abattoirs.

2.48 So as not to undermine existing networks of small abattoirs, they should only be considered in areas with insufficient provision for private kill and short journey times.

Coronavirus outbreak

Key Findings

2.49 It is too early to understand any impact from the coronavirus epidemic, but given the crucial role of food chain resilience it would be important to consider the impacts on, and any benefits from the smaller abattoir network. Consideration should be given to the footfall that small butchers have managed to achieve and whether smaller abattoirs have seen an uplift, and therefore is there a more long-term trend of buying local and using local producers.

⁶ <https://www.gov.scot/publications/assessing-viability-sustainability-mobile-abattoirs-scotland/pages/5/>

⁷ Referred to in chapter 8

Recommendations

2.50 In due course the Government and Industry should jointly assess what can be learnt from the impacts of the coronavirus epidemic on, and any benefits from the smaller abattoir network.

Chapter 3: Introduction

3.1 This inquiry and report was instigated by concerns raised with the political officers of the All-Party Parliamentary Group for Animal Welfare (APGAW) about the reduction in numbers of small abattoirs across the UK.

3.2 Whilst agriculture is a devolved matter, we have looked across the U.K and include England, Wales and Scotland when we talk about Government bodies.

Key questions addressed are:

- What evidence is there that the closure of many small-scale abattoirs has a negative impact on animal welfare and the rural economy?
- Why have abattoirs closed and what impact have regulation and wider policy matters had on the decline of abattoirs?
- Is there a need for a network of small scale abattoirs, do they provide a different business model and if so, how can they be viable and sustainable?
- What is the role of Government in shaping the end of life process and supporting small scale abattoirs?

3.3. Abattoir provision is a key feature in the much larger landscape of UK food production and should be considered in the wider context of Brexit, the environmental agenda, the future of farming and food security, food sustainability and the growing change in the public's choices around meat consumption. This landscape is being considered by Government through three pieces of work:

- The Agriculture Bill post Brexit which represents the biggest overhaul of UK farm policy since the end of the Second World War and currently sets

out plans to abolish direct payments to farmers in England and replace them with a new system of public money for public goods

- The Environment Bill which aims to tackle poor air quality, protect landscape and wildlife and reduce waste
- UK Food Strategy⁸ an independent review of the UK food chain, from 'farm to fork'. It builds on the work outlined in the Health & Harmony document and the Environment Bill.⁹

3.4 The future of UK environment, agriculture, sustainability, public health, animal welfare and the protection of rural land is currently being re-shaped.¹⁰ This is an ideal time to evaluate the contribution of small abattoirs to the UK agricultural industry. The Agriculture Bill 2019-20 Explanatory Notes Part 3 acknowledges and includes substantial sections requiring that data is provided to Government Agencies.

3.5. As Defra Ministers have acknowledged, there has been a decline in small abattoirs in recent years and the Government has stated that it is keen to ensure 'an appropriate network of abattoirs continues to support sustainable livestock production in the UK'.¹¹

3.6 The decline of abattoir numbers can be seen alongside consolidation in the whole foodchain. Abattoirs and meat processing plants have reacted by increasing economies of scale to meet retailer demand. The chain of meat production, in which small abattoirs are a link, has shrunk in every area

⁸ <https://www.nationalfoodstrategy.org/>

⁹ <https://services.parliament.uk/bills/2019-20/environment.html>

¹⁰ <https://www.gov.uk/government/consultations/the-future-for-food-farming-and-the-environment>

¹¹ <https://www.parliament.uk/business/publications/written-questions-answers-statements/written-question/Commons/2018-06-07/151127/>

alongside consolidation of the whole food chain. There were 30,000 registered abattoirs in the 1930s and there are just under 250 today¹². In the early 1990s there were 22,000 butchers' shops, now there are roughly 6,000¹³. Additionally, 15 years ago, there were nine times as many small farms as there are today.¹⁴ These contractions have happened at a time when the UK population has increased and so it is likely meat demand has also increased. In 2018 a total of 19,718,680 animals were slaughtered across 248 operating plants¹⁵ but 32 abattoirs in England slaughtered 88% all of the sheep, while just 19 abattoirs slaughtered 73% of all cattle.¹⁶

3.7 The Defra's Health and Harmony: The Future for Food, Farming and the Environment consultation set out the importance of maintaining high environmental, animal welfare and food safety standards. It stated:

"As part of our move to higher regulatory standards we will develop publicly funded schemes for farmers to deliver animal welfare enhancements beyond the regulatory baseline that are valued by the public but not sufficiently provided by the market."

There was little clarity on sustainability in the context of prospective trade deals and the risk our farmers face in being exposed to unfair competition through imports from countries that have different standards on animal welfare and food safety.

3.8. Government have stated that animal welfare should be classed as a 'public good' and that it will support farmers to invest in new technologies and equipment that deliver public goods. Such

¹² <https://www.foodmanufacture.co.uk/Article/2019/08/28/For-the-chop-mounting-pressures-in-the-UK-abattoir-sector>

¹³ <https://ahdb.org.uk/news/consumer-insight-butcher-trends>

¹⁴ <https://www.fwi.co.uk/news/farm-policy/small-family-farms-disappear-2050-cpre-warns>

¹⁵ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/778588/slaughter-method-survey-2018.pdf

¹⁶ <http://beefandlamb.ahdb.org.uk/wp-content/uploads/2017/07/UKYearbook-2017-Sheep.pdf>

considerations should apply to the whole livestock production pathway, including end of life.

3.9 Government are looking at wider improvements to animal welfare and one of their objectives outlined during the General Election is reducing travel time from point of production to slaughter.¹⁷ The announcement at the end of September 2019 that Government would aim to eliminate excessively long journeys should ultimately mean that animals are more likely to be slaughtered closer to the point of production. The Prime Minister has stated that the UK will be able to say it is "no longer possible to take live animals in great distress and confusion [for] very long distances."¹⁸

3.10 As well as the impact of small abattoir closures on welfare, this inquiry has considered the role of small abattoirs in the wider rural economy because improved profitability for farmers is likely to lead to improved animal welfare outcomes. A prosperous rural economy with consumer choice, clear traceability and a strong focus on sustainability can benefit animal welfare.

3.11 A network of small well-distributed abattoirs localise the process between farmer, processor and livestock. This arrangement can add value to the final product improving food provenance and the economic sustainability of our rural farmers. A growing number of consumers are recognising that lower-cost meat can have long-term environmental impacts, particularly when imported from outside the U.K. Indeed, the AHDB data trends reveal that quality is a top consideration for shoppers when purchasing red meat, but other factors such as ethical production and origin also rank high in claimed importance compared with the average grocery category. 61% say they would be willing to pay extra for better quality meat, and

¹⁷ <https://consult.defra.gov.uk/animal-health-and-welfare/live-exports-and-improving-welfare-in-transport/>

¹⁸ <https://www.fwi.co.uk/news/eu-referendum/boris-johnson-hints-at-live-exports-ban-if-hes-pm>

30% say they try to buy local produce to reduce their food miles.¹⁹ Reflecting this growing demand, in 2000, there were 250 farmers' markets in the UK by 2012 there were around 500²⁰ and now there are approximately 650.²¹ There has been a strong growth in the business of meat boxes and local farm shops.²² There is also a potential international market for perceived higher welfare and quality meat. Changes in consumer demand means that there is scope for smaller producers/processors to now reflect this in their business models and to expand.

3.12 The inquiry used two methods. Firstly, the collection and analysis of quantitative and qualitative data on abattoirs in Great Britain from various public sources (see Chapter 4). Secondly, written and oral evidence was solicited via an email invitation, social media and notification in farming press. There was excellent engagement indicating the strong interest in this inquiry's subject matter. Over 270 written submissions were received during a two-week period in May 2019. This was accompanied by 30 follow up direct conversations with stakeholders including butchers, farmers, abattoir operators and retailers via phone. Submissions were grouped according to stakeholder interest, namely farmers, abattoir operators, Non-Governmental Organisations (NGOs), vets, butchers and farming businesses selling food directly to the public. This was then followed by oral evidence sessions to which a range of stakeholders were invited to participate at meetings held in the House of Lords during May, June and July 2019.

¹⁹ <https://ahdb.org.uk/news/consumer-insight-butcher-trends>

²⁰ 2 Defra (2017) Farmers Markets. Available at <https://www.gov.uk/guidance/farm-shops-and-farmers-markets#farmers-markets>

²¹ <https://www.fwi.co.uk/business/diversification/so-you-want-to-sell-produce-at-a-farmers-market>

²² <https://www.marketingdonut.co.uk/market-research/sector-trends/farm-shop-sector-trends>

Chapter 4: Background Information

4.1 This chapter presents the change in numbers of abattoirs of different throughput sizes over time; examines geographical distribution of different sized abattoirs in comparison to major UK road networks; and describes the distribution of abattoirs licenced for the slaughter of the main red meat species (cattle, sheep and pigs).

BOX 1

Throughput is expressed as number of 'Livestock Units' (LSU), which converts throughput for different species or types of animal into one comparable metric. The conversion rates for 1 LSU are:

- adult bovine animal or horse.
- 2 bovine animals under 8 months
- 5 pigs with a live weight of over 100 kg
- 6.66 other pigs
- 10 sheep and goats
- 20 lambs, kids and piglets less than 15 kg live weight

BOX 2

Small Abattoir <5,000 average annual throughput as LSU

Medium abattoir 5,000 <30,000 average annual throughput as LSU

Large abattoir ≥30,000 average annual throughput as LSU

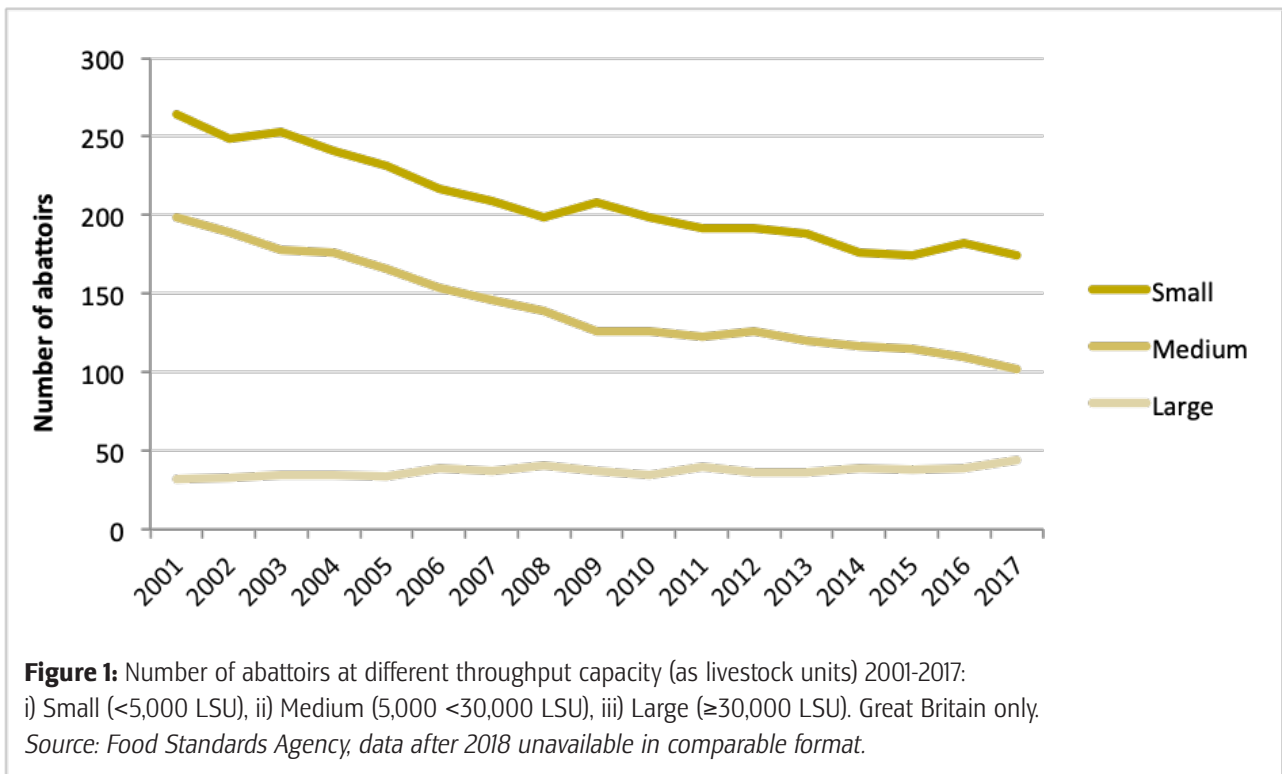
4.2 Data were collated from various sources including the Food Standards Agency, Defra, AHDB and businesses' own websites. Abattoirs or slaughterhouses are licensed by the Food Standards Agency in England and Wales, the Food Standards Scotland for Scotland and the Food Standards Agency in Northern Ireland. The data are publicly available online and updated annually.

Throughput data were calculated according to information held by the levy board AHDB, and expressed as a categorised variable in the interests of commercial sensitivity. For some premises, throughput data were unavailable or were estimated by expert opinion. Abattoir throughput by species may not be evenly distributed across all species for which they hold a licence.

4.3 It was not possible to provide detailed information on the provision of niche services such as slaughter of native breed animals, cull animals, on-farm casualty slaughtered animals or small batch private kills. Through personal communication with some of the main organisations in the sector, it was however widely agreed that these services were offered mostly by small-medium sized abattoirs, with some services only being available at a few abattoirs of all sizes across the UK e.g. slaughter of cull sows.

4.4 The trend in numbers of abattoirs operating in the different throughput categories was examined over time. Figure 1 shows the number of small, medium and large abattoirs operating in Great Britain²³ between 2001-2017 across all livestock species. Small and medium sized abattoirs declined in number from 264 and 199, respectively, in 2001 to 174 (34% reduction) and 102 (49% reduction) in 2017. In contrast large abattoirs increased in number from 32 in 2001 to 44 in 2017 (38% increase) as processors consolidated operations. In 2020 there are now approximately 90 small abattoirs in the UK as a whole which can be seen in Figure 7.

²³ Northern Ireland do not hold data prior to 2008 so only data for Great Britain is presented.



4.5 Despite a change in the profile of abattoirs over the last decade, the number of livestock animals slaughtered annually has shown little change. Figure 2 shows trends between 2010 and 2017 for England, which accounts for the majority

of abattoirs in the UK. Data on throughput is published as categorized data as part of AHDB and industry species groups for England, Wales and Scotland.

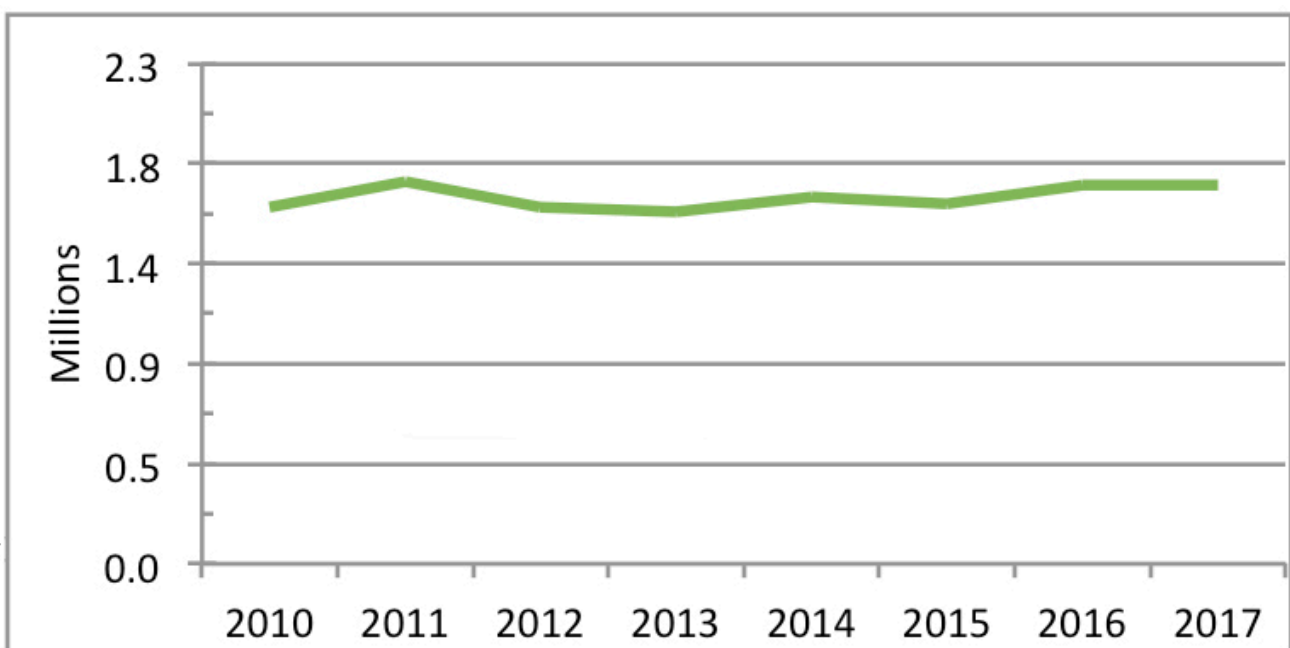


Figure 2: Number of livestock slaughtered in England 2010-2017.
 Source: Defra response to Written Question Dr David Drew, 28 March 2017.

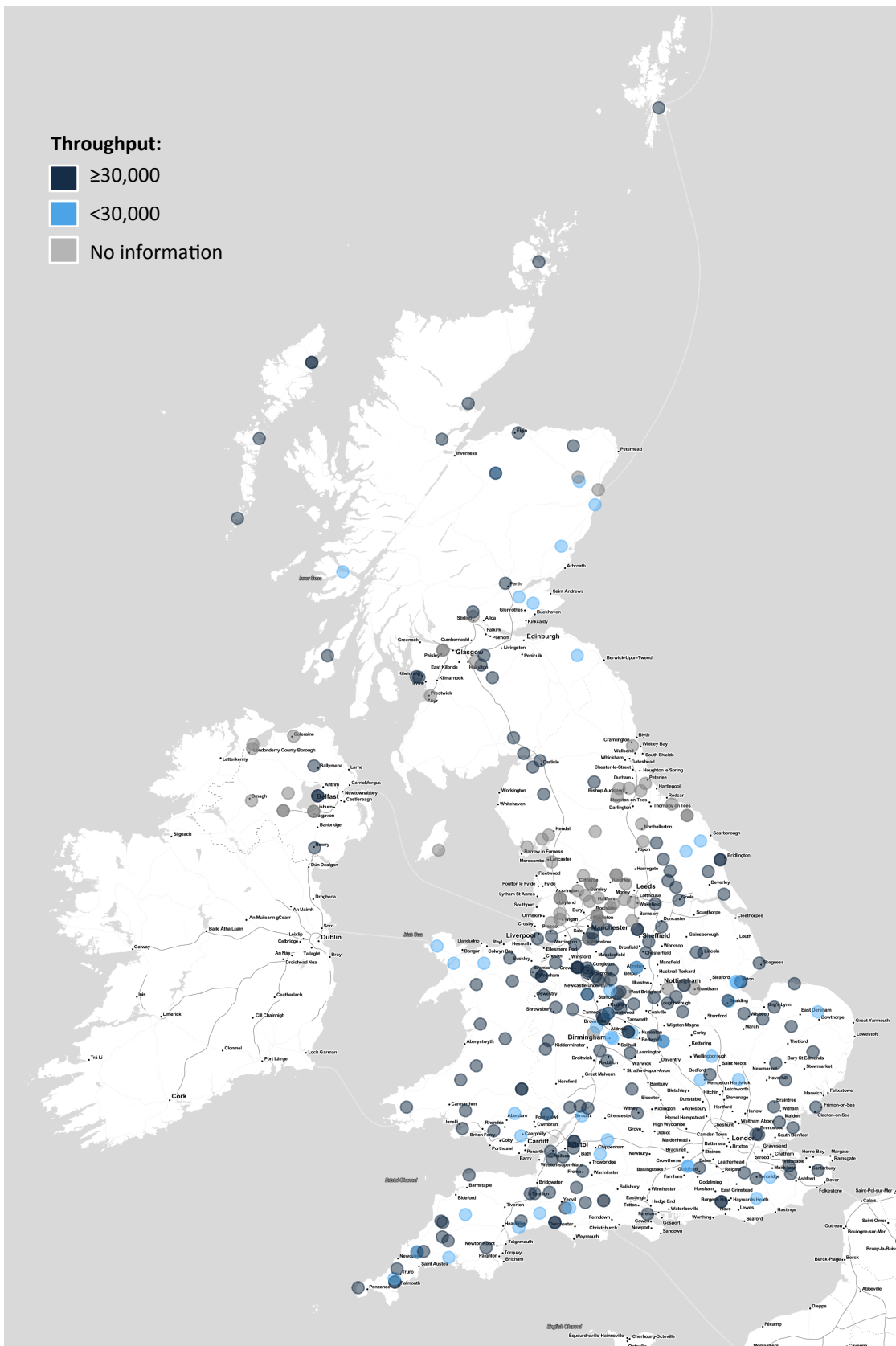


Figure 3: Distribution of all abattoirs at throughput capacity of <30,000 LSUs (small and medium) and ≥30,000 LSUs (large) 2019.

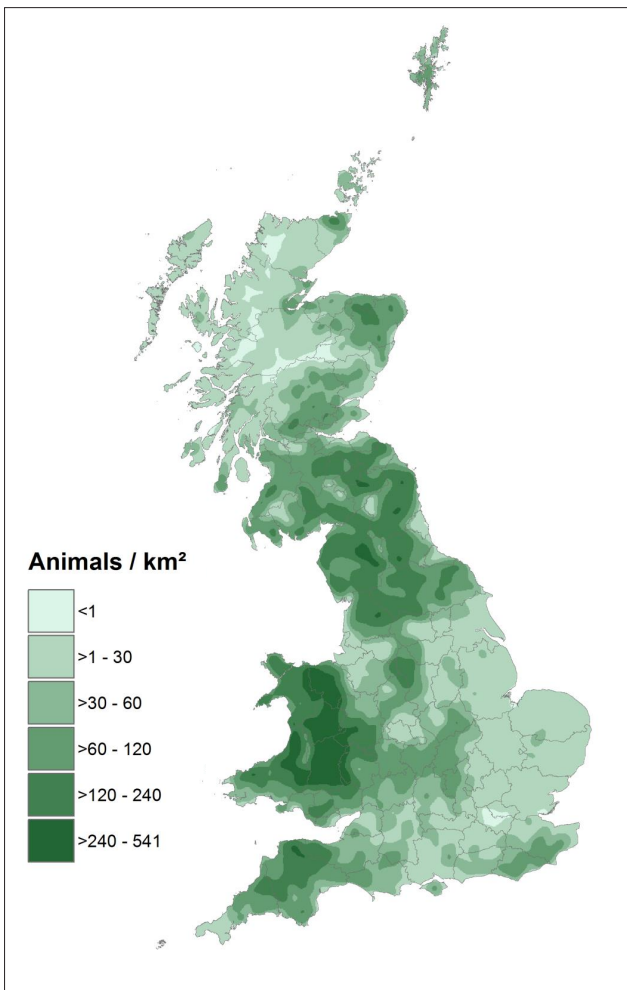


Figure 4a: Sheep distribution across Great Britain (2018)
Source: Animal and Plant Health Agency

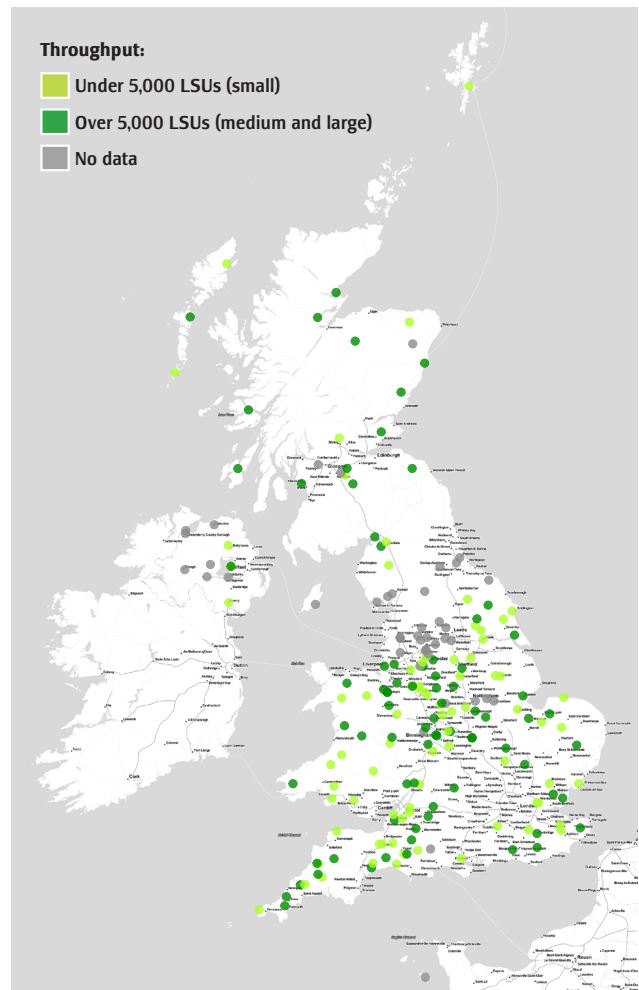


Figure 4b: UK Abattoirs licensed to slaughter sheep (by throughput)

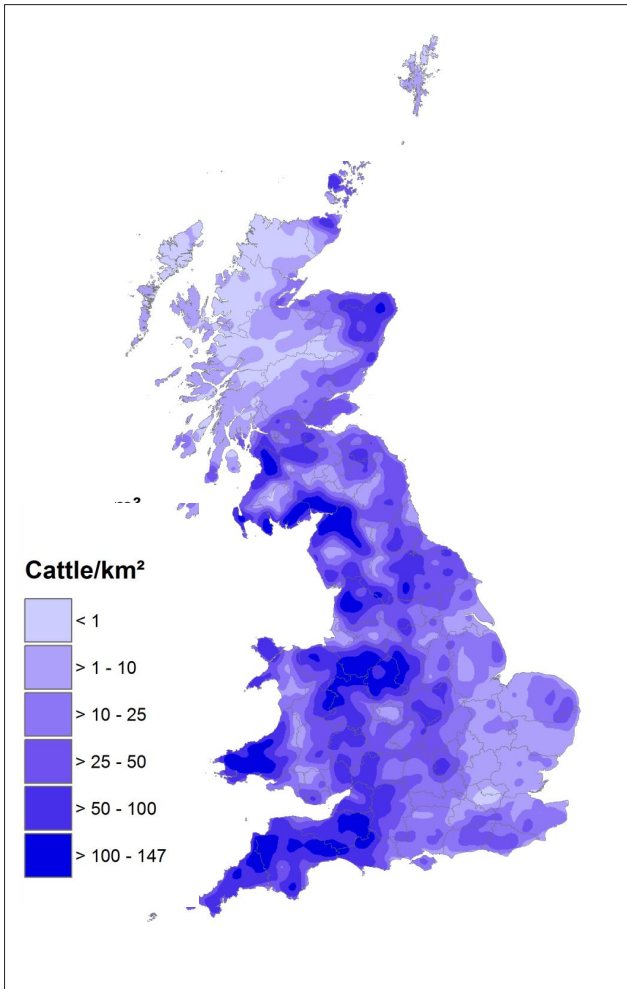


Figure 5a: Cattle distribution across Great Britain (2018)
Source: Animal and Plant Health Agency

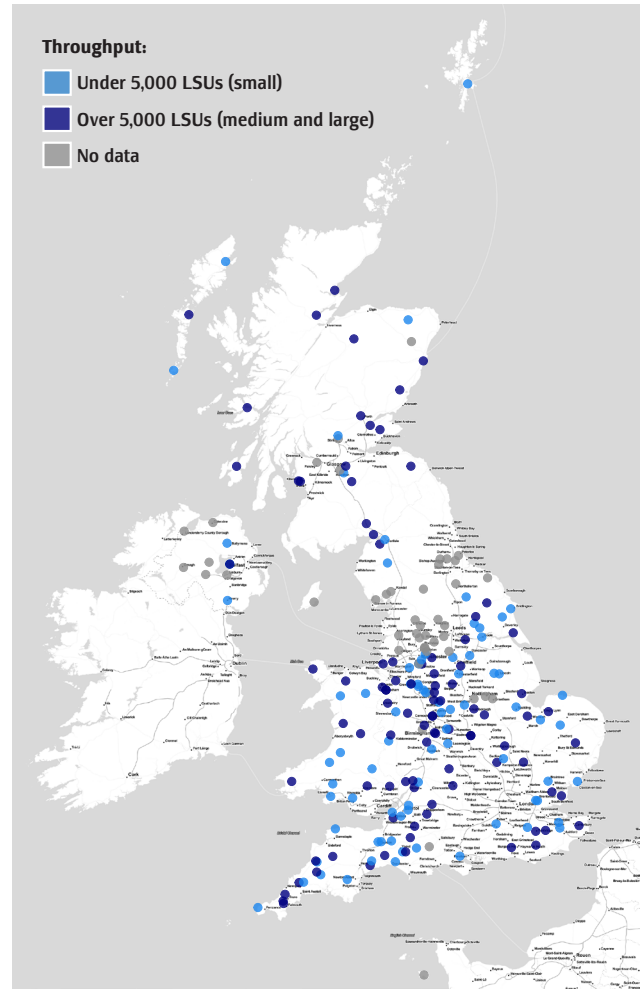


Figure 5b: UK Abattoirs licenced to slaughter cattle (by throughput)

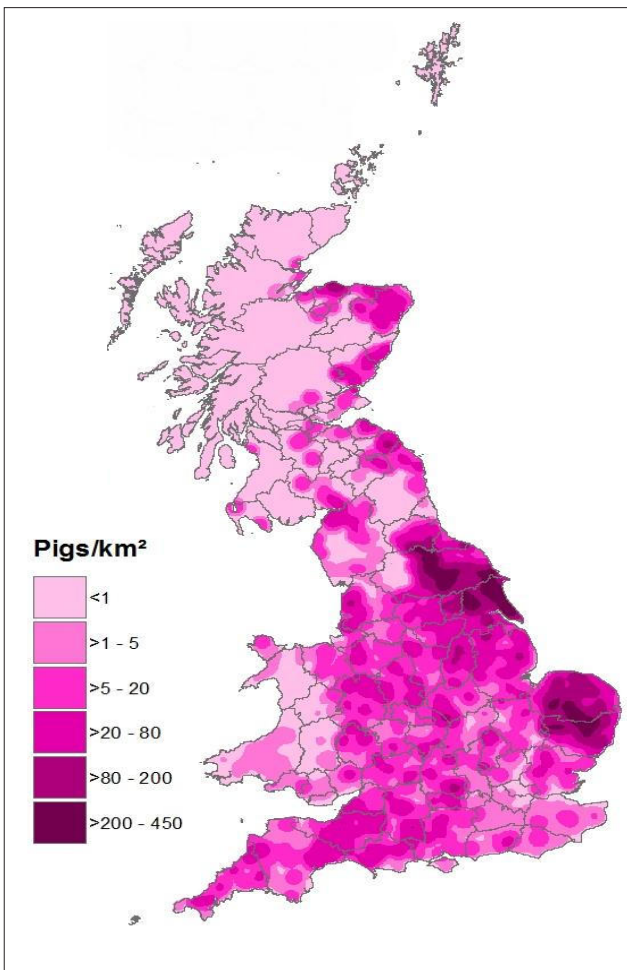


Figure 6a: Pig distribution across Great Britain (2017)
Source: Animal and Plant Health Agency

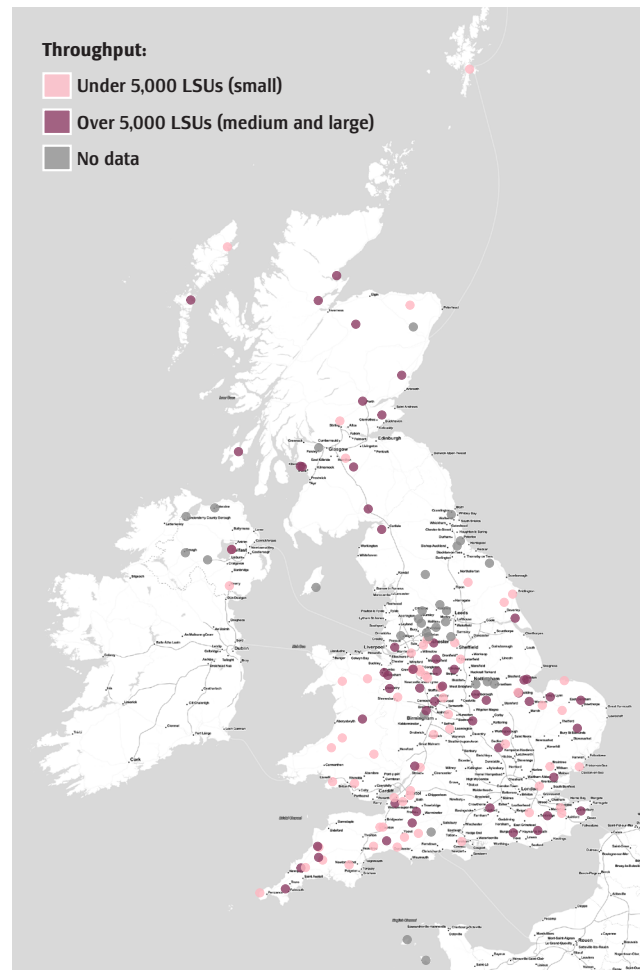


Figure 6b: UK Abattoirs licenced to slaughter pigs (by throughput)

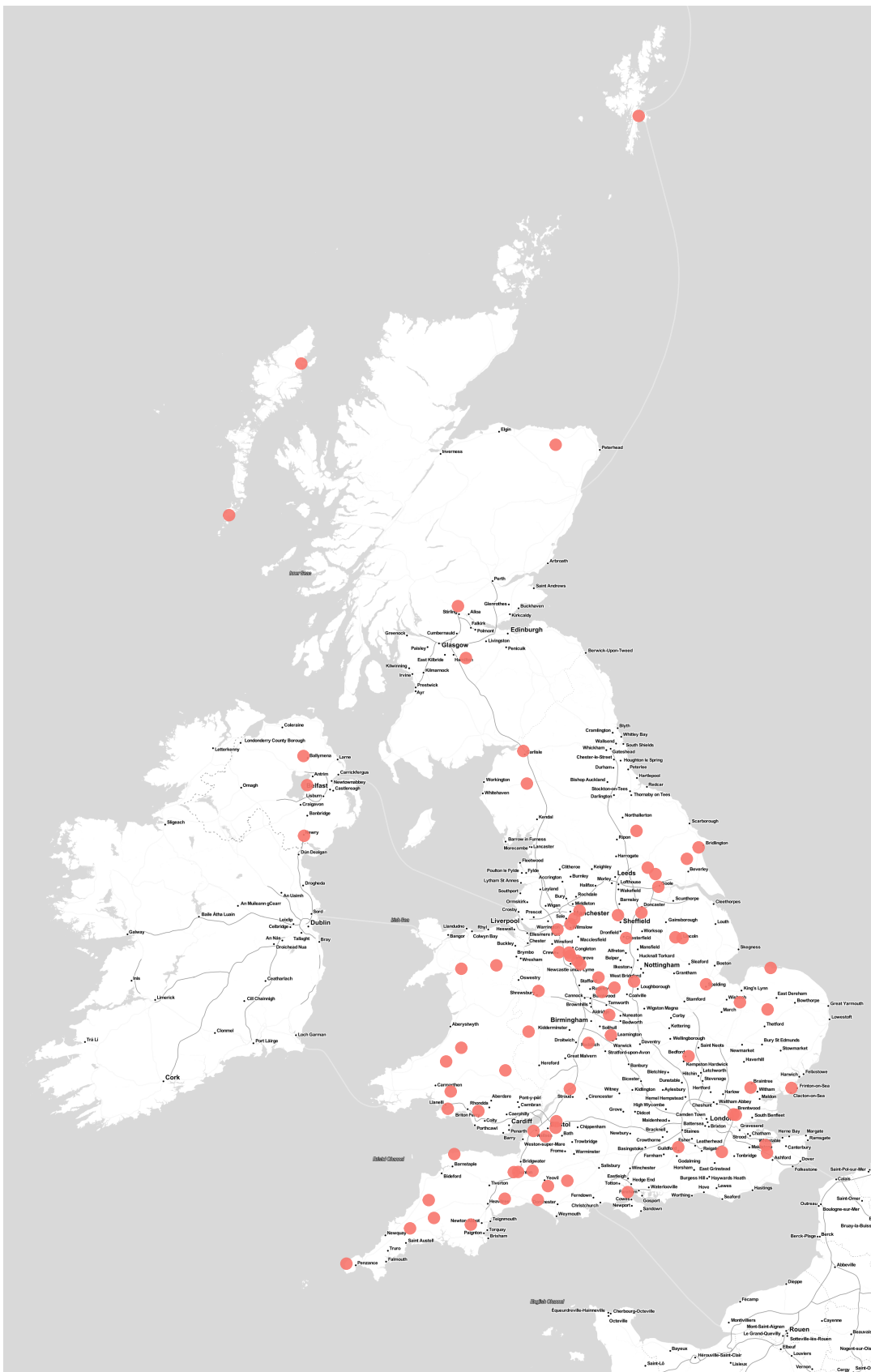


Figure 7: Distribution of all abattoirs with known throughput capacity of under 5,000 LSUs (small). 2019 data.

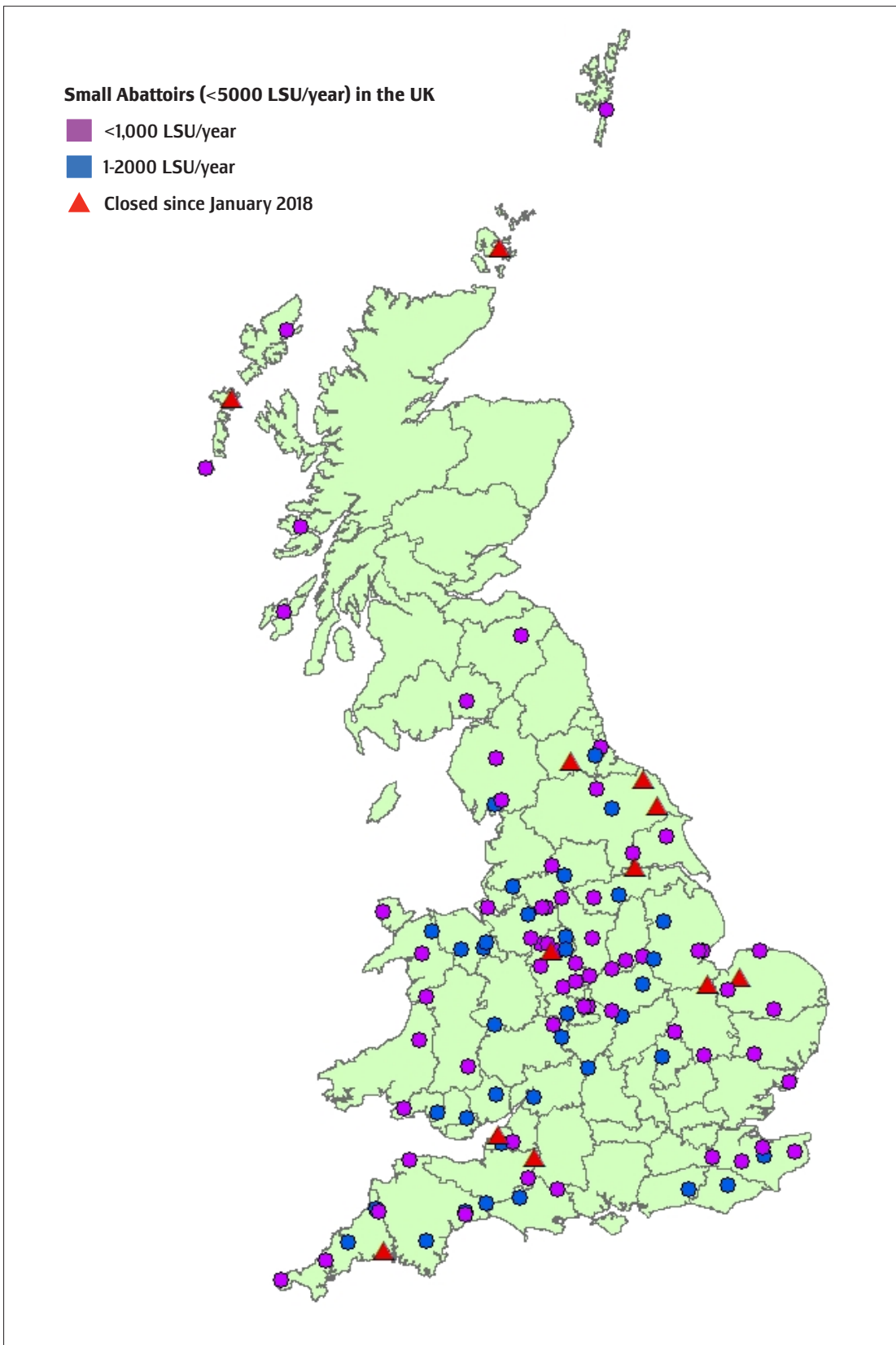


Figure 8: Distribution of all abattoirs with known throughput capacity of under 5,000 LSUs and under 1,000 LSUs. Data 2020.

Map produced by Catrina Prince June 2020

4.6: Figure 9 shows the smallest abattoirs processing under 1,000 LSUs have seen a significant reduction in numbers with a third of them having closed since 2007.

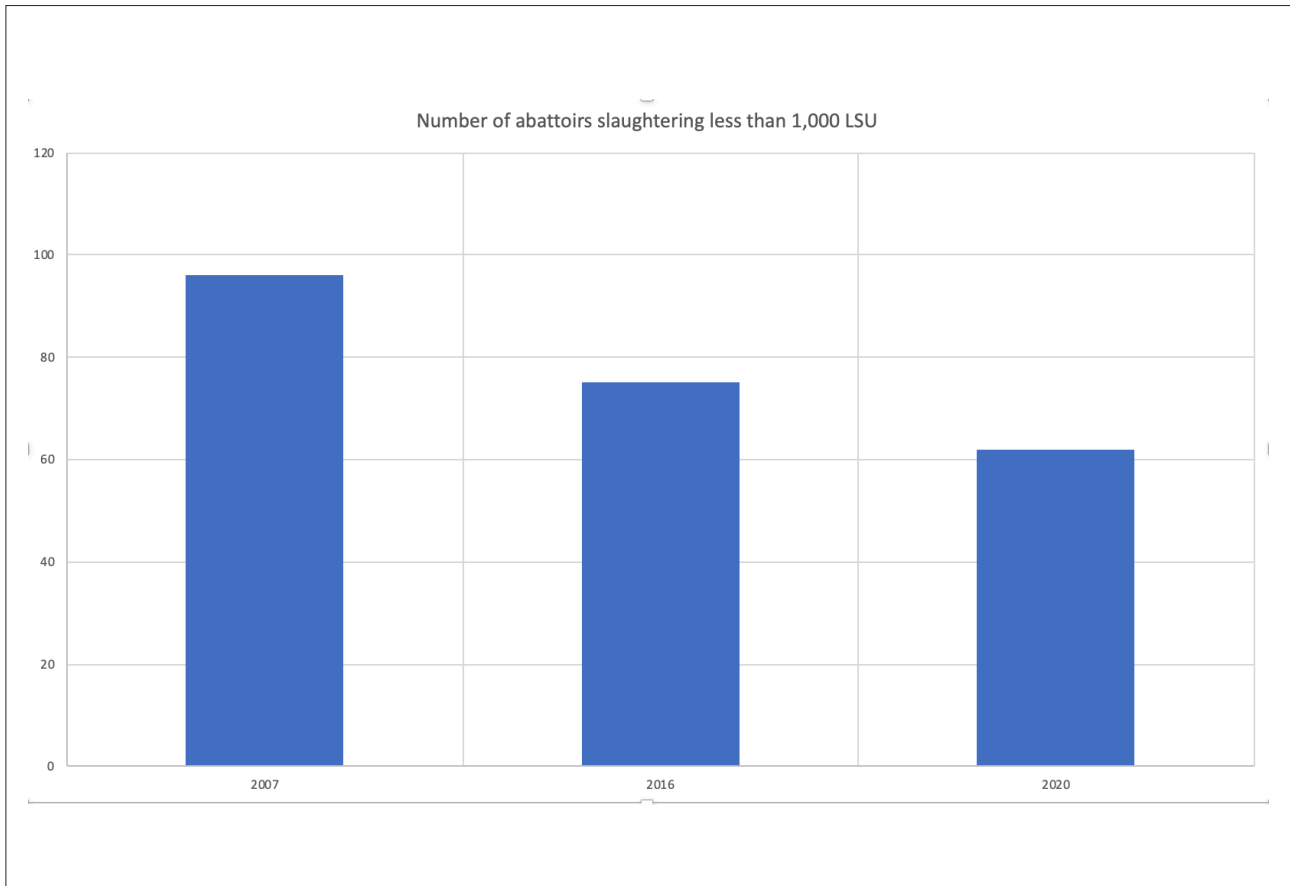


Figure 9: Numbers of abattoirs processing under 1,000 LSU from 2007 to 2020.

Slaughter Business Models

4.7 Evidence submitted frequently referred to the unique business model and choice of service that small abattoirs provide.

4.8 The “procurement model” is when animals are purchased directly from farmers (as favoured by larger retailers) or through livestock markets. The sale is agreed for the live animals but producers are often paid based on the weight and grade of the end meat product. The carcass is generally graded by Meat and Livestock Commercial Services Ltd (MLCSL) with a base payment made on the average weight and grade. There may be additional bonuses or deductions according to further carcass specifications. Proceeds from 5th quarter (including hides and skins) are kept by processors (see Chapter 7 for more on 5th Quarter). The sale of the end meat products is performed by the abattoir who then also carry the risk for sales of less popular cuts, often utilising carefully managed freezer space to build stock, making best use of these cuts and 5th quarter products. In some cases, abattoirs will have contracts with large retailers which can assure a more consistent demand, but they may still be vulnerable to changes in consumer habits or weather events.

4.9 The ‘private kill model’ is where a butcher or producer will purchase slaughter services from the abattoir but will retain ownership of the animal and meat products with the potential to add value by further processing or direct sales to consumers. Purchasers of slaughter services can choose to have some 5th quarter products returned to them e.g. hides and offal, or these may be kept as a by-product at the abattoir, with some re-sale value. Service charges may include specialist skills such as removal of the vertebral column or splitting of over 12-month sheep carcasses. Estimates of charges for such services are approximately £100 for bovine slaughter plus £50 to remove the vertebral column; £17 for lambs over 12 months old

with removal of the spinal cord or £15 for younger lambs; £25-30 for finishing pigs dependent upon their size or £35-45 for cull sows. Often processed products from ‘private kill’ are sold by the producer directly to consumers through farm shops or to local businesses, such as hotels and restaurants.

4.10 Some large retailers may also have a more ‘integrated supply chain model’, where both animals and abattoirs are owned by the same business. Producers are paid a set price for rearing the livestock. This model is mostly seen in pig and poultry sectors.

4.11 Abattoirs will usually focus on one of these three models. The ‘procurement model’ is mainly used by large scale abattoirs and the ‘private kill model’ is often offered at smaller abattoirs.

Chapter 5: Small Abattoirs and Animal Welfare

i) Welfare during Transport

5.1 A recurring concern raised by stakeholders was that a declining number of abattoirs led to an increased distance for animals to travel to slaughter, thus potentially leading to poorer welfare and increased 'food miles'. Food Standards Agency research into the distance travelled to slaughter, taken from a survey of approximately 75% of animals arriving at abattoirs of different sizes, revealed similar *average* transport distances between small (40km), medium (40km) and large abattoirs (60km). There was, however, a much greater *range* in distance for animals travelling to large abattoirs with the longest journeys recorded at nearly 1000km. Farmers are able to transport their own animals for up to 60km without needing vehicle approval or driver competence certification.

5.2 Figure 10, which sets out the welfare incidents in 2018, shows that the main welfare breaches are during transport, although this is not directly related to length of journey. Research into animal

welfare associated with transport of live animals has indicated that transport conditions and fitness to travel are of greater importance than journey duration for safeguarding health and welfare.²⁴ The Farm Animal Welfare Committee (now renamed the Animal Welfare Committee) report into the Welfare of Animals in Transport states that "loading, unloading and handling are often described as the most stressful part of the transport process, this is because the animals are moving into unfamiliar surroundings, and they may have to walk up or down a range of ramp surfaces and angles."²⁵ Anecdotal evidence from the vets during the inquiry was that large abattoirs tend to have better and more modern infrastructure that facilitates clearer unloading of animals.

²⁴ Nielsen, B.L., Dybkjær, L. and Herskin, M.S., 2011. Road transport of farm animals: effects of journey duration on animal welfare. *Animal*, 5(3), pp.415-427.

²⁵ <https://gov.wales/sites/default/files/publications/2020-04/opinion-on-the-welfare-of-animals-in-transport-by-the-farm-animal-welfare-committee-fawc.pdf> Point 76

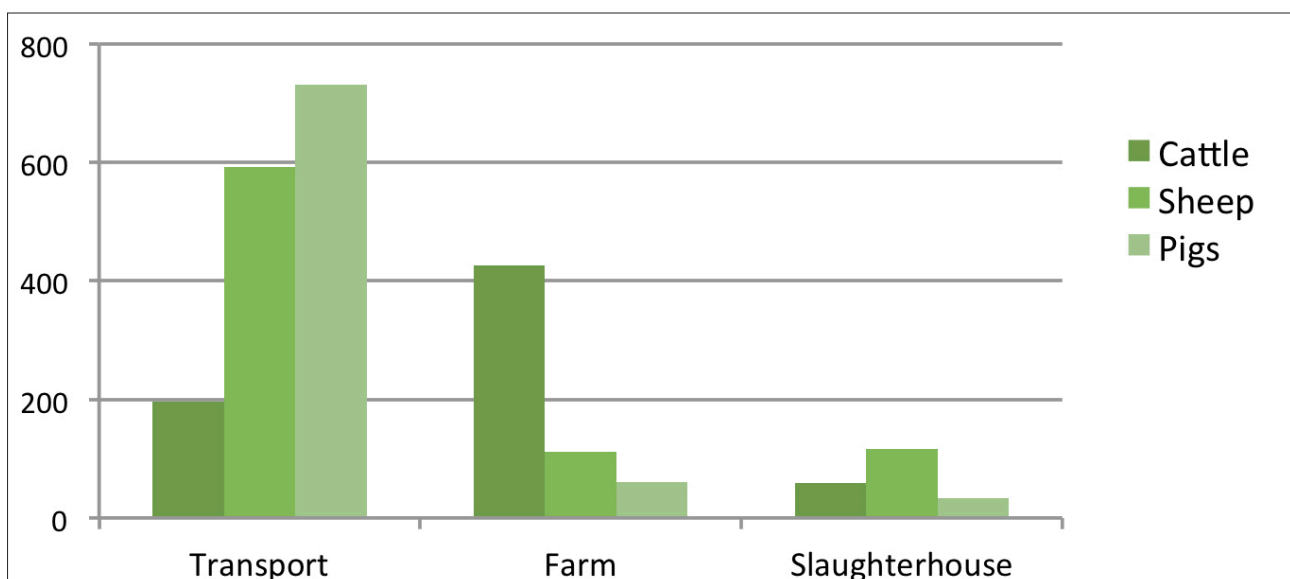


Figure 10: Origin of serious welfare breaches recorded by Official Veterinarians in abattoirs (2018). Serious breaches are incidents leading or potentially leading to animal suffering

Source: FSA Board Meeting Minutes, Annexe 2.

5.3 Small producers transporting animals for longer journeys can utilise specialist haulage vehicles. These vehicles however, may service multiple small producers, collecting animals from different farms and markets. Producers can utilise lairage facilities in central collection points for convenience or better access for those larger vehicles. There are both welfare benefits but also welfare impacts on using this model. Collection centres increase the opportunity to check fitness to travel and should give more opportunities to identify issues, however, using large haulage vehicles means there is more likely to be mixing of animals from multiple sources and more unloading/loading events which can impact welfare negatively. The FAWC report states that “animals that go through markets may undergo multiple events of loading and unloading over a short period of time, which may be greater than the stress of the actual journey.” How long animals wait in the collection centres and the length of their onward journey beyond the collection centres is not always clear (i.e. they may then spend a night in the abattoir lairage having already been in a collection centre and perhaps in a shed on farm after sorting).²⁶

5.4 For animals bred on a single farm who have not been previously transported, taking them in small groups where all animals originate from the same farm may be less stressful. Evidence submitted to the inquiry raised the concern around impact on welfare in travelling a longer distance when undertaken in a small vehicle, which are often used by small producers taking low numbers of animals.

5.5 Since evidence gathering and analysis for our inquiry closed, new FSA data has been reported at a Board meeting comparing welfare non

compliances in transport between large, medium and small abattoirs.²⁷

Stakeholder Views

5.6 Veterinary opinion generally supports that animals are slaughtered as close to the point of production as possible. BVA supports current legal requirements (European Community Regulation 1/2005 and the UK Welfare of Animals (Transport) Orders 78 and Regulations 910) that are in force to protect the health and welfare of livestock during transport. In order to improve welfare outcomes related to transport, the implementation of current legal requirements and the UK Welfare of Animals (Transport) Orders 1213 and Regulations 1415 should be improved to ensure that requirements relating to appropriate transport conditions and fitness to travel of animals are adequately enforced. Notwithstanding that, the BVA past president Simon Doherty has stated that: “Any kind of movement has the potential to impact on an animal’s health and welfare. Ideally, we’d like to see livestock slaughtered close to the point of production, as long as all legislative health and welfare standards can be maintained.”²⁸

5.6 Throughout the evidence received, farmers felt very strongly that they wanted to keep journeys to slaughter as short as possible not just because of their concern for the welfare of animals but because they also felt longer journeys led to poor meat quality.

5.7 One of the Government’s animal welfare objectives is to reduce travel time from point of production to slaughter. This objective requires that there be an adequate number of well-distributed abattoirs in livestock rearing areas and the throughput of these abattoirs would need to be considered to ensure they can provide the service to meet the objective. The reduction in numbers of small abattoirs and the

²⁶ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/193680/pb13550-wato-guidance.pdf

²⁷ <https://www.food.gov.uk/sites/default/files/media/document/fsa-19-09-20-annex-animal-welfare-final.pdf>

²⁸ <https://www.fwi.co.uk/news/farm-policy/vets-wade-into-row-over-livestock-exports>

historical consolidation of services into few very large abattoirs runs counter to this Government objective. In late September 2019 Government released their statement²⁹ on eliminating excessively long journeys having tasked FAWC to carry out a review of existing transport standards. The resulting FAWC report sets out that the principles of animal welfare during transport for any one journey should follow the three “R’s” of replacement, reduction and refinement. In regards to reduction they state that “if any measure can be applied to the proposed journey that will result in a reduction in the number of animals, the duration, or the distance of the journey then these should be applied. For example; could animals be finished or slaughtered at a premises which is closer than the original premises?” Currently, farmers in southern England may find sending animals to slaughter in Northern France involves less travel than slaughter in the UK, and animals routinely travel between Northern Ireland and the Republic of Ireland or similar journeys. In the absence of local abattoirs, livestock may be required to travel larger distances within the UK, and in some cases by sea also within and beyond the UK.

ii) Abattoirs and Animal Welfare

Stakeholder Views

5.8 A large number of respondents to the inquiry’s call for evidence felt that animal welfare was compromised at large-scale abattoirs, but the majority of vets and regulators did not agree.

5.9 With regard to welfare since evidence gathering and analysis for our inquiry closed, new FSA data has been reported at a Board meeting comparing welfare non compliances in slaughterhouses between large, medium and small abattoirs.³⁰ This indicated that abattoirs of

all sizes provide good standards of welfare in the UK and there is little concern that abattoirs are generally failing in this regard. FSA data sets out that 99.9% of all animals passing through slaughterhouses do so without any animal welfare contravention.³¹

5.9 Farmers expanded on their concerns for animal welfare and described time in lairage as a major driver for their response, specifying the mixing of their animals with larger groups of unfamiliar animals. Farmers stated that processing of the animal is usually faster at a small abattoir where there are no other animals waiting and they are usually able to accompany their animals to the point of slaughter, if desired. Rare and native breeds particularly, may be negatively affected at a large abattoir. A farmer from Orkney stated: *“Small abattoirs give small lots of native breeds experienced, relaxed handling, giving the animals the time they need to feel confident to move calmly to the stunning area.”*

5.10 Generally, retailer expectation for a high quality product and stringent animal welfare standards mean that large abattoirs, whilst busy, are not excessively noisy and lairage facilities are separated from the mechanical sounds of the process environment by physical barriers. Additionally, several of the large processors are required to undertake annual lairage welfare assessments, independently conducted by Bristol University, as a mandatory assurance requirement of a major UK retailer. It is noted that many larger processors encourage producers to observe the slaughter process and subsequent grading of animals. The purpose of such excursions is to facilitate transparency in the supply chain, greater engagement of producers and awareness of how to achieve the required customer standards. In businesses of all sizes, there are opportunities for producers to have closer engagement during the process of slaughter.

²⁹ https://www.farminguk.com/news/tories-plan-to-end-long-distance-live-exports_54022.html

³⁰ <https://www.food.gov.uk/sites/default/files/media/document/fsa-19-09-20-annex-animal-welfare-final.pdf>

³¹ <https://www.food.gov.uk/sites/default/files/media/document/fsa-19-09-20-annex-animal-welfare-final.pdf> Annex A Page 5

The Role of Animal Welfare Officers.

5.11 There was some evidence from OV's that issues arising with welfare can come from a lack of understanding by the operators of current best practice being used. There is lots of guidance in this area that can be useful to improve understanding. For example, the red meat sector produced an excellent Guide to Good Practice as required by EC1099/2009.³² Additionally, abattoirs slaughtering over 1,000 LSUs per annum must legally appoint an Animal Welfare Officer. These AWOs are legally responsible on behalf of the business to ensure compliance with WATOK/PATOK – the welfare at slaughter legislation for UK and EU. Even a small abattoir with one employee could still have an animal welfare officer who is duly mandated to ensure improved standards although there is no statutory requirement if processing fewer than 1000 LSU but this should be encouraged. The cost and time implication of training may inhibit small abattoir operators from appointing an AWO.

Illegal slaughter of livestock

5.12 A reduced number of readily accessible abattoirs may increase the risk of illegal slaughter of animals on farm or in an unlicensed establishment, which is likely to adversely affect animal welfare, since appropriate equipment, training and supervision would be absent. Horsham Borough Council reported in their submission that up until the 1990s they had 2 small abattoirs. With the closure of the multi-species one they began to receive intelligence regarding reports of illegal slaughtering undertaken at unlicensed slaughterhouse establishments. There is a *“potential for increased illegal slaughter activity where there is no approved abattoir in a vicinity”*, FSA representative, APGAW inquiry, May 2019

³² <https://britishmeatindustry.org/resources/animal-health-and-welfare/>

Emergency Slaughter

5.13 An injured farm animal can be slaughtered on the farm for human consumption if the animal is inspected by a veterinary surgeon and passed as fit for slaughter. A licenced slaughterman or attending vet is legally required to kill the casualty animal. The dead animal must then be transported to a local abattoir, if ambient conditions are above 7 degrees then it needs to be done within 2 hours unless refrigerated which can then extend the journey time. If there is no option for refrigeration and without an abattoir within the travelling distance of that two-hour window, the carcass cannot enter the food chain and is of very limited value to the farmer who has to pay for disposal and there are associated environmental costs.

5.14 In principle, abattoir size does not matter for emergency slaughter. Nonetheless, small abattoirs that are well distributed around the country are likely to be able to interrupt normal work flow to meet the legal requirements around emergency slaughter and process the animal swiftly. Over the last 3 years, 60 plants have accepted emergency slaughter cases and 10 plants in particular seem to be the most used and these are fairly well distributed across England. There is a risk that further closures will affect this provision. In Scotland there are large areas with no abattoir provision and so the option for emergency slaughter is very limited.

5.15 If a farm animal is slightly ill or injured then the farmer can seek veterinary advice to certify the animal's fitness to travel to the nearest abattoir, accompanied by a signed letter stating they believe it to be fit, provided it is transported under certain conditions (e.g. bedded or on its own) within a certain distance and time-frame. Again having small abattoirs well distributed across the country will help farmers get these animals there swiftly

Equine slaughter

5.16 Limited end of life options available to owners of horses can result in equine welfare problems. The inquiry received evidence about the lack of provision for equine slaughter. There are no equine specific abattoirs in the UK and whilst there are four licensed to take equids, owing to lack of demand only one in England is now regularly taking horses (the meat is largely exported to the continent). Numbers of horses slaughtered for human consumption in the UK have reduced over several years, and the reasons for this are complex. They partially reflect the fact that there are many fewer horses eligible to be slaughtered as a result of having been signed out of the food chain by their owner, treated with drugs not permitted in animals for human consumption and the fact that many owners do not consider sending their horse to an abattoir as an end of life option. Humane euthanasia by a veterinarian and carcass disposal is an expensive option (at least more than £500). Hunt kennels which traditionally euthanised injured and unwanted equines without charge using licensed slaughtermen now charge at least £150. With no inexpensive means of euthanasia for horses, abandonment has led equine rescue and welfare charities to reach capacity. There does need to be the option of slaughter via an abattoir from a welfare perspective and as it stands it is becoming less viable. Providing local provision through small abattoirs for equine slaughter could help improve the welfare of horses at the end of life rather than, for example, abandonment or neglect. The abattoir would need to be licensed and able to provide a high welfare environment for the equids which would require training, obtaining a Certificate of Competency and specific equipment.

Summary

5.17 Welfare standards are well regulated and monitored across all types of abattoir. Nonetheless, small, well geographically distributed abattoirs provide the opportunity for transport to slaughter to be shortened and this meets the Government's objective that opportunities should be sought for a short, single journey. They may also help to reduce illegal slaughter, facilitate emergency slaughter, provide slaughter for wider species and benefit the welfare of animals born and reared on a single farm by avoiding mixing of unfamiliar animals. In support of this, the FAWC report on the Welfare of Animals in Transport commissioned by Government recommends that "there is a review of the availability of abattoirs related to the points of production and particularly mindful of end of life requirement. This will identify where abattoirs need to be sited in order to meet the needs of farmers and to minimise journey times and thereby meet the welfare needs of animals."³³

³³ <https://gov.wales/sites/default/files/publications/2020-04/opinion-on-the-welfare-of-animals-in-transport-by-the-farm-animal-welfare-committee-fawc.pdf> Point 87b

Chapter 6: Small Abattoirs, the Rural Economy and Wider Food, Farming and Environmental Strategies

6.1 A thriving rural economy which ensures that local farming is profitable will help ensure high welfare. Thus, we consider here the impact of small abattoirs on the rural economy.

6.2 Given an increased demand and commitment by many public, private and individual consumers to purchase from a high welfare husbandry system with local provenance, shorter and more transparent food supply chains are desirable. Small scale farmers selling premium high-welfare products often increase profitability by being both producer and retailer of their products. This demands small scale and sometimes specialist slaughter facilities to accommodate more varied breeds and seasonal supply. A restriction on the productivity and growth of these small-scale farmers owing to lack of access to suitable slaughter facilities to offer these premium products would have a negative impact on competition and consumer choice in red meat products.

6.3 The inquiry received evidence about local supply chains from small farmers via the small abattoir and onto businesses like hotels, local cafes and restaurants, and farm shops. These businesses sold the end product on the basis that they were local and met high welfare standards. Small farmers and those with native breeds reiterated the point throughout their submissions that they need to add value to their end produce in every way possible to be viable. As the Southern Crofting Federation stated *“the absence of reasonably accessible and affordable local abattoirs over large parts of the Highlands and Islands is a major constraint on the potential for most of our members to add value to their produce in this way.”*

6.4 There is a growing demand for the smaller scale method of production which can be marketed online nationally and even internationally and will increase the economic prosperity of the rural economy. During an oral evidence session Peter Grieg from Pipers Farm told the inquiry members: *“I believed 30 years ago we needed to bring the result of our hard work as farmers to the marketplace with an integrity that was not driven relentlessly by economies of scale. We are now an entirely online nationwide retail business. We offer the output of 25 smaller scale family farms in the West Country to consumers nationwide. They order from their phone up to 11:00 in the morning and we deliver the next day. What we have returned to is the fundamental principle of the marketplace where consumers have information about the product they spend money on, and the supply chain has the ability to fulfil that demand. The smaller scale abattoirs are a critical link in the supply chain to that growing customer demand. Our business is growing at 100% a year now and shows no signs of slowing up.”*

6.5 It is worth noting that a number of small abattoirs have waiting lists including Mettrick's, Langford Abattoir and Mull. This demonstrates there is a demand for their services and therefore a buoyant market around them for a local product.

6.6 The existence of a range of abattoir types provides market choice. As a number of witnesses pointed out farmers often choose different options to enable them to get the best return and this choice is becoming increasingly limited. The NFU made this point in its written evidence by stating *“having a genuine mix of scale and geographical spread of abattoir businesses within the market place helps to drive competition and maintain a*

fully functioning market, helping secure fair returns for the livestock produced. The NFU is concerned that, if the reduction in the number of viable abattoirs continues, the sector will be ultimately exposed to greater dominance of the large processors.”

6.7 The Prince's Countryside Trust have committed to undertaking an economic evaluation of the benefit of small abattoirs to the rural economy which will seek to provide the evidence needed to understand fully the financial impact of these abattoirs to wider businesses. Not only are they relevant to wider businesses involved in supplying meat but also to environmental goals by reduced carbon emissions through food mile reduction and environmental protection. Their forthcoming report will be highly relevant to consideration of the significance of small abattoirs.

6.8 Private kill (see 4.9) enables primary producers to add value to their product post slaughter. Small scale farmers can use large scale abattoirs but they have stated that they are too restrictive and often do not fit their business model which is to maximise value and create an end product based on high welfare, provenance and a narrative for the consumer. For that model to work, the abattoir needs to be able to ensure all the products, including the 5th quarter, returned are from the animals belonging to that individual farmer which requires appropriate segregation of product from other suppliers. Most large-scale abattoirs are unable or unwilling to offer the service of private kill as it does not suit big processing operations to have small orders of a handful of animals for individual farmers or to separate products from animals under different ownerships. Small abattoirs are better placed to offer private kill and this process can play a critical role in enabling the diversification and added value of many farm businesses making them more resilient. It has been difficult to establish just how many abattoirs still offer private kill or cater for some of the issues mentioned above,

however the evidence received clearly sets out that small and local farmers have had to travel further afield to find an abattoir which will supply private kill. Many farmers have stated that they can no longer access private kill services and this has negatively changed the nature of their business and led to loss of profit. The Scottish report, *Assessing the Viability and Sustainability of Mobile Abattoirs in Scotland*, received evidence supporting this position saying *“not all abattoirs undertake “private kill”...some are either unable or unwilling to slaughter animals for small producer-retailers and return carcasses to them economically...those that offer private kill tend to be the smaller abattoirs.”*³⁴ The identification of abattoirs in Scotland and whether or not they offer private kill confirms this statement showing the large scale abattoirs do not.³⁵

Native & Rare Breeds

6.9 Specific examples of premium products requiring specialist slaughter facilities are rare and native breed animals. Examples include horned cattle breeds which are often only catered for by small abattoirs owing to issues around adapting the facilities to suit their specific requirements or outdoor-reared pigs (which tend to have a thicker coat than indoor-reared animals) where some large scale abattoirs are unable to adapt their high-throughput systems to scald and remove the more resilient thick, dark hair and so must resort to skinning the animals to enable the carcasses to pass post-mortem inspection, reducing their saleable value. UK native livestock breeds are integral to a future for sustainable farming through their contribution to habitat management, to landscape-scale restoration projects and the support of biodiversity. The Government has already recognised this through the inclusion of a clause under Chapter one of the Agriculture Bill

³⁴ <https://www.gov.scot/publications/assessing-viability-sustainability-mobile-abattoirs-scotland/pages/6/ P1>

³⁵ <https://www.gov.scot/publications/assessing-viability-sustainability-mobile-abattoirs-scotland/pages/6/ p4>

stating that the Secretary of State may give financial assistance for the purpose of “conserving native livestock, native equines or genetic resources relating to any such animal.”³⁶ A well distributed network of suitably equipped abattoirs is critical to support their conservation.

Direct Financial Impact

6.10 For private kill and further processing on or near the point of production both the cost of taking the animal to slaughter and of recovering the carcass need to be considered. The Sustainable Food Trust suggests time away from the farm for a farmer costs £20/hour and return travel costs £0.62/km, with a 56km journey taking approximately 3hours at a cost of £130. Average journeys to a small and medium sized abattoirs (40km) were a third shorter, a significant cost reduction in a low margin industry.

Environmental Impact

6.11 It is suggested that small abattoirs can enable widely distributed points of primary production for public consumption creating shorter food chains. The inquiry was informed that AHDB are investigating the carbon footprint of meat production associated with small abattoirs, which will review objective evidence to evaluate the hypothesis that this shortened supply chain has a lower environmental impact, when looking at all animal movements, not just to slaughter. The provision of smaller abattoirs processing animals for small scale farmers should support the supply of meat that has a low carbon footprint to local and national consumers. In favourable market conditions, with a suitable product of premium value, there are significant commercial opportunities in the international market too.

Summary

6.12 From an economic perspective there is clearly a role for small abattoirs strategically placed around the UK to support rural livestock farming and the development of small businesses. There is also a role for small abattoirs in relation to allowing ‘conservation through consumption’ of a genetically diverse livestock population, as the UK Government have pledged to preserve as part of the UN charter on biodiversity.³⁷ The environmental impact of different farming methods, with their potentially to minimise food miles, have become more important in recent years and the promotion of local food consumption as referred to in the Government’s Health and Harmony paper³⁸ also requires a distributed network of abattoir services. Private kill services at small abattoirs support clear and sustainable food chains, with a positive emphasis on provenance. Most important of all, at a time when the economic sustainability of livestock farming is being challenged, the valuable role small abattoirs play in enabling primary producers i.e. farmers to add value to their product and hence markedly increase their profitability is crucial.

³⁶ <https://publications.parliament.uk/pa/bills/cbill/58-01/0007/20007.pdf>

³⁷ <https://www.cbd.int/doc/world/gb/gb-nr-05-en.pdf>

³⁸ <https://www.gov.uk/government/publications/the-future-for-food-farming-and-the-environment-policy-statement-2018/health-and-harmony-the-future-for-food-farming-and-the-environment-in-a-green-brex-it-policy-statement>

Chapter 7: Challenges for Small Abattoirs – Issues Involved with Closures and Possible Solutions

Understanding the Wider Picture

7.1 Larger abattoirs have benefits of economy of scale whilst smaller abattoirs, in order to be economically viable and provide the benefits outlined in Chapter 6, need to exploit their ability to provide premium products of added value. Some small abattoirs have pursued the economy of scale approach, expanding their throughput and thus being reclassified as a medium sized enterprise. From anecdotal evidence these account for a very small proportion of the recorded loss of small abattoirs. There is a lack of clarity over how many abattoirs continue to provide different models of slaughter such as private kill, and are set up to enable the benefits of added value. Consulting a map of abattoir locations does not provide a clear enough picture of the U.K. abattoir provision geographically in regards to specific services and there has been a lack of understanding over the wider consequences of each individual small abattoir closing. This has been detrimental to groups of farmers who have either had to change their business model or accept lower profits owing to higher slaughter costs. The value of small abattoirs has been under-recognised, even if the forces which predicate their closure are accepted.

7.2 It is clear that the varied roles of different abattoir operations play an important factor in a resilient UK food supply system that fulfils the Government's commitment to sustainability. In order to provide a variety of slaughter services and ensure a competitive market, there needs to be a clear understanding of what is available and what changes are occurring. All abattoirs are licensed and supervised by the FSA and farm livestock are either individually or batch identified

by law. Animal movements are recorded to the authorities, carcasses are inspected by FSA contracted staff and details reported to the relevant authorities, and farmers and processes are required to report for official statistics. It became apparent when collating the data for the inquiry that relevant data were not easily accessible in readily available format and were not being effectively utilised. This is acknowledged within the Agriculture Bill Guidance Notes 2020 under Part 3 Chapter 1.³⁹ Given that location of holdings and abattoirs are known, and animal number and movement are known, it would be quite possible to use existing data to continuously model abattoir throughput relative to animal holding and distance, an expansion of the type of approach already used to monitor provision of animal disease surveillance support. This needs to feature within the wider plan for quantifying food production within the U.K.

Recommendation

Abattoir throughput, distribution and welfare outcome data should be centralised to improve accessibility, analysis and understanding. Therefore, it is recommended that a 'UK Strategy for Abattoirs' is developed enabling data and feedback to inform wider work on UK agricultural policy. All this information could identify at risk and low performance businesses, the impact their loss could have on farmers and ensure early action. We note that the Agriculture Bill Explanatory Notes Part 3 acknowledges and includes substantial sections requiring that data are provided to Government Agencies.

³⁹ <https://publications.parliament.uk/pa/bills/cbill/58-01/0007/en/20007en.pdf>

Economics

7.3 When small abattoir owners were asked to describe the profitability of their business in a recent survey for Campaign For Local Abattoirs⁴⁰ none of those running small scale abattoirs described it as 'good' and only 39% described it as okay. 50% said their profitability was poor, and 10% that they were making a loss. Another survey of small abattoirs by the Sustainable Food Trust in 2018 found that there are no small abattoirs making adequate profits to invest in the future.⁴¹

7.4 Written evidence received from the operator of a small abattoir stated *"Mull Slaughter House is sustainable and viable but by no means is it easy – the margin is extremely tight and any breakdown in machinery, staff etc can really upset the cashflow and suddenly put us into a precarious position. Smaller abattoirs struggle to make the economics add up – I understand this but they are a vital part of the community and provide a service which allows the local economy to grow."*

7.5 Large slaughterhouses can kill very large numbers of animals and often have spare capacity. They could potentially replace most, if not all, small and medium-sized abattoirs in the UK if it is left to market forces alone. A large-scale abattoir looks to optimise its efficiency by operating 10-or-12-hour shifts. They keep steady production throughout the day, minimising the number of process changes. Small-scale abattoirs may only run for a couple of hours each day and have inconsistent stop/start processing through the day as they await the arrival of animals from multiple sources. There tends to be a number of inefficiencies with the very small-scale abattoirs because of the nature in which they work with small numbers of animals. For the abattoir industry on the whole, the Plimsoll Abattoir Analysis⁴² reports have shown that the top

performing companies (26% of the total) show a 5-year profit level of 4.1%, whereas the bottom companies (74%) have an average margin of 0.2%. This shows that even large abattoirs are generally working on very low margins, and are still vulnerable to fluctuations in labour and raw material (e.g. livestock) costs or availability.

7.6 Whilst farmers and their representatives state they need choice and they need access to small abattoirs, they do not always support them as the service charges can be high. As stated in evidence given on behalf of the British Meat Processors *"A small plant opened in Sussex. The minute it opened and did contract killing for local farmers, the farmers complained about how much he was charging. They immediately said, 'We can go to a bigger abattoir and they only charge x amount.'* This statement is supported by other small processors, where larger operators are nearby, as being a limiting factor to making delivery of their services commercially viable.

7.7 Case Study

In 2012, the Orkney abattoir was leased and operated on a reduced basis by a consortium of local butchers known as Orkney Meat Processors Ltd. The local authority then spent almost £1million on the facility over 5 years but in 2018 it closed as the council said the abattoir was too big for current and forecasted throughput, despite having a large livestock population on the island, and that it needed more re-investment. Reports from Council inspections in September 2017 indicated that a further investment of at least £250,000 would be required over the coming year for repairs and replacement of machinery, with a further £100,000 (minimum) needed in each of the following two years for on-going replacement.⁴⁶

40 CFLA <https://sustainablefoodtrust.org/key-issues/campaign-for-local-abattoirs/>

41 In-Depth Survey of Owners of Smaller Red Meat Abattoirs in England, Wales and Scotland.

42 <https://www.plimsoll.co.uk/market-reports/abattoirs>

43 https://www.orkney.gov.uk/Files/Committees-and-Agendas/Development%20and%20Infrastructure/DI2019/DI05-02-2019/112_Orkney_Abattoir.pdf

The abattoir facility had high levels of fixed overheads and operating costs and it was stated in evidence provided to the inquiry that the cost base for slaughter was high and consequently farmers started to choose to go to the mainland. This example demonstrates that even with a substantial local livestock sector and local authority support, unless the abattoir is able to provide what local farmers want at an affordable price, it will not be financially sustainable. Equally, producers must be encouraged to support facilities maintained for public good and the good of the local community. An assessment of the nature of the local demand should precede provision of the abattoir facilities. In the case of Orkney, many farmers preferred to sell cattle live at stores to be fattened on the mainland, with the associated cost savings of reduced feedstuffs provision, rather than slaughtered locally.

7.8 Multiple operators informed the inquiry that it is only further processing that makes small abattoirs economically viable, however, small abattoirs are unlikely to have the capital to provide facilities to develop added value potential. A feasibility plan for a proposed abattoir on the Isle of Skye had shown that whilst the abattoir just broke even, it was storage, butchery and further processing which would make it financially viable. Those abattoirs who have not developed a wider business plan and cannot invest in the equipment, facilities and staff to realise it have found it difficult or impossible to continue. The viability of small abattoirs requires buy-in from stakeholders predominantly the farmers and the butchers who use that abattoir.

7.9 Whilst many stakeholders from abattoirs expressed a pessimism about the profitability for small throughput abattoirs, there was a recognition that their services were in demand. For example East Hill Abattoir stated *“My emphasis has to be based on a product of much greater*

quality achieved through lower kill numbers and this is why I have so many customers wanting my service.” There were examples of small abattoirs that are doing well and see a strong future that will grow as the agenda around health and the environment expands. Another example is Mettrick’s Abattoir which, whilst processing under 1,000 units per annum, has seen an increase in numbers of beef cattle going through in the last 12 months and now has 50 staff all living within 10 miles of the shop. Mettrick’s plant services 178 farmers in 2019 and most animals travelled less than 30 miles, so they are slaughtered close to the point of production. During the inquiry oral evidence session, John Mettrick stated: *“My brother and I run a small abattoir in Derbyshire serving our own two retail shops and many farmers who either retail their own meat or supply us with animals to slaughter. In total we employ 50 members of staff and add value to the meat for our customers by butchering and packing, curing meat and producing other speciality products.”* The FSA stated that *“we can confirm there are sustainable and viable small abattoirs with business models based on a strong food safety and animal welfare culture, a high degree of professionalism and a willingness to adapt to change.”*

7.10 Provision of abattoirs has now become a real concern not just limited to the U.K. In Poland, the Polish Minister of Agriculture and Rural Development announced in October 2019 that the Government would fund small slaughterhouses on farms having recognised that thousands of small processing plants in Poland had been forced into closure owing to the large scale processors and they now need to reverse that situation having seeing small processors as the “future economic strength of the Polish countryside.”⁴⁴ It costs a great deal more to start new abattoirs or re-open closed ones but this example in Poland reveals other countries are also recognising the

⁴⁴ <https://www.polsatnews.pl/wiadomosc/2019-09-29/ardanowski-jeszcze-w-tym-roku-male-ubojnie-dla-zwierzat-w-gospodarstwach/>

importance of small abattoirs to their rural economies. They are not the only country to have recognised this, for example Australia and New Zealand are also looking at this issue.^{45 46}

7.11 The UK Government have recently set up an additional £35m Growth Funding scheme for rural businesses across the country to create new jobs, boost tourism, and unlock growth in rural areas with the commitment that the figure could be increased to £50 million if there are enough high-quality applications.⁴⁷ The Growth Funding scheme has, in the past, already granted £99m to rural businesses and demonstrates that Government recognises the importance of supporting the rural economy and accepts the principle of public money to do this. Schemes like this, however, are not easily accessible to small abattoirs as they provide only part-funding requiring some matched funding which many abattoirs have difficulty raising given their very low profitability. For example, an abattoir could request funding of around £20k towards the installation of a cold room at a total cost of £50k.

7.12 APGAW sees it as vital that small abattoirs are recognised as rural businesses and further closures of them are prevented to keep the current numbers we have now. As figure 9 shows the under 1,000 LSU abattoirs are in particular jeopardy as the rate of closure over the last 12 years has been high and their ability to apply for any existing scheme of financial support is very limited owing to their small size. Short term financial support could be required as those finding themselves in imminent jeopardy may require fast assistance whilst other measures are implemented in the long run to make them more sustainable. First, small operators need to be alerted to the Growth Funding scheme and

⁴⁵ <https://www.abc.net.au/radio/programs/am/rise-of-micro-abattoirs-as-large-concerns-refuse-small-orders/11260064>

⁴⁶ <https://www.aucklandcouncil.govt.nz/about-auckland-council/how-auckland-council-works/local-boards/all-local-boards/great-barrier-local-board/docsfeasibilitystudies/micro-abattoir-feasibility-study.pdf>

⁴⁷ <https://www.gov.uk/government/news/rural-businesses-to-benefit-from-35m-government-fund>

encouraged to apply if they can meet the entry criteria. Second, it would make sense for a small emergency fund to be set aside for any new regulatory requirements which may arise and a robust support mechanism for any small abattoir which finds itself at immediate risk of closure owing to a one-off capital cost. The £1.1m grant aid scheme in Wales for welfare friendly infrastructure and facilities in 2018⁴⁸ provides a good example of how this could be done. Within this they provided grants for the installation of CCTV, although it is worth noting that only a small number of businesses chose to access the scheme for this purpose. Installing compulsory CCTV in England is estimated to have cost small abattoirs between £5-10k on average and this is the kind of sum they might need to prevent closure. This emergency fund suggested above would be a short-term provision to prevent immediate closures and support development of viable business plans.

Recommendation

A short-term transitional fund for small abattoirs, until additional legislative provisions are enacted, should be put in place. This fund should not be used to rescue businesses without a structured development and business strategy. The fund would be administered by the relevant Government body.

The Government should make it explicit in the guidance to the Agriculture Bill Clause 1 Subsection 2(b) “The Secretary of State may also give financial assistance for or in connection with(b) supporting ancillary activities carried on, or to be carried on, by or for a producer.” can apply to the support of abattoirs.

Equipment and Technology

7.13 The capital costs of equipment needed to either increase efficiency or meet changing regulations are disproportionately high for small

⁴⁸ <https://gov.wales/ps11m-grant-aid-scheme-small-and-medium-size-slaughterhouses>

abattoirs, for example the aforementioned requirement to install CCTV, whilst a clear benefit for animal welfare, may have been a significant burdensome cost where profitability is very low. Evidence was provided from very small abattoirs slaughtering only one or two animals questioning the need for both the OV watching slaughter on site and for CCTV. Another recent requirement originating in legislation EC1099/2009 (Protection of Animals at Time of Killing); from December 2019, is to have electrical stunner recording equipment. It is an important requirement for animal welfare but is a capital cost of between £3-5k. Witnesses questioned whether an appropriate impact assessment had been made matching proportionate legal requirements to the scale of the business, whilst ensuring the protection of animal welfare in all circumstance. It was suggested that little thought appears to have been given to the application of technology to reduce costs which disproportionately affect small abattoirs. For example, the application of CCTV to enable remote antemortem inspection for animal welfare has been comprehensively rejected by the FSA in premises of all sizes, however the proposal may have some merit, providing the picture quality and angle were appropriate to the diagnostic requirements of the task. Evidence submitted suggested that the Royal College of Veterinary Surgeon consultation on telemedicine illustrates the opportunities of such technology which could be explored.

7.14 Case Study 1: Mull Slaughterhouse, Isle of Mull

In August 2019 the abattoir issued the warning that it was facing the threat of closure. It is a community owned business that aims to cover its costs and therefore unpredicted capital expenses such as broken chillers and building repairs means that it can quickly become unviable.

By December 2019 they needed to purchase the new equipment to monitor the stunners, the statutory change had nevertheless been anticipated since the legislation's publication 10 years previously. The cost of this was £5k which they could not afford. Mull employs 4 full time and one part-time members of staff and are working at full capacity with a waiting list. It deals with the small crofters/smallholders who are turned away from bigger places because of their small animal numbers. Without this abattoir the farmers will have to take animals to North Lanarkshire or similar distances of close to 5+ hours which many would see as unviable and would cease trading. Despite this demand, putting funds aside for capital works has not been possible. Fortunately, private funding was provided by a farming NGO as a one-off intervention preventing the closure for the time-being. Nonetheless it remains an example of where a small abattoir can be threatened with closure owing to statutory requirements (mandatory across the whole EU) for standards that necessitate even quite modest capital expenditure on new equipment.

7.15 Frank Langrish, a farmer based in East Sussex, set out his concerns during oral evidence that *"Our local abattoir has recently ceased killing pigs as some of the equipment required for processing pigs needed replacing. The capital costs of the equipment was so high that it was decided to cease killing pigs and reduce the days worked killing to 3 days"*

7.16 The right equipment and facilities can provide operational savings to small abattoirs. For example, inspection costs might be reduced by exploiting the option of cold carcass inspection. Cold carcass inspection is permitted but subject to adequate facilities. This may need chiller upgrades, associated offal storage and capital investment of approximately £20,000.⁴⁹ For an abattoir to offer

⁴⁹ John Mettrick personal communication

equine slaughter as a way of expanding its services as mentioned under 5.14, it would need to install equipment such as coating doors to dampen loud noises, rubber matting on the floor with grip rather than smooth concrete and individual lairage facilities that avoid mixing of species. Additionally, many cattle lines cannot be used to process horses because the carcass length is much greater and touches the floor and therefore that would also require investment. The majority of small abattoirs do not have any capital to upgrade facilities or equipment and will avoid doing so unless specifically required by legislation as described in 7.13.

7.17 Chapter 5 mentioned the use of Animal Welfare Officers and the fact that the cost and time implication of training an employee to be the AWO may inhibit small abattoir operators from appointing one. For small abattoirs to expand their services they may need to develop their skill set and undertake training. For example, whilst legally there are only two additional requirements specific for abattoirs to process equines, namely an equine Certificate of Competency and that no horse may be slaughtered in sight of another horse, welfare is very dependent on the skill of the operator in handling horses alongside species specific knowledge. Any moves by small abattoirs to provide equine slaughter would need investment to gain the sufficient competencies for slaughtering equines. Providing funding for small abattoir operators to invest in training and developing skills within their teams would help them to potentially extend their business viability as well as improve welfare standards.

Recommendation:

Providing slaughter options that enable shorter journey times from point of rearing to point of slaughter and which enable 'private kill'- thus the potential to process and add value close to the source of production – have clear benefits for movement of livestock, the

environment and the rural economy. Small abattoirs contributing to the public goods of animal welfare and environmental benefits should be recognised and eligible for capital payments in any future agricultural support framework. This would offset the disproportionate capital costs they face to improve facilities, equipment and technology – often in response to legislative requirements – and would help enable their financial sustainability.

Consideration needs to be made as to how small abattoirs could be supported to access training and development of skills that enable them to have AWO and offer a wider range of services such as equine slaughter.

Succession & Business Planning

7.18 From evidence discussed in earlier sections, it is clear that small abattoirs need to be connected to associated local added value production units to create a financially sustainable coherent business model, which satisfies the local needs of the primary producers. Failure of the latter may mean farmers choose to send animals elsewhere; failure of the former means they will be unlikely to be economically sustainable. The whole processing chain needs a level of integration to provide added value for all. There are different models which can do this, from co-operatives to less formal agreements where one local producer buys from other local producers to create a larger more viable offer that national retailers may be able to consider. At the moment small operators are often isolated and are not accessing advice and support. Those that are able to do so have been able to continue operating, have found savings and some have gone from just existing at break-even to establishing growing and profitable businesses.

7.19 Stakeholders have repeatedly informed the inquiry that the average age of operators is between 60-70 and they are struggling to attract

new talent to learn the skills required for the role. Operators have found themselves without the financial means or the ability to find workers to be able to bring in people to train beneath them to take over once they retire. A lack of succession planning has meant there has frequently been no-one to take over when the owner has retired.

7.20 Anecdotal evidence suggests that many small abattoirs operate on a day to day basis and have not had the opportunity to plan for how they will modernise their business or adapt to new market demands. As aforementioned, those that have modernised have proven it can work if such a plan is innovative and involves joined up thinking with wider stakeholders. As there is little profit in small abattoirs, without wider business plans taking into account the expanding opportunities to provide premium products, there has been little incentive for the next generation to want to continue operating them. Also, without highlighting the important role of small operators in a wider chain of sustainable food production and raising their profile in regard to valuable skills, it has meant little appetite from the younger generation to want to work in an industry which gets little public acknowledgement. This is leading to a loss of skills and heritage from the slaughter and meat processing profession.

7.21 Previous and existing work prompted and supported by The Prince's Countryside Fund and others has highlighted the importance of developing business skills, knowledge sharing, external expertise and local cooperative enterprise in maintaining sustainable local abattoirs⁵⁰. A knowledgeable manager with business skills can make substantial savings and during the course of the inquiry several examples were given where AIMS and National Craft Butchers had assisted abattoirs in danger of closing by identifying management areas such as opportunities to have more flexible arrangements with the OV or

overpayment on inspection charges where discounts have been incorrectly applied. A well informed manager can also develop a forward thinking business plan which provides a level of reassurance for sustainability when seeking financial support from Government or elsewhere. The inquiry heard how difficult it was to find experienced managers for small abattoirs and there was a general concern expressed over the difficulty in obtaining and retaining staff for low throughput abattoirs which often only operate one or two days a week. Paying adequate salaries and ensuring training to develop skills and making the role interesting are challenges to attracting and keeping good staff. A potential solution in some areas could be through taking a collaborative approach with staff sharing and those individuals potentially working on different sites on different days and a manager being available to deliver the slaughter service by pre-arrangement (rotas or bookings). This could be facilitated through a communication strategy both online and through hardcopy updates.

Recommendation

It is recommended that a formal "Abattoir Sector Group" is established with representatives to include; Official Veterinarians, operators, processors, appropriate NGOs, and regulators under an independent chair. The aim is to form constructive long-term partnerships, sustain an appropriately distributed network of abattoir services and share good practice as well as inform the Abattoir Strategy. This should be supported by Government and recognised as a key body with which to engage.

The Abattoir Sector Group should develop an outline business strategy for small abattoir operators including ideas around succession planning and utilisation of flexibility in the existing regulatory framework to help operators develop responsive and forward-

⁵⁰ <https://sustainablefoodtrust.org/wp-content/uploads/2013/04/Scottish-Islands-Abattoir-Project.pdf>

looking business plans. This should allow producers and processors to explore informal and formal cooperation to sustain their local abattoir, utilising existing sources of advice and share best practice from successful models.⁵¹

The creation of an online knowledge hub could provide operators with updates and information to help them continuously review their business plans and working models. Information from this hub needs to be sent once a year by hardcopy to operators. The FSA helpline should also be better utilised and promoted.

Consideration should be given to any potential to better shape apprenticeship and training opportunities to encourage careers in the abattoir environment by showing skill development and connecting it to wider agricultural careers.

Animal By Products

7.22 Waste disposal costs of Animal By Products (ABP) were often cited as a key concern for existing small abattoir operators. For those who have sought to start up a new abattoir it has been a significant impediment. The Orkney abattoir was paying £56,000 per annum for the disposal of waste which was a major factor in its lack of viability.⁵²

7.23 The inquiry received evidence of a case study:

Tresco Island, The Scilly Isles

Tresco Island is one of the five islands making up the Scilly Isles and whilst they do not currently have an abattoir they have been trying to get a small one set up for some time. The island has a number of SSSIs (Site of Special Scientific Interest) and important managed landscapes and livestock are used to effectively manage that land.

To get a cow to an abattoir they have to book a ferry for a two hour forty-five-minute journey across to the main Island port at St Marys. That ferry only runs from mid-March to October. From St Marys they are then shipped to Penzance where a haulier picks them up. Numbers of animals on each ferry are limited to two on each ferry. As these animals tend to have been born and reared on one farm they have to go into lairage for a period of time after the arrival by ferry to deal with the stress of being transported before they then go to the abattoir. The meat is then shipped back to Tresco or the other islands. There have been numerous plans to start a small abattoir but the problem has always been around the waste disposal. There have been conversations with the local authority about an anaerobic digester and incinerator as there is other waste requiring disposal such as medical waste but the capital costs of the type of system to meet their wider needs is unaffordable. As a result, there has been no growth in the rural economy since numbers of livestock cannot be increased. This is a good example of where the island's farmers wish to work cooperatively, they already have a strong market ready for their product and they have a project which is clearly strong on the environment, animal welfare and sustainability. All they need is some help around the infrastructure of the waste management.

7.24 Small abattoirs complained of having little or no choice as to which companies they use for ABP disposal. The waste disposal market has undergone much consolidation over recent years, with England having only two rendering companies operating. This limited number of companies dealing with the disposal of animal by-products raises some concerns about dominance and ensuring markets stay competitive and fair. At the time of writing, an ABP waste contract for a small throughput abattoir can cost

⁵¹ <https://www.uk.coop/agri/uks-agricultural-co-operative-sector>

⁵² <https://www.gov.scot/publications/assessing-viability-sustainability-mobile-abattoirs-scotland/pages/6/P22>

around £120 per tonne.⁵³ For large throughput abattoirs, waste costs per tonne can be much lower, around £60-80 owing to economics of scale.

Category	Animal by-products per Category (Summary; Non-exhaustive)
1	Animals suspected of being infected by a TSE Specified Risk Material (SRM) and entire bodies of dead animals containing SRM. Mixtures of Category 1 with either Category 2 or Category 3 material.
2	Animals and parts of animals, that die other than by being slaughtered for human consumption (eg. fallen stock), including animals killed to eradicate an epizootic disease. Mixtures of Category 2 with Category 3 material.
3	Animal by-products or parts of slaughtered animals, which are fit for human consumption in accordance with Community legislation but are not intended for human consumption for commercial reasons.

Figure 11: Animal By-Products

7.25 Both Category 1 and 2 ABP can be sold to rendering plants who can burn it to generate electricity or Cat 2 and 3 can be put into anaerobic digesters (although anaerobic digesters can only take a percentage of ABP so this has limited availability in areas with multiple abattoirs). Alternatively, Cat 1 and 2 waste can be rendered under high temperatures (thus removing the risk of Specific Risk Material), before being separated to harvest certain chemicals or oils which can be sold into industries making beauty or cleaning products.

7.26 Evidence the inquiry heard suggests that business proposals for small abattoirs do not prove viable without a modern plan to deal with waste as current costs for disposal are unsustainable. Both The Use of Animal By

Products report by the AHDB Beef and Lamb⁵⁴ and the WRAP Resource Maps for Fresh Meat Across Retail and Wholesale Supply Chains report⁵⁵ looked at the issue around thousands of tonnes of material being assigned unnecessarily to Categories 1 or 2, some of which could either attract a lower disposal cost as Category 3, or a financial benefit if a market can be found. Whilst some progress has been made since the publication of these reports, there remains scope for small abattoirs to ensure they reduce ABP in the Category 1 bin as much as possible. Nonetheless they still need to be able to safely and securely dispose of the remaining waste more cost effectively. The inquiry received evidence from providers of bio-secure incineration solutions approved by DEFRA that offer a low capacity incinerator which can be installed without planning permission⁵⁶ and which could provide a solution for some small operators. One company provided evidence that the capital cost for such an incinerator that can deal with ABP is between £9,500-£30,000.⁵⁷



Volkan 750 incinerator suitable for small abattoir use⁵⁸

⁵⁴ <https://beefandlamb.ahdb.org.uk/wp-content/uploads/2016/07/74318-5th-Quarter-Use-and-Flow-Final-Report-130514.pdf>

⁵⁵ https://www.wrap.org.uk/sites/files/wrap/RSC009-002_-_Meat_Resource_Map.pdf

⁵⁶ <https://www.wastespectrum.com/>

⁵⁷ *ibid*

⁵⁸ <https://www.wastespectrum.com/>

⁵³ <https://www.gov.uk/government/collections/guidance-for-the-animal-by-product-industry>

7.27 There is also the option of waste to energy for which Cat 2 and 3 ABP is sold to rendering plants who can burn it to generate electricity or use it in anaerobic digesters (AD). Small scale AD plants have little energy production, but such technology could be an option in strategic locations where farming cooperatives were developed bringing users together to share it potentially leading to increased payments from renewable energy subsidies.

7.28 Category 3 ABP can be processed as petfood to recover some costs and this has been a growing market. Animal bones can also be sold into the petfood industry or crushed and processed, although few businesses offer this. The more petfood produced in the UK for UK pets the better in regard to environmental impact and also supporting wider businesses within the country. Additionally, market trends have shown owners becoming more conscious of what they are feeding their pets.⁵⁹ Evidence was provided that a handful of small operators have found solutions to dealing with Cat 3 ABP through the creation of small petfood businesses which have increased their overall turnover. It requires the appropriate equipment and marketing support which has required capital.

7.29 In relation to reducing the amount of waste, the use of AD and the supply into the petfood market, small plants should collaborate more often, for example, to bulk up volumes of product suitable for the export trade or pet food supplies. Alongside this new technologies that protect the environment, derives energy from waste and increases profitability align with the Agritech Strategy⁶⁰ and this should be looked at by cooperatives to see what opportunities there are for technology that supports the way in which small producers operate that can be economically beneficial.

7.30 Historically, hides and fleeces were valuable elements of the 5th quarter but their value has collapsed in recent years. A few years ago small abattoirs were being paid £35.00 for cattle hides and £6.50 for sheep skins. At the time of writing this report there has been evidence submitted that there is no income for small abattoirs from hides and skins and they are having to pay for removal costs.



Mettricks Abattoir January 2020 throwing hides into skips

7.31 In the processing of the 5th quarter, there has been increased consolidation and vertical integration, with some large meat companies also acquiring the companies which buy and process animal skins, bones, and other inedible offal. Owing to the decline of certain processing facilities e.g. leather tanneries or wool mills, around 70-80% of the hides and fleeces are exported to Italy predominantly but also China, Poland and Turkey. This needs to be done in large quantities

⁵⁹ <https://store.mintel.com/uk-pet-food-market-report>

⁶⁰ <https://www.gov.uk/government/publications/agri-tech-industrial-strategy-evaluation-scoping-study-and-baseline>

which better suits the models of the big abattoirs processing larger numbers of animals.

7.32 As with the abattoirs, the tanning sector has seen a significant decline in processing capacity with little sheepskin processed in the UK and almost none of it domestically sourced. There is a significant issue of prevailing trends in fashion and attitudes towards animal products and this alongside the quest for cost-savings in key leather markets has led to a wider downturn in consumption of leather. Nonetheless, the inquiry received examples of innovation from small processors who had set up small businesses producing leather goods. This will not be practical for all, but consideration should be given as to how this industry could be rebuilt to capitalise on the benefits of UK produced livestock and leather. Integrated solutions with very short supply chains would be the ideal e.g. a small tannery integrated with an abattoir to serve a number of farms in a given area. There would be benefits for employment, the environment and provision of locally produced leather for craftsmen. Enabling private kill, quick processing and short journey times would be very attractive to UK tanners as customers of the leather industry are increasingly concerned about provenance, assurance of standards and the environment.

7.33 Evidence from Leather UK, the trade association, was submitted setting out that options do exist for sheepskin, around collagen, grease / lanolin and wool production that could see every skin utilised to avoid any going to landfill.

7.34 Large abattoirs have shown that it is possible to utilise a greater proportion of carcass and reduce waste with the appropriate equipment. The Use of Animal By-Products report had the following comments on ABP processing: *“the transformation that large abattoirs have undergone has benefited the industry environmentally and financially...These changes*

*need to be introduced in medium and smaller companies. These companies need more assistance and support as they normally are short on the necessary resources (cash, people, skills and space) to harvest, process, pack, chill and ship these products.”*⁶¹

Recommendation

The Competition and Markets Authority (CMA) should evaluate the waste collection market. It should ensure the current practices serve consumers fairly as well as ensuring that current workings are not unfairly out-competing small rural businesses and communities.

Funding waste disposal and re-usage technology within small abattoirs should be included in the Government’s criteria for capital payments under environmental schemes which is currently limited to farmers for technology, equipment and methods that deliver public good. This needs to be integrated with the government waste agenda, and with initiatives such as the Waste and Resources Action Programme (WRAP).⁶²

As the Agriculture Bill appears to give provision for potential funding for ancillary activities, stakeholders need to consider putting together a business case for integrated solutions to the use of hides. The Abattoir Sector Group with the help of Leather UK could set out a useable model.

Regulation

7.35 We received much evidence from small abattoir operators that the regulatory environment does not take into account the much smaller scale of their activities. It was felt the costs, both in infrastructure and time, of meeting the various regulations were making it extremely difficult to

⁶¹ <https://beefandlamb.ahdb.org.uk/wp-content/uploads/2016/07/74318-5th-Quarter-Use-and-Flow-Final-Report-130514.pdf> P57

⁶² <https://www.wrap.org.uk/>

continue operating and every time a new requirement was introduced it impacted small abattoirs far more than large ones. Appropriate regulation is essential to protect public health and animal welfare and it is not acceptable to create a two-tier system which might compromise public health, animal welfare and trade. Nonetheless, it was suggested that improvements could come from smarter application of the regulations, and increased flexibility where appropriate. The Official Controls Regulations⁶³ review will look at where existing areas of flexibility exist because, as was stated during oral evidence sessions, “a large number of small abattoirs are not maximising the current potential around flexibility.”⁶⁴ This needs to be explored through better communication, more input and advice from the FSA and knowledge sharing between all parties.

The Official Veterinarian

7.36 The role of Official Veterinarians (OV) within abattoirs includes compliance auditing and verification of standards, including Animal Welfare Compliance with The Welfare of Animals at the Time of Killing Regulations 2014; Regulation (EC) No 1099/2009, Food Safety Act, EU Hygiene package, TSE, Animal By-products and other relevant legislation. These are all highly critical to an effective system which seeks to prevent food-borne and livestock disease outbreaks and protect animal welfare. Whilst there may be a commonly held view that regulations requiring OVs in small abattoirs are a costly burden this is not strictly correct because since 2010 the FSA has discounted the charges for small abattoir by up to 90%.⁶⁵ The OV often does the job of the meat inspector as well in a small abattoir and charges £41.20 per hour. Meat Hygiene Inspectors are charged at £31.50 per hour, so there would not be a significant financial saving were OVs not required.

⁶³ <http://www.legislation.gov.uk/ukxi/2019/1488/made>

⁶⁴ APGAW oral evidence session 24/7/19

⁶⁵ <https://www.food.gov.uk/business-guidance/charges-for-official-controls-in-meat-premises>

There was also frustration expressed in evidence received that throughput was unpredictable for small abattoirs making it hard to effectively use OVs, without incurring unnecessary cost from OV down-time. There were calls for consideration to be given for greater flexibility in the contractual relationship.

7.37 Whilst small abattoirs are receiving substantial discounts on inspections, there are still ways of better managing the arrangement with the OV which need consideration and may save money. Mettrick Abattoir has an effective system in which on a Monday the OV does ante-mortem inspections on all the animals that have arrived in the morning then completes paper work and hygiene checks followed by post-mortem inspection in the afternoon, then ante mortem inspections on animals arriving for the next day's kill (this is allowed providing the animals are killed within 24 hours). The following day the OV comes in the afternoon for cold inspection of the mornings kill, followed by ante-mortem for the animals arriving for the next day's kill. This is a rolling programme from Monday to Wednesday. The factors that influence this arrangement are primarily the facilities (e.g. adequate cold storage), the throughput and the type of stock. Cold inspection can already be done under the regulations but there were several examples given to the inquiry where vets were refusing to do it. OVs should be directed to be flexible and to seek alternative ways of doing things so long as regulations are fully observed.

7.38 The inquiry received evidence that relationships with the OVs vary in that some are considered to be “heavy handed” with the smaller abattoirs and are accused by operators of “not using a common-sense approach.” The inquiry recognises that there is some frustration between OVs and operators. It was suggested by a number of stakeholders that many of the problems have been the result of the rapid turnover of staff who may have “limited experience of dealing with small

facilities” and “use the same approach they would with a large scale abattoir.” In evidence submitted, some operators found it can be difficult to build a working relationship with the OV as they move on frequently and one example was of an OV having changed 7-8 times in 18 months. OV salaries are on average £25-28,000 in England and Wales whereas in Northern Ireland and Scotland they are employed directly as civil servants and the salaries are around £40,000. Consequently, in Northern Ireland there is a lower turn-over of OVs and the vets tend to be from the local area. In England and Wales there has been many European vets taking on this role as it provides them with an immediate job upon entry into the UK, however, turnover is high as many will swiftly move into other veterinary roles. Evidence was received that small abattoirs can be challenging environments in which to work as an OV. For example, relationships between operators and OVs were sometimes reported as adversarial and this can result in the frequent movement of OVs between plants. Nonetheless, there have been few official complaints from abattoirs businesses about the conduct of OVs or meat hygiene inspectors. Over 18 months in 2017-18 only 12 complaints were made to the FSA, of which only four were upheld and 2 are ongoing.⁶⁶

7.39 The BVA feels *“there is an opportunity to cultivate positive engagement between food business operators and Official Veterinarians by emphasising the value that food business operators of any size can derive from the expertise of OVs. If harnessed positively, this expertise can help small sized businesses to thrive.”*

7.40 Case Study

Written evidence received from a vet shows how the OV can work with farmers at small abattoirs to improve welfare for animals throughout their lifespan:

“The animals that go through the two small abattoirs for which I am OV are all from local crofters who are my clients and with the evidence of ante- and post-mortem inspection I can provide feedback advice that can improve welfare. For instance, if there is active or historical fascioliasis I can advise them to review their fluke control or check for triclabendazole resistance; if there are *Cysticercus tenuicollis* cysts in their sheep I can advise them to give tapeworm treatment to their dogs etc. This feedback is lost with the increased scale of large abattoirs and the contracting out of OV supervision to two large organisations with no link to local veterinary practices.”

7.41 We have been advised that FSA guidance is being drafted for vets in small abattoirs to promote a flexible interpretation of procedures and regulations. This will go some way to tackling the problem, but more fundamental solutions may be needed. In New Zealand, there has been an industry-led move towards the professionalisation of OVs, to ensure that they are paid a professional salary and have progressive career structures recognising the value they add to New Zealand’s agricultural produce both in the domestic and international trading arena. In Scotland, Food Standards Scotland has recently returned OVs and MHIs into direct civil service employ with a clearer career development pathway. The aim is to improve retention as well as to make better use of staff to cover other statutory duties.

7.42 Our evidence suggested that more positive engagement between small abattoir operators and OVs should be cultivated. The pace and scale

⁶⁶ Response to written-question in House of Commons on 25.06.2018

of small, local abattoirs should help OV's to build communicative, personal relationships with food business operatives, which can be positive for animal welfare but OV's need to feel that they have a strategic role which is valued and recognised. Keeping OV's in position for longer and developing their expertise and relationships with operators could build more functional relationships with small abattoirs. The possibility of OV's covering groups of geographically located small abattoirs with rotating schedules and shared costs, enabling them to develop their knowledge and share best practice could be an option to improve working relationships and practices and we acknowledge that the FSA are exploring this potential.

Paperwork

743 Another regulatory issue raised concerned the paperwork for statutory reporting. Currently the paperwork is filled out by the farmer who completes four forms to go to the key Government bodies. The movements for cattle, sheep and pigs are recorded on three separate databases and the levy payment is then made by a fourth portal, on behalf of the farmers. Identification for the different species also has multiple different formats and only sheep ear tags are presently recordable with an electronic reader. Scotland is currently looking at EID tags for cattle and pigs. The small abattoirs have stated that there are often occasions when the farmers fill the form out incorrectly – for example the County Parish Holding (CPH) number is wrong or there is the wrong food chain information (FCI). This causes problems for the abattoir operator to be resolved before the animal can be processed. The view was expressed that the system is too bureaucratic and outdated and needs simplifying.

744 The Government's Livestock Information Programme (LIP)⁶⁷ co-designed with industry and meat processors, is to be commended. The core

function is identification and traceability. Small operators, farmers and abattoirs should be consulted at all stages, to ensure the system will be of benefit to their particular needs. Additional funding may be needed to add to the current system design to provide for the needs of small processors and one potential use is to clearly demonstrate provenance to consumers. There are opportunities here for an evidence based way in which the meat produced from small producers is differentiated very clearly.

Recommendation

A review into Official Veterinarians' job satisfaction and role in the wider food system should be fully assessed to allow these highly-qualified staff to best contribute, supporting the animals and businesses they serve, adding professional value to the role of OV's.

An initial review could consider how current technological or infrastructure measures can be used alongside OV's to lower costs, whilst maintaining standards.

More transparent and easily accessible food chain information would better allow those products with greater sustainability credentials to derive greater value, and would incentivise others to align with Government aims.

Government bodies should seek to consolidate all information relating to the movement and slaughter of livestock onto one portal, utilising the LIP, EID and both government and third party systems. Small operators should be consulted to ensure this platform works for them as well as the larger operators.

Wider Support

745 There has been little public funding available for small abattoirs with the exception of a £1.1m grant in Wales in 2018. There are examples where small grants from other sources have stopped the closure of small abattoirs such as the

⁶⁷ <https://ahdb.org.uk/LIP>

slaughterhouse and butchery service on the Scottish Isle of Mull which received £10,000 of financial support from the Prince's Countryside Fund (PCF) to pay for a necessary infrastructure upgrade. As an example of the benefits of this intervention, the closure would have required livestock to travel a further 145 miles by road and ferry to the Scotland's central belt.⁶⁸ This funding has given the abattoir time to assess its current running procedures, seek outside advice and change its business model making savings in OV costs and business rates which will make it more sustainable for the future.

746 There have been public grant opportunities accessible to large scale abattoirs in the form of general business development funds. Many large modern abattoirs were built or upgraded in the past with the benefit of substantial grants of 40% in some regions and up to 50% in the EU-designated disadvantaged regions of Wales and Cornwall. For example; the opening of a large abattoir in Merthyr Tydfil was built specifically to address job shortages caused by the closure of coal mines and steel works in a predominantly urban and previously industrial area in South Wales. It employs more than 1,000 workers and has the capacity to slaughter and butcher 2,400 cattle and 24,000 lambs a week. The Merthyr Tydfil abattoir was only recently re-equipped with the help of millions of pounds in public grants.

747 For small abattoirs the economic benefits to a local area can be indirect and less obvious than those for large facilities and some stakeholders felt they are less likely to be favourably viewed for planning applications, grants or other interventions.

748 There is an increasing interest in sustainable and ethical food procurement. Local farmers rearing animals on the land and taking them a few miles away to a local abattoir and finally the end

product being sold within a ten to twenty-mile radius will have a much lower impact on the environment. There should be some sort of recognition of this that makes it easy for consumers to understand they are buying a product which has a lower carbon footprint and supports their local economy and promotes the highest standards of accountability for welfare along the supply chain, farm to fork. Dartmoor Farmers Association scheme⁶⁹ members are required to meet certain requirements including that stock should travel the minimum number of miles to be slaughtered, that distribution should take into consideration the number of food miles generated and environmental impact of distribution and packaging and that farmers should aspire to develop renewable localised energy generation and shared disposal of waste. The inquiry commends Morrisons for their support of the scheme⁷⁰. Clear identification of locally produced meat like this would help consumers identify it instantly. Alongside this, technology for traceability, such as being developed for the LIP, should be utilised by producers, processors and retailers to showcase provenance via point of sale information that can be available electronically, including information related to abattoirs.

749 The Agriculture and Horticulture Development Board (AHDB) is a statutory board applicable to Great Britain and funded by a two part levy on each animal killed, a collection from the farmers and a collection from the processor. The slaughter element of that levy is currently: cattle £1.35; calves £0.08p; sheep £0.20; pigs £0.20.⁷¹ In Northern Ireland the Livestock and Meat Commission (LMC) sets the levy at £1.00 for cattle (with an additional voluntary levy of 0.30p to AgriSearch and 0.10p to AHWNI) and £0.20 for sheep (with an additional 0.05p to AgriSearch). The processor generally pays both parts of the levy by getting the farmer to pay their part when the animals come in for slaughter

⁶⁸ <https://www.princescountrysidefund.org.uk/who-we-are/latest-news/post/201-the-princeas-countryside-fund-pledges-financial-support-to-mull-abattoir>

⁶⁹ <https://www.dartmoorfarmers.co.uk/dartmoor-farmers-association/>
⁷⁰ <https://www.morrisons-farming.com/our-farmers/lamb/>
⁷¹ <http://beefandlamb.ahdb.org.uk/about/levy-rates/>

and then they add their part once processed. The purpose of the AHDB is to use the levy income to promote the industry both nationally and internationally. For a small abattoir the total cost depends on the amount of livestock coming through but evidence has shown operators paying an average of £7000-8000 per annum which they include in the slaughter charge to the farmer. Small producers are not opposed to paying the levy but it is an additional cost burden. Smaller processors also felt that their interests were not sufficiently promoted by AHDB. For example, the clear identification of provenance that supports locally produced meat. Hybu Cig Cymbru (HCC) Wales has demonstrated a good clear red meat marketing strategy with back up support.

Recommendation

Large retailers should seek to maximise the opportunities that a diversity of abattoir services could offer them in meeting sustainability and high welfare pledges to deliver more specialist products.

Producers, processors and retailers should be supported to showcase provenance as part of sustainability credentials. Clear identification for local meat produced within a certain limited carbon footprint and with high animal welfare standards should be developed through the LIS and supported by key stakeholders such as AHDB.

Local Authorities and Urbanisation

7.50 The inquiry heard cases where local authorities had taken back land for housing from an abattoir forcing it to close; where expansion and updating of buildings had been prevented by planning restrictions; and where urbanisation around abattoirs had meant the logistics for transport and unloading became impossible. Historically, some abattoirs were partly owned by local authorities, evidence that in the past it was

felt that abattoirs had some public benefit. Today, most municipal abattoirs have been sold off for buildings and other developments.

7.51 There are 38 Local Enterprise Partnerships (LEPs) in England which are business led partnerships between local authorities and local private sector business. There are equivalent bodies or partnerships in Wales (Growth Hubs), Scotland (Business Gateway) and Northern Ireland (InvestNI). They all play a role in determining local economic priorities and undertaking activities to drive economic growth and job creation, improve infrastructure and raise workforce skills within the local area. Economic forums covering rural affairs do look at the rural economy and strategies to drive it including developing tourism and natural heritage and the LEP Network have already touched on these areas in their Guide to Releasing the Potential of Your Rural Economy⁷² amongst other papers but there has been very limited consideration of the role of small abattoirs in this. The House of Lords Select Committee on the Rural Economy HL Paper 330⁷³ concluded that LEPs containing notable rural areas, with some few exceptions, were not working for many rural areas. The Committee found that it was clear that those who sit on LEPs are drawn predominately from the urban business community and concerned with urban business expansion and that they must adapt a rural economic strategy. Abattoir provision should be part of that strategy.

7.52 Local authorities could support abattoirs in a number of ways. Examples were provided in evidence to us where abattoirs struggled to get planning permission to add buildings to improve or adapt their facilities. There are planning laws which must be followed, however local authorities could provide more upfront advice and support. Where abattoirs are no longer in the right locations owing to development around them,

⁷² <https://www.lepnetwork.net/media/1846/releasing-the-potential-of-your-rural-economy.pdf>

⁷³ <https://publications.parliament.uk/pa/ld201719/ldselect/ldrurecon/330/33002.htm>

local authorities could play a role in facilitating a move to a better location by using the original site for new homes and finding more suitable land for the abattoir out of the residential areas. When councils are working on their local plans it would make sense for them to consider the location of abattoirs if relevant.

7.53 Case Study: Forge Farm Meats, Tunbridge Wells

Forge Farm Meats in Tunbridge Wells needs new buildings to install additional facilities and the FSA have told them they will have to install a powered line for the carcasses to travel along. To do this they need to enlarge the slaughter hall which the planning authority have turned down following a spend of around £20k so far on applications. Access is bad as it is on the outskirts of Tunbridge Wells, with new homes built right up to the edge. The inability to get planning permission and build the needed slaughterhall means their viability is questionable. The local authority working with the abattoir to find the right solution may have saved the owner some part of that £20k in failed planning applications. Discussions between the two parties could also be had around the location of the abattoir, future housing plans and whether it made sense to pursue expansion in the current location.

7.54 The National Planning Policy Framework sets out two areas which could relate to abattoirs; first it seeks to address potential barriers to investment, such as inadequate infrastructure and second, it states that planning policies and decisions should enable the sustainable growth and expansion of all types of business in rural areas, both through conversion of existing buildings and well-designed new buildings. Abattoirs should be recognised as essential infrastructure and as valued businesses. Although

they may employ relatively few people they are a vital link in enabling employment further along the food chain. We look forward to the Prince's Countryside Trust's work on the impact small abattoirs have on the rural economy to provide measurable evidence of their economical value.⁷⁴

7.55 The U.K. is unique in its planning policy protecting green belt which is rightly robust. Within the NPPF it states that "A local planning authority should regard the construction of new buildings as inappropriate in the Green Belt. Exceptions to this are: a) buildings for agriculture and forestry." Since small abattoirs need to be sited in areas close to farms and away from residential areas, consideration should be given to very small abattoirs processing under 1,000 LSUs and running alongside other farming and processing facilities being deemed agricultural. Small abattoirs as agricultural buildings could then also be added to the list of agricultural buildings exempt from business rates. A small abattoir will pay a £3-4000 per annum in business rates which could pay towards its capital repairs instead. In the event new small abattoirs are built, current building regulations classes them as "Sui Generis" and building control therefore, defaults to classifying them as "industrial", adding an unworkable extra cost for small abattoirs. There is a strong case for regarding small abattoirs as ancillary activities to farms.

7.56 The report has already touched on the need for support and consideration from the LEPS and other economic forums but additionally, local authorities can find other ways of helping small abattoirs through the wider support of local production. Hampshire County Council provides a good model to consider as they have a catering arm called HC3S.⁷⁵ The council works with suppliers to source bespoke and responsible products for their menus supplied to primary and secondary schools, local recreation facilities,

⁷⁴ <https://www.princescountrysidefund.org.uk/research/supply-chain>

⁷⁵ <https://www.hants.gov.uk/educationandlearning/hc3s>

coffee shops and cafes and even offering private catering. The focus is producing meals that have low food miles and are sourced as locally as possible. Small abattoirs produce local food, the Livestock Identification Programme can help make this very clear and therefore supporting their market through public procurement of the meat they produce is a very positive way of showing Government's commitment to farm to fork supporting high animal welfare with a low carbon footprint.

Recommendation

Government should consider low capacity abattoirs processing under 1,000 LSUs and running alongside other farming and processing activities being deemed agricultural buildings with respect to business rates and building control.

Government should ensure that public bodies and in particular, economic partnerships or forums see small abattoirs as essential infrastructure supporting the rural economy

Local government should seek to support local food production by procuring locally supplied meat where possible, including using the local abattoir network.

Building regulations classifying in "Sui Generis" terms should be changed to regard small abattoirs as agricultural facilities

On-farm Slaughter and Mobile Abattoirs

7.57 In evidence provided to us by farmers, and in the opinion of veterinary opinion and animal welfare bodies, for optimal quality of animal welfare animals should be slaughtered as close to possible to the place of rearing. For some farm systems, where for example animals have spent their entire life on one farm, slaughter would ideally be on the farm. A number of countries

within the EU as well as Canada, New Zealand and America currently have mobile abattoirs successfully operating within tight regulatory regimes.

7.58 The inquiry was made aware of a small producer group in Gloucestershire currently looking at the practicalities, regulations and financial viability of establishing a mobile abattoir. It would be a farmer-owned cooperative operating within a 30-mile radius and would consist of two trailers pulled by agricultural tractors, one being the slaughter trailer and the second being the processing trailer, with chiller unit. The farmers would need to have their own holding and killing pens, hard-standing, waste disposal and washing facilities. Given the need to factor in the time required for transport between farms, setting up and cleaning and disinfection, the cost per animals may be high and considerably higher than in static abattoirs. It is difficult to see mobile abattoirs could be economically viable without subsidies, except possibly for very high-end production.

7.59 The FAWC report into the Welfare of Animals in Transport recommended further research into the feasibility of the economics, design and use of mobile slaughter facilities so as to reduce the need to transport animals over long distances particularly with regard to sea crossings which reinforces the view that they may have a role to play in the provision of abattoirs across the U.K.

7.60 In Scotland, which has large areas with no abattoir, the Scottish Government has recently published a report on the utility of mobile abattoirs by providing research into all aspects of what would be required, what other countries have done and whether mobile abattoirs would have an impact on the viability of existing processing facilities and supply chains.⁷⁶

7.61 One way of using mobile abattoirs is to set them up for several days in locations such as

⁷⁶ <https://www.gov.scot/publications/assessing-viability-sustainability-mobile-abattoirs-scotland/pages/6/>

regional markets. Such markets are already familiar with ABP legislation and competent authority supervision. This was considered in the Scottish inquiry into mobile abattoirs in which an online survey reported that out of 604 respondents, 488 cited that a third-party location was most favoured which meant a location like a market close to them where it would remain for a certain period and they could get to it.⁷⁷ This would still involve limited transportation which with its loading and unloading would have a welfare impact.

762 The Scottish report identified that whilst there was significant support for mobile abattoirs amongst stakeholders,⁷⁸ concerns were expressed that support for mobile abattoirs could result in the diversion of funding which could be supporting existing small abattoirs. This would need to be carefully planned to complement rather than compete with the existing network of low capacity and small abattoirs.

Recommendations

If mobile abattoirs can provide robust business plans, can demonstrate need and that there is no impact on existing abattoir businesses, as well as demonstrate that they can meet current legislative requirements in terms of animal welfare and food hygiene consideration should be given to including them under all of the proposals suggested for small abattoirs.

So as not to undermine existing networks of small abattoirs, mobile abattoirs should only be considered in areas with insufficient provision for private kill and short journey times.

⁷⁷ <https://www.gov.scot/publications/assessing-viability-sustainability-mobile-abattoirs-scotland/pages/6/> P21

⁷⁸ <https://www.gov.scot/publications/assessing-viability-sustainability-mobile-abattoirs-scotland/pages/6/> P4

Chapter 8: Conclusion

8.1 The profitability of abattoirs of all sizes is low and the market has changed in many complex ways. Small abattoirs are the main providers of the private kill model which is used by farmers linked to locally produced meat and rare and native breeds. Loss of this provision will be detrimental for the communities who live and work in rural areas, for animal welfare and for the rural economy.

8.2 Large-scale abattoirs enable large volumes of livestock to be processed in a very short time scale, excellent for supermarket turnover and trade, however this should be balanced with smaller facilities which provide for specific needs. Post Brexit it is unlikely we will be producing commodities that compete on the world market in terms of low cost, like the United States and Australia. There is a future for a section of British livestock farming in low-volume, high-value niche products that will play a part in enabling the economic sustainability of rural livestock farming.

8.3 The majority of evidence received during this inquiry was from farmers and meat producers who were at critical points in their businesses where they were unsure if they would or could continue. Abattoir communities, by working together, forming communication groups and possible co-operatives can look to provide sector sustainability and stability. Government can provide initial financial support, emphasise the vital service small abattoirs provide for farming and integrate small abattoirs into the agricultural, environmental and food strategies.

8.4 During this piece of work, members of the inquiry were impressed by the engagement of stakeholders and the commitment to raise awareness of the decline in abattoirs. It is hoped that this report helps in some way to bring Government together with the stakeholders to

support small abattoirs firstly with access to the capital needed to modernise and then to facilitate the development of business models that enable their sustainability. The inquiry members feel optimistic that Government recognises the huge value of small processors and that these processors are a fundamental part of a national vision to establish a greener, more economically and environmentally sustainable, prosperous farming economy that provides employment and skills as well as an end product that is valued both nationally and internationally. Above all they make a significant contribution to our food security.

With that in mind we look forward to the response from those leading the way in shaping the future for UK agriculture.

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Politicians

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Lord de Mauley

Baroness Mallalieu

Former MP Angela Smith

Former MP Ruth George

Giles Watling MP

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