

DRAFT REGULATORY IMPACT ASSESSMENT

Preferred option summary

The following table presents a summary of the costs and benefits for the preferred proposal as a whole. The table has been designed to present the information required under Standing Order 26.6 (viii) and (ix).

<i>Restrict the placement of high fat, sugar, and salt (HFSS) products that sit within the PHE programme categories and are of most concern for obesity at locations that encourage purchasing</i>		
Preferred option: Option 2 : End placement of products which score 'less healthy' by Nutrient Profile Model 2004(NPM), which are included within Public Health England's Sugar Reduction Programme, Calorie Reduction Programme and Soft Drink Industry Levy (SDIL) and, are of most concern for childhood obesity (streamlined list), at store entrances, checkouts and end-of-aisles in the retail sector.		
Stage: Draft - Consultation	Appraisal period: 2022 - 2047	Price base year: 2022
Total Cost Total: £667m Present value: £433m	Total Benefits Total: £5,683m Present value: £4,506m	Net Present Value (NPV): £4,073m

Administrative cost

Costs: Trading Standards officers from 22 Local Authorities will need 3 hours of time to become familiar with the regulation and products to which it applies. We assume a small transitional cost and ongoing revenue costs to ensure regulations continue to be observed. It is assumed that Retail Outlets are visited every 3.5 years. 15 minutes of the visit is assumed to be spent reviewing adherence to these regulations.			
Transitional: £3k	Recurrent: £12k	Total: £0.3m	PV: £0.2m
Cost-savings: NA			
Transitional: £	Recurrent: £	Total: £	PV: £
Net administrative cost: PV £0.2m			

Compliance costs

Transitional compliance costs will be incurred by Retailers. These costs will comprise the time to get familiar with the new regulations, make assessments of which products will be in scope and communicating this information with staff. There will also be more significant costs associated with store planning as well as changes to IT systems.

Familiarisation costs assume 3 Manager hr x Avg Hourly Rate x No. of Outlets for micro & small businesses. Large & Medium business take 15 hrs at HQ for familiarisation and 1 Manager Hr to communicate to each outlet.

Product Assessment costs assume 30mins x Avg Hourly Rate x No of products. Large & Medium Business – 4950 products, Small & Micro - 300

Distributing information to stores 1hr x Avg Hourly Rate x No of stores

Reorganisation of stores to replace HFSS items located in restricted locations is split between Planning and Re-Arranging. Planning costs are £0.75k for medium sized store and £4.5k for large sized stores (>3000sq. ft.). Re-arranging costs are assumed to be £275 per store.

IT Costs for making changes to Online Offerings assume 25 days x Avg Hourly rate x No of businesses.

Going forward there will be ongoing costs associated with assessing new or reformulated products.

Product Assessment costs assume products will be assessed every 2 years and results will be shared with the business. It will take 1h.

Transitional: £5.6m

Recurrent: 56k

Total: £7.5m

PV: £6.7m

Other costs

Retailers are expected to place products at locations which will maximise profits. Consequently, any restriction on their ability to do this is expected to reduce profit. DHSC have developed a methodology to assess the impact on retail sales & profits at checkout, end-of-aisle and store entrances. The impact is partially offset by increased sales of other products in these premium locations and increased sales of HFSS products from the aisles. Overall, retailers are likely to see sales revenues reduce by a net 3%. This will result in an annual net loss of £13m in profit in Wales.

HFSS Manufacturers who supply the Retailers will lose sales and therefore profits. This will be partially offset by gains for Non-HFSS Manufacturers. It assumes a net annual loss in profits of £5m for the manufacturers.

Transitional: £0

Recurrent: £21m

Total: £504m

PV:£326m

Unquantified costs and disbenefits

Reformulation: Manufacturers may reformulate products in order to promote them in restricted locations. The costs of reformulation could vary substantially from one product to another and have not been captured here.

Retailer/Manufacturer relationships: Commercial relationships between retailers and manufacturers can be complex and are beyond the scope of the calculations here.

Ingredient Suppliers: Lost profit for ingredient suppliers has not been monetised as it is a second order effect and it is possible that the impact could be caused by other factors.

Benefits

The expected NHS savings for Option 2 are estimated to be around £262m over the 25-year assessment period. Reduced morbidity would also result in reduced cost pressures to the NHS. There would be additional health benefits to the population from reinvesting these savings back into the NHS, these are estimated to be worth around £3,456m. Social care savings would amount to £294m and reduced premature mortality would be expected to deliver an additional £407m economic output through additional labour force participation.

Total: £5,549m

PV: £4,419m

Key evidence, assumptions and uncertainties

The main underlying evidence is from work done by the Childhood Obesity Team from the Department of Health and Social Care (DHSC) in developing Impact Assessments 13012¹ and 9561². The principal assumption is that the methodology and assumptions that this work is built upon for England are equally valid in Wales. It is assumed that the Welsh results can be extrapolated by applying a factor of 6%. This is based on the relative population and NHS budgets in England and Wales. The analysis is also based on the assumption that speciality businesses eg Chocolatiers are excluded from scope. As costs and benefits can be significantly influenced by a wide range of factors, consumers may adjust their consumption or purchasing behaviour in response to consuming fewer calories. The analysis is based on three scenarios that capture the range of response from zero compensation to 100% compensation. The central proposition is 40% compensation.

¹ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/770706/impact-assessment-restricting-checkout-end-of-aisle-and-store-entrance-sales-of-HFSS.pdf

²

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1003920/impact-assessment-restricting-checkout-end-of-aisle-and-store-entrance-sales-of-HFSS.pdf

Market Share and sales

The 'top ten' retailers account for 85% of Welsh grocery sales in the year ending 20/03/22. These market shares include the sales of some non-food and drink items such as health and beauty products. However, these are expected to be a reasonable reflection of shares within the food only market. In 2021, the Welsh food retail market is worth an estimated £6bn. This includes products bought both in store and online. The Pandemic has accelerated transformation of the food and grocery market with growth coming from discount stores and online offerings.²

Table 1: Wales Grocery Market Shares: 52 wks/e 20th March 2022³

Tesco	29.0%
Asda	15.2%
Morrisons	9.7%
Aldi	6.7%
Lidl	6.5%
Sainsbury's	6.2%
Bargain Stores	6.1%
Coop	4.4%
Iceland	3.1%
Waitrose	1.8%
M&S	2.6%
Independents & Symbols	1.6%
Internet	0.9%
Other outlets	6.2%
	100.0%

In order to calculate the number of stores in scope of the regulations, the sector has been split by the size of the businesses and size of store based on floor space. Table 2 & 3 shows the grocery retail sector split by size; micro (0-9 employees), small (10-49 employees), medium (50-249 employees) and large (over 250 employees), and by store size.

Table 2: Estimated number of Grocery Businesses in Wales by size and floor space⁴

	1-999 sq ft	1000-1999 sq ft	2000-3000 sq ft	>3000 sq ft	
Micro	1,011	667	360	-	2,039
Small	100	66	35	-	201
Medium	-	-	14	-	14
Large	-	-	-	8	8
Total	1,111	733	410	8	2,261

² <https://www.igd.com/articles/article-viewer/t/uk-food-and-grocery-market-to-grow-10-by-2022/i/26531>

³ Kantar Total Wales Grocery | Retailer Share and Growth | 52 w/e 20th March 2022

⁴ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1008423/impact-assessment-restricting-checkout-end-of-aisle-and-store-entrance-sales-of-HFSS.pdf

Table 3: Estimated number of Grocery Outlets in Wales by size and floor space

	6%	1-999 sq ft	1000-1999 sq ft	2000-3000 sq ft	>3000 sq ft	
Micro		1,150	590	223	-	1,963
Small		444	316	248	-	1,008
Medium		-	-	72	-	72
Large		360	329	94	515	1,298
Total		1,954	1,235	636	515	4,341

Introduction

The aim is to reduce overconsumption of HFSS products and also to encourage businesses to promote healthier products and to further incentivise reformulation.

Restricting the placement of HFSS food and drink products at key selling locations such as store entrances, checkouts and aisle ends in Wales is intended to:

- Reduce overconsumption of HFSS products likely to lead to excess calorie intake and, over time, weight gain while minimising the impact on food purchases that do not contribute to childhood obesity;
- Reduce pester power for parents and impulse purchases of HFSS products resulting from placement at prominent locations;
- Shift the balance of promotions towards healthier options and maximise the availability of healthier products that are offered on promotion, to make it easier for parents to make healthier choices when shopping for their families;
- Assist the wider childhood obesity strategy to reduce circumstances currently contributing to the obesogenic environment;
- Create a level playing field in which businesses that have voluntarily made progress are no longer penalised.

Options

Option 0 – Business as Usual (BAU)

This is the business-as-usual scenario against which all other options are compared. Option 0 assumes no changes in age-specific rates of overweight and obesity, but does assume that the average BMI of cohorts of individuals increases over time as they age. This increase in average BMI has been based on modelled estimates of current experiences. Under the do-nothing scenario, several supermarkets would continue to voluntarily limit the sales of certain HFSS products at checkouts, and those not currently restricting sales would be expected to continue doing so.

Other policies already in place like the voluntary sugar reduction programme and the SDIL will continue to incentivise businesses to reformulate their products to reduce sugar.

Due to the considerable number of uncertainties which would need to be considered, the do-nothing scenario in this IA does not attempt to quantify the future impact of the policies already announced or any other possible future actions by government.

Option 1 – End placement of products, in defined areas, which score ‘less healthy’ by NPM and which are included within Public Health England’s Sugar Reduction Programme, Calorie Reduction Programme and Soft Drink Industry Levy (SDIL)

Under Option 1, retailers would be prevented from placing HFSS food and drink products at store entrances, checkouts and end-of-aisles.

HFSS foods within the above categories in scope would be defined using the 2004/05 Nutrient Profile Model (NPM) (see Annex A for more details).

A list of the product categories included in this option can be found in Annex B.

Specialist retailers who only sell a specific type of HFSS product that is within the categories in scope (e.g. sweets) would be excluded from the location restrictions, as it would be impractical for them to implement this policy and would likely lead to unmanageable disruption to their business.

Product placement in the out of home sector would be excluded. There are a number of practical barriers to this being applied in out of home food outlets. Firstly, as food in the out of home sector tends to be unpackaged, there would be practical challenges with calculating the NPM score of products, due to the lack of nutritional information on pack. Also, out of home food outlets do not have multiple aisles where they could move the items to, as food retailers do. For these reasons out of home food outlets were excluded.

Option 2 – End placement of products in defined areas which score ‘less healthy’ by NPM, which are included within Public Health England’s Sugar Reduction Programme, Calorie Reduction Programme and Soft Drink Industry Levy (SDIL) and, are of most concern for childhood obesity (streamlined list)

The same exclusions discussed above for Option 1 would also apply to Option 2.

Under Option 2, retailers would be prevented from placing HFSS food and drink products which contribute significant sugar and calories to children’s diets and are of most concern for childhood obesity, at store entrances, checkouts and end-of-aisles. A list of the product categories included in this option can be found in Annex B.

Using a streamlined list of products means the regulations are targeting the products that contribute significant sugar and calories to children’s diets, which reduces costs to business, and therefore represents a more proportionate approach.

Costs and benefits

The benefits of restricting promotions for HFSS products are expected to accrue through:

- A reduction in excess purchases and calorie consumption, with a consequent reduction in obesity prevalence;
- A reduction in obesity related morbidity and mortality, resulting in reduced costs for the NHS and an increase in economic output;
- A potential increase in consumption of healthier items, leading to further health benefits.

The main categories of costs to be considered are:

- Transition costs associated with assessing products and understanding the regulation;
- Loss in profit to retailers because of reduced sales of HFSS food and drinks;
- Loss in profit to manufacturers of HFSS food and drinks because of reduced sales.

The magnitude of the costs and benefits could be significantly influenced by wider factors. It is possible, for example, that consumers might adjust their consumption or purchasing behaviour in response to consuming fewer calories. This type of behaviour change is a significant source of uncertainty in the analysis and could have a significant impact on the estimated net present value. As a result, we first estimate the costs and benefits of each option based on no compensation and then adjust these figures to create a central scenario based on an assumption of 40% compensation.

The figures presented are taken from the central estimates, which assume that compensating behaviour by consumers and industry means that 40% of the calories removed from people's diets are replaced.

The net present values of the options are assessed over a period of 25 years. This is much longer than the typical 10-year assessment period used in impact assessments. Ill health related to being overweight or obese tends to develop later in life. Therefore, a longer period than usual has been chosen to ensure the benefits of these regulations are captured in our analysis.

In Option 2, the central estimates of the total net present value of costs to government and industry are around £433m. This is compared to total benefits of around £4,506m. Over 25 years, expected costs to retailers include total transition costs of £5.7m and lost profit of approximately £254m. Over this period, manufacturers of HFSS products would also experience total lost profits of around £179m while manufacturers of non-HFSS products would see a gain in profit of £87m.

Impact Assessments

Option 1 – End placement of products, in defined areas, which score ‘less healthy’ by NPM and which are included within Public Health England’s Sugar Reduction Programme, Calorie Reduction Programme and Soft Drink Industry Levy (SDIL)

Table 2: Summary of costs and benefits – Option 1 (£m)

Group affected	Impact	Central Estimate (40% Compensation)
Retailers	Transition - Familiarisation	-0.12
	Transition - Product Assessment	-1.2
	Transition - Distributing Information	-0.13
	Transition - Sharing Information with staff	-0.10
	Transition - Store Planning & Adjustment	-4
	Transition - Changes to IT systems	-0.5
	Transition - Sharing Information with staff (online businesses)	0.0
	Ongoing - Product Assessment	-1
	Net lost profit	-285
Total retailer Impact		-292
HFSS Manufacturers	Net lost profit	-241
Total HFSS Manufacturer Impact		-241
Other Manufacturers	Gained Profit	81
Total Non HFSS Manufacturer Impact		81
Government	NHS Savings	262
	Social Care Savings	294
	Trading Standards - Enforcement	-0.05
Total Government Impact		557
Wider Society	Health Benefits	3464
	Economic Output	408
Total Wider Society Impact		3872
NPV		3977

The competition filter test	
Question	Answer yes or no
Q1: In the market(s) affected by the new regulation, does any firm have more than 10% market share?	No
Q2: In the market(s) affected by the new regulation, does any firm have more than 20% market share?	No
Q3: In the market(s) affected by the new regulation, do the largest three firms together have at least 50% market share?	No
Q4: Would the costs of the regulation affect some firms substantially more than others?	No
Q5: Is the regulation likely to affect the market structure, changing the number or size of firms?	No
Q6: Would the regulation lead to higher set-up costs for new or potential suppliers that existing suppliers do not have to meet?	No
Q7: Would the regulation lead to higher ongoing costs for new or potential suppliers that existing suppliers do not have to meet?	No
Q8: Is the sector characterised by rapid technological change?	No
Q9: Would the regulation restrict the ability of suppliers to choose the price, quality, range or location of their products?	Yes

The competition filter test conducted for this option indicates potential detrimental effects on suppliers in relation to the location available for their products. Further consideration will be paid to this and a full competitive assessment conducted if deemed necessary following the initial consultation.

Option 2 – End placement of products in defined areas which score ‘less healthy’ by NPM, which are included within Public Health England’s Sugar Reduction Programme, Calorie Reduction Programme and Soft Drink Industry Levy (SDIL) and, are of most concern for childhood obesity (streamline list)

Table 3: Summary of costs and benefits – Option 2 (£m)

Group affected	Impact	Central Estimate (40% Compensation)
Retailers	Transition - Familiarisation	-0.12
	Transition - Product Assessment	-1.2
	Transition - Distributing Information	-0.13
	Transition - Sharing Information with staff	-0.10
	Transition - Store Planning & Adjustment	-3.7
	Transition - Changes to IT systems	-0.5
	Transition - Sharing Information with staff (online businesses)	0.00
	Ongoing - Product Assessment	-1.04
	Net lost profit	-247
Total retailer Impact		-254
HFSS Manufacturers	Net lost profit	-179
Total HFSS Manufacturer Impact		-179
Other Manufacturers	Gained Profit	87
Total Non HFSS Manufacturer Impact		87
Government	NHS Savings	262
	Social Care Savings	294
	Trading Standards - Enforcement	-0.03
Total Government Impact		556
Wider Society	Health Benefits	3456
	Economic Output	407
Total Wider Society Impact		3863
NPV		4073

The competition filter test	
Question	Answer yes or no
Q1: In the market(s) affected by the new regulation, does any firm have more than 10% market share?	No
Q2: In the market(s) affected by the new regulation, does any firm have more than 20% market share?	No
Q3: In the market(s) affected by the new regulation, do the largest three firms together have at least 50% market share?	No
Q4: Would the costs of the regulation affect some firms substantially more than others?	No
Q5: Is the regulation likely to affect the market structure, changing the number or size of firms?	No
Q6: Would the regulation lead to higher set-up costs for new or potential suppliers that existing suppliers do not have to meet?	No
Q7: Would the regulation lead to higher ongoing costs for new or potential suppliers that existing suppliers do not have to meet?	No
Q8: Is the sector characterised by rapid technological change?	No
Q9: Would the regulation restrict the ability of suppliers to choose the price, quality, range or location of their products?	Yes

The competition filter test conducted for this option indicates potential detrimental effects on suppliers in relation to the location available for their products. Further consideration will be paid to this and a full competitive assessment conducted if deemed necessary following the initial consultation.

10. Post implementation review

A post implementation review should take place in 2026.

Annex A – HFSS Definition

1. There are several possible ways of assessing the nutritional content of food. For the purposes of this IA, it has been assumed that the healthiness of products will be defined using the Food Standards Agency's 2004/5 Nutrient Profiling Model (NPM)³.
2. The NPM was developed by the FSA to provide Ofcom, the broadcast regulator, with a tool to differentiate foods on the basis of their nutritional composition. Ofcom uses the outputs from the model to regulate the television advertising of foods to children.
3. It scores foods based on their nutritional content. The nutrients considered are split into two categories – A and C. The score for 'C' nutrients is subtracted from the score for 'A' nutrients to give the final score. A higher score indicates a more HFSS product.
4. 'A' nutrients consist of energy, saturated fat, total sugar and sodium. 'C' nutrients consist of fruit, vegetables and nut content, fibre and protein. Therefore, a food scoring highly on 'A' nutrients is not automatically classified as HFSS, only if it additionally scores little on 'C' nutrients.
5. Foods scoring 4 or more points, or drinks scoring 1 or more points, are classified as "less healthy". These 'less healthy' products provide the definition for HFSS products used here.
6. All food and drink are scored, there are no exemptions.

Calculations

7. There are three steps to working out the score: calculating 'A' points, calculating 'C' points and combining these into an overall score.

Calculating 'A' points

8. Total 'A' points are calculated by the following formula: (points for energy) + (points for saturated fat) + (points for sugars) + (points for sodium). The points for each nutrient are determined based on the amount of each per 100g of the food or drink, according to Table B.1 below.

³ <https://www.gov.uk/government/publications/the-nutrient-profiling-model>

Table B.1 Points scored by 'A' category nutrients per 100g

Points	Energy (kJ)	Sat Fat (g)	Total Sugar (g)	Sodium (mg)
0	≤335	≤1	≤4.5	≤90
1	>335	>1	>4.5	>90
2	>670	>2	>9.0	>180
3	>1005	>3	>13.5	>270
4	>1340	>4	>18.0	>360
5	>1675	>5	>22.5	>450
6	>2010	>6	>27.0	>540
7	>2345	>7	>31.0	>630
8	>2680	>8	>36.0	>720
9	>3015	>9	>40.0	>810
10	>3350	>10	>45.0	>900

9. A maximum of ten points can be awarded for each nutrient. Calculating 'C' points

10. Total 'C' points are calculated by the formula: (points for %fruit, veg and nut content) + (points for fibre [either NSP or AOAC]) + (points for protein). The points for each nutrient are determined based on the amount of each nutrient per 100g/percentage nutrient component of the food or drink, according to Table B.2 below.

Table B.2 Points scored by 'C' category nutrients per 100g

Points	Fruit, Veg and Nuts (%)	NSP Fibre ^a (g)	or AOAC Fibre ^a (g)	Protein ^b (g)
0	≤40	≤0.7	≤0.9	≤1.6
1	>40	>0.7	>0.9	>1.6
2	>60	>1.4	>1.9	>3.2
3	-	>2.1	>2.8	>4.8
4	-	>2.8	>3.7	>6.4
5	>80	>3.5	>4.7	>8.0

a NSP fibre information should be used if possible. However, if this is not available then AOAC fibre information should be used.

b If a food or drink scores 11 or more points for 'A' nutrients then it cannot score points for protein unless it also scores 5 points for fruit, vegetables and nuts.

11. A maximum of five points can be awarded for each nutrient/food component. Note the restrictions on points for protein.

Combining points into an overall score

12. Overall score for a food is dependent on how many 'A' points it scores and how many points for fruit, vegetables, and nuts it scores. There are three possible situations.

Less than 11 'A' points

13. If a food satisfies this criterion then the overall score is calculated as follows:

14. Total 'A' points minus total 'C' points = (energy + sat fat + sugars + sodium) – (fruit, vegetables, and nuts + fibre + protein)

11 or more 'A' points and 5 points for fruit, vegetables and nuts

15. If a food satisfies this criterion then the overall score is calculated as the above case.

11 or more 'A' points and less than 5 points for fruit, vegetables and nuts

16. If a food satisfies this criterion then the overall score is calculated as follows:

17. Total 'A' points minus points for fruit, vegetables and nuts and points for fibre = (energy + sat fat + sugars + sodium) – (fruit, veg and nuts + fibre)

18. Note that in this case foods are not allowed to score for protein.

Annex B - Product Categories in Scope for Consultation

Option 1

Soft drinks
Chocolate confectionery
Sugar confectionery
Cakes
Ice cream
Morning goods (pastries)
Puddings and dairy desserts
Sweet biscuits
Breakfast cereals
Yogurts
Milk based drinks with added sugar
Juice based drinks with added sugar
Pizza
Crisps and savoury snacks

Ready meals and meal centres (e.g. burgers, chicken nuggets, breaded chicken/fish)
Chips and potato products

Garlic bread
Pies and quiches

Savoury biscuits crackers and crispbreads
Cooking sauces and pastes
Table sauces and dressings
Processed meat products
Pasta /rice/ noodles with added ingredients and flavours
Prepared dips and composite salads as meal accompaniments
Egg products /dishes
Sweet spreads
Starters, smaller dishes, sides etc

Option 2

Soft drinks
Chocolate confectionery
Sugar confectionery
Cakes
Ice cream
Morning goods (pastries)
Puddings and dairy desserts
Sweet biscuits
Breakfast cereals
Yogurts
Milk based drinks with added sugar
Juice based drinks with added sugar
Pizza
Crisps and savoury snacks

Ready meals and meal centres (e.g. burgers, chicken nuggets, breaded chicken/fish)
Chips and potato products

Annex C – Products included in the Soft Drinks Industry Levy and the Calorie and Sugar Reduction Programmes

Soft Drinks Industry Levy

1. In 2016, the UK Government announced the introduction of the Soft Drinks Industry Levy to help reduce children's sugar intakes by encouraging manufacturers to reformulate their drinks. The levy came into effect on the 6th of April 2018.
2. A drink is liable for the Soft Drinks Industry Levy if it meets all of the following conditions:
 - It has had sugar added during production, or anything (other than fruit juice, vegetable juice and milk) that contains sugar, such as honey
 - It contains at least 5 grams (g) of sugar per 100 millilitres (ml) in its ready to drink or diluted form
 - It is either ready to drink, or to be drunk it must be diluted with water, mixed with crushed ice or processed to make crushed ice, mixed with carbon dioxide, or a combination of these
 - It is bottled, canned or otherwise packaged so it is ready to drink or be diluted
 - It has a content of 1.2% alcohol by volume (ABV) or less
3. A detailed list of what is classed as sugar for the purposes of the levy can be found in the guidance published by HM Revenue & Customs⁵.
4. The levy doesn't apply to drinks that are:
 - At least 75% milk
 - A milk replacement, like soya or almond milk
 - An alcohol replacement, like de-alcoholised beer or wine
 - Made with fruit juice or vegetable juice and don't have any other added sugar
 - Liquid drink flavouring that's added to food or drinks like coffee or cocktails
 - Infant formula, follow on formula or baby foods
 - Formulated food intended as a total diet replacement, or dietary food used for special medical purposes
5. Again, a more detailed explanation of the products excluded from the levy can be found in the guidance published by HM Revenue & Customs.

Calorie Reduction Programme

6. On average, both children and adults are consuming too many calories on a regular basis. Amongst the government's commitments in the *Childhood obesity: a plan for action* was for Public Health England to lead a structured and closely monitored programme to improve every day food and drink. As part of this Public Health England developed the calorie Reduction Programme to encourage manufacturers to revise and reformulate their products to lower the number of calories they contain.

⁵ <https://www.gov.uk/guidance/check-if-your-drink-is-liable-for-the-soft-drinks-industry-levy>

7. The list of product categories to be included within the calorie reduction programme will be confirmed after engagement with stakeholders. However, Public Health England have indicated that the following product categories will be included in the programme:

- Bread with additions (e.g. olives, cheese etc.)
- Crisps and savoury snacks
- Savoury biscuits, crackers and crispbreads
- Potato Products (e.g. chips, croquettes, mashed potato etc.)
- Sausages (raw and cooked) and sausage meat products, frankfurters, hotdogs and burgers
- Meat, fish and vegetarian pastry pies and other pastry products
- Cooking sauces and pastes
- Table sauces and dressings
- Pasta/ rice/ noodles with added ingredients and flavours
- Ready meals with carbohydrate accompaniment (potato, rice, noodles, pasta, etc.) – fish, meat and meat alternatives
- Meal centres without carbohydrate accompaniment (potato, rice, noodles, pasta, etc.) – fish, meat and meat alternatives
- Prepared dips and composite salads as meal accompaniments (e.g. coleslaw, potato salad, guacamole, salsa etc.)
- Pizza
- Egg products/ dishes (e.g. quiche)
- Food to go e.g. sandwiches boxed main meal salads etc.

These products have been included because they contribute significantly to children's calorie intakes and there is scope for substantial reformulation and/ or portion size reduction. A more detailed list of products and the reformulation targets can be found in the guidance published by Public Health England⁶.

Sugar Reduction Programme

9. A further commitment in the *Childhood obesity: a plan for action* was to launch a broad structured sugar reduction programme to remove sugar from everyday products. All groups of the population, particularly children, are consuming far too much sugar. This increases the risk of excess calorie consumption and weight gain, which, over time, can lead to obesity.
10. The sugar reduction programme challenges manufacturers to revise and reformulate their products to reduce the amount of sugar they contain. A list of product categories included in the programme is below:
- Breakfast cereals
 - Yoghurt and fromage frais
 - Biscuits
 - Cakes
 - Morning goods
 - Puddings
 - Ice cream
 - Sweet confectionary
 - Chocolate confectionary

⁶ <https://www.gov.uk/government/publications/calorie-reduction-the-scope-and-ambition-for-action>

- Sweet spreads
- Milk based drinks and fruit juices

These products have been included because they contribute significantly to children's sugar intakes. Again, a more detailed list of the products included in the scheme and the reformulation targets can be found in the guidance published by Public Health England⁷.

⁷ <https://www.gov.uk/government/collections/sugar-reduction>