

Fourth

Calorie Labelling Regulations 6 April 2022

Your guide to making the new requirements work for your business



Table of Contents

Introduction 4

Thought for food 5

The Information Era 6

The Fourth Recipe &Menu Engineering Solution 7

Immediate Consumption: 9

Does this apply to my business? 10

Understanding the requirements 11

Display the right way 13

Alternative menu 16

Need not apply 17

Planning meals and menus 18

Failure to comply 20

Summary 21

Introduction

For an industry that has already been encouraged to provide the nutritional value of meals on its menus as well as contending with the sugar tax on soft drinks, it is no real surprise it is now being told – rather than asked – to show customers the calories they are about to consume.

And while the aim of the legislation to reduce obesity by encouraging healthier options may be laudable, the timing, as the industry recovers from the devastating impact of the pandemic, could have been kinder.

Nevertheless, the Calorie Labelling Regulations will come into effect in England from 6 April. From that date, businesses with 250 employees or more, will be required to clearly display the energy content of food and drink that they sell for immediate consumption.

Straight away, the wording of the regulations leads to more questions than answers. Does it apply to my business? What does immediate consumption even mean? And how do you begin to work out the number of calories in a dish? In this guide, we will answer those questions – and many more – and provide information on the solutions we have available at Fourth to help your business comply with the Calorie Labelling Regulations.



Thought for food

The first question operators may ask about the new regulations is why are they being introduced at all?

There is already a voluntary scheme in place, which some operators have complied with. However, not enough have done so to satisfy authorities who believe providing consumers with this type of information will encourage them to make healthier dining choices. Ultimately, it is designed to persuade hospitality retailers to consider healthier ingredients and meal options when they design their menus.

According to the Health Survey for England, one in four adults and children are now categorised as obese. Restaurant and takeaway meals have been cited as a contributary factor to the overconsumption of calories because, on average, they contain twice as many calories as own-brand or manufactured-branded products.

The government also points to consumer demand for calorie labelling, with 80% of respondents to a Public Health England survey saying they believe menus should include the number of calories in food and drink.



"Hospitality businesses share the government's objectives in tackling obesity and improving public health, but at a time of huge economic uncertainty these new rules must strike a balance and be proportionate. Layering on new costs for businesses in a sector that has been hardest hit by the pandemic risks prolonging their recovery and business' ability to invest and create jobs."

Kate Nicholls, Chief Executive Officer, UKHospitality

The Information Era

While mandatory calorie labelling is new, in England at least, operators are getting used to being asked to provide additional nutritional and allergen information.

The biggest upheaval was probably the introduction of the EU Regulation on Food Information for Consumers (aka “FIR”) in 2014 and the requirement to indicate the presence of any of the “14 major substances or products causing food allergies or intolerances” in your restaurant.

In October 2021 the Introduction of ‘Natasha’s Law’ (The UK Food Information Amendment 2019) required food businesses to provide full ingredient lists and allergen labelling on foods pre-packaged for direct sale on the premises.

Meanwhile, UK shops have long been required to provide nutritional information on packaged food.

The likelihood is that Calorie Labelling will not be the last of the laws in this area. There is an opportunity for businesses to get ahead of the game by providing more nutritional information than is legally required, if this is what their customers want.



The Fourth Recipe & Menu Engineering Solution

Our highly developed solution can help you adhere to these new regulations by capturing energy content in calories per 100g and a wide range of other nutritional data points, all 14 FIR allergens and any number of other intolerances, for all of the ingredients you purchase.

The information is taken either directly from suppliers and manufacturers or from verified external sources.

The system then automatically calculates the resulting recipe-level nutritional values and any allergens or intolerances present, before extracting the data and publishing it on labels, printed menus and electronic displays. This means you not only comply with the new regulations, but are able to provide and present additional information to customers, with laser like accuracy.

The solution helps you:

- Plan and map out portion sizes, margins, costs and purchasing strategies in advance
- Achieve a 1-3% margin uplift and eliminate supplier overcharge by ordering from accurate data
- Gain total margin control with accurate cost calculation of recipes, menus and menu cycles
- Make menu and supplier changes seamlessly, with the click of a button
- Reduce the time and costs of updating menus and nutritional information by making changes that instantly update your website, apps, onsite tablets, POS and more
- Deploy data across your entire estate
- Understand your best and worst performing dishes with key business analytics
- Quickly and easily plan menu cycles that have the right variety at the right costs

elior

“We have relied on Fourth’s Recipe & Menu Engineering tool for a number of years, enabling us to plan and update our recipes both accurately and automatically. The solution is invaluable in making sure we are able to display the precise nutritional value of our recipes, identify all allergens and easily publish any changes. The Recipe and Menu Engineering solution is capable of handling the impending calorie labelling legislative changes, and we have been working collaboratively with Fourth and our suppliers to ensure we are ready for the changes.”

Ian Smith, Senior StarChef Product Manager, Elior UK

nec group

“As a fairly new customer to Fourth, we have been impressed with how Fourth’s inventory solution will confidently enable our business to adhere to the upcoming calorie legislation when it comes into force on 6 April. The recipe management functionality within the Adaco solution helps us plan our pricing, portion, margin and cost strategies, as well as quickly and easily calculate and publish the nutritional content in our recipes. Having this data readily available has been instrumental in helping us deliver the best experience for our customers.”

Jayne Taylor, Business Systems Control Manager, NEC Group

Immediate Consumption:

A DEFINITION

Essentially, the regulations apply to food that is either to be consumed on the premises on which it is sold, or takeaways that do not require any preparation by the customer before being consumed.



Does this apply to my business?

The regulations are targeted squarely at chain businesses. They apply to cafés, restaurants, pubs and takeaway food businesses with 250 employees or more. This also includes caterers, franchisees and food delivery firms. The legislation is specific to England only.



Understanding the requirements

With the regulations coming into force on 6 April 2022, it is now essential that hospitality businesses understand what is being asked of them, so they can make the necessary calculations and changes to menus.

The pubs, cafés and restaurants that the regulations apply to must display the following information:

- The **energy content** in kcal of the dish followed by the word 'kcal'
- The **size** of a single portion, or if provided for consumption by more than one person, the number of people served
- The **statement** 'adults need around 2,000 kcal a day'



Calorie Calculations

Obviously, you can't display the information if you don't have it, so obtaining accurate data has to be step number one for operators.

According to the Department for Health and Social Care, the information provided to customers should be based on one of the following:

- The manufacturer's analysis of the food
- A calculation from the known or average values of the ingredients used
- A calculation from generally established and accepted data

The regulations allow for a combination of the above methods across a menu, along with an accuracy margin of plus or minus 20%.

Many organisations believe laboratory analysis is the only way to get accurate data. However, this is costly and cumbersome to implement for every menu cycle.

With systems such as **Fourth's Recipe and Menu Engineering solution**, suppliers can enter the information directly into your system, making it easier for you to access and repurpose the required information efficiently and effectively.

The Fourth solution also enables operators to easily link calorie and other nutrient information provided by nationally-recognised databases such as McCance & Widdowson in the UK.



Display the right way

The regulations stipulate that the required information must be displayed at the **point of choice** for customers. This means on menus, menu boards or on online sites.

For businesses that sell food by phone or online – including third-party apps – the calorie information for each item must be made available to the customer both where the food is ordered and when it's delivered.

And there's no trying to bury the information at the back of the menu. It must be close to the price or description of the food in an easily visible, clearly legible and unobscured way.

The guidance does not go as far as specifying font size or colouring but it strongly implies that the importance of the information should not be diminished.

One way of achieving this, it suggests, is by using the same font, size and colour as the name of the corresponding item on the menu. Not doing so could well be a way to attract unwanted attention from officials.

The regulations do not require calorie information to be displayed on adverts or promotional materials such as posters or TV commercials.

For pre-packaged for direct sale foods, information may be presented on the packaging as an alternative.



Tech stacking: The power of combining Fourth and Vita Mojo

Say goodbye to complex menu management

Using Fourth is the most efficient way to calculate and manage your nutritional information, but you also need a great tool to update this information across your customer-facing menus and channels.

Manage calorie or allergen information on Fourth and then use Vita Mojo to seamlessly display this on your ordering channels and on third-party delivery platforms, without wasting time and energy to maintain and update manually. The deep integrations with delivery marketplaces mean that information from Fourth is pushed to multiple menus in a few clicks.

Calorie calculation: *let technology do the hard work for you*

A challenge for operators is calculating and maintaining accurate calories for more complex menu options like meal deals or dishes that take customisations. For example coffees with different milks, sizes, and syrup flavours, or a choice of meat or veg with a stir fry.

The beauty of combining Fourth and Vita Mojo is that you don't need to worry about calculating the calories for every potential combination of products on your menu.

By using the nutritional information provided by Fourth and the powerful engine on Vita Mojo, customers can see the accurate number of calories in their meal in real-time as they work through their meal or drinks options and customisations.

"Operators will need to think carefully not just about being compliant, but also about showcasing their products in the best light. A clever implementation of how calories are displayed can make the difference between an outstanding customer experience and a distinctly average one.

By integrating Fourth's Recipe and Menu Engineering system with Vita Mojo, you unlock a powerful end-to-end solution that covers every aspect of nutritional transparency. This enables operators to update information on calories, allergens and macronutrients across all of their online customer-facing menus, including click & collect, in-store kiosks, virtual brands and delivery marketplaces."

Rob Pendray,
Head of Product, Vita Mojo

Making a meal of it

Energy content must be published in kcals alongside portion size rather than a requirement to produce a weight measure.

This means items such as ice-cream can be measured by 'scoop' or by 'serving', or cakes and other desserts by 'slice'.

Sharing platters should specify how many calories are in a dish and how many people they are intended for.

EXAMPLES

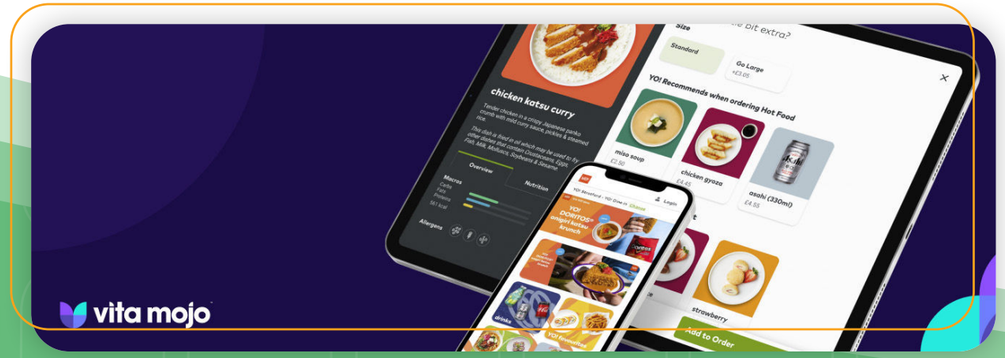
- Granola slice, 471 kcal per slice
- Meatballs 381 kcal for 3
- Nachos (serves 2-3) 1,341 kcal

Intake statement

The intake statement does not differentiate between men and women. Rather than suggesting that men, women or children have different daily calorific requirements, the regulations insist on the reproduction of the more simplified statement: '*Adults need around 2,000kcal a day*'.

THE STATEMENT MUST APPEAR:

- Where food is chosen from a menu (including online) once on every page, unless that page is for children only
- If on a menu board, in a position where it can be seen and read



Alternative menu

One of the concerns about the introduction of the legislation is that it may be problematic for people living with or at risk of developing an eating disorder.

With that in mind, operators may – but are not required to – produce a menu that does not show energy content.

However, they should not volunteer this unless it is specifically asked for by a customer. This should be stressed to staff and new starters and worked into any training plans and inductions.

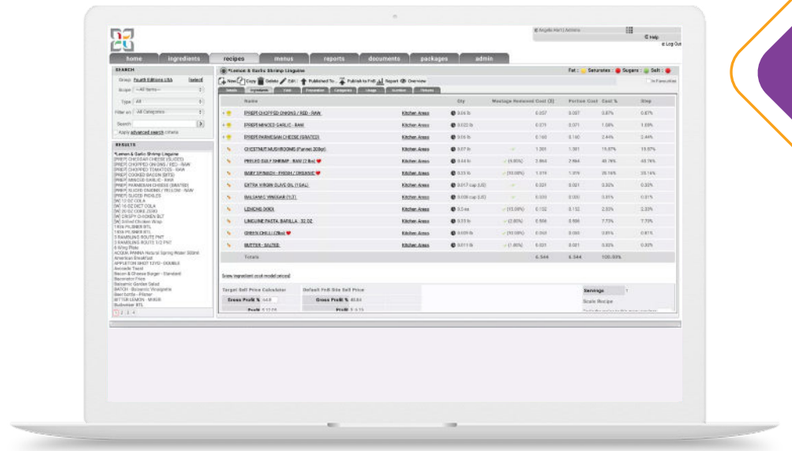


Need not apply

There are items that fall out of scope with the new regulations, meaning you aren't required by law to list the calorie content; although, it is up to you as a business whether you choose to list the calorie information for these items.

Exemptions from the regulations include:

- Condiments when added by the customer
- Short term menu items or 'specials' (on the menu less than 30 days)
- Items requested by the customer but not on the menu
- Alcoholic drinks with an ABV above 1.2%
- Takeaway fruit and vegetables, bread, fish, meat and cheese, where unprocessed and not part of another dish



Planning meals and menus

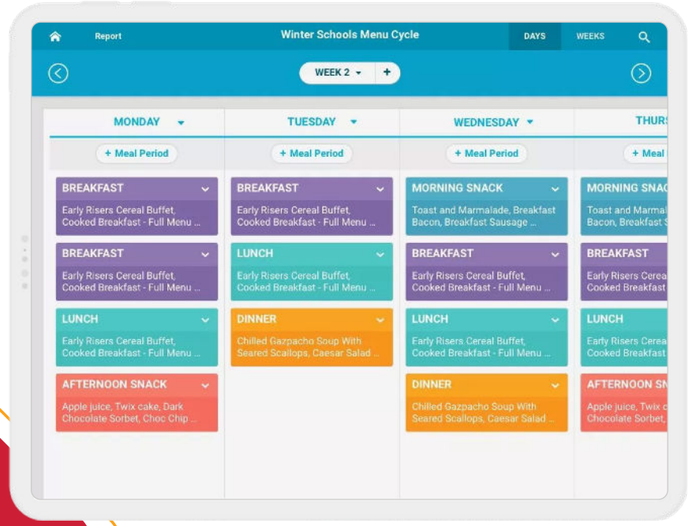
The publication of calories on menus may have the desired impact of encouraging operators to source healthier ingredients for healthier meals.

Fourth's Recipe and Menu Engineering solution can play a key role here. The software automatically calculates the nutritional value of your recipes from information entered manually, uploaded by suppliers or linked to nationally-recognised databases.

Full and varied menu cycles are easy to plan and build, using a weekly view that shows all the different meal periods for each day and the recipes allocated to each period.

Full menu cost, nutritional analysis and allergen information is available for any given day or week within the cycle.

With the right mix on your menus, the Fourth solution enables you to give customers clear information before and during their visit, enabling you to be transparent and regulation compliant.



Fourth + tenkites

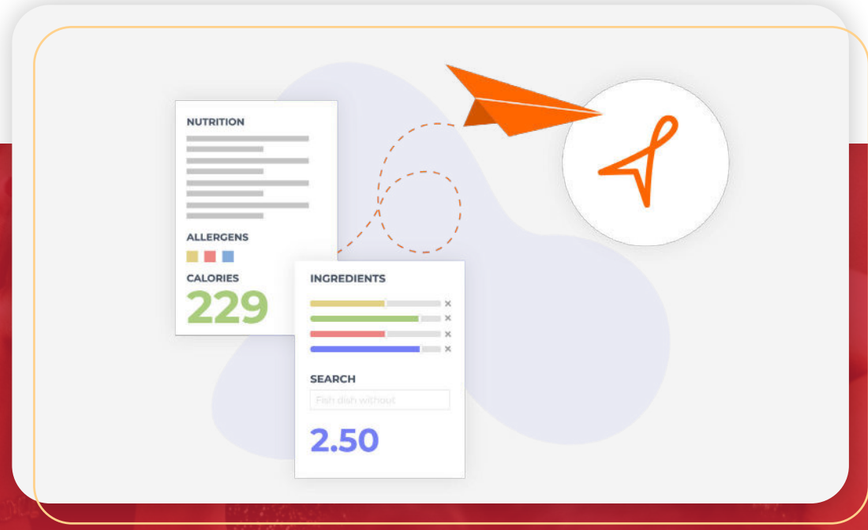
Tech stacking: Seamless compliance with Fourth and Ten Kites

The Fourth Recipe & Menu Engineering solution marries up perfectly with the Ten Kites solution to help operators automatically publish menus to websites, digital screens, kiosks, print, labelling, third party solution providers and any other places a menu needs to be displayed.

All menus published by Ten Kites not only comply with the upcoming Calorie Labelling Regulations, by displaying energy values in the required format, but also comply with existing legislation such as the Food Information Regulations (FIR) and the new Natasha's Law requirement that was introduced in October 2021.

Many of the most prominent restaurant and pub groups, including The Restaurant Group, Fullers, Stonegate Pub Group and The Big Table Group, have benefited from the close partnership that exists between Fourth and Ten Kites. Recipe and menu information entered into Fourth's RME system is imported into the Ten Kites platform before being published to any of the aforementioned customer touchpoints, thus ensuring menus are up-to-date, accurate and compliant wherever they appear.

Ten Kites has extensive experience in creating engaging, interactive, branded menu web pages for many of the largest restaurant groups in the UK. The pages developed by Ten Kites offer rich functionality that integrate seamlessly with a customer's website.



Failure to comply

It is anticipated that enforcement is likely to focus on the absence or the lack of prominence of information, rather than the accuracy of calculations.

However, operators will be expected to be able to show on demand, evidence of the calculations and data used to reach the energy values displayed.

The Fourth Recipe & Menu Engineering solution can help here by doing your calculations for you and keeping records of the sums.

Non-compliance can result in some serious consequences for operators:

- An ‘improvement notice’ giving 14 days to comply
- Civil penalties with fines of £2,500 per incident, reduced by 50% for early payment
- Criminal proceedings



Summary

When weighing up the costs of implementation and enforcement versus the health and social care savings, the Department for Health and Social Care estimates that the regulations will have a net £5.6bn benefit to the economy over the next 25 years.

If that proves to be accurate you can be almost certain there will be further measures in this area that hospitality businesses should consider preparing for.

Right now, there is plenty for operators to get on top of. Things worth thinking about include:

- **How you will obtain the calorie information you require and, if already supplied to you, how to check if this is accurate**
- **Which recipes this applies to and any exemptions you may have**
- **How you will manage the data and make any changes to ingredients, recipes, portion sizes, and menus on an ongoing basis**
- **The management of printing and displaying the information physically and online, using one of our partners such as Ten Kites**
- **Working with delivery partners, either directly or via integration with a digital ordering system like our partner Vita Mojo, to ensure they have and reproduce the same data that you have**

The introduction of any new regulations can be arduous and costly for businesses. However, they can also provide an opportunity to review everything you are currently doing in the kitchen.

Managing multiple kitchens and menus is a complicated business. Embracing technology streamlines the process, saving time and money. It makes it easier for you to make any adjustments within the business and keep on top of changes to legislation – ensuring you are compliant and in control.

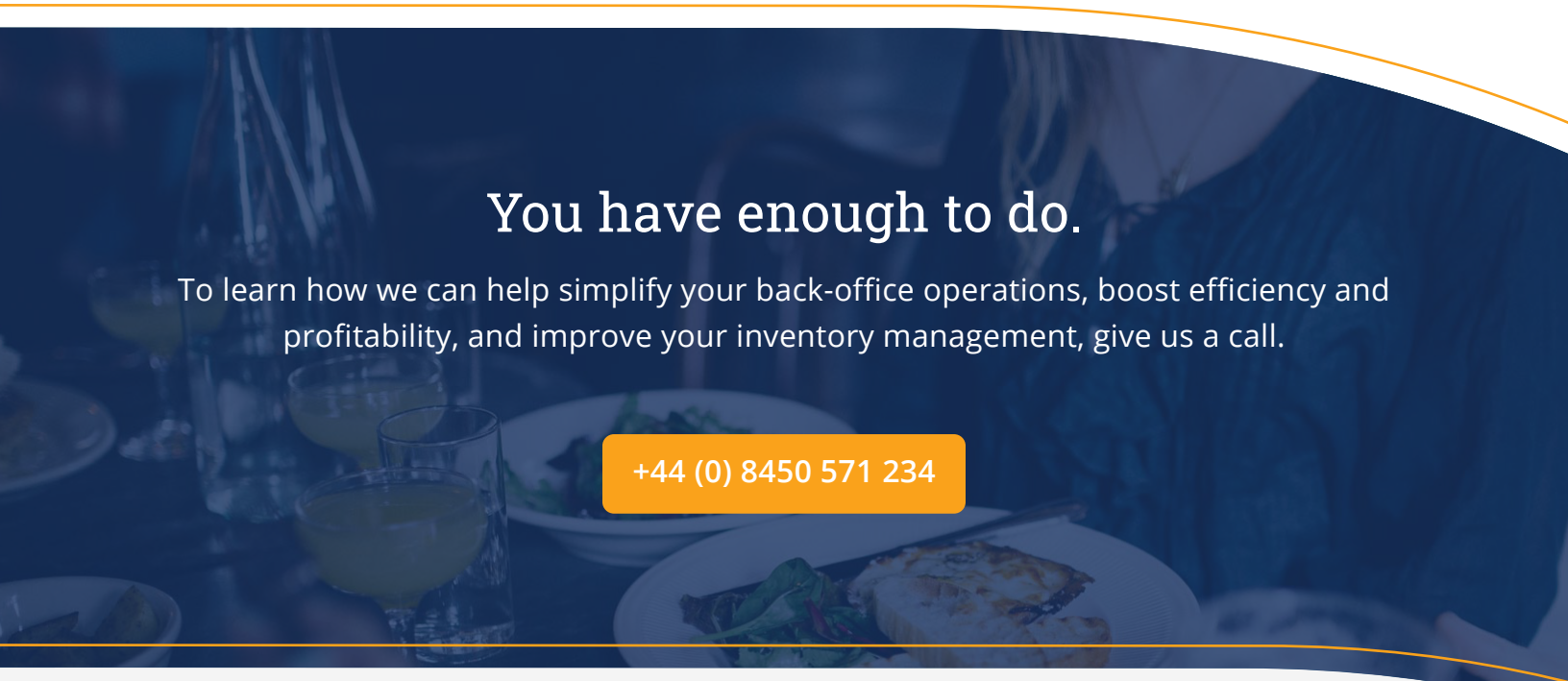
These notes have been produced to help illustrate how Fourth customers can implement compliance solutions in view of The Calorie Labelling (Out of Home Sector) (England) Regulations 2021. The notes should be read in conjunction with the Regulations themselves and the official implementation guidance provided by the Department of Health & Social Care. The text should not be taken as an authoritative statement or interpretation of the law. It is ultimately the responsibility of individual customers to ensure their compliance with the law.

About Fourth

Fourth provides end-to-end, best-in-class technology and services for the hospitality, leisure and retail industries. Its procurement, inventory, and workforce management solutions, coupled with a complete data and analytics suite, give businesses the actionable insights they need to control costs, scale profitability, improve employee engagement, and maintain compliance.

Since its merger with US-based HotSchedules, Fourth serves more than 7,000 customers across 120,000 locations globally.

Fourth works with multi-national companies across the hospitality, hotel, retail and leisure industries, including Leon, Burger King, Pizza Express, The Ivy, Soho House, Four Seasons, Corinthia Hotels, Travelodge, Jumeirah Hotels & Resorts, The Ritz, Selfridges, Holland & Barrett, TPRG, Fortnum & Mason, The Wentworth Club and Sodexo.



You have enough to do.

To learn how we can help simplify your back-office operations, boost efficiency and profitability, and improve your inventory management, give us a call.

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