

MINUTES OF THE MEETING OF THE FOOD STANDARDS SCOTLAND BOARD HELD ON 16 SEPTEMBER 2015 FROM 10.30 TO 15.40 AT PILGRIM HOUSE, ABERDEEN**Present:****FSS Board**

Ross Finnie, Chair
George Brechin
Marieke Dwarshuis
Heather Kelman
Carrie Ruxton
Sue Walker
Anne Maree Wallace
Louise Welsh

FSS Executive

Geoff Ogle, Chief Executive
Elspeth Macdonald, Deputy Chief Executive
Ian McWatt, Director of Operations
Peter Midgley, Director of Policy and Evidence
Karen McCallum-Smith, Head of Private Office
Hazel Stead, Board Secretary

1 Introduction and Apologies

- 1.1 The Chair welcomed everyone to the fourth Food Standards Scotland (FSS) Board meeting, although this was the third public meeting, as an inter-sessional Board meeting was held in private on 7 July 2015 due to the need to provide advice for Ministers on the Scientific Advisory Committee's (SACN) Report on Carbohydrates and Health before that report was published. The Chair confirmed that the minutes of this meeting would be published once they have been agreed by the Board.
- 1.2 There were no apologies for absence.
- 1.3 The Chair confirmed that Geoff would only be in attendance until the lunch break, as he had to travel to another engagement in the afternoon.

2 Minutes and Actions arising - 15/09/01 & 15/09/02

- 2.1 The minutes were accepted by the Board as an accurate record of the meeting held on 15 June 2015. There were no comments on the Board Meeting Action Log.
- 2.2 It was agreed that the Model Publication scheme was to be circulated for agreement after the meeting.

ACTION 2015/03: EXECUTIVE

- 2.3 The Chair asked the Board to approve the minutes of the meeting held on 7 July. A point was raised that the minutes did not reflect the significant challenge of achieving the recommendation that free sugars should account for no more than of 5% of daily dietary energy intake.
- 2.4 It was agreed that the minutes were to be amended to clarify the Board's concerns regarding the complex and challenging nature of achieving that recommendation.

ACTION 2015/04: EXECUTIVE**3 Chair's Report**

- 3.1 The Chair indicated that the first joint meeting of the NHS Health Scotland Board and the FSS Board held on 21 August was a success, especially the discussions on working together. The Chair asked the executive to draft a letter to the, Chair of NHS Health Scotland, regarding consideration of areas which were to be identified for collaboration and to further develop relationships between both Boards in future.

ACTION 2015/05 : EXECUTIVE

- 3.2 The Chair and the CE met the Minister for Public Health, Maureen Watt on 10 September to report on progress of establishing FSS. The Minister was very satisfied with progress made by FSS to date.
- 3.3 In discussion, the following point was made:
- (a) The Chair confirmed that Ministerial correspondence is being sent to and dealt with by FSS on matters that are appropriate to FSS's remit. The CE would raise any significant matters with the Chair, and Board members would also be kept informed as appropriate as they arise.

4 Chief Executive's Report – 15/09/03

- 4.1 The CE updated the Board on a number of current issues which had arisen since the CE Report was published.
- 4.2 On 10 September, Food Standards Agency (FSA) published the final results of the UK survey conducted between February 2014 and March 2015, which determined the levels of campylobacter found on fresh, whole shop-bought chickens. The CE highlighted the key results from this survey and confirmed campylobacter is a priority for FSS and that FSS continues to work with FSA on a UK-wide campylobacter programme. FSS is working together with other government departments and stakeholders to develop a strategy to reduce levels of campylobacter in the Scottish poultry food chain. FSS advice to consumers remains the same "*Our advice to consumers is that chicken is safe to eat as long as good kitchen practice is followed to help avoid cross-contamination, and chicken is cooked thoroughly until steaming hot all the way through*". The Board will be kept up to date on developments to tackle campylobacter going forward.
- 4.3 On 9 September, FSA discussed a paper at their Board meeting, dealing with controls relating to burgers served rare in catering establishments. The CE confirmed that FSS has not changed its policy on burgers served rare. The steps that businesses are required to take to protect consumers should be through thorough cooking in accordance with current Advisory Committee on the Microbiological Safety of Food (ACMSF) guidance or through a combination of controls verified by a food business operator (FBO) that will provide equivalent protection. This means that protective measures should not require consumer advice about additional risk as the FBO has a legal obligation to ensure the food is safe to eat. The current FSS view is that the use of consumer information about additional risk would represent a departure from current policy aimed at protecting consumers. Therefore, FSS does not consider such a change in policy to be in the best interest of consumers in Scotland at this time.
- 4.5 The Chair confirmed that on the basis that there was no change in the FSS policy position, he had agreed that the Board would not receive a paper unless any new or different scientific advice was available.
- 4.6 Following recent press coverage on deep fried Mars Bars, the CE clarified that he had not called for this product to be banned, but had commented with regard to the overall diet and nutrition perspective in Scotland. The CE had also taken part in a short interview with BBC Radio Scotland to discuss this issue.
- 4.7 The CE attended an introductory meeting to discuss various topics with senior staff at Asda. He was interested and impressed by their overall approach to risk management, and how they responded to the horsemeat incident, and how processes and systems have since been changed and improved.
- 4.8 The CE attended the World Seafood Congress and one of the breakout sessions covered the lessons learnt after horsemeat. It was noted how the food industry in non-meat sectors had significantly changed its approach to identification of risk, supply chains and risk management involving threat and vulnerability and critical control point analysis.

4.9 This week, the CE had undertaken visits to three abattoirs, which proved useful opportunities to engage with FSS's frontline operations staff. Some helpful and positive feedback was also provided by a FBO in relation to billing for meat hygiene charges.

4.10 In discussion, the following points were made:

- (a) If burgers are served rare in Scotland, would FSS take action? Under food law, there is a legal requirement on FBOs to ensure that food is safe. If food is not safe and the FBO had no Hazard Analysis Critical Control Point (HACCP) procedure in place, this could result in enforcement action being taken.
- (b) To raise the public profile of FSS, a number of media interviews are planned for the near future. The Chair indicated that the Board would appreciate a brief outline of the communication strategy at a future Board meeting.

ACTION 2015/06 : EXECUTIVE

5 Strategy and Policy Development – 15/09/04

5.1 The Chair invited Elspeth Macdonald to introduce this paper and the drafts of the Strategy and Strategic Plan. Elspeth explained that both documents had been developed further since the Board discussion in June and outlining how these have been mapped across the relevant Scottish Government's National Outcomes. This further demonstrates how the work of FSS contributes to the wider Scottish Government Purpose - *To focus Government and public services on creating a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth* - and also takes account of the Christie Commission recommendations.

5.2 Performance indicators will need to be developed in order to have a baseline to measure how work is progressing towards the strategic direction. Elspeth summarised consumer and stakeholder engagement opportunities which were planned to share progress with stakeholders, LA's and consumers.

5.3 In discussion on the draft strategy, the following points were made:

- (a) The number of strategic outcomes could be increased from five to six, relating to the quality of FSS's public services.
- (b) There are various definitions of "authentic" and "safe" and it would be helpful to clarify the meanings in the context of the Strategy.
- (c) FSS's diet and nutrition remit gives FSS a clear leadership role, and it is important to clearly reflect this.
- (d) It is important to set the Strategic Plan priorities in the broader context from the Strategy.
- (e) Development of FSS Regulatory strategy is on-going and developing in parallel with FSS strategy. It is important to align FSS's regulatory approach with the wider strategy, and to clearly articulate how FSS will carry out its regulatory functions. It is proposed that an outline draft regulatory strategy document is presented to the FSS Board for indicative approval in March 2016.
- (f) A short, one page executive summary highlighting key points at the start may be useful.

5.4 In discussion on the draft strategic plan, drew a number of key comments:

- (a) In each section, it should be demonstrated how these link to our strategic purpose and priorities.

- (b) More clearly demonstrate FSS's commitment to tackling inequalities and where we can make the greatest impact within our remit, whilst balancing the need for population-wide improvement.
- (c) On Outcome 3, the Strategic Plan could more clearly express the challenge in the scale and shift needed to make meaningful improvement on diet.
- (d) Should what we do now (i.e. business as usual), be included?
- (e) It would be useful to include work around organisational development
- (f) Agree that the Plan needs to include the 'success factors' that will allow us to see if the activities are delivering towards the desired outcomes, and metrics could be included that will demonstrate how and when goals are achieved.
- (g) In terms of prioritising new activities alongside what we do now, it may be necessary to identify what needs to stop/start/continue.

The Board:

- **agreed** the proposed five strategic priority outcomes
- **agreed** the mapping of FSS outcomes to Scottish Government National Outcomes
- **agreed** the timing for the Board sign-off of the FSS Strategy to 2021 and FSS Strategic Plan from 2016-2019 to be March 2016

6 Animal Feed Review in Scotland – 15/09/06

6.1 The Chair invited Jacqui Angus to present this paper. Jacqui provided an introduction and explained the purpose of the review, why it was necessary, and explained that a different model of delivery for feed official controls is required and earned recognition is to be extended beyond primary production in Scotland.

6.2 In discussion, the following points were made:

- (a) The Chair asked about the financial assumptions that had been made. Ian McWatt confirmed that LA activities on animal feed are currently funded by £375,000 from FSS plus an element of a block grant. This figure would go towards funding the recommended option.
- (b) Scotland is behind the UK in implementing Animal Feed controls and if infringed, would bear these costs. The current level of delivery is not acceptable.
- (c) Concerns were raised whether there was sufficient visibility within SG and with Ministers given the substantial shift of budget from LAs. The CEO confirmed that during the programme to create FSS, Ministers had been presented with options for changes to current delivery models and feed was identified as one of those options. Further negotiations were needed with Society of Local Authority Chief Executives (SOLACE) and SG officials would also be kept informed and involved as necessary.

6.3 In summary, the proposed regional model – Option 3(b) is the preferred option as the most effective future delivery model, which could be achieved by April 2016, subject to agreement by all local authorities. It was noted that if this option cannot be delivered then the centralised model - Option 2(a) would be required. However it was highlighted that this would require legislation to be drafted and would not be in place until 2017.

The Board:

- **agreed** that a different model of delivery for feed official controls is required in Scotland

- **agreed** that Option 3b to be progressed and the Board would be updated in January 2016
- **agreed** that earned recognition beyond primary production shall be implemented in Scotland

7 Scudamore Update and Recommendations – 15/09/06

- 7.1 The Chair invited Peter Midgley to present this paper for discussion. Peter explained that Annex A demonstrates the progress which has been marked against the actions agreed between the FSA and SG in 2013 or against extended outcomes where FSS now considers them appropriate.
- 7.2 Peter advised that the nature and timings of recommendations varied considerably and that any assessment of overall progress would need to have regard to the context of the individual recommendations.
- 7.3 In summary of the discussion, the Board noted that:
- (a) It is encouraging to see the range and level of work undertaken, but it would be helpful to now clarify timescales for the work that is ongoing and yet to commence, especially on recommendations that could not commence until FSS came into existence.
 - (b) In future these recommendations will be absorbed into the routine business of FSS.
 - (c) It would be useful for the Board to consider what the indicators for overall progress on food authenticity should be.
 - (d) The importance of the export market to Scotland should be reflected as FSS's work on the Scudamore recommendations is important for maintaining and improving Scotland's food and drink reputation, as desire to access export markets can improve compliance standards.
 - (e) It is important to show that FSS supports industry in their efforts to ensure that food is safe for consumers, and good food safety contributes to the wider Government purpose. FSS needs to be alive to impacts in future due to pressures on regulatory and enforcement resources.

The Board:

- **noted** the progress to date
- **agreed** that the Chair will update Scottish Ministers
- **agreed** the Board's commitment to take forward to completion all recommendations within the remit of FSS
- **agreed** that an update on any issue affecting the integrity of work to be provided to the Board in 12 months' time and that in the interim period, papers provided to the Board on areas of work relevant to meeting Scudamore recommendations, should highlight their contribution to those aims.

8 Scottish Food Crime Unit – FSS 15/09/07

- 8.1 The Chair invited Ron McNaughton to the table to present this paper. Ron explained that the creation of the Scottish Food Crime Unit (SFCU) addresses a number of the recommendations in the Scudamore report.
- 8.2 Ron provided an overview of the remit, proposed organisational structure, analytical, intelligence, investigative and incident response capability required to deliver the functions of the unit. Ron explained the monitoring systems and key performance indicators which would be necessary to demonstrate how SFCU contributes to tackling food fraud. A number of key risks and issues have been identified, and Ron explained how these could be mitigated. Ron highlighted that collaboration would be key to success of the unit and new ways of working will be required.

8.3 In discussion, the following points were noted:

- (a) Crimestoppers could be used for the purposes of whistleblowing, and are independent and protect sources.
- (b) Prevention can be achieved by prediction, thinking ahead, and plans for mitigation.
- (c) SFCU will start small and grow once we have clearer sense of the scale required; staff will be balanced between intelligence and investigative resource.

The Board:

- **noted** that collaboration is key and will require new ways of working
- **noted** the progress that has been made with Police Scotland which improves our capability and information sharing
- **noted** the phased approach to recruitment of staff
- **agreed** the remit and organisational structure of the Scottish Food Crime Unit

9 Audit and Risk Committee

- 9.1 The Chair invited Sue Walker Audit and Risk Committee (ARC) Chair, to provide an oral update. At the first ARC meeting held on 11 August 2015, introductions were given by Scottish Government Internal Audit (who provide Internal Audit services) and by Audit Scotland (who provide external audit services).
- 9.2 The ARC was assured that work is progressing on a robust internal controls framework and a number of policies and processes are currently in place. A number of these have been adopted from FSA pending FSS developing its own systems and policies. SG Internal Audit are conducting an assurance mapping exercise to prioritise this work and identify any omissions.
- 9.3 The ARC discussed the FSS Internal Audit plan for 2015/16 which was set in place before the ARC was formed and were content with the plan and progress made to date.
- 9.4 The ARC was briefed on the Audit Scotland external audit plan. It was noted that the timing of submission of FSS Annual Report and Accounts to ARC and Board and timetable for laying in Parliament, was not yet agreed. It has subsequently be agreed that the ARC will receive the draft reports and accounts for scrutiny prior to these being submitted to the Board for approval. The timeline of agreeing the accounts with Audit Scotland is still under discussion.
- 9.5 The ARC discussed the Risk Register report an received an overview of the risk management processes in FSS. It was agreed that the ARC would receive the Corporate Risk Register and any Level 1 risks rated as Very High at each meeting. It was agreed that the Board should receive the Corporate Risk Register twice yearly for review.
- 9.6 One risk identified on the Level 1 Risk Register was rated "Very High" due to inadequate system controls that required a management intervention. This could cause incorrect financial and invoicing information in relation to meat hygiene charges. The ARC and Executive are satisfied that controls are now in place to mitigate the risk and the risk has been reduced.
- 9.7 The ARC was also briefed on the Official Controls Internal Audit process on Operations, this is required under European Union legislation and is carried out by FSA.
- 9.8 Training sessions on Meat Hygiene Charging, Budgeting and Financial controls are being arranged for the Board.

ACTION 2015/06: EXECUTIVE

9.9 The ARC was provided with oral reports on cases of fraud and health and safety, and a written report would be provided at future meetings.

10 Financial Performance Update 2015/16 Quarter 1 – FSS 15/09/08

10.1 The Chair confirmed that this report has been prepared and discussed with the Executive and the Chair prior to submission to the Board. The Chair noted that this is not necessarily the final format for presenting financial information to the Board. The report reflects the way in which FSA in Scotland presented financial information previously.

10.2 The Chair invited Garry Mournian to the table to present the financial performance update.

Garry outlined the purpose of the report and explained the figures provide a snapshot of financial performance of Quarter 1 2015/2016, but with more up to date information on how FSS intends to use its resources over the remainder of the financial year. The proposed frequency of financial accounting to the Board is quarterly.

10.3 Budget allocations are for a quarterly basis and reviewed and re-profiled as expenditure is committed. Garry envisaged that the Quarter 2 report would incorporate any additional changes, such as costs of the SFCU and also include variance analysis to provide the Board with information on how FSS's operational activities may change the budget spend throughout the financial year. Garry expressed his preference for the frequency of reporting the accounts to be quarterly as this fits in with the timeline of reporting accounts for Audit Scotland.

10.4 Garry moved onto explain Figure 1 and the allocation of programme funds and differences between committed budgets (i.e. bid for funds approved and the work has been formally commissioned) and uncommitted budgets (i.e. bid for funds placed but not yet contracted). From Figure 4 onwards, the budget is allocated against internal financial reporting categories. In future, the aim is to brigade budgets under strategic outcomes.

10.5 On Figure 1, the Chair wanted to know where the funds for SFCU unit will come from. Garry confirmed that now that the size and scale of the unit is known, funding will come from existing FSS unallocated budget and a cost centre is in place.

10.6 In discussion, the following points were noted:

- (a) An explanation on how in-year decisions will work in full financial year terms and impact on future years' budgets and would prefer that budgets are allocated to people in order to identify who has overspent.
- (b) On timing of financial reports, the Board would like to be assured that the executive are satisfied that they will receive financial data in good time in order to take appropriate action.
- (c) It was unclear to the Board as to how current uncommitted budget can be shown as an underspend at end of the financial year and the Board could not interpret the figures with the information presented.
- (d) The executive confirmed that from 1 April 2016, Branch Heads will be delegated individual budgets for each branch.
- (e) The FSS Board paper templates should be reviewed to include resource implications.
- (f) In future, the Board would expect performance and financial reporting to be included in the same report once the Strategic plan has been agreed.

10.7 The Board:

- **noted** this first financial report to the FSS Board
- **noted** the on-going development of the Financial Performance Report

11 Question and Answers

11.1 There were no members of the public remaining and the Chair closed the meeting.