

**MINUTES OF THE MEETING OF THE FOOD STANDARDS SCOTLAND BOARD
HELD 25 OCTOBER 2022 FROM 14:00 – 17:00
HYBRID – PILGRIM HOUSE, ABERDEEN**

Present

FSS Board

Heather Kelman, Chair
Louise Welsh, Deputy Chair
Carrie Ruxton
Alban Denton
Carol Evans
Aileen Brown
Sue Walker

FSS Executive

Geoff Ogle, Chief Executive
Ian McWatt, DCE and Director of Policy, Science & Operations
Julie Hesketh-Laird, DCE and Director of Strategy & Corporate Affairs
David Gally, Chief Scientific Advisor
Diane Strachan, Head of Private Office
Joanne Smith, Board Secretary
Stuart Keith, Executive Officer
Garry McEwan, Head of Governance & Infrastructure (via Teams)

1. Introduction, apologies, matters arising

1.1 The Chair welcomed everyone to the Food Standards Scotland Board meeting.

1.2 There were no apologies received.

2. Declaration of Conflict of Interest

2.1 No conflicts of interest were declared by Board members.

3. Improving the Regulatory Framework – 221001

3.1 The Chair invited Christina Anthony, Regulatory Strategy Programme Manager to present her paper on Improving the Regulatory Framework which highlights the current work of the Regulatory Strategy Programme (RSP), demonstrating what FSS is already doing to improve the Food Law Regulatory Framework in Scotland to support Local Authorities (LAs) in delivery of the current Official Control (OC) delivery model.

3.2 The Board sought assurance that all mechanisms for funding, ie subsidies and charging will be looked at, and Ian McWatt explained that LAs already have the facility to charge for official controls but not all do. Geoff Ogle cautioned that income received from charging for services didn't equate to an increase in funding as any increases could be netted off the budget allocation at the discretion of the Local Authorities.

3.3 On the Consumer Information Scheme, Christina advised that industry have been consulted regarding potential options, and although only at the initial stages of

work, preference so far is to make it mandatory, although primary legislation would be needed to do so.

3.4 Christina confirmed that she and the Comms & Marketing Branch are in the process of pulling together a stakeholder engagement plan, and the Board also intimated they would like to see an implementation timeline for distinct parts of the regulatory strategy.

ACTION – 2022/02 – Produce implementation timeline

3.5 Following discussion the Board:

- Noted the activities within the existing regulatory strategy programme that are contributing to managing the strategic risk on LA delivery and;
- Agreed that this should be reviewed following the reprioritisation of work within FSS and in line with progression of the Scottish Authority Food Enforcement Rebuild (SAFER) project

4. Scottish Authority Food Enforcement Rebuild (SAFER) – 221002

4.1 The Chair invited Lorna Murray, Head of Local Authority Delivery Division to present her paper on Scottish Authority Food Enforcement Rebuild (SAFER). This follows a previous paper presented in June 2022 which summarises the demand of food law delivery across the 32 Scottish LAs. Today's paper provides details of the key aims and principles upon which FSS will base the redesign of the current Scottish Local Authority (LA) Food Enforcement framework.

4.2 The Board asked specifically whether LA Senior Executives understand and appreciate the grave risks involved in failing to deliver food law. Geoff Ogle explained that they are well aware of the risks. Geoff Ogle and Ian McWatt had attended a SOLACE meeting in November 2021 and had met separately with Clelland Sneddon, the Society of Local Authority Chief Executives (SOLACE) representative for Environmental Health, Clelland confirmed that LAs are under significant financial pressures and are having to prioritise workload. The Board noted the huge portfolio of work undertaken by Environmental Health, of which food law is only a part, but were reassured that when issues are found during audit, the response from LAs is generally positive.

4.3 Given the resourcing challenges the Board asked how we can be satisfied that LAs will contribute to the redesign and whether they will be able to provide resource. Lorna explained that discussions are underway to agree short term measures to free up resource by, amongst other things, reducing the interval and frequencies between interventions to allow a short-term pressure release, however it will be important to ensure that the personnel freed up are not diverted elsewhere.

4.4 Following discussion the Board:

- Agreed the proposed SAFER concept to allow FSS to continue stakeholder and partner engagement to develop and plan the programme of work necessary to re-design the current Food Law framework.

5. Field Operations Resourcing – 221003

The Chair invited Bryan Campbell, Head of Operational Delivery to present his paper on Field Operations Resourcing which gives an overview of the current resourcing issues and future resource challenges facing FSS Operational Delivery Division, and the proposed and ongoing mitigation actions.

5.1 The Board sought assurance that previous lessons learned when FSS transitioned from a contract model to in-house employment would be borne in mind should the option of using contractor staff be utilised as a result of gaps in Official Veterinarians (OV) and Meat Hygiene Inspectors (MHI) resources. Ian McWatt explained that all utilisation options would be considered and that FSS would continue to apply an in-house / employed model for the foreseeable with the option of top up from agencies only as a back stop.

5.2 Ian McWatt explained that FSS face a real prospect of service failure due to the lack OVs and MHIs available in the UK. The Animal Plant and Health Agency (APHA) currently have 38 vacancies across Scotland and there is a risk that some staff may be tempted to move. In the last two month alone FSS have lost 4 x OVs and 1 x MHI adding to the existing vacancies. On-boarding new staff also continues to be a laborious exercise, particularly given the additional steps that are required to employ EU nationals and the SG HR recruitment process taking between 6 and 9 months to conclude.

5.3 The Board received assurance that all avenues to plug resource gaps are being, or have been explored, such as salary uplift and recruiting from Commonwealth countries (although potential candidates are put off by Home Office obstacles as a result of the UK immigration policy).

5.4 Following rigorous discussion the Board:

- Noted the resource and delivery challenges for the Operational Delivery Division; and
- The Board agreed they wish to review its risk appetite given this is now presenting as an issue rather than a risk. The CEO and Chair would discuss further the issues around engagement with key stakeholders regarding this risk.

5.5 Geoff Ogle explained that he is also in regular contact with Ms Todd, Minister for Public Health, Women's Health and Sport and she is aware of the situation. Further to this Geoff, Ian and Bryan are meeting with the Scottish Association of Meat Wholesalers (SAMW) on the 4 November 2022.

Break

6. Communications and Marketing – Strategic Approach – 221004

6.1 The Chair invited Julie Hesketh-Laird, DCE & Director of Strategy and Corporate Affairs to present the proposed Communications and Marketing Strategy, this being an interim update until there is clarity to shape priority audiences, channels and activity for the next three to five years.

6.2 The Board suggested they would like to see more collaboration with other organisations such as Public Health Scotland and Julie confirmed that stakeholder mapping is currently being undertaken, and FSS staff are also being encouraged to utilise the Stakeholder Engagement Management System that currently exists.

6.3 The Board felt that the current team of 8 for a small organisation was sufficient, however Julie explained that FSS currently outsource a great deal of work to external agencies. This is expensive and resource intensive, and procurement is also protracted with complicated frameworks. Having a full complement of staff, as per the restructure work undertaken 18 months ago, would allow for this work to be brought in-house.

6.4 Following discussion the Board supported the direction of travel and content for the Comms and Marketing team to drive the activities detailed in the Paper.

7. Digital and Data Strategy – 221005

7.1 The Chair invited John Rhodes, Head of Corporate Services and Digital Transformation (via Teams) and Rebecca Callaby, Data Scientist to present the proposed Digital and Data Strategy.

7.2 John explained that today's presentation was purely for info and to gather thoughts and no decisions were required.

7.3 Geoff Ogle explained that due to the prioritisation exercise currently taking place it was essential that the Board get sight of the proposed Digital and Data Strategy as soon as possible as increasing our digital capability to make financial savings in the long-term will be an important investment. There is also a big push from Central Government and Scottish Government to make data more transparent for evidencing policy making.

7.4 The Board was assured that data collection would be subject to robust audit, data cleaning, traceability etc.

7.5 Following the presentation and subsequent discussion the Board gave their full support to press ahead.

8. Minutes of meetings held 15 June 2022 and 22 September 2022 and Action Log

8.1 The Minutes of the meetings held 15 June 2022 and 22 September were agreed as an accurate record.

8.2 The Chair moved onto the Action Log:

- 2021/20 – an equality and diversity session will be added to the education session planned for April 2023.

9. Chair's Report – Oral update

9.1 In the period between 16 June and 24 October the Chair met with the following: Professor Mary Brennan, Scottish Food Coalition and University of Edinburgh; Caroline Lamb Director General Health and Social Care; Kate Rowell Chair of QMS; Deidre Brock MP, SNP Spokesperson on Environment, Food and Rural Affairs; Morrisons Supermarket; Clelland Sneddon Chair of SOLACE; Lucinda Bruce-Gardyne, Chair of Scotland Food and Drink and Sainsburys Supermarket.

9.2 In the same period the Chair attended the following events and conferences: Royal Highland Show where she met with various retailers and research institutes, MP's and MSP's; the launch of the Joint Food Standards Report; the Service of Reflection and Thanksgiving for the Life of Her Majesty The Queen at St Giles Cathedral; Boyd Orr Lecture and Women in Food and Drink Manufacturing network lunch.

9.3 Also in the same period the Chair visited the Rowett Research Institute and the James Hutton Institute.

9.4 Interviews were held for new Board Members in September and 4 new members have been identified.

9.5 The Chair presented to the Royal Environmental Health Institute of Scotland (REHIS) on the FSS Strategy and the Good Food Nation Bill, she also presented at the Scottish Association of Meat Wholesalers (SAMW) Annual Conference regarding her ambitions as Chair of FSS.

10. Chief Executive's Report – 220608

10.1 The Board noted Geoff Ogle's Report and there were no questions.

11. Audit & Risk Committee – Oral Update

11.1 The FSS Chair invited Sue Walker, Chair of ARC, to provide an oral update on the ARC meeting which took place on 07 September 2022.

11.2 The ARC noted that the annual internal audit plan remains on track. They noted that new joint procedures between FSS and SG Internal Audit are now in place to track audit recommendations and this will avoid duplication and provide shared understanding of progress.

11.3 The ARC were advised that SG Corporate Services received a reasonable annual audit opinion. As in previous years ARC expressed frustration at this given

the problems FSS continue to have with shared services provision. Much of this opinion appears to be based on plans in place to deliver improvements, even though implementation is some time off. ARC requested these concerns be reported back via SG Internal Audit and that during next year's audit the perspective of service users be included.

11.4 The ARC were advised that the Official Controls Delivery Audit programme was on track.

11.5 The ARC welcomed Karlyn Watt from Deloitte as an observer. Karlyn will take over as Lead Auditor following Audit Scotland's completion of this year's audit work. Plans are being progressed for Karlyn to meet key members of the FSS team.

11.6 The ARC thanked Tommy and all previous Audit Scotland staff for their support and diligence as external auditors since FSS was established.

11.7 The draft Annual Report and Accounts reported at the Board Meeting on 22 September were discussed.

11.8 The Strategic Risk Register was discussed and it was agreed that the risk associated with budget allocation regarding EU exit consequential should be removed from the Strategic Risk Register as it was encompassed into the new risk around FSS budget allocation which was agreed by the Board in June.

11.9 Given this risk has now materialised and is now an ongoing issue, which the Executive and Board are jointly managing, it was proposed to track this separately on a new Strategic Issues Register reported to ARC and the Board alongside the Strategic Risk Register until the Issue is managed and can, when appropriate, be reconsidered in terms of risk management. This welcome new development of monitoring addresses the situation when the proximity of strategic risk changes it from a risk to an issue that has materialised. The monitoring will include the priority and severity of the issue, controls in place, their status and intended completion date.

11.10 ARC recommended to the Board that it agree to this new approach, which as a result of the earlier discussions in this Board meeting should also include the addition of Field Ops Resourcing and LA delivery as Issues. The Board agreed to adopt the new approach.

11.11 The ARC were given an update on the Best Value Framework being implemented across FSS and we also heard about the new Counter Fraud Guide.

11.12 The Board noted the oral report, there were no questions.

12. Finance & Business Committee Report to the Board

12.1 The Chair invited Louise Welsh, Chair of the newly established Finance and Business Committee (FBC) to provide an oral update on the first meeting which was held via video conference on 31 August 2022. Board Members will recall the

rationale for the new Committee was to help avoid potential problems in the timing of financial reporting due to our new alignment with FSA meetings.

12.2 The first meeting was very much a chance for the Committee to decide what they did and didn't like as far as information being presented and accordingly requested charts and tables in a different format for future meetings to help better understand the detail being presented.

12.3 Elaine McLaughlin, Head of Finance and Procurement presented the Financial Performance Update paper for the first quarter of the financial year 2022/23, however she reported that the variance to budget after 5 months of the financial year would not be available before the end of September.

12.4 The FBC noted that forecast expenditure had reduced considerably to £23.3 million, a decrease of £1 million from that reported in the paper. Discussion around the consequences of an underspend by FSS at the end of the financial year and Geoff indicated a risk that SG would look to further reduce our allocation for the following financial year.

12.5 The FBC noted staffing issues continue to have a detrimental impact on our ability to spend budget. In reality we always have an underspend of sorts, usually within 1% but in previous years this has been used to reduce pension deficit. SG are always advised in advance of any underspend and this, for them, is a strong indicator of good governance.

12.6 The FBC noted the particular financial risk relating to the unknown pay award. FSS have allocated a 2% rise, however this may be as high as 5%, every percentage increase has a cost of £150k.

12.7 The FBC asked whether the over budgeting model which has been adopted for this year has been helpful and were advised that a mid-year review is being planned which will allow for a reset.

12.8 Layla Mooney, Head of Human Resources presented on the People Strategy and the FBC heard that this offered a major opportunity to make positive changes to the way staff are managed. The Committee indicated it would like to see how these changes will be delivered and progress monitored and measured.

12.9 Garry McEwan presented a paper on six monthly Strategic Outcomes and it was decided that the Board will receive an update by way of the FBC Chair's oral update to the Board. The short-life working group will be reconvened to determine how progress on outcomes should be reported going forward. The FBC commented favourably on the quality of information being provided.

13. AOB

13.1 No other business was discussed and the meeting was closed.

