

**MINUTES OF THE MEETING OF THE FOOD STANDARDS SCOTLAND BOARD
HELD ON 19th AUGUST 2020 FROM 10:30 AM TO 13:45 PM VIA VIDEO
CONFERENCE**

Present:

FSS Board

Ross Finnie, Chair
George Brechin
Heather Kelman
Sue Walker
Anne Maree Wallace
Louise Welsh, Deputy Chair

FSS Executive

Geoff Ogle, Chief Executive
Ian McWatt, Deputy Chief Executive
Garry Mournian, Interim Director of Policy,
Science, Finance and Human Resources
Norval Strachan, Chief Scientific Adviser
Diane Strachan, Head of Private Office
Hazel Stead, Board Secretary

1 Introduction, Apologies

1.1 The Chair, Ross Finnie welcomed everyone to the Food Standards Scotland (FSS) Board meeting. He welcomed two external attendees to the meeting, Jim Rundell, Lead Senior Auditor, Audit Scotland and Mizan Rahman, Equality Engagement Officer, Edinburgh and Lothians Regional Equality Council.

1.2 Apologies were received from Marieke Dwarshuis and Carrie Ruxton.

2 Declaration of Conflict of Interest

2.1 The Chair asked for any conflicts of interest to be declared. None were declared.

3 Minutes of Meetings – 10th June 2020 and 28th July 2020 and Rolling Action Log

3.1 There were no amendments to the minutes of either Board meeting and the minutes were accepted as an accurate record. On action Log numbers 2019/01 and 2019/03, it was agreed to revise the wording of these actions.

3.2 There were no matters arising.

4 Chair's Report

4.1 The Chair did not have any items to report. He thanked Bill Adamson, Brexit Programme Manager for his extraordinary work on the Food Standards Scotland response to the UK Government Internal Market White Paper.

5 Chief Executive's Report – 20/08/04

5.1 The Chair invited Geoff Ogle, Chief Executive to provide an oral update to supplement his written report. He updated the Board on the COVID-19 Aberdeen lockdown restriction which was under review, with over 200 positive cases being identified and more than 1,000 contacts as part of the cluster being traced by NHS Test and Protect.

5.2 He explained that the 2Sisters poultry plant at Coupar Angus was closed due to an outbreak of COVID-19 and is closed for 14-days with all staff self-isolating. FSS Executives are involved in the Incident Management Team meetings. The Board sought clarification that FSS had acted consistently with public health advice from Scottish Government. The CEO confirmed that was the case.

5.3 The CEO also advised the Board that business recovery planning continues for the reoccupation of Pilgrim House almost complete, with a date yet to be confirmed.

5.4 On recruitment matters, Geoff explained that the sift for the recruitment of a new Chief Scientific Adviser is imminent, with interviews arranged in early September 2020 with an appointment expected to be made shortly after that. The adverts for two new C2 posts have been issued (Head of Food Safety and Standards Policy and Head of Science, Delivery, Research, Assurance and Governance) with a number of other posts yet to be filled.

5.5 The Audit and Risk Committee Chair updated the Board on Risk 19 - (Constitutional and Legislative matters) on the Strategic Risk Register, the likelihood – should be increased from 3 to 5 and when combined with the impact score it is the highest overall risk score possible – Very High. The ARC agreed to recommend to the Board to increase the Risk.

5.6 The Board :

- **agreed** to increase overall risk score of Risk 19 on the Strategic Risk Register to Very High.

5.7 With the changes announced to replace Public Health England (PHE) this week, Geoff explained that it is unclear at this stage what the implications are for the issues we currently engage with PHE on. Ian McWatt, Deputy Chief Executive explained he had attended a meeting today with PHE prior to the Board meeting and FSS will continue to maintain links with them until we are otherwise advised.

6 FSS Future Strategy – an update

6.1 The Chair invited Jacqui McElhiney, Future Programme Manager to give an update. Jacqui explained that good progress had been made in developing the strategy since the Board meeting on 10th June 2020, with an initial draft based on the outputs from staff and stakeholder events and initial feedback from the Board. She confirmed the working title of the new strategy is “**Helping Scotland thrive in a new food landscape**” which recognises the significant changes since FSS was established in 2015, including the impacts of EU Exit and COVID-19, and wider consumer interests including the environment, climate change, new technologies and dietary trends.

6.2 The draft has been based on an overarching vision and mission statement and has four outcomes : food is safe and authentic; consumers have healthier diets; food businesses understand and comply with the law and FSS is a trusted organisation. The delivery model is based on the values and guiding principles, with six goals which will form the basis of the corporate plan. She noted the draft reflects the comments made by the Board to develop a unique selling point in relation to diet and nutrition; our role in relation to sustainability and a renewed focus on our use of data and evidence to inform our work. She explained the proposed timeline in the lead up to the launch of the consultation, with the draft strategy to be circulated to the Board at the start of September 2020.

6.3 She noted that the consultation feedback will be reviewed before the final draft of the strategy and corporate plan which will be prepared for January 2021. This will include performance metrics and changes to corporate government documents including the statement of performance of functions. She explained that infographics will be considered alongside consideration of making the strategy available in a variety of formats to suit consumers’ needs.

6.4 Discussion focussed on a number of areas including the consultation timescale; whether a draft impact assessment should be prepared; sustainability and supporting businesses in particular exports. Jacqui explained that there could be a targeted consultation on the draft corporate plan with a small number of key stakeholders. The Board endorsed the need for developing a unique selling point in diet and nutrition which is a crucial part of FSS's work going forward.

6.5 The Board :

- **Agreed** that the draft strategy consultation should be launched in early October 2020, without the need for a further board paper.

7 Review of Risk Appetite – 20/08/05

7.1 The Chair invited Diane Strachan, Head of Private Office to introduce the paper. Diane explained the purpose of the paper is to update and expand the risk appetite. She noted that EU exit and transition and COVID-19 has tested the robustness of the risk appetite. She explained that the risk appetite may need to be expanded further to include operations or other internal or reputational risks.

7.2 In discussion, Board members welcomed this approach in context of EU Exit/COVID-19/Future Trade deals and helps how we look at risk going forward. The Board was content with the examples provided with the categories and risk appetite classifications. The Board asked for clarification from the Chief Executive on why the risk on public health/consumer protection was cautious and not hungry where benefits for public health or other consumer interests outweigh the risk. The Chief Executive explained that we are not always cautious and will be hungry on issues where we can be, but cautious would be the initial approach while evidence was gathered. It was agreed that the wording would be expanded to reflect this and that a category on advocacy on behalf of consumers would be included. The Board noted that the minimalist classification had not been used in any of the examples, and there should be a coherence between the strategy and risk appetite.

7.3 The Board:

- **agreed** that the new approach to reviewing the current statement of risk appetite was appropriate;
- **agreed** the revised approach to reviewing FSS's risk appetite;
- **agreed** the content and coverage of an updated statement of risk appetite, with a further board paper to be tabled in early 2021 to align with the annual review of Strategic Risk Register; and
- **agreed** the broader intent to represent the wider interests of consumers in relation to food and the risk appetite

8 Annual Chief Scientific Advisor Science, Evidence and Information Update – 20/08/06

8.1 The Chair invited Norval Strachan, Chief Scientific Advisor to introduce the paper. Norval. In his introduction, Norval noted the progress on Science, Evidence and Information (SEI); prioritising the economic and statistical expertise; the 3 themes and gave some of his reflections.

8.2 Discussions centered upon a number of areas that SEI has gone from strength to strength; FSS should seek to increase communications on the science it carries out as well as the prominence of the Chief Scientific Advisor during foodborne disease outbreaks;

encouraging young scientists and continuing professional development and consider supporting PhD students and consider research by European Food Safety Authority and other legitimate factors on foods such as chlorinated chicken.

8.3 The Chair noted that this was Norval's final attendance at the Board before his departure from FSS. He thanked Norval for his enormous scientific contribution to FSS in his role as Chief Scientific Advisor and wished him well for the future.

8.4 The Board:

- **Noted** the progress with implementation of the SEI strategy from 1st April 2019 until 31st March 2020;
- **Noted** SEI in use in the current FSS COVID-19 response from 1st April 2019 until 30th June 2020; and
- **Noted** the progress of SEI in our programmes and essential core activities and the reflections on the Chief Scientific Advisor

9 Financial Performance Update – Quarter One – 20/08/07

9.1 The Chair invited Fiona Bruce, Interim Senior Finance Manager to introduce the paper. Fiona drew attention to the key figures, the total resource budget of £20.6m, with £15.6 allocated in the budget bill, with £5m added to manage the impact of EU exit, to be allocated within the Spring Budget Review (SBR) at the start of next year. She noted that FSS has been provided with an Annual Management Expenditure (AME) budget of £350k with a further allocation within the SBR to cover the FSS pension liability. She noted the year to date budget against the actual expenditure, with an underspend of £623k, in each of the financial areas along with an increase in the income received. She explained the reasons for the underspends in staff (£22k - due to delays in recruitment), administration (£117k - due to reduced travel and subsistence costs). She explained the underspend in programme and capital was due to projects being re-profiled due to staff being moved onto COVID-19 work.

9.2 She noted the provisional outturn was £18.1m, against the allocated resource budget of £18.2m, which represents a projected underspend of £161k (0.1%). She explained that the Risks, Issues and Highlights reflects the financial impact of COVID-19 pandemic on FSS, and we are recording the estimated costs, some of which we may be able to recover from Scottish Government. She noted that the 10-day payment to supplier target has reduced to 84% this quarter which is due to less staff being available to process and approve invoices, all invoices were paid within the 30 day limit. She noted that the level of debt over the 31-day period has reduced by 27% and is due to some larger invoices being paid.

9.3 Discussion centred upon the additional £5m budget for EU exit and whether this would be spent, with Branch Heads being asked to review in September 2020; the underspend on travel which is being considered as part of business recovery planning; a best value assessment is being prepared and will be tabled at a future Audit and Risk Committee meeting; the number of supplier invoices paid has increased and returned to normal levels.

9.4 The Board :

- **Noted** the financial information and expected year-end position reported as at 30th June 2020; and

- **Noted** the review of the balance of the Future Structure budget and that the forecast will be updated in the next quarter to reflect the work planned for the remainder of the year.

10 Annual Report on Freedom of Information Requests and Complaints - 20/08/08

10.1 The Chair invited Ruth Dewar, Business Reporting Officer to introduce the paper. Ruth noted that the number of freedom of information requests and complaints has decreased since 2018-19.

10.2 In discussion, the Board noted there were 7 Freedom of Information (FOI) requests where we did not hold the information, and asked if there is any information we could make available on the FSS website to prevent such FOI requests in future. The Executive agreed to take this away for further thought. The Board noted an inconsistency between the numbers of complaints in the narrative and the annex and also asked for a breakdown of the “other” FOI. The Executive agreed to recheck the figures and explained that these tend to be individual FOI requests from journalists and interest groups with no pattern or trend identified.

10.3 The Board :

- **Noted** the information provided

11 Audit and Risk Committee Oral Update

11.1 The Chair invited Sue Walker, Audit and Risk Committee (ARC) Chair to give an oral update on the meetings held on 17th June and 12th August 2020. Sue explained that ARC members held annual meetings with Scottish Government Internal Audit and Marion McArthur, Head of Audit. She noted that the transition of Internal Audit of Official Controls from Food Standards Agency (FSA) to FSS had gone smoothly.

11.2 On internal audit matters, she noted that FSA had issued a moderate opinion in their annual assurance statement, which is equivalent to reasonable opinion from Scottish Government Internal Audit Directorate (SGIAD). She reported the SGIAD had given a reasonable annual assurance opinion for both FSS systems and those key SG corporate systems on which FSS depends. She explained that the SGIAD Annual Audit plan is on track, with the Culture Review the final piece of work from 2019/20, tabled at the August ARC meeting. The Culture Review identified areas of good practice and recommended improvements including to the Operational Workflow System; internal communications with field staff and training and development, with an action plan in place by the Executive to take recommendations forward. She noted the concerns made by ARC members about the Review of SG Shared Services. Other Public Bodies had experienced problems with service delivery like those of FSS, however, the Review contained no recommendations nor action plan so there could be no assurance that improvements would be made. Geoff explained that some recent improvements had been made by SG Human Resources in terms of speeding up the pace of recruitment, however some bureaucratic hurdles still remain and there was concern that once recruitment levels across SG returned to pre-COVID-19 levels, service would deteriorate again.

11.3 On external audit matters, she noted that the Your Business at Risk Survey, conducted by Audit Scotland on cyber related risks, had positive results, an action plan had been put in place and a repeat survey would be conducted next year. She noted that at the August meeting ARC members received two briefing papers from Audit Scotland on Impact of COVID-19 and Emerging Fraud Risks due to COVID-19, which gave an insight

into how public audit in Scotland is responding and the increased risk of fraud due to changes in working and living practices due to COVID-19 that Public Bodies should be aware of. She explained that Audit Scotland had tabled their Management Letter which explained that a review of our key financial systems had shown that internal controls had no significant weaknesses and substantive testing had not identified any significant issues. She explained that we are on track for finalising the Annual Report and Accounts at the 18th November 2020 Board meeting.

11.4 In other matters, the ARC received the Strategic, Brexit and Senior Management Team risk registers. ARC members recommended to the Board that the likelihood of Risk 19 on the Strategic Risk Register, should be increased to the highest level – Very High, due to the recent publication on the UK Internal Markets White Paper.

11.5 Board members noted the lack of improvement in delivery of Shared Services by SG and suggested that it could be raised by the Chair and that the Chief Executive should continue to push for action via the SG Delivery Bodies Group.

11.6 The Board :

- **Noted** the information provided

12 Question and Answers

12.1 The Chair invited questions from the audience. Two questions were raised by Mizan Rahman, who asked:

- what FSS actions FSS is taken in relation to promoting race equality within the Board and Executive, public consultations and engagement with Black, Asian, minority ethnic community (BAME)?
- FSS Strategy Consultation – what is the scope of engagement with the (BAME) community?

12.2 The Chief Executive explained that this engagement was a complex issue, and FSS is considering how to engage with a variety of BAME and hard to reach groups and it is part of our Stakeholder Management plan. He agreed to follow these questions up with Mizan after the Board meeting.

13 Any Other Business

13.1 No other business was discussed. The meeting closed at 13:45 p.m.