

**MINUTES OF THE MEETING OF THE FOOD STANDARDS SCOTLAND BOARD HELD ON
22 SEPTEMBER 2022 FROM 1.30 PM TO 2:30 PM VIA VIDEO CONFERENCE****Present:****FSS Board**

Heather Kelman, Chair
Louise Welsh, Deputy Chair
Aileen Brown
Sue Walker

FSS Executive

Geoff Ogle, Chief Executive
Ian McWatt, Deputy CEO & Director of Policy, Science and Operations
Julie Hesketh-Laird, Deputy CEO Director of Strategy, Communications and Programmes
Elaine McLaughlin, Head of Finance & Procurement
Diane Strachan, Head of Private Office
Tigan Daspan, Information Governance Manager

External

Tommy Yule, Lead Senior Audit Manager, Audit Scotland
Wojciech Kuzma, Auditor, Audit Scotland

Apologies

Alban Denton, FSS Board
Carol Evans, FSS Board
Carrie Ruxton, FSS Board
David Gally, Chief Scientific Advisor
Joanne Smith, Board Secretary

1 Introduction, Apologies, Matters Arising

- 1.1 The Chair welcomed everyone to the Food Standards Scotland (FSS) Board meeting.
- 1.2 There were apologies from Alban Denton, Carol Evans, Carrie Ruxton, David Gally and Joanne Smith.

2 Declaration of Conflict of Interest

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

3 Minute Silence

- 3.1 It was first time the Board had met since the Queen's death and a minute's silence was held as a mark of respect.

4 Annual Report and Accounts 2021/22 - 22/09/01

- 4.1 The Chair invited Elaine McLaughlin, Head of Finance and Procurement, to present her paper on the audited Annual Report and Accounts (ARA) for the year ended 31 March 2022.
- 4.2 Elaine said that her recommendation to the Board was for the Annual Report and Accounts to be approved by the Accountable Officer. She explained that the ARA consists of three sections, the Performance Report, Accountability Report and Financial Statements and that all elements had been subject to audit. She advised that the outturn for year, for both resource and capital budget, had come in at £0.9m under budget. There were no

misstatements and no recommended changes had been made to the ARA. She reported that some of the recommendations from the previous financial year had been closed out, that continuing recommendations had been updated and that some new recommendations had been made.

4.3 The Chair invited questions and comments from the Board.

4.4 The Board commented that it was good to see the whole annual performance and that reflecting on the year it was excellent. Staff had done incredibly well given the challenges of EU Exit, Covid-19 and recruitment and expenditure so close to budget was commendable, especially given the uncertain and challenging times. The Board reflected on the scale of challenge in 2021/22 when there was still Covid-19 to deal with and recognised the integration of new staff, which was a major success, and noted how well new staff had assimilated in some very trying circumstances.

4.5 There was a general recognition of overall performance of the Executive by the Board including: the continuing performance of the export hubs and the field staff generally, the implementation of new animal feed arrangements, the application of the UK wide Risk Analysis process and towards the end of the year dealing with the consequences of the Ukraine invasion by Russia. There was also recognition of the focus on modernisation with Intake 24 and SND and also the wider focus on data analytics.

4.6 The Chair thanked Elaine and her team for their work on the ARA and for accurate and timely reporting throughout the year.

4.7 The Chair asked Ian McWatt, Deputy CEO & Director of Policy, Science and Operations, how the recruitment of Field Operations staff had gone during the year, given the challenges that had been faced in this area. Ian said that a fantastic job had been done in trying to recruit staff to address the age profile issue. He welcomed the Board's support for the pay supplement but pointed out that some Field Operations staff had left for higher salaries and said that work was being done to promote the other benefits of working with the civil service. Ian said that the Operations Management Team had done a fantastic job.

4.8 Regarding the ARA itself, the significant improvement in the presentation was noted by the Board.

5 Audit Scotland Annual Audit Report for 2021/22 - 22/09/02

5.1 The Chair introduced Tommy Yule, Lead Senior Audit Manager from Audit Scotland. Tommy explained that his report, which had been presented at the Audit and Risk Committee (ARC) meeting on 7 September 2022, summarised the main audit findings and said that the financial statements were a true and fair view of FSS's financial affairs. He explained that the expenditure and income had been incurred and applied in line with guidance and the remuneration, governance and performance sections of the report were all consistent with the financial statements.

5.2 Tommy said that on Tuesday 20th September 2022 Geoff Ogle, the Accountable Officer, had sent him the ISA 580 letter which provided him with the assurance needed to sign the accounts and that he would ask Geoff, when he came to speak later in the meeting, to confirm nothing had changed since Tuesday.

5.3 Tommy said that he intended to issue an unmodified opinion and that had been included in the independent auditors report in the ARA.

5.4 Tommy said, from the report, that a payment had been made to an incorrect supplier. This was as a result of human error and unique circumstances but that it had been highlighted so that improvements could be made to the control environment. He noted that good progress on the audit recommendations from the prior year had been made; some were still outstanding and had been given extended timelines but a number were closed. In the second section of the report, he highlighted that the figures in exhibit 4 on page 12 had been updated slightly from what had been included in the ARC papers and said he was satisfied that the figures now included were accurate. Regarding the Financial Sustainability section on page 14, he highlighted that FSS's business case had not been approved by the Scottish Government and the budget had been flat lined for the period of the current spending review; he pointed out that this would be a significant challenge for the organisation.

5.5 Tommy explained that Deloitte would take over from Audit Scotland as the external auditors for FSS for 2022/23 and that a handover over would take place over the next month or so. He said that he had enjoyed working with everyone at FSS, as had his predecessor Jim Rundell. He thanked everyone for their help and support, in particular Elaine McLaughlin and the finance team for their support in the audit process.

5.6 Wojciech Kuzma, Auditor, Audit Scotland, said he would like to recognise that the audit had been successfully completed in a shorter time scale than in previous years. He thanked FSS for their cooperation to achieve this.

5.7 The Board expressed their thanks to all for their support on meeting the audit timetable this year, which was back in line with what it had been pre Covid. The Board thanked Audit Scotland for all their help over FSS's inaugural 8 years. Engagement with FSS had been positive, thanks to Tommy and his predecessors, and the Board said they hoped to have the same strong relationships with the new auditors.

5.8 The Chair invited questions on the ARA from Board members. None were raised.

5.9 The Board:

- **noted** the outcome of the audit and the recommendations being made by Audit Scotland in their draft annual audit report.

6 ARC Statement of Assurance - 22/09/03

6.1 The Chair invited Sue Walker, Chair of the Audit and Risk Committee (ARC), to present the annual ARC Statement of Assurance to the Board. Sue drew the Board's attention to the unqualified audit opinion from Audit Scotland. She explained that most of the previous year's audit recommendations had been implemented and those that had not were close to being done. She said that Audit Scotland had pointed to effective financial management, highlighting openness and transparency and the work of the Board in this context. She also pointed out that Audit Scotland had recognised the financial challenges for the organisation going forward.

6.2 Sue explained the Statement of Assurance provides detail of the ongoing assurance given by audit reports and opinions from internal and external auditors throughout the year. During the year, the ARC completes its own scrutiny of controls in terms of risk, internal controls and governance.

6.3 The ARC based on:

- assurance provided through reports presented to it through the year by internal audit and by ARC scrutiny of reports from the executive on a number of matters including risk management and the internal controls assurance framework
- the reasonable annual assurance opinion for 2021-22 of FSS internal auditors, the Scottish Government Directorate of Internal Audit and Assurance in regard of FSS audits and their reasonable assurance opinion regarding the SG shared services on which FSS depends
- the overarching assurance statement in relation to audits required under Article 6 of Regulation (EU) 2017/625 provided by the FSS Head of Audit and Assurance,
- the draft Annual Audit Report from our external auditors, Audit Scotland Board Meeting – 22 September 2022 4 Paper number FSS 220903 foodstandards.gov.scot
- its own and the Board's scrutiny of the content of the draft ARA

is content to recommend to the Board that it should approve the Annual Report and Accounts for 2021-22 and be authorised for issue by the Accountable Officer.

6.5 The Chair invited questions from the Board. None were raised.

6.6 The Chair said she was assured the ARC had done its duty and thanked them on behalf of Board for their work throughout the year.

7 Food Standards Scotland Annual Report and Accounts 2021/22

7.1 The Chair invited Geoff Ogle, as the Accountable Officer, to introduce the ARA 2021/22. Geoff referred the Board to the [Chief Executive Statement](#) and confirmed that the assurances provided in the ISA 580 letter sent to Audit Scotland on Tuesday 20th September 2022 remained valid.

7.2 Geoff said that he was delighted about the unqualified opinion, which FSS had always maintained. He noted the consistent level of performance from FSS and said that he was very proud of the organisation and what it had achieved.

7.3 Geoff thanked Tommy Yule and his team, the ARC Chair and ARC members, both past and present, and Elaine McLaughlin and her team for all their work on the ARA. He went on to thank Julie Hesketh-Laird and Ian McWatt, who had been outstanding in delivering throughout the year, and all staff in what had been a challenging year.

7.8 The Chair invited questions on the ARA from Board members, but none were raised. She then proposed a motion that the Board approved the FSS Annual Report and Accounts 2019/20.

7.9 The Board:

- **approved** the Annual Report and Accounts 2021/22 and their issue by the Chief Executive as the Accountable Officer.

8 Freedom of Information and Complaints Annual Report - 22/09/04

8.1 The Chair invited Diane Strachan, Head of Private Office, to present her paper, which provided an overview for 2021/22. Diane noted that there had been 28 Freedom of Information requests and 2 formal complaints in 2021/22.

8.2 The Chair invited questions on the Freedom of Information and Complaints Annual Report from Board members. None were raised.

8.3 The Board:

- **noted** the information provided.

9 Q & A

9.1 No other business was discussed, the meeting closed.

10 Close