

**MINUTES OF THE MEETING OF THE FOOD STANDARDS SCOTLAND BOARD
HELD 22 MARCH 2023 FROM 10:00 – 14:00
HYBRID – PILGRIM HOUSE, ABERDEEN**

Present

FSS Board	FSS Executive
Heather Kelman, Chair	Geoff Ogle, Chief Executive
Louise Welsh, Deputy Chair	Ian McWatt, Deputy Chief Executive
Aileen Brown	Julie Hesketh-Laird, Deputy Chief Executive
Alban Denton	David Gally, Chief Scientific Advisor
Carol Evans	Garry McEwan, Director of Corporate Services
Phillip Couser	Garry Mournian, Director of Policy and Science
Sue Walker	Kate Smith, Head of Comms & Marketing
	Emma Scott, Head of Private Office
	Joanne Smith, Board Secretary

Apologies

Carrie Ruxton, FSS Board – joined via Teams at 12:40

1. Introduction, apologies, matters arising

1.1 The Chair welcomed everyone to the Food Standards Scotland Board meeting, she also welcomed everyone attending via Teams and in the public gallery.

1.2 Apologies were received from Carrie Ruxton, she was unable to join the meeting until after lunch.

2. Declaration of Conflict of Interest

2.1 No conflicts of interest were declared by Board members.

3. Reprioritisation Update – overall priorities and corporate plan deliverables - 230301

3.1 The Chair invited Geoff Ogle to introduce the Reprioritisation Update paper which details Year 2 and planned Year 3 Corporate Plan deliverables which have been recommended as stopped, paused or scaled back as a result of the prioritisation exercise. Geoff gave a brief re-cap on where we had got to and the purpose of this paper.

3.2 Geoff then invited Natalie Greenland, Head of Corporate Support to provide an overview of the paper.

3.3 The Chair thanked Geoff and Natalie for their presentation and invited questions from Board members.

3.4 The Board asked for clarification regarding the timeline for Retained EU Law (REUL) and Scottish Veterinary Service (SVS) and Geoff explained that our current understanding is that Ministers will be invited to make a decision by the end of May. The temporary structure at FSS, which is now in place for at least the next 6 months, will allow time for SLT to understand the possible impacts of REUL and SVS and what it could mean for the organisation.

3.5 The Board asked how comfortable FSS is in scaling back on Audit Assurance and reviewing laboratory capacity and capability. Geoff explained that FSS are looking to adopt a more intelligence led approach to audit, and that the risk status of priority deliverables may change as the plan is revised. Work on the lab capacity and capability was now within the overall SG led review on lab provision in Scotland.

3.6 The Board asked whether conversations have taken place with stakeholders and Geoff explained that the information is all available in the public domain, but that specific conversations had not taken place.

3.7 The Board noted that reinstatement of stopped or deferred priority deliverables would need 29 new members of staff and asked how confident FSS are that this can be achieved. Geoff explained that this was unlikely to happen. Resources had not been released it's that the requirement had been prevented. However, work is currently being undertaken to determine what FSS can afford to recruit and where any posts should be assigned to but inevitably recruitment would also create future ongoing financial pressures so FSS will need to be careful with spend.

3.8 Following discussion the Board:

- Noted the Year 2 and Year 3 priority deliverables that have been proposed as stopped, paused or scaled back as a consequence of the 2022 prioritisation exercise, and
- Noted the next steps recommendations noted in Para 8.

4. Public Health Nutrition Strategy – 230302

4.1 The Chair invited Gillian Purdon, Head of Public Health Nutrition to present a paper setting out FSS's Public Health Nutrition Strategy, of which the general content and direction of travel had previously been discussed at the October 2022 meeting.

4.2 Gillian explained that this strategy shifts the emphasis significantly towards the food environment. It is underpinned by science and evidence, with the other key features being a focus on climate change impacts associated with food consumption.

4.3 The Chair thanked Gillian for her presentation and invited questions from Board members.

4.4 The Board asked how FSS can position themselves as the 'go to' experts in the diet and nutrition arena and Gillian explained that FSS employs the largest number of registered public health nutritionists of any organisation in Scotland. FSS are well known amongst Scottish Government and stakeholders, however work is

underway with Comms and Marketing to build a strong media plan to engage with press and industry, and to ensure that publications are more accessible via our website. New Board members also bring a wealth of experience in this area and specific spokespeople will be identified.

4.5 The Board welcomed the strategy recognising the impact diet and nutrition has on health and the economy with 10% of the health budget going towards treating those with Type II diabetes.

4.6 The challenge for FSS will be where to focus the most attention; on changing legislation, or engaging the public, recognising the difficult balance and lack of resources to do everything. The message needs to be clear that the current food environment, flooded with unhealthy options, does not drive good choices by the public and encourages unhealthy choices.

4.7 The Board asked whether health inequalities had been considered in the paper and Gillian advised the proposal outlined is a more equitable approach by improving the food environment which will benefit everyone. The changes need to be at population level, supporting consumers by improving access to healthier options.

4.8 Geoff advised that Henry Dimbleby recently resigned from his governmental post due to continued inaction and lack of recognition of the scale of the issue. Scottish Government Ministers, however, have more of an appetite for change given this is currently a health issue, but it is inevitable that a few years down the line it will become an economic one as levels of population ill-health will impact on economic performance.

4.9 Following thorough discussion the Board:

- Considered and approved the proposed Public Health Nutrition Strategy as detailed in Annex A;
- Noted that the proposals have been developed to match outcomes of the FSS prioritisation exercise supported by the Board, to maximise the impact FSS can make from our resource and capacity, and
- Agreed that the Executive would engage with stakeholders on the proposed direction of travel.

5. Chief Scientific Advisor – Annual Update – 230303

5.1 The Chair invited David Gally, Chief Scientific Advisor (CSA) to present a short PowerPoint presentation summarising his Annual Update paper. The paper sets out the CSA's observations and recommendations on the use of science, evidence and information (SEI).

5.2 The Board was asked to discuss and provide a view on the overall scope, application and ambition of SEI in FSS given current restraints.

5.3 The Chair thanked David for his presentation and invited questions from Board members.

5.4 The Board asked what David thinks the next big breakthrough in science will be and he responded that enhanced artificial intelligence will be profound with increasing ability to interrogate information. Microbiology, cloning and editing genomes in animals and plants will also increase.

5.5 As previously discussed, the Board would like to see David have a bigger profile outwith the organisation speaking at events and bringing his and FSS expertise to people's attention.

5.6 The Board asked for clarification on who David reports to and whether he directs the organisation, or is directed by the Senior Leadership Team (SLT). David and Geoff explained that it is a mixture of both, David is there to provide advice, assurance, challenge and a safety net to enable SLT to make decisions. David is not a member of the SLT, although attends their meetings, and were he to disagree with them he has the ability to raise his concerns with the Board.

5.7 The Board asked David how he thinks FSS compares with other regulators and he responded favourably, he also advised that he meets regularly with his counterpart at FSA, Prof Robin May. The Executive takes opportunities to visit other countries and observe how they regulate, FSS shares information with other countries, such as New Zealand, to use and shape their direction, and we have very good collaboration with other organisations.

5.8 The Board requested they be invited to attend science seminars and presentations should opportunities arise.

5.9 The Chair thanked David for his informative paper.

6. Risk Analysis and Regulated Products Service Update – 230304

6.1 The Chair invited Garry Mourian, Director of Science and Policy to present a paper detailing the progress of issues in the joint FSS and Food Standards Agency (FSA) Risk Analysis Process and Regulated Products Service. Garry thanked Sam McKeown, Stephen Hendry and other staff members for their assistance in producing the paper.

6.2 The paper included the Risk Analysis Process status report from January 2023 – March 2023 which has seen 4 issues added to the public register since January. As of 31 January 2023 there have been 424 applications progressed through the GB Regulated Products Service, an average of 12 per month.

6.3 Garry also outlined the resource challenges being faced by FSS to deliver work associated with risk analysis and regulated products, and the risk of divergence that would be realised should the organisation be unable to meet future demand.

6.4 The paper also confirmed the collaborative approach across the 4 nations to reporting on risk analysis and regulated products and work underway to develop key performance indicators, on which future reports would be based once the work is completed.

6.5 The Chair thanked Garry for his paper and invited questions from Board members.

6.6 The Board asked whether the arrangement with FSA results in equitable sharing of the workload and Garry explained that FSA have far more resource available and have undertaken the majority of the work, with FSS ensuring the Scottish aspects of the legislative process are completed and science inputting to risk assessments where additional support is required, or where expertise sits within FSS. The FSS/FSA MOU also outlines both organisations roles and responsibilities when it comes to risk analysis and the sharing of resource. Geoff Ogle stated that SG do not appear to appreciate the impact, and potential risks, that leaving the EU has had, and the increased resources required to do the work previously undertaken by EFSA.

6.7 The Board asked, given the risks to the organisation, could expertise be 'bought in' on a call on / call off basis. Geoff acknowledged this could be an option, however getting specific expertise could be problematic and there would likely be financial challenges too.

6.8 Following discussion the Board:

- Noted the update on issues undergoing Risk Analysis and the status of the GB Regulated Products Service;
- Provided a view on the presentation of more detailed analysis of the work flowing through the risk analysis and regulated products service at future Board meetings. The Board would wish to see more narrative and trends, particularly highlighting Scotland specific issues;
- Noted the challenges associated with resourcing and the volumes of applications in the system for regulated products, and
- Noted FSA work on Regulatory Reform and FSS involvement .

Break

7. Financial Approach for 2023/24 – 230305

7.1 The Chair invited Elaine McLaughlin, Head of Finance and Procurement to present a paper providing the Board with an overview of the process undertaken by the SLT with regards to FSS budget allocation of £23m, which includes £0.4m for Annually Managed Expenditure (AME), for 2023/24.

7.2 FSS resource allocation for 2023/24 is 22.6m, the same resource budget that was allocated for 2022/23, meaning a real terms cut in budget of approximately £2m due to current high inflation rates. FSS will also receive an additional £0.2m funding from FSA to deliver the Pathsafe project being delivered by our Food Protection Science and Surveillance Branch.

7.3 Elaine drew the Boards attention to Annex A which provides the detail of the indicative allocation against the five budget categories. She explained that, for the first time, it is the intention to have an agreed percentage split of the budget between staff and non-staff costs for the next financial year. These figures have not yet been finalised.

7.4 The Chair thanked Elaine for her overview and invited questions from the Board.

7.5 Following a question from the Board regarding level of detail of the budget Garry McEwan explained that a number of different models had been worked up and discussed with SLT on the appropriate budget allocation / percentage split, and for the budget to be monitored and scrutinised to ensure there is no underspend. It was agreed that details on workings of different scenarios will be included in the next paper to the Finance and Business Committee.

7.6 The Board asked whether admin spend and efficiencies, such as office space, are being considered and Garry advised that these costs had been reviewed and are all factored in for the coming year. Staff are encouraged to use Pilgrim House for hybrid working to ensure best use of this resource. Elaine also advised that the proposed admin budget has been flatlined against the indicative outturn for 2022/23 and spend will need to be reviewed as travel, conference attendance, training etc begins to increase as we return to more normal business activities.

7.7 The Board acknowledged it useful to see how the split between staff and non-staff costs had changed over the years and asked how FSS fund transformational changes. Garry explained that £300k has been ring-fenced for digital expertise for a fixed term to kick start the data and digital transformation. SG have been asked about whether there would be more funding, however it is highly unlikely..

7.8 The Board:

- Discussed and provided a view on the indicative budget allocation of the resource budget made by SLT for 2023/24, and
- Noted the risks and issues being considered as part of the final budget allocation for 2023/24.

8. Finance & Business Committee – oral report

8.1 The Chair invited Louise Welsh, Chair of the Finance and Business Committee (FBC) to provide an oral update on the third meeting of the FBC which was held via video conference on 15 February 2023.

8.2 Louise, as outgoing Chair, was content to give a view that the Committee is settling in and working well with the Executive to process information to be reported to the Board.

8.3 There were some questions related to the wording of the minutes regarding funding from Scottish Government which related to year end budget spend and the proposed changes to the minute were agreed.

8.4 Elaine McLaughlin, Head of Finance and Procurement, gave the Financial Performance update and as might be expected, given the proximity to end of year, the focus was on the forecast spend in the last three months of 202/23.

8.5 The FBC raised concerns at the likely increase in underspend, at that point £0.5 million, which SG may view as FSS being unable to spend the annual budget. Once again sound reasons for this were offered by the Executive, these being uncertainty over the actual sum required for the pay settlement and a simultaneous drop in staff numbers due to people leaving and posts not being filled.

8.6 To prevent the underspend increasing any further the CE reported FSS is looking to make £200,000 available to food labs for sampling purposes. This is a grant that has previously been made and caused no issues from an audit perspective.

8.7 The committee asked whether it was possible to accrue / prepay investment in data and IT, a key area for the prioritisation exercise. Although £0.25 million has been set aside for this FSS are not allowed to accrue costs not yet incurred.

8.8 Kate Smith, the Head of Communications and Marketing, updated on the latest quarterly Communications metrics. A highlight from internal comms was Geoff's weekly blog viewings having increased by over 7% this quarter with the introduction of "Guest Blogs".

8.9 The key point from external comms was media coverage increasing by 193% year on year, and a significant increase in the positive sentiment of articles.

8.10 Kate highlighted concerns regarding the functionality of the FSS website, suggesting it could become a risk if not addressed. This is being addressed by reprioritisation works.

8.11 The final presentation, an update on the Civil Service People Survey 2022, was given by Layla Moonie, Head of Human Resources. Layla reported that FSS had achieved 7th place in the UK Civil Service Top Performers, a very impressive result. Louise congratulated the team and staff on this result and noted she ends her time with FSS on a very positive note.

9. Audit and Risk Committee Oral Update

9.1 The Chair invited Aileen Brown, Chair of ARC, to provide an oral update on the ARC meeting, her first as Chair, which took place on 08 March 2023 (via Teams due to inclement weather).

9.2 The ARC received a verbal update from Karlyn Watt, Senior Manager Deloitte. ARC learned that the handover from Audit Scotland to Deloitte has completed and the transition is well underway, with all preparation in hand. ARC will meet on 28 March to consider, and all being well, approve the Annual Audit Plan for the accounting reference date 31 March 2023. From Year 2 the Deloitte timetable will align with the FSS meeting schedule.

9.3 The ARC received an update from David Stark. There were no audit reports to consider for this meeting with the 2023 plan now complete with the three audits already received by ARC. It was agreed that the workforce planning / people strategy audit, previously deferred, was to be incorporated into the 2023/24 plan.

9.4 There was a lengthy discussion about the level of audit coverage / assurance required for the ARC to discharge responsibilities and the ARC noted a trend of reducing audit days over recent years. The ARC considered and approved the proposed 2023/24 audit plan incorporating the deferred audit.

9.5 The ARC received an update on the Official Controls Audit Programme from Marion McArthur. There were no audit reports to consider at the meeting and the remaining two audits for the 2022/23 plan will be presented to the June 2023 ARC meeting.

9.6 The proposed 2023/24 Official Controls audit plan was considered and approved by ARC and it was noted that there was a reduction from four to three audit. Marion showed clear linkage between her risk assessment and the proposed plan which the committee found helpful.

9.7 ARC reviewed the updated Strategic Risk Register and noted the reduction the score of two risks; Food Security and Delays in Recruitment, both reduced to 100.

9.8 ARC agreed a new risk which the Board was asked to approve. The new risk being External Policy Pressures with the specific risk being UK Government drive forward a deregulatory agenda, a matter which has been discussed previously at Board meetings and is scored at 200, the highest score being 250. The Board approved the new risk.

9.9 ARC noted the latest Strategic Issues Register which is tracking two issues, Budget Allocation and Public Sector Resourcing.

9.10 In response to a question Aileen advised that Deloitte have assured her that sufficient audit resource has been booked, the FSS timescale is achievable and that from Year 2 their audit planning will fully align with the FSS schedule of ARC and Board meetings.

10. Minutes arising from meeting held 07 December 2022 – 230306

10.1 The Board asked for clarification on several points in the minute:

- It was asked whether the Kantar data is available and Kate responded that FSS and FSA are working together to produce the joint FSS/FSA report on the Annual review of food standards, of which the Eat Well Your Way guide is part of, the first draft of the report is due this week.
- It was asked whether FSS are still carrying 8 vacancies in Marketing and Kate responded that Robert McGeachy joined the organisation earlier this year, which means the current vacancies stand at 7, however resource requirements are being reviewed as part of the reprioritisation exercise.
- It was asked whether the short life working group to feed back on FSS strategic performance indicators (SPI's) had been reconvened, and Natalie Greenland confirmed that invites would be sent out shortly. There will be 5 proposed SPI's to consider.

10.2 The Minutes of the meeting held 22 December 2022 were agreed as an accurate record.

11. Action Log – 230307

11.1 The Action Log was discussed.

12. Chair and Chief Executive Reports – 230308

In the period between 07 December to 22 March 2023 to present day the Chair attended meetings and events as per the [Chairs Report](#)

12.1 The FSS Chair invited Geoff Ogle to provide an oral update to supplement his written report.

12.2 Geoff advised that FSS have been invited to prepare submissions for the public sector reform. An area for potential cost savings which is being looked at is the sharing and delivery of shared services, ie data and digital, and Garry McEwan is also involved in this work.

12.3 The SVS programme is reaching culmination and an extraordinary Board meeting will be held in May prior to recommendations going to Ministers.

12.4 The Board asked whether local authorities are likely to free up resources to support the SAFER programme and Ian confirmed that the Chief Executives of SOLACE have agreed to free up resource to assist. An event is taking place next week to articulate the programme to redesign the framework for LA delivery and this will not be possible without them.

12.5 The Board noted a rise in reports in the media of BSE and asked whether FSS should be concerned and Geoff responded that there is no concern at this stage.

12.6 The Board noted the oral reports.

13. Questions from Public

13.1 Nil

14. AOB

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