

# Annual Report to the Board from the Finance & Business Committee (FBC)

## Report by Alban Denton, Chair of the Finance and Business Committee

### 1. SUMMARY

1.1 To provide the Board with a summary of the work undertaken by the Finance and Business Committee (FBC) during the period April 2024 to March 2025.

1.2 The Board is asked to:

- Note the work that has been undertaken by the FBC during the period April 2024 to March 2025 inclusive.

### 2. OVERVIEW

2.1 The FBC is the delegated forum (from the Food Standards Scotland (FSS) Board) to give appropriate high-level oversight of financial and operational matters at Board level and supports the translation of policy into effective results through a process of constructive challenge. The FBC remit / Terms of Reference (ToR) is to primarily focus on internal activity around good business practices, performance and budget management rather than the delivery of those activities that face external stakeholders.

2.2 The FBC ToR states that the Committee should provide an Annual Report to the Board outlining its work during the previous financial year.

#### 2.3 Meetings of the FBC

2.3.1 The membership of the Committee over the period and the regular attendees from the Executive are detailed in **Annex A**. On occasions, other staff have attended, as shown, to support the FBC in its work.

2.3.2 The FBC held virtual meetings on 29 May, 30 August, 09 December 2024 and 12 March 2025.

2.3.3 The agendas are set by the Chair, in consultation with the the FSS Executive. The FBC Chair provided an oral report of each FBC meeting to the following Board Meetings: 17 July, 18 September and 11 December 2024 and 26 March 2025. FSS Board members are encouraged to direct any enquiries they may have for the committee via the FBC Chair.

2.3.4 The FBC minutes, reports and meeting papers are available to all FBC and FSS Board members via Objective Connect.

2.3.5 The current version of the FBC forward plan is at **Annex B**.

2.3.6 The FBC carried out its first annual effectiveness review in December 2024 and positive feedback was received with no issues identified.

### 3. KEY SUBJECTS

#### 3.1 Financial Performance

3.1.1 Throughout the year, quarterly and year to date financial updates were provided to the Committee with particular scrutiny around the current budget position, known expenditure and projected out turn.

3.1.2 In May, the FBC were advised of the allocation for 2024/25 and noted that this was significantly less than the bid submitted by c. £5m.

3.1.3 FBC received the Financial Management Plan for 2024-26 and this was discussed and agreed.

3.1.4 The FBC were introduced to Anna Skowron in August 2024, who has joined FSS as Head of Finance and Procurement. The financial report to the end of Q1 was presented, which showed a significant reduction in internal allocation, from £1m to £15k.

3.1.5 At the December meeting, an overspend of £0.38m (4%) against the resource budget of £23.17m was reported. FBC heard that the budget had increased by £0.5m due to additional ministerial support to the meat industry.

3.1.6 The budget for 25/26 had not yet been confirmed. Following a UK government announcement of an additional £3 billion being made available to Scotland, FSS requested an additional £2.5m which was rejected. The Chief Executive intended to highlight budget allocation concerns at the full Board meeting on 11 December.

3.1.7 At the March meeting, due to resourcing pressures, it was noted that maternity cover is not being provided as standard, and there is a new process for considering backfill on a case-by-case basis at the Executive Management Team (EMT) meetings.

3.1.8 The FBC were presented with the Official Control Charge Rates for 2025-26 and noted the total gross costs increase of 3.4% (£255,701).

### 3.2 Performance against Corporate Plan

3.2.1 Significant attention and importance are attached to the review of performance against the current Corporate Plan being key to ensuring the organisation “stays on track” both in terms of strategy delivery and effective resource allocation and management.

3.2.2 At the May meeting, the year 3 presentation suggested that 53% of activities were delivered, 41% of deliverables were proposed to be rolled forward to year 4, and 6% of deliverables were to be cancelled as a consequence of time delays, duplication of efforts, resourcing issues and budget pressures.

3.2.3 In December, FBC were given an overview of deliverables in Q1 and Q2 (2024-25) of the new Corporate Plan, which detailed delivery of the final 2 years of the 5-year Strategy. The FBC noted that 100% of priority deliverables, planned for Q1 and Q2, had successfully been delivered.

### 3.3 Civil Service People Survey

3.3.1 The results of the 2024 Civil Service People Survey were presented at the March meeting and FBC were pleased to note the positive results with FSS ranking 9th place overall in terms of Civil Service, and 3<sup>rd</sup> place against comparably sized companies. This is similar to the previous year’s survey results where FSS ranked 8<sup>th</sup> overall. An increase in bullying and harassment figures was noted, with these mainly being reported by Operational colleagues feeling bullied and harassed from Food Business Operators.

### 3.4 FSS Charge Out Model and Rates (to meat industry for audit and health certification)

3.4.1 At the March meeting the FBC were presented with the agreed Charging Rates, including full breakdown, for 2024-25. The FBC noted the costs had increased by £995,551, a 15% increase from last year.

### 3.5 Equality Mainstreaming

3.5.1 FSS are halfway through its current reporting cycle (2022-26), and at the August meeting the FBC received the Equality Mainstreaming Report, which provided a summary of workforce data and monitoring information on employment activities and sets out future actions required in order to meet both the general and specific duties as required.

3.5.2 The FBC heard that FSS are benchmarked across other organisations in the public sector and compare well.

### 3.6 Freedom of Information Requests

3.6.1 At the August meeting the FBC were presented with an oral update of the Freedom of Information Requests and Data Protection summary. The FBC heard

that resilience had been created within the team, working alongside Private Office, to reduce the time spent responding to requests.

### 3.7 Strategic Outcomes Measures

3.7.1 At the August meeting FBC were presented with the 2023-24 Q3 and Q4 Strategic Outcomes Report. The FBC asked whether there was correlation between the number of enforcement actions decreasing and the number of audits increasing and were informed that this was due to seasonal changes to audits.

3.7.2 At the December meeting FBC were presented with the 2024-25 Q1 and Q2 Strategic Outcomes Report and SPIs. The FBC heard that the development of the FSS Strategy 2026-31 is now being drafted, with the decision to no longer measure outcomes against SPIs as annual delivery plans will be reviewed as part of the new strategy.

3.7.3 The move to Oracle Cloud and a new website will also enhance performance management both at an operation and strategic level moving into financial years 2026-27 and beyond.

### 3.8 People Board Update

3.8.1 The FBC were presented with the latest update on the People Board and noted the medium recommendation from a recent skills audit undertaken. In preparation for the move to a 35-hour working week FSS achieved a 90% business readiness, with the remaining 10% attributable to issues out with their control.

3.8.2 The FBC noted the low uptake in staff enrolment on Learning and Development sessions, but heard that the wording on the staff survey is open to interpretation and staff may be unaware of what constitutes undertaking L&D. Further work on increasing L&D engagement will be undertaken.

### 3.9 Comms Metrics

3.9.1 At the August meeting the FBC received an oral update on the Comms Metrics.

3.9.2 At the December meeting they received an update on the Consumer Tracker, hearing that there have been 18 waves since FSS was established, with a new supplier having been appointed in June 2024. It was noted that 1k people from various demographics are selected to take the survey. The FBC were reassured by the data presented.

## 4. **MEMBERSHIP, RESOURCE IMPLICATIONS & SUSTAINABILITY ISSUES FOR THE FBC**

4.1 The FBC expects to meet 4 times each year. No material increase in requirements is anticipated.

## 5. CONCLUSION AND RECOMMENDATIONS

5.1 The FBC continues to fulfil its role of scrutiny and providing assurance to the Board.

5.2 The FBC also thanks FSS staff for their contribution in supporting the Committee and its work.

5.3 The Board is asked to:

- Note the work undertaken by the Finance and Business Committee during the course of the period April 2024 to March 2025 inclusive.

Alban Denton  
Chair, Finance and Business Committee  
June 2025

**Annex A**

Membership of the FSS Finance and Business Committee April 2024 to March 2025

Members:

Alban Denton (Chair)  
 Dr Paula Charlesworth  
 Christina Bichan

Attendance:

<b>Board Member</b>	<b>Attendance</b>
Alban Denton – FBC Chair	4/4
Paula Charlesworth	3/4
Christina Bichan	3/4

Regular Attendees:

Executive  
 Geoff Ogle, Chief Executive and Accountable Officer  
 Head of Governance & Infrastructure  
 Head of Finance and Procurement  
 Head of Comms & Marketing  
 Head of Private Office  
 Executive Officer

**Occasional Attendees:**

Executive  
 Head of Corporate Support  
 HR Manager

## Annex B

### Finance and Business Committee Forward Plan

FBC Forward Programme 2024				
FBC Forward Programme - Agenda Items	27/02/2024	29/05/2024	03/09/2024	09/12/2024
<b>Miscellaneous Standing Agenda Items</b>				
Minutes and Action Log Tracker				
Any Other Business				
<b>Finance</b>				
Finance Report				
FSS Charge Rate Model				
Draft Financial Approach 2024 – 26				
<b>HR</b>				
People Strategy				
Equalities Mainstreaming Report				
Civil Service People Survey Results				
<b>Other Matters</b>				
Strategic Outcomes and Performance Data 2023/24 Q1 & Q2 Strategic Performance Indicators				
FBC Effectiveness Review				
Risk Analysis and Regulated Products				
<b>Comms</b>				
Comms Metrics				
Consumer Wave Results				

FBC Forward Programme 2025				
FBC Forward Programme - Agenda Items	12/03/2025	28/05/2025	27/08/2025	18/11/2025
<b>Miscellaneous Standing Agenda Items</b>				
Minutes and Action Log Tracker				
Any Other Business				
<b>Finance</b>				
Finance Report				
FSS Charge Rates 2025-26				
Draft Financial Approach 2024 – 26				
<b>HR</b>				
People Strategy				
Equalities Mainstreaming Report				
Civil Service People Survey Results				
<b>Other Matters</b>				
Strategic Outcomes and Performance Data 2024/25 Q1 & Q2 Strategic Performance Indicators				
FBC Effectiveness Review				
Risk Analysis and Regulated Products				
Carbon Management Plan and Policy Implementation Plan				
Sustainability				
<b>Comms</b>				
Comms Metrics				
Consumer Wave Results				
Comms Strategy update				