

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 2025 to March 2026.

1.2 The Board is asked to:

- Note the work that has been undertaken by the FBC during the period April 2025 to March 2026 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 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 28 May, 27 August, 18 November 2025 and 04 March 2026.

2.3.3 The agendas are set by the Chair, in consultation with the FSS Executive. The FBC Chair provided an oral report of each FBC meeting to the following Board Meetings: 18 June, 17 September and 10 December 2025 and 25 March 2026. 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 2025 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 that the organisation had faced significant challenges in managing the budget for FY 2024-2025. The team successfully achieved a balanced budget by year-end through rigorous scrutiny, monthly reviews, and strategic cost-saving measures.

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

3.1.4 At the August meeting, the FBC were presented with the financial report to the end of Q1, the report highlighted a £200k underspend against a budget pressure of £2.5m, not against the official budget allocation of £23.1 million. This underspend was considered positive given the recognition that the budget need was £2.5 million more than the allocation, making it unachievable to balance within the official budget, it was advised and re-assured that this was a cap not a target.

3.1.5 At the November meeting, a £0.48m underspend against the £25m budget, which includes an anticipated £0.35m saving from vacancy assumptions of 3%. This underspend, currently £300k as of October, is expected to reduce to £100k after the additional 1% pay rise in December.

3.1.6 The Scottish Government had agreed to provide £2.383m to address budget pressures, alongside £117k in savings achieved by the organisation.

3.1.7 At the March meeting, the updated full year resource forecast of £24.56m shows an underspend of £55k against £24.61m Spring Budget Review (SBR) allocation.

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. This is key to ensuring organisational consistency both in terms of strategy delivery and effective resource allocation and management.

3.2.2 At the May meeting, there was agreement to improve the transparency of corporate performance reports by introducing a traffic-light system to show progress against deliverables. The FBC were advised that the next strategy will use annual delivery plans, with clear and measurable objectives set over a 12-month period.

3.2.3 In November, FBC were presented with Q1 and Q2 performance against Year 2 of the Corporate Plan, which covers the final year of the 5-year strategy.

3.3 Civil Service People Survey

3.3.1 The results of the 2025 Civil Service People Survey were presented at the March meeting and FBC were pleased to note the positive results with FSS ranking ninth place overall in of the UK Civil Service results. This is the same ranking as the previous year's survey results. A decrease in the figure relating to staff believing action is taken on the survey results was noted with expectation that this is improved over the next year. The FBC also noted that the survey will be changing in 2026 to Employee Insights Programme. FBC were reminded of the People Strategy, how it supports the new FSS Strategy for 2026–31, and the importance of monitoring progress to ensure the people objectives are being delivered successfully.

3.4 Carbon Management Plan 2026-30

3.4.1 At the March meeting, the FBC were presented with the Annual Carbon Management Plan.

3.4.2 The FBC heard how heating Pilgrim House remains the same regardless of how many staff are in the building, more office attendance could help reduce overall carbon emissions. Recent upgrades to the security system, will provide better data on building use and support more accurate emissions reporting.

3.5 Freedom of Information Requests 2024/25

3.5.1 At the August meeting the FBC were presented with an oral update of the Freedom of Information Requests. Thirty one FOI requests were received in 2024/25, all of which were answered within the statutory timescale, with an average response time of 15 working days. The majority of requests related to finance, followed by corporate issues and food crime. Some repeat requests were submitted by activists, particularly concerning salmon farming. Requests mainly came from members of the public, the media, and various organisations. Many finance and corporate requests focused on expenditure and were often submitted by other public bodies seeking detailed financial information.

3.6 Data Protection Summary 2024/25

3.6.1 The importance of data protection training was emphasised, alongside the need for staff to report any breaches. The team reinforces this through regular meetings and blogs, reminding staff to keep their training up to date. Planned awareness sessions will use real breach case studies to further encourage reporting.

3.6.2 Three reportable data breaches occurred this year, affecting around 146 individuals. Last year's training audit showed full compliance, and preparations are underway for the next audit. Of the breaches, one resulted from a technical error and two from accidental disclosures, with one not requiring reporting to the ICO. A lessons-learned review is carried out after each breach, involving both internal and external parties.

3.7 Strategic Outcomes Measures

3.7.1 At the May meeting, FBC were presented with the 2025-26 Q3 and Q4 Strategic Outcomes Report. The FBC asked about the SPI-2 relating to shellfish sampling and if any information on the levels of samples were available. FBC were informed there had been a reduction of sampling for a few years due to the lack of resources from Local Authorities carrying out the work.

3.7.2 At the November meeting, FBC were presented with the 2025-26 Q1 and Q2 Strategic Outcomes Report and SPIs. The FBC heard that future reporting will align with the new strategy starting in 2026/27, with efforts underway to develop relevant indicators for assessing progress against organisational priorities.

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

3.8 Comms Metrics

3.8.1 At the August meeting, the FBC were presented with the communications metrics for Q1, along with the communications and marketing strategic plan updates. The new strategy aimed to streamline efforts, focusing on budget efficiency, targeted approaches, and increased partnership marketing.

3.8.2 At the November meeting, the FBC received an update on the Consumer Tracker, hearing that the Wave 20 survey results from July 2025 were based on 1,010 Scottish adults. Findings showed an increased trust in FSS among young people and families, reinforcing its role in tackling misinformation and delivering complex food safety and nutrition messages.

3.9 FBC Effectiveness Review and Terms of Reference

3.9.1 At the November meeting, the FBC were presented with the results of the annual Effectiveness Review noting that feedback from members shows general satisfaction with the committee's effectiveness.

3.9.2 The FBC agreed to remove "formally" reviewing Terms of Reference from reporting requirements, and revise membership criteria to require 'appropriate financial knowledge' rather than 'recent and relevant financial experience'.

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

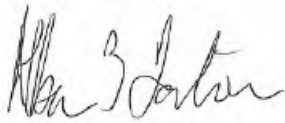
5.1 The FBC continues to fulfil its role of scrutiny and providing assurance to the Board.

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

- For information, Alban Denton stepped down as Chair of the FBC in April 2026, with Christina Bichan appointed as Chair. Alban will continue to sit on FBC as a member.

5.3 The Board is asked to:

- Note the work undertaken by the Finance and Business Committee during the course of the period April 2025 to March 2026 inclusive.



Alban Denton
Chair, Finance and Business Committee
May 2026

Annex A

Membership of the FSS Finance and Business Committee April 2025 to March 2026.

Members:

Alban Denton (Chair)
Christina Bichan (Deputy Chair)
Phillip Couser

Attendance:

Board Member	Attendance
Alban Denton – FBC Chair	4/4
Christina Bichan	4/4
Phillip Couser	3/4

Regular Attendees:

Executive

Geoff Ogle, Chief Executive and Accountable Officer
Head of Corporate Services Division
Head of Finance and Procurement
Head of Comms & Marketing
Head of Private Office
Executive Officer (Secretariat)

Occasional Attendees:

Executive

Head of Operational Delivery
Head of Corporate Support
HR Manager
Health, Safety and Environmental Manager

Annex B

Finance and Business Committee Forward Plan

FBC Forward Programme 2025				
FBC Forward Programme - Agenda Items	12/03/2025	28/05/2025	27/08/2025	18/11/2025
Miscellaneous Standing Agenda Items				
Minutes and Action Log Tracker				
Any Other Business				
Finance				
Finance Report				
FSS Charge Rates 2025-26				
Draft Financial Approach 2024 – 26				
HR				
People Strategy				
Equalities Mainstreaming Report				
Civil Service People Survey Results				
Other Matters				
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				
Comms				
Comms Metrics				
Consumer Wave Results				
Comms Strategy update				

FBC Forward Programme - rolling plan - Agenda Items	04/03/2026	27/05/2026	26/08/2026	18/11/2026
Miscellaneous Standing Agenda Items				
Minutes and Action Log Tracker				
Any Other Business				
Finance				
Finance Report				
FSS Charge Rates for upcoming year				
FSS Financial Plan				
Draft Financial Approach for upcoming year				
HR				
People Strategy				
FSS People Plan				
Equalities Mainstreaming Report - note this is a bi-annual report and next time it is due is August 2026				
Civil Service People Survey Results				
Other Matters				
Strategic Performance Indicators				
Performance against the Corporate Plan				
FBC Effectiveness Review				
Carbon Management Plan and Policy Implementation Plan				
Sustainability				
Preparation of Annual Report from Chair of FBC				
FSS Strategy 2026 – 31 Delivery assurance and annual delivery plan 2026-27				
FOI Requests & Data Protection Summary - Annual Report				
Comms				
Comms Metrics				
Consumer Wave Results				
Comms Strategy update				