

**Minutes of the Fifty Third Meeting of the Board  
22<sup>nd</sup> February 2018 10.00am Rural Centre Boardroom, Ingliston**

**Present:**

J McLaren, Chairman  
R Eunson  
J Fitzpatrick  
S Henderson  
A McNaughton  
S Mackie  
G Milne  
K Rowell  
J Scott  
P Sleight  
L Welsh

**In Attendance:**

A Clarke (Chief Executive)  
L Wilson (Office Manager)  
S Ashworth  
D Bell  
C McLaren  
L Vernet  
S Woodman (Item 11)

**Apologies**

P Byrne  
H Curran (Sponsor Team)  
J Gibson

**ACTION**

**1 Minutes of Board meeting on 16<sup>th</sup> November 2017**

- 1.1 The minutes of the Board meeting of the 16<sup>th</sup> November 2017 were approved.

**2 *Commercial in Confidence*  
Update on Action Points (paper 48-17/18)**

**2.1 Action Point 3**

**Action Point 13**

- 2.2 The abbreviation MMR on page 2 to be changed to AMR (Antimicrobial Resistance) **LWi**

**3 Financial Report 10 month to 31 January 2018**

- 3.1 In the absence of PB the Chairman opened the floor to a question and answer session.

**4 Corporate & Business Plan 2018 – 2023  
Implementation Plan & Budget**

- 4.1 The draft Corporate & Business Plan 2018 – 2023 was reviewed and discussed with the following changes to note:

- Change 2034 to 2023 on the cover sheet
- Ensure the wording for the overall strategy is consistent on pages 6 & page 8.

**AC**

- 4.2 The Chief Executive team presented the overall strategy vision, mission, strategic aims, objectives and a detailed review of

departmental strategic objectives for the next year.

The strategic vision, mission, strategic aims and objectives were agreed by the Board. A discussion took place regarding the wording of the overall strategy and if a figure which showed our ambition to contribute to the Scotland Food & Drink 2030 vision should be included.

It was agreed in principle that this was a good idea and suggestions would be sent to the Chief Executive and reviewed again by the board prior to sending the document to Scottish Government

The Chief Executive presented the implementation plan for the Corporate Services department. Questions were taken from the Board and the implementation plan was approved.

4.3 The Director of Marketing and Communications presented the implementation plan for the Marketing & Communications department. Questions were taken from the Board and the implementation plan was approved.

4.4 The Director of Industry Development presented the implementation plan for the Industry Development department. Questions were taken from the Board and the implementation plan was approved.

4.5 The Director of Strategic Engagement presented the implementation plan for the Strategy Engagement development department. Questions were taken from the Board and the implementation plan was approved.

4.6 The Director of Economic Services presented the implementation plan for the Economic Services department. Questions were taken from the Board and the implementation plan was approved.

4.7 The Director of Brands Integrity presented the implementation plan for the Brands Integrity department. Questions were taken from the Board and the implementation plan was approved.

## **5 Budget 18/19 for Approval**

The Budget for 2018/2019 was reviewed in detail and was approved by the Board.

## **6 Progress Report from 7<sup>th</sup> November to 12<sup>th</sup> February**

The Progress Report from 7<sup>th</sup> November to 12<sup>th</sup> February was noted and there were no further comments made.

## **6a Fergus Ewing, Cabinet Secretary for the Rural Economy and Connectivity**

Mr Ewing joined the meeting and the Director of Economic Services presented the Strategic issues that face QMS and the following topics were discussed:

- Brexit – The three main issues for Brexit are Market access, the future shape of agriculture & rural Scotland and the retention of skilled labour within our processing sector.
- Levy repatriation – QMS would like the Cabinet Secretaries full

support to ensure a more permanent solution is sought.

- Securing investment in the Scottish Abattoir Network
- Sector productivity
- Climate change and sustainability – a challenge for the industry is to position itself to “do more with the same” and possibly being pressure to “do the same with less”
- Identification of Scottish food products in multiple retailers.
- A key component for success is the willingness to share and use information, build trust within the supply chain and ways of working better together.

It was noted that a consultation on introducing compulsory CCVT in abattoirs in England and the Cabinet Secretary welcomes opinions from QMS for advice on this.

## **7 Committee Updates**

### **7.1 Scotch Lamb Marketing Strategy Group – 6<sup>th</sup> December**

The committee has been alarmed that most sheep bred in Scotland are being slaughtered in England. The Lamb marketing campaign is currently being refreshed and a number of ideas were discussed. Our marketing Controller has developed an Invitation to Tender to attract advertising agencies to provide fresh ideas for a campaign.

One specific issue that was discussed is how to get lamb into the growing trend of food boxes.

### **7.2 Remuneration Committee – 6<sup>th</sup> February**

#### **Scotch Beef Marketing Strategy Group – 15<sup>th</sup> February**

A review was provided of the March/April Marketing campaign and a discussion took place regarding the activity for 18/19, which included geographical, location, timing, which cuts and likely budgets.

### **7.3 We are currently undertaking consumer research focus groups to aim to understand consumer perceptions and understanding of the Scotch Beef PGI, Scotch Lamb PGI and Specially Selected Pork brands. The outcomes will be reviewed in May.**

A decision has to be made where to target the next campaigns which may mean a lower impact campaign in London and an increased campaign in Scotland. The Chairman said that it would be interesting to hear the views of consumers and without wanting to pre-empt the outcome it might be with considering focusing on Scotch Beef in London and all Scotch brands in Scotland?

## Scottish Sheep Industry Group

- 7.4 The latest SSIG meeting was held in late January with updates on the Monitor Farm programme and Ram Compare. The Chief Executive facilitated a breakout session to get feedback on the work that QMS are currently doing and what they should focus on doing. The industry group highlighted that QMS need to engage more with Nuffield scholars and the work of Doug Avery who wrote the book "The Resilient Farmer" which focusses on mindset changes could be beneficial for the sheep sector in Scotland.

## **8 Tulip Derogation Minutes**

The Tulip Derogation Minutes were reviewed and the Chairman stated it was important to have record of the decision-making process, this was approved by the Board.

## **9 Draft Programme of Recurring Board Business 2018/19**

The programme was approved and will be issued to the Executive Team.

## **10 Chief Executive's Report (57-17/18)**

### Levy Repatriation

There has been a major programme of joint activities agreed with HCC and AHDB. The activities will benefit cattle, sheep and pig levy payers in Scotland, England and Wales which will be paid for by a ring-fenced fund of £2 million of AHDB red meat levies commencing in April 2018.

### Senior Management Team Review

The Department restructure consultation is complete, and changes were implemented on Monday 5<sup>th</sup> February. A Leadership programme for the Executive Team is also being provided.

### IT and Office Upgrade

New furniture and decorations for the office have been purchased, along with new IT system and all PC's and laptops over 5 years old are being upgraded.

### Appraisals

All Appraisals have been completed and a new online system will be used for the next appraisals in April. Training for all staff will take place on 16<sup>th</sup> March 2018.

### Staff Update

Jill Hunter has left QMS and we are continuing to recruit for an Office Assistant, Knowledge Transfer Assistant and Assurance Advisor.

### DNA Proposal

The Invitation to Tender for the DNA Proposal as now been issued.

The Chief Executive advised that he had been invited as part of a UK wide red meat derogation to travel to New Zealand travelling on 9<sup>th</sup> March for 10 days. The Board thought this was a useful visit to learn more about risks and issues after Brexit.

## **11 Chairman's Report**

Since the November Board meeting the Chairman has attended the

NCRA, SAMW Conference, Aberdeen Northern Marts meeting. He has also met with Scottish Government on the new Board appointments and attended a dinner with Prince Charles and attended the Agri Journals Burns Supper.

The Chairman thanked the board and complimented them on the quality of the contribution that had been made at the meeting

**12 Any Other Business**

There was no other business to discuss.

**13 Date of Next Meeting**

The next Board meeting would be held on Thursday 19<sup>th</sup> April at 10am in the Rural Centre Boardroom.