

QUALITY MEAT SCOTLAND
Minutes of the Forty-second Meeting of the Board
12 November, 2015 10.00am Rural Centre Boardroom, Ingliston

Present:

J McLaren, Chairman
R Eunson
J Fitzpatrick
J Gibson
S Henderson
A McNaughton
K Rowell
P Sleigh
L Welsh

In Attendance:

S Ashworth (Item 7)
P Brown (Item 12)
U Morton (Chief Executive)
L Vernet (Item 11)

Apologies

P Byrne, S Mackie, G Milne, J Scott, G Smith

1 Minutes of Board meeting held on 17 September, 2015

Agenda item 16 would be amended to state the closed session was a new item for the Board which would be repeated annually. With this change the minutes of the 17 Sept Board meeting were approved.

2 *Commercial in Confidence – item withheld*

3 Financial Report 7 months to 31 October, 2015 (50-15/16)

3.1 Income and Expenditure

Levy income was close to budget and would be monitored closely. The planned deficit was £250k and it was noted there may be underspend in the ID area due to a number of factors. In the event of surplus funds being available, a behind the label campaign for all three brands would be considered for late February/March. Any financial issues to report or requiring Board comment between the December and February Board meetings would be communicated by e-mail.

3.2 Balance Sheet

There were no areas to note on the Balance Sheet.

4 Progress Report for Period 8 Sep – 2 Nov (paper 51-15/16)

The Progress Report was discussed and the following points noted:

- The Communications team was congratulated on the handling of the IACR report and was asked to monitor if the report had any impact on uptake of the school voucher scheme.
- The reasons for the amber areas in the report were explained.
- The increased number of unique visits to the web sites, videos and QMS Facebook were noted. It would be useful to identify when there is increased interest in a particular issue and up and down arrows were suggested for future web stat reports.

5 Review and Agree Key Operating Environment Indicators (KEOIs) (paper 52-15/16)

The updated KEOIs were reviewed and the following actions agreed:

- KEOI 1 – the periods being compared are different lengths (10 months and 6 months). Future reports would compare figures from a similar period when possible.
- KEOI 18 – responsible efficiency indices to drive improvements were

referred to at a recent retailer conference. This would be followed up with the retailer.

6 Progress Report on Achievement of Critical Success Factors (paper 53-15/16)

- 6.1 Further detail was requested on the reason for the large variation in the percentages from April to Oct 15 in the first table in 1 iii (SO Beef GB and SO Beef London).
- 6.2 The second table in 1 iii would be reformatted to improve presentation of the information.

7 Market Report (paper 54-15/16)

The Head of Economics Services gave a presentation on the pig industry. Board members then discussed pig abattoir capacity, carcass weights, the level of self-sufficiency in the UK and pork consumption figures. It was noted the QMS pig conference would take place on 17 November.

8 Committee Updates

8.1 Pig Industry Group Scotland (PIGS) – 27 Oct – P Sleigh

The PIGS group noted funding for the Agrosoft system used by Scottish pig farmers was no longer available. Also discussed was mange eradication and salmonella testing. A pig health charter for Scotland was being worked on and a short questionnaire on biosecurity was being undertaken at farm visits. It was hoped PEDv would be notifiable by February. Antimicrobial use on pigs farms and the BPEX information hub were also discussed.

8.2 Audit & Risk Management Committee – 28 Oct – A McNaughton

The Committee considered the review intervals of policies and procedures and made a small amendment to the Terms of Reference. The internal audit on farm assurance was postponed and replaced by an audit of the Communications strategy. The external audit plan was noted and the audit fee was expected to be similar to this year. The Risk Register was reviewed including the formula for likelihood and impact scoring. Following advice from the internal and external auditors it was agreed to keep the current methodology.

9 Review and Approve Risk Register (paper 55-15/16)

The Risk Register was approved. It was noted the residual risk total column for risk one would change to yellow from red once the tracked change was accepted.

10 *Commercial in Confidence – Item withheld*

11 Scotch Butchers Club Update

- 11.1 The IACR report was discussed, it had also been agreed to recirculate the Keep Calm posters and performance+ literature. The red meat market report showed no change in demand for the butchery sector and discounters, however there was a heavy decline in other retailers. Also discussed were the new logo design and how to recognise butchers stocking 100% product. A pilot monitor butcher was also being considered.

- 11.2 The Head of Marketing gave a short presentation on the proposed new Scotch Butchers Club logos. It was noted that the logos would not be promoted by QMS. The logos would be available to any butcher that stocks some Scotch product once they had signed an agreement that logos would only be used on Scotch product. The logos were approved by the Board.

12 *Commercial in Confidence – item withheld*

13 **Chief Executive's Report (paper 58-15/16)**

13.1 Haulage Standard Setting Body (SSB)

The current chair of the Haulage SSB, Keith Redpath, had been in the role for a number of years and had asked to step down. Gordon McKen was suggested as a successor and has agreed. The Chief Executive would write to Keith Redpath on behalf of the Board thanking him for his contribution to the SSB and also formally appoint Gordon McKen as the new chair.

13.2 Marketing Executive

Ciara Etherson has been appointed as Marketing Executive and will join QMS in early January. Ciara Etherson is a marketing graduate with four years' experience.

14 **Chairman's Report including Update on Beef 2020**

Since the September Board, the Chairman had met with both Peter Kendall and George Lyon separately. He had attended the Moredun HRH event, spoke at the McIntosh Donald producer group and accompanied the Cabinet Secretary on a visit to Canada. Beef Efficiency Scheme (BES) and Beef 2020 Core Implementation Group meetings had taken place. The Beef Efficiency Scheme was progressing well and had received input from the NFUS Livestock Committee. A BES diary would be sent to all farmers in December to allow recording of data from 1 January.

15 **Any Other Business**

15.1 Good Food Nation

The Scottish Food Commission is chaired by Shirley Spear and Board member Julie Fitzpatrick is Vice-chair. The Commission aims to improve the food of the Scottish nation and plans to connect up bodies in Scotland that contribute to good food. QMS Board members agreed it would be useful to receive further information.

15.2 SRUC Honour

The Chief Executive noted that the Chairman had been awarded an Honorary Fellowship of Scotland's Rural College in recognition of his outstanding contributions to Scottish agriculture and the rural economy. Board members congratulated the Chairman on this achievement.

16 **Date of Next Meeting**

The next Board meeting would be a full day Planning Workshop on Thursday, 10 December at 10am in the Rural Centre Boardroom.