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# Corporate Business Plan 23/24

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## Welcome from Chair Kate Rowell



As we waved goodbye to 2021 and moved into 2022 there was a real feeling that we were starting a period of stability, with the Covid pandemic and the UK's exit from the European Union both behind us, and QMS ready to face the challenges and grasp the opportunities these two events had left in their wake.

Unfortunately, this was all turned on its head when Russia invaded Ukraine and sent shockwaves through global energy, food and agricultural input supply chains. Farmers have had to contend with volatile prices for feed, fuel and fertiliser, processors have seen disruptions to product and labour availability as well as hikes in energy costs, and we are all grappling with the resulting increases in inflation and interest rates. The cost-of-living issues society is experiencing are affecting the way we live, shop and eat and this directly affects the way QMS speaks to consumers to encourage them to shop locally and choose Scotch Beef, Lamb and Specially Selected Pork whenever possible.

The team at QMS is adapting, as is most of society, to a hybrid way of working where time is used as efficiently as possible and team meetings are regularly in person to allow more interaction, learning and idea exchanges. The value of this kind of way of working was very evident when all of the staff team along with the entire Board met in early 2023 to begin developing our new five-year strategy due to begin in 2024. Thoughts, discussion and ideas flowed naturally and it was a great starting point for the following months of work which culminated in the successful launch of the document at the 2023 Royal Highland Show. Many thanks are due to everyone at QMS who took the time to participate in the process, as well as to stakeholders who fed in their thoughts, and especially to James Withers and Alison Milne for facilitating it so professionally. Our new Chief Executive Sarah Millar was the driving force behind the strategy development and really showed her understanding and ambition for both the organisation and the red meat sector throughout the whole project.

We welcomed three new QMS Board members in April 2023 and my thanks go to the retiring members for their enthusiasm, support and hard work on behalf of the whole industry.

We have recently navigated, and continue to face, an enormous amount of change as both a country and as a sector. Development of a new Scottish agricultural policy, UK trade deals, inflation, volatile input prices, changing consumer trends, labour shortages and the challenge of the climate and nature crises are just a few of the big issues we are all having to tackle head on and QMS is ready and willing to play its part. We are working hard to make sure the voice of the red meat sector is heard when policy decisions are made, that farmers and processors are supported in the drive towards net zero and that consumers are aware of the health, environmental and social benefits of buying locally-produced pork, lamb and beef. Scotland needs a productive, profitable and sustainable red meat sector and we will continue to work hard to help achieve this in 2023.

A handwritten signature in black ink that reads 'K.A. Rowell'. The signature is fluid and cursive.

**Kate Rowell**  
Chair







## Introduction from Chief Executive Sarah Millar



Putting communication with levy payers at the forefront has been one of the core ambitions of my first year as Chief Executive of QMS. Over the course of a series of country-wide meetings, our Chair Kate Rowell and I listened, discussed and debated with all parts of the supply chain. Many of the ideas, challenges and opportunities put forward were then taken to strategy workshops involving the entire QMS Board and staff team.

As a result, we will be proud, on behalf of everyone in the Scottish red meat sector, to launch our five-year strategy at the Royal Highland Show in June 2023. Our mission is to foster profitable and innovative supply chains which support jobs and communities across the country; all delivered by creative, ambitious organisations that harness the talent of their people and support individuals throughout the industry. This is how we will realise our mission to make Scotland **the** choice for premium red meat.

Success will be an industry with greater confidence, with profitability and productivity at its heart, delivering a product high in demand, viewed by our key customers – here and overseas – as their first choice. Over the next five years, three pillars of work will define our activity: provenance; productivity and profitability; and planet and place.

QMS is an executive non-departmental public body of the Scottish Government. The Corporate Business Plan for QMS is prepared in line with the requirements for a public body and sets out our strategic ambitions on behalf of the Scottish red meat industry for the period 2023–2024. These are published on the QMS website [www.qmscotland.co.uk](http://www.qmscotland.co.uk). QMS is funded by levy from Scotland's beef, lamb, pork producers and processors who make an important contribution to the country's rural economy, contributing over £2.1 billion to the annual GDP of Scotland and supporting around 50,000 jobs in the farming, agricultural supply chain and processing sectors.

We market the PGI labelled Scotch Beef and Scotch Lamb brands in the UK and abroad and promote Scottish pork products under the Specially Selected Pork Banner. Our brands are underpinned by our internationally recognised assurance schemes which cover more than 90% of livestock farmed for red meat in Scotland. They offer consumers in the UK and overseas the legal guarantee that the meat they buy has come from animals that have spent their whole lives being raised to some of the world's strictest welfare standards. With hundreds of years of tradition behind them, Scottish farmers pride themselves on meeting the high standards of today's modern meat consumers, at home and abroad.

**Sarah Millar**  
Chief Executive







## Purpose of this Document

The purpose of this corporate business plan and associated implementation plan is to inform Scottish Government and other key stakeholders of our strategy and operations for 2023–2024. We have analysed the current red meat sector environment, identified the key areas where QMS can make a positive impact, agreed our strategic aims and detailed what we will do during this financial year to work towards their achievement.



## Scottish Red Meat Sector Situation Analysis



While the surge in global commodity markets following the outbreak of war in Ukraine has dissipated, farmers and processors are still facing elevated production costs and consumer demand remains under pressure from an inflationary shock. The following summary details the current situation faced by the Scottish red meat sector; however, unpredictable risks and issues tend to arise which we will need to address during the financial year.

### Beef Market

After a firm start to 2023, farmgate prices have come under significant pressure, with R4L steers falling 6% from a peak of £5.12/kg dwt in May to £4.83/kg in the third week of July. Nevertheless, prices still held margins of 6% over year-earlier levels and 22% on the five-year average, with prices in Scotland running at a small premium over the levels being paid by abattoirs in England & Wales.

Cull cow prices have come under more significant downwards pressure, falling by 10% between May and July, pointing to significant challenges in the market for manufacturing grade beef. However, at 20%, the difference between R4L steer and R4L cow prices remains below its long-term level, meaning that cow prices remain attractive to producers.

A more favourable balance between input costs and finished cattle prices plus tight supply led to strong competition for store cattle in spring 2023, and prices rebounded after a subdued 2022. However, having paid high store prices in the spring, falling prices for finished cattle in summer 2023 point to the potential for a renewed squeeze on finishing margins, particularly given a renewed spike in feed costs following the suspension of the Black Sea Grain Initiative in mid-July. A potential knock-on effect could be softer demand at autumn store sales.

After a period of positive market returns for store and finished cattle producers, if the current market downturn was to continue, a renewed weakening of producer confidence could see the beef herd contract further.

While EU beef supply is tight, with the EU Commission forecasting a further reduction in EU beef production in 2023, UK export volumes to the EU fell by 22% year-on-year in the first five months of 2023, likely reflecting firm demand and attractive prices in the domestic market at that time. It should also be noted that a significant fall in average import and export prices was picked up in the UK trade data between April and May, with this likely filtering through to price sensitive segments of the domestic market since. Exports to markets beyond the EU have also fallen back in 2023, despite the reopening of Hong Kong to tourists.

Looking further afield, while overall global supply is set to remain relatively tight in 2023, a rebound in Australian production after the drought of 2018 and 2019 is now reaching the world market, while production in Argentina and Brazil has also risen this year. At the same time, demand is thought to have undershot expectations in China, and wholesale prices have fallen significantly since May. One market seemingly immune to downwards pricing pressure has been the USA, where production has fallen sharply on the back of a drought-induced herd liquidation in 2021 and 2022. However, challenging US market access requirements for processors and a limited TRQ, which has been filled by spring in 2022 and 2023, make a seemingly attractive export market look unappealing.

### Beef Supply

The number of cattle available for slaughter in Scotland has tightened sharply in 2023, limiting the volume of beef able to carry the Scotch Beef label. This has reflected a sharp rise in the number of prime cattle leaving Scotland for finishing in England from autumn 2021 up to and including spring 2023. Prime cattle slaughter fell by 3.4% on a year earlier in the first quarter of 2023 at Scottish abattoirs.

However, the pace of year-on-year decline accelerated significantly to almost 14% in Q2, with supply chain challenges also at play. While there has been a rebound in slaughter capacity in July 2023, weekly slaughter has still been trailing year-earlier levels and is estimated to have been running at around 80% of current capacity, with implications for QMS levy funding levels.

Cull cow slaughter rose strongly on a year earlier in autumn 2022, driven by input cost pressures, subdued store cattle prices, attractive cow price levels and uncertainty over future agricultural support. BCMS data then showed that the number of beef-sired females aged 30 months and over on Scottish farms was down by 3.3% year-on-year in January 2023, accelerating slightly to a decline of 3.6% in April, causing concern over the potential impact on future prime cattle supply. Early data from 2023 suggests that calf registrations have fallen by closer to 1%, likely reflecting increased use of beef genetics in the dairy herd, while culling of the least productive cows may



have supported calving rates. Nevertheless, a reduced breeding herd points to tighter cattle supplies going forward.

### Lamb Market

It has been a volatile start to 2023 for the lamb trade. After a subdued start, where farmgate prices had been back at pre-covid levels for the time of year, market prices returned towards the highs of spring 2021 around Ramadan and Easter in late-March and early April. While the slow arrival of new season lambs supported prices for the early-finishing 2023-born lambs, a long tail of hogs underpinned overall lamb supply and hogg prices traded at slightly lower levels than in 2022 in May, and new season lamb prices fell short of year earlier levels through most of June and July. Nevertheless, prices held 20-25% above the five-year average.

While domestic demand for lamb has been soft due to its position as an expensive protein at a time of squeezed household purchasing power, market returns have been supported by external trade pressures.

On the export side, HMRC figures point to a strong start to 2023 with a 12% year-on-year uplift in the first five months, removing supply from the domestic market. A softening of GB lamb prices at Rungis wholesale market in Paris below year-earlier levels in the second half of July does however suggest that export demand may have cooled.

Meanwhile, a reduction in imports, which first showed up in Q4 2022, has also been reducing domestic market supply in 2023. In the first five months of 2023, imports fell by 33% year-on-year, with a limited seasonal upturn at Easter, and were less than half of their mid-2010s level.

While Defra figures show that total UK sheepmeat production fell by 2.4% year-on-year in the first five months of 2023, the combination of higher exports and lower imports strengthened the year-on-year decline in total UK market supply to -13.5%. Given subdued consumer demand outside of Easter, this supply-side pressure has been supporting market prices.

### Lamb Supply

In Scotland, the December Sheep and Goat Inventory results showed a continued downwards trend in the female breeding flock, falling by 0.7% year-on-year. This suggests that an increased lambing rate would be required to deliver the same number of lambs as in 2022. As of the week ending July 26th, the number of new season lambs sold at Scottish marts was down 15% year-on-year, and, despite an end to the dry weather in June, there has been little sign of a catch-up, suggesting that we may have a slightly smaller lamb crop this year.

### Lamb Processing

At Scottish abattoirs, lamb slaughter has come under significant pressure in recent years, with implications for QMS levy collection as more lambs have moved to England & Wales for slaughter. Throughput fell by 17% between 2019 and 2022, with a further 8% reduction in the first half of 2023. Given tight labour supply, prioritisation of beef production over lamb at multi-species processing sites is thought to have played a part.

### Pork Market

After a prolonged period of loss-making through 2021 and 2022, market conditions have become much more favourable in 2023, with the GB SPP approaching £2.25/kg dwt and 64% above the February 2022 low, while feed prices have fallen sharply from the highs of 2022. This combination points to margins returning to positive territory in 2023 for the first time since Q3 2020. However, the lift in feed prices in the second half of July after the suspension of the Black Sea Grain Initiative could slow the repair to balance sheets, and highlights the sensitivity to external shocks on global arable crop supplies, such as war and climate change.

While the jump in pig prices between spring and summer 2022 was driven by pork processors attempting to protect the future security of supply, this was too late to prevent significant herd contraction. The subsequent supply tightening, with GB prime pig slaughter down 11% year-on-year in the first half of 2023, has supported further increases in farmgate prices.

With carcase weights falling back from the highs of early 2022 when they had been pushed up by the backlog on farm, meat production at UK level fell by more than 13% year-on-year in the first half of 2023. With EU production also falling, imports had been unable to fill the gap in UK market supply in early 2023. However, by April and May, import volumes did start to lift, limiting the supply side decline, along with sharply falling exports. Nevertheless, unlike in the beef sector, the tight EU pig market has continued to support the competitiveness of domestic product in the home and export markets, with the GB SPP running only around 5-6% above the EU average for grade E pigs in summer 2023.

Looking forward, the seasonal balance of the pig market is changing, with the weekly kill and carcase weights lifting above their summer low in July, potentially slowing further price rises.

### Brechin Abattoir

In early 2022, Browns Food Group, a Scottish-owned food manufacturing business, took over the operation of Brechin Abattoir, which is of high strategic importance as the only volume processor in Scotland. It is hoped that the Specially Selected Pork brand can begin to grow, providing a sustainable future for the Scottish pork sector and generating added value for the Scottish economy. A rising prime pig kill in Scotland is a positive sign of improved market opportunities in 2023 against a backdrop of fewer pigs leaving Scottish farms for slaughter.

### Labour Shortages

Processing businesses have found it much harder to replace leavers since the EU referendum as the UK initially became less welcoming to EU workers and then ended free movement. Meanwhile, it has remained very difficult to recruit and retain local workers, due to strong competition from other sectors, often with better working conditions. High street butchery businesses have faced similar pressures and have had to focus on training.

However, QMS processor survey results showed a significant increase in the number of non-EU citizens in the processing workforce in 2022, rising to around 10% of the total, offsetting a continued reduction in EU workers. The introduction of non-EU workers to the workforce has been extremely expensive due to UK immigration rules and the need to supply accommodation, often higher than £15,000 per worker.

Although labour supply remains tight in processing, vacancy levels are thought to have fallen to around 5%, down from as high as 15% in 2022.

### Cost of production

After a very challenging 2022, commodity prices have, in general, fallen back sharply in 2023, supported by a weaker US dollar. However, farmers, processors and butchers will continue to face unusually high levels of input costs, where prices have rebalanced to reflect past rises in raw material prices and energy price contracts were entered at multiples of previous levels.

Defra's Agricultural Price Index of agricultural inputs showed that energy was still up 75% on its 2020 average level in May 2023, while fertilisers were 85% above 2020 levels and feed was still up 48%. In addition, a tight UK labour market means that wages have been rising at an annual rate of around 6-7% in 2023 and financing costs are rising as Bank of England base rate increases pass through to loan rates on new and existing borrowings.

Along with uncertainty over the ability of Ukraine's farmers to export grain, a further upside risk to feed costs is the El Niño weather system; if it were to result in drought in key arable production areas of the world, it could lead to a renewed spike in grain and oilseed prices.

The UK Producer Price Index has pointed to a significant squeeze on already thin processor margins, with the inputs index for meat processing rising faster than the output prices index. While there has been some narrowing in 2023, the inputs index was still 16.5 points higher than the outputs index in June. Given reduced household purchasing power, it has been challenging for processors to pass on increased costs through higher wholesale prices with current levels of retail price inflation are already testing consumers' willingness to pay.

### Rising cost of living

The UK has been facing a prolonged inflationary shock since 2021, with the CPI inflation rate exceeding the Bank of England's 2% target since August 2021. The cost of living has risen by 18% since January 2021 and is set to keep rising, just at a slightly slower pace. While consumer confidence has rebounded from its autumn 2022 low, it remains very weak, with the expectation of significant increases in monthly mortgage payments now a factor following significant increases to the Bank of England base rate. As a result, the squeeze on disposable income is set to continue, pressuring the volume and composition of red meat demand.

### Consumer demand

In the retail market, while a tight UK labour market and rising wages have helped support increases in cash spending on meat, high levels of price inflation have placed downwards pressure on sales volumes and households have been switching purchases towards cheaper cuts. Since spring 2023, there has been sharp upwards pressure on the price of beef mince and pork, resulting in significant falls in sales volumes. However, lamb retail prices may now be starting to level off and falling farmgate prices for beef and the potential for a seasonal steadying or dip in pig prices between summer and autumn 2023 could begin to filter through.





Beef, lamb and pork price levels in 2023 may also have been limiting volumes bought by food manufacturers for use in ready meals and products like burgers and canned meats, potentially leading to substitution of domestic products with cheaper imports.

Given squeezed household purchasing power, it is thought that foodservice sector demand has been soft, outside of the high-end, again leading to the potential for import substitution.

### Abattoir Sector Consolidation

One risk of the combination of tight cattle supply, a higher cost base and weak demand is for further concentration in the abattoir sector in Scotland, potentially altering the balance of pricing power for livestock producers in the longer-term. This has already been the case, demonstrated by the deal agreed between ABP and Scotbeef in June 2023 for the purchase of an abattoir and a retail packing plant.

### Trade

While larger processors have adapted to the challenges of complying with EU customs controls, small exporters have largely exited from trading across the EU border.

One potential challenge for exporters to the EU and businesses sending product to NI to manage in 2023 is the need for certification of regular vet visits to the farm of origin from 14 December 2023. This should have limited impact on exports from Scottish abattoirs due to very high coverage of assurance scheme membership, which is to be treated as evidence of compliance, and it could lead to some increase in membership of the QMS Cattle and Sheep schemes.

Exports to non-EU countries continue to face significant non-tariff barriers. While Scottish processors are exploring opportunities in the USA, Middle East and Asia, given the extra cost of trade compared to the home market, the opportunity needs to be of enough scale and value to make it worthwhile but, at the same time, not so large that it could put at risk supplying existing customers in the domestic and EU market.

For imports of meat to GB, the need for export health certificates and checks at the border are set for a phased introduction from autumn 2023. The introduction of these checks has the potential to result in some short-term supply constraints, as EU exporters and GB importers adjust to the new processes. However, import controls will reduce the risk of African Swine Fever (ASF) arriving in the UK through contaminated pork products carrying the pathogen. If ASF was to be detected in the UK, it would likely lead to the suspension of pork exports to several key export markets.

On the import side, Australia and New Zealand have now gained access to additional tariff-free quotas for beef and lamb through new Free Trade Agreements which entered force at the end of May 2023. This has the potential to raise imports of highly competitively priced product to the UK, with knock-on impacts on demand for domestic product in segments of the market where provenance is less important than price. A longer-term risk is the cumulative impact of increased access to the UK market from post-Brexit FTAs.

### Sustainability

On behalf of the Scottish Red Meat Resilience Group (SRMRG), a project is being undertaken to map out the Scottish red meat supply chain's science-based net zero routemap. This will provide a comprehensive overview of scope 1, 2 and 3 emissions within the chain and give a clear steer on where investment is required to meet Scottish Government targets. Meanwhile, the net zero and nature restoration routemap project will generate more evidence-based positive statements about the sustainability credentials of the Scottish red meat sector.

An internal working group has been formed to draft a corporate sustainability plan for QMS. Current practices in areas such as equipment purchases, energy use, recycling levels and business travel are being reviewed and staff guidance will be issued on where changes could be made without impacting on the efficiency and effectiveness of our services to stakeholders.





## QMS Strategy

QMS developed a five-year strategy in 2018. This corporate business plan for 2023–2024 details each of the following:

- Our aim
- Our purpose
- Our strategy
- Our four strategic aims
- Our strategic objectives for each strategic aim
- A one-year implementation plan of the activities that we will do to achieve our strategy

In 2023 QMS developed and launched a new five-year strategy which will run from 2024.





## Implementation Plans Per Department

We have detailed key highlights from our implementation plans for each of our departments:

Brands Integrity, Corporate Services, Industry Development, Market Development, Marketing & Communications, and Market Intelligence & External Affairs.









Brands Integrity	What we will do
Department Aim	<p>To underpin the integrity of the Scotch brands through whole of life and whole of production supply chain quality assurance.</p> <p>Provide reassurance to consumers that all products that carry the Scotch Beef PGI, Scotch Lamb PGI and Specially Selected Pork logos are produced to some of the highest standards in the world.</p>
Department Objectives/ Key Deliverables	<ol style="list-style-type: none"> <li>1. To provide world-class quality assurance.</li> <li>2. Continually review and update our whole of production supply chain standards.</li> <li>3. Effectively engage with our members to ensure understanding of the standards.</li> <li>4. Future-proof our standards to ensure they are fit for purpose for consumers.</li> </ol> <ul style="list-style-type: none"> <li>• Promoting the benefits of the assurance schemes</li> <li>• Continue work with our certification provider to ensure the highest level of service is provided to our members.</li> <li>• Delivering added value to assurance</li> <li>• Facilitating supply chain co-operation through whole production supply chain assurance</li> <li>• Review current Traceability Checkers to ensure they provide quick results for members, markets and abattoirs.</li> <li>• Implementing the QMS Membership rules</li> <li>• Create and run a governance committee for Membership Rules</li> <li>• Implement the newly revamped Standard setting process across all of the assurance schemes.</li> <li>• Re design the standards documentation further to make it clearer to members</li> </ul>

Corporate Services	What we will do	
Department Aim	To uphold the highest level of governance and support our Board, executive team and all staff by managing administrative operations and implementing innovative, effective business processes to meet the needs of our stakeholders.	
Department Objectives/ Key Deliverables	<ol style="list-style-type: none"> <li>1. Compliance with all levels of governance.</li> <li>2. Production of monthly finance reports and budget reviews.</li> <li>3. Ensure a robust HR function to support all staff.</li> <li>4. Provide a professional administration service to all staff, Board and key stakeholders.</li> <li>5. Implementation of cloud- based accounting, Customer Relationship Management and file management software.</li> <li>6. Design a Corporate Sustainability Policy.</li> </ol>	<ul style="list-style-type: none"> <li>• <b>Finance and Administration</b> <ul style="list-style-type: none"> <li>• Professional support to all staff, Board and stakeholders</li> <li>• Monthly finance reports</li> <li>• Regular budget reviews</li> <li>• Administer our levy collection</li> <li>• Quality assurance scheme finances</li> </ul> </li> <li>• <b>Technology and Software</b> <ul style="list-style-type: none"> <li>• Continuation of our hardware succession plan</li> <li>• Continual development of our cloud software and processes</li> <li>• Continual review to streamline our internal processes</li> <li>• Provide instructional videos/manuals for all new software</li> </ul> </li> <li>• <b>Governance</b> <ul style="list-style-type: none"> <li>• Complete programme of Internal Audits</li> <li>• Unqualified financial year end audit</li> <li>• Compliance with GDPR regulations</li> <li>• Compliance with procurement regulations</li> <li>• Review of internal policies and procedures</li> </ul> </li> <li>• <b>Human Resources</b> <ul style="list-style-type: none"> <li>• Continual development of the QMS training plan</li> <li>• Continual development of the QMS interactive induction document</li> <li>• Enhance employee interactions, and collaborative working</li> </ul> </li> </ul>



Industry Development	What we will do
Department Aim	To work with the Scottish red meat sector to develop methods to improve economic, environmental and social sustainability.
Department Objectives/ Key Deliverables	<ol style="list-style-type: none"> <li>1. Support, develop, and deliver industry leading and industry led work.</li> <li>2. Deliver projects that address the needs of the industry.</li> <li>3. Provide relevant, and valued, guidance and information.</li> <li>4. Be valued by the wider red meat sector.</li> </ol>
	<div> <div> <b>Monitor Farm Scotland Project</b> <ul style="list-style-type: none"> <li>• Deliver the Monitor Farm Scotland Programme</li> <li>• Deliver 12-15 large open meetings per year</li> <li>• Deliver in-depth data collection from monitor farms focussed on developing economic and social performance</li> <li>• Regular and dynamic communications engaging the farming community</li> <li>• Develop engaging multi-media content with high-profile contributors</li> </ul> </div> <div> <b>Meat Eating Quality</b> <ul style="list-style-type: none"> <li>• Deliver a programme of works built on the foundation of Our Meat Eating Quality report.</li> <li>• A programme divided in to short, medium, and long-term objectives</li> <li>• Working across 4 key areas: <ul style="list-style-type: none"> <li>• Optimising the <b>Nutrition</b> Plane</li> <li>• Valuing and developing better <b>Genetics</b></li> <li>• Improving animal <b>Health &amp; Welfare</b></li> </ul> </li> <li>• Bringing the <b>Supply Chain</b> closer together</li> </ul> </div> <div> <b>A Healthy Pig Sector</b> <ul style="list-style-type: none"> <li>• Build on our existing work to develop a strong and focussed approach to pig health and welfare</li> <li>• Provide training and skills development to improve welfare and management</li> <li>• Support pig businesses to perform at their best</li> </ul> </div> </div>

Market Development	What we will do
Department Aim	To open new markets and build on existing markets for Scotch and Scottish products in local, national and international markets.
Department Objectives/ Key Deliverables	<ol style="list-style-type: none"> <li>1. Support processors, retailers and butchers to maintain and grow their ranges of Scotch PGI and Specially Selected Pork.</li> <li>2. Support processors to develop new markets locally, nationally and internationally.</li> <li>3. Gain USA market access for Scotch lamb PGI.</li> <li>4. Submit a successful State Aid Application.</li> </ol> <ul style="list-style-type: none"> <li>• Deliver the Anuga trade show in Cologne, Germany</li> <li>• Create a German language marketing support package for Anuga</li> <li>• Host five launch events across the UK &amp; Europe for the Scotch Beef club</li> <li>• Create a marketing support package for Scotch Beef Club launch</li> <li>• Host an inward mission for French chefs &amp; buyers</li> <li>• Work with levy bodies &amp; UK Gov to deliver an Agri Councillor post in China</li> <li>• Update QMS website with key info &amp; USPs on exporters</li> <li>• Deliver the engagement strategy for retailers and processors</li> <li>• Deliver the engagement strategy for industry stakeholders (Scot Gov, SF&amp;D, SDI, etc)</li> <li>• Review our Brands Licencing Scheme and membership</li> <li>• Promote butchery and the QMS brands in schools and colleges</li> <li>• Deliver a series of knowledge transfer days for butchers and chefs</li> </ul>



Marketing & Comms	What we will do
Department Aim	<p>To work in collaboration with our key stakeholders to grow a trusted, premium Scotch red meat brand that aligns with our consumer values. Position Scotch as a brand that they are willing to pay a premium for.</p>
Department Objectives/ Key Deliverables	<ol style="list-style-type: none"> <li>1. To work in collaboration with our key stakeholders to further grow our trusted, premium Scotch red meat brand ensuring that they align with our consumer values.</li> <li>2. Achieve a brand market position for Scotch that consumers are willing to pay a premium for.</li> <li>3. Build a strong international consumer brand driven through insight.</li> <li>4. Grow brand recognition through applying a suite of tactics including social media, digital, sponsorship, industry toolkits and PR.</li> <li>5. Promote the benefit of red meat as part of a balanced healthy diet to consumers.</li> </ol> <ul style="list-style-type: none"> <li>• Deliver an always on consumer marketing and communications plan targeting our primary market 18 to 38-year-olds, plus secondary audience 45+ – meat reducers/health conscious</li> <li>• Design and deliver Education – Farming Foodsteps and beyond to be used as an education resource by school children and adults. Work with collaboration with AHDB/HCC to look at key shared resources</li> <li>• Drive awareness of our activities with educators, consumers, and trade</li> <li>• Promote sustainability and health benefits of red meat in our education and marketing activities</li> <li>• Deliver insight to drive both UK and export sales</li> <li>• Engage with butchers and food service to maximise distribution and visibility of the brands on and offline</li> <li>• Develop a scorecard to measure key strategic KPIs/ROI to measure impact</li> <li>• Collaborate with our key stakeholders to ensure that our narratives are aligned</li> <li>• Build and deliver a new industry engagement/communication strategy and monitor its impact</li> </ul>

Market Intelligence & External Affairs	What we will do
Department Aim	<p>Build and develop an independent evidence base around the market fundamentals of the Scottish red meat sector, communicating this to members of the Scottish red meat supply chain and other key stakeholders, including political decision makers.</p>
Department Objectives/ Key Deliverables	<ol style="list-style-type: none"> <li>1. Market Intelligence: Develop, maintain and communicate key market fundamentals to industry and decision makers to aid with business decision making.</li> <li>2. Public Affairs: Develop and communicate an independent evidence base to support a range of policy decisions.</li> <li>3. Stakeholder Engagement: Co-ordinate stakeholder engagement across the organisation.</li> <li>4. Sustainability: Lead on the development of strategic sustainability projects for the organisation.</li> </ol> <ul style="list-style-type: none"> <li>• Deliver a range of key market intelligence reports and insights for use both internally and externally.</li> <li>• Increase our public affairs work and in particular engagement with Westminster politicians and committees.</li> <li>• Develop collaborative public affairs work with other key stakeholders.</li> <li>• Completion of the Scottish Red Meat Industry Net Zero and Nature Restoration roadmap and roll out to wider supply chain.</li> <li>• Embed across the organisation a strategic approach to stakeholder engagement.</li> <li>• Increase engagement with key MSP's and key committees at Holyrood</li> <li>• Support Scottish Red Meat Resilience Group members to deliver a programme of activity aimed at highlighting the economic, social and environmental case for livestock in Scotland.</li> </ul>







## Key Deliverables Per Department

This provides us with a focus to ensure that all our activities meet our strategic aims and objectives. This breaks down by department as follows:

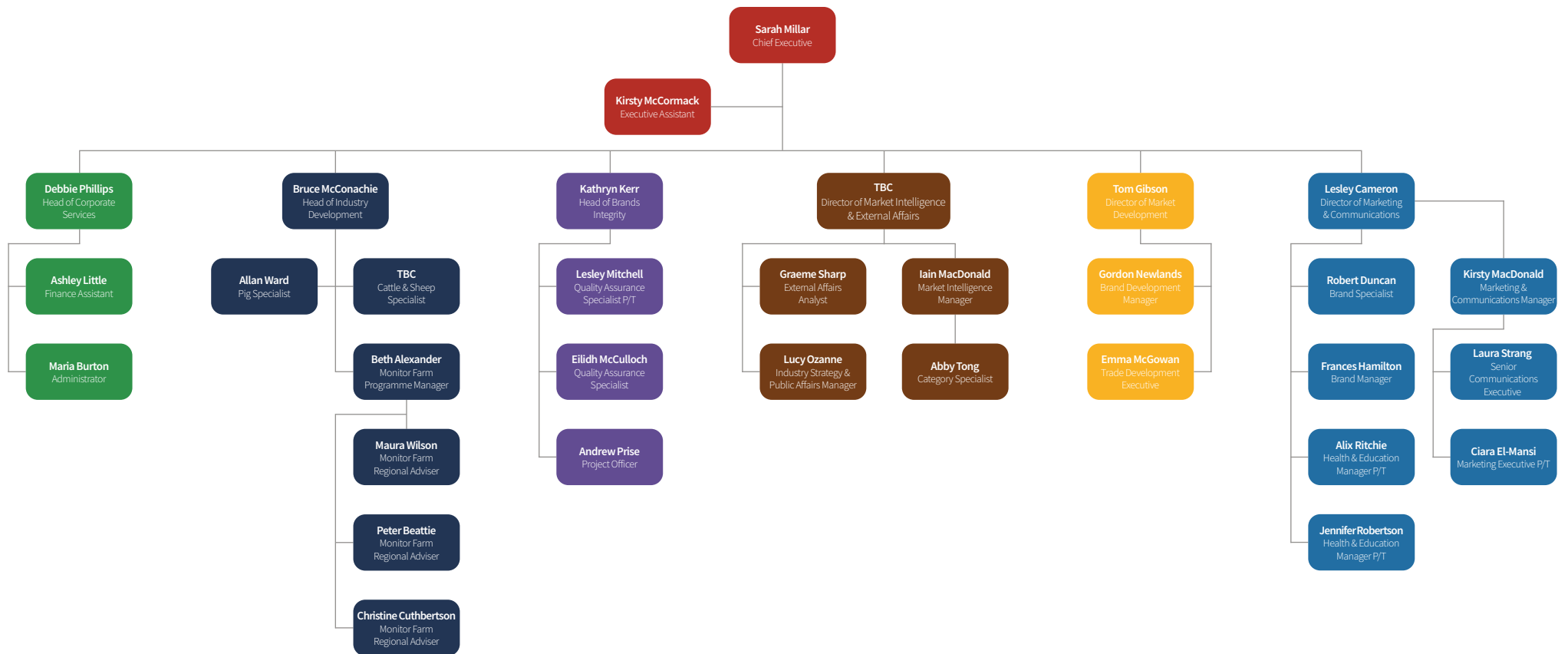
Department	Budget 2023-24(£)	% Of Total 2023-24	% Of Total 2022-2023 (Comparison)
Brands Integrity	1,741,776	25%	24.8%
Corporate Services	782,156	11%	10.2%
Market Intelligence & External Affairs	490,062	7%	8.9%
Industry Development	973,643	14.5%	15.2%
Market Development	521,591	7%	6.3%
Marketing & Communications	2,468,031	35.5%	34.59%
<b>TOTAL</b>	<b>£6,977,259</b>	<b>100%</b>	<b>100%</b>





## Staff Resources

Quality Meat Scotland – Google Chrome To deliver our ambitious plans we have agreed a new staffing structure which is detailed below. We have reduced the numbers of staff in Market Development due to the number of trade shows that have been postponed, strengthened our Marketing & Communications and our Market Intelligence – including Health & Education – & External Affairs teams.



## Key Delivery Partners

Quality Meat Scotland is part of the private and public-sector collaboration of Scotland Food & Drink and represented on their Partnership Board.

We also work closely with our key stakeholders and our long-term aim is to create shared strategic objectives across our footprint in the Scottish red meat sector which includes: farmers, feed suppliers, auction markets, hauliers, primary processors, secondary processors, retailers, butchers, food service providers and chefs.





## Scottish Government National Performance Framework

Because of its activities on behalf of the industry, QMS contributes to the Scottish Government's primary purpose of increasing sustainable economic growth and to the five strategic objectives and relevant national targets.

Appendix C details the Scottish Government National Performance Framework, its strategic objectives, national outcomes and the progress that QMS has made to this against these outcomes.



## Relationships with other Stakeholder Strategies

This strategy is aligned with the Scottish Government's economic strategy of increasing sustainable economic growth, Scotland's National Food and Drink Policy Becoming a Good Food Nation, and Scotland Food & Drink's strategy Ambition 2030.

Since 2007, the Scottish Government's central purpose has been to create a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth. This remains the Government's ambition to which all their efforts and actions are directed and is at the core of Scottish Government's Economic Strategy. A strong, vibrant and diverse economy is essential to Scotland's national prosperity as well as creating the wealth to support high-quality public services. Ensuring that growth is shared and sustainable is the key to unlocking all of Scotland's potential and strengthening its greatest asset – the people of Scotland.

Scotland's National Food and Drink Policy: Becoming a Good Food Nation articulates a new aspiration, that Scotland should become a Good Food Nation, a Land of Food and Drink not only in what we as a nation produce but also in what we buy, serve and eat. The Scottish Government wants food to be a key part of what makes the people of

Scotland proud of their country – food which is both tasty to eat and nutritious, fresh and environmentally sustainable. Actions towards achieving the aim of becoming a good food nation include:

- A 2025 vision for what we as a country should be aiming to achieve
- Establish a Food Commission and local champions to drive change
- Identify priority areas such as food in the public sector, children's food and local food
- A commitment to a variety of approaches, including strong community engagement and celebration of Scotland's food and drink

Ambition 2030 sets out Scotland Food and Drink's Strategy to increase the sector's turnover to £30bn within 13 years – with a focus of driving sales in the UK and overseas. The food and drink sector is currently worth £14.4 billion annually, 119,000 people are working directly in the industry, and food manufacturing in Scotland is growing at twice the rate of the UK average for the sector. The 2030 strategy has identified collaboration as the most important ingredient in the sector's success to date, with plans to deepen joint working between the industry, government and its agencies in the coming years, as well as to make support easier to access for businesses.

We are currently developing a new Beef Sector Plan to lead the sector to 2030 and there have been several key policy initiatives published recently that will influence the future development of the sector.

These have included the Farming for 1.5 degrees and the impact that farming has on climate change, the Suckler Beef Climate Group which is championing sustainable livestock production and the soon to be published Farming and Food Production – Future Policy Report. We are engaged at Board level with each of these initiatives and aim to incorporate relevant parts of this into the new beef sector strategy.





## QMS and Programme for Government Themes

In 2014, the First Minister, Nicola Sturgeon announced a range of plans to be introduced over the next year to help create a fairer and more prosperous society. QMS recognises the importance of this aim. Sustainable economic growth is key to the future development of the red meat industry in Scotland and all of QMS's activities relate to this theme. The promotion of fairness and reducing inequality is a theme which resonates well with QMS as an organisation.

Involvement and participation is another theme which fits well with QMS's activities on behalf of the industry. QMS is highly engaged with its range of stakeholders and our knowledge transfer/exchange activities will continue to increase during the 2021–2022 financial year. Marketing campaigns now utilise social media and have created opportunities for increasing numbers of consumers to engage more directly with the Scotch Beef, Scotch Lamb and Specially Selected Pork brands.

## Review of Past Performance

Each year, QMS lays before Parliament its Annual Report and Accounts giving a comprehensive review of its activities for the past year. In the interests of efficiency this review is not included in this Corporate and Business Plan.



## Statement on Information & Communications Technology

QMS is a knowledge-based organisation and is focussed on interpreting information and developing knowledge for levy payers and other stakeholders. An effective in-house Information and Communications Technology (ICT) strategy is integral to the successful working of QMS.

QMS will operate an in-house ICT system which supplies sufficient resources to help provide the industry with accurate and timely information. All of QMS's in-house systems and networks will be effectively protected from accidental or malicious disruption.

QMS will provide employees with opportunities to acquire the skills to collate, store and deliver information in accordance with the organisation's needs and national regulations. To carry out these tasks, suitable hardware and software will be provided to optimise communication links with target audiences.

To preserve the integrity of its ICT system, QMS will ensure that suitable support is available to users to minimise the effects of a system shutdown. QMS participates in the Assurance Framework for Scottish Government IT and Digital Projects.

## Statement on Public Bodies Climate Change Duties

In recognition of its responsibilities under the Climate Change (Scotland) Act 2009, QMS will take appropriate steps to mitigate, adapt and act in a sustainable manner. QMS will participate in Scottish public-sector sustainability reporting. In its work with stakeholders to improve business sustainability, QMS will continue to promote awareness of mitigation and adaptation strategies and the adoption of best practice to secure carbon reducing production efficiencies across the supply chain.

In addition, within the 2023/24 financial year QMS will develop its own organisational Climate Change Plan to detail as an organisation how we will contribute to reducing emissions in line with Scottish Government legislation.





## Statement on Equality

QMS is proud to be an equal opportunity employer. Appointments to QMS and internal promotions will be made solely on the individual employee's ability, skill, competence and potential.

Our policy is not to discriminate on any grounds including race, colour, nationality or ethnic or national origin, religion or beliefs, gender, gender reassignment, sexual orientation, pregnancy and maternity, marriage or civil partnership, age, responsibility for dependants, HIV status or disability.



## Levy Rates for 2023–24

The proposed levy rates for 2023–2024 will remain unchanged as follows:

	Cattle	Calves (up to 68kgs)	Sheep	Pigs
Producer	£4.20	£0.07	£0.60	£1.02
Processor	£1.30	£0.07	£0.20	£0.24
<b>Total</b>	<b>£5.50</b>	<b>£0.14</b>	<b>£0.80</b>	<b>£1.26</b>







## Proposed Income and Expenditure Budget 2023–2024

Departmental Income and Expenditure Budget	
	PROPOSED BUDGET 2023/24
INCOME	£
Levy	3,566,651
Levy repatriation	1,338,600
Assurance Schemes	1,555,921
Grants	440,000
Other income	14,250
Bank Interest	3,000
	<b>6,918,422</b>
<b>Allocated to departments</b>	
<b>Brands Integrity</b>	
External Spending	1,561,520
<b>Industry Development</b>	
External Spending	754,700
<b>Market Development</b>	
External Spending	288,000
<b>Market Intelligence &amp; External Affairs</b>	
External Spending	247,037
<b>Marketing &amp; Comms</b>	
External Spending	1,911,980
<b>Corporate Services</b>	
External Spending	42,865
<b>Overheads</b>	<b>2,171,786</b>
<b>Total Expenditure</b>	<b>6,977,887</b>
<b>Net surplus/(Deficit)</b>	<b>(58,835)</b>

## Proposed Balance Sheet Budget 2023–2024

Projected Balance Sheet as at 31 March 2024	
	Projected Balance Sheet 31 Mar 2024
	£
<b>Fixed Assets</b>	
Tangible Assets	11,032
<b>Current Assets</b>	
Trade Debtors	621,148
Prepayments	15,750
Accrued Levy	392,791
Accrued Grants/assurance	226,132
Accrued Bank Interest	2,000
Cash at bank and in hand	749,875
	2,007,696
<b>Creditors:</b> amounts falling due within one year	
Trade Creditors	250,000
Accruals	350,000
Deferred/(accrued) grants	
VAT Payable/(receivable)	(125,000)
Other creditors	172,229
	647,229
<b>Net Current Assets</b>	1,360,467
<b>Total assets less current liabilities</b>	1,371,499
<b>Net Assets</b>	1,371,499
<b>Reserves</b>	
Surplus on income and expenditure account	1,430,333
Surplus / (deficit) for year	(58,835)
	1,371,498



## Appendix A – QMS Board & Corporate Governance

The QMS Board oversees the efficient and effective use of staff and other resources by QMS in accordance with the principles of best value. A robust system of financial monitoring and performance review is in place. Apart from regular meetings of the Board, this includes an independent Audit & Risk Management Committee consisting of three Board members and the appointment of independent internal auditors. As a public body, the external audit function comes under the scrutiny of Audit Scotland. A risk register is regularly reviewed by the Board and policies are in place governing the use of reserves and the application of public procurement rules. QMS has a Management Statement and Financial Memorandum which sets out the relationship between QMS and the Scottish Government.

All Board members are non-executive and appointed by Scottish Ministers for a term not exceeding four years. The appointments are made in line with the Code of Practice issued by the Commissioner for Ethical Standards in Public Life in Scotland.

The Board has corporate responsibility for ensuring that QMS achieves the Scottish Ministers' overall aim of using the statutory levy for the benefit of Scottish levy payers. QMS recognises the importance of good governance standards in the public sector and bases its approach on six principles as follows:

- Focussing on the organisation's purpose and on outcomes for levy payers specifically and others generally
- Performing effectively in clearly defined functions and roles
- Providing effective corporate governance for the whole organisation and ensuring principles of value for money are embedded into procedures
- Taking informed transparent decisions and managing risk
- Developing the capacity and capability of the governing body to be effective
- Engaging with levy payers and other stakeholders to ensure good accountability

## QMS Committees

**QMS has a number of committees, and a summary is given below, followed by a list of the members of each committee. We have added the new committee Brands Integrity Advisory Committee this year.**

Auction Marts Standards Setting Body

Haulage Standards Setting Body

Audit & Risk Management Committee

Pig Forum

Beef & Lamb Marketing Advisory Group

Pigs Standards Setting Body

Brands Integrity Advisory Committee

Pork Marketing Advisory Group

Butchers Marketing Advisory Group

Processors Standards Setting Body

Cattle & Sheep Industry Advisory Group

Remuneration Committee

Cattle & Sheep Standards Setting Body

Scottish Red Meat Industry Resilience Group

Feeds Scheme Committee

Standards Co-ordinating Body

## QMS Committee Members

QMS Board	QMS Audit & Risk Management Committee	QMS Scottish Red Meat Industry Resilience Group
Ian Bentley Peter Brown Emma Buckby Jilly Duncan Grant Ann Irvine Adrian Ivory Scott Jarron Niall Jeffrey Andy McGowan Kate Rowell Carrie Ruxton Gordon Wallace	Ann Irvine Peter Brown Gordon Wallace Niall Jeffrey	<ul style="list-style-type: none"> <li>• QMS Board – Chair</li> <li>• AIC Scotland</li> <li>• Institute of Auctioneers and Appraisers in Scotland (IAAS)</li> <li>• National Farmers Union of Scotland (NFUS)</li> <li>• National Sheep Association (NSA) Scotland</li> <li>• Pig Industry Leadership Group</li> <li>• Scottish Association of Meat Wholesalers (SAMW)</li> <li>• Scottish Association of Young Farmers Clubs (SAYFC)</li> <li>• Scottish Beef Association (SBA)</li> <li>• Scottish Crofting Federation</li> <li>• Scottish Craft Butchers</li> </ul>
QMS Beef & Lamb Marketing Advisory Group	QMS Pork Marketing Advisory Group	QMS Butchers Marketing Advisory Group
Sara Barbour Ian Bentley John Cameron Frank Clark Dan Gilmour Adrian Ivory Ian MacDougall John McMaster Caroline Millar George Milne George Purves Bryan Robb Gavin Ross Róisín Turner Michelle White Lesley Wylie	Paul & Katherine Greer Scott Jarron Vickie Lane Marion MacCormick Andy McGowan Barry Robertson Fraser Shaw Charlie Street	Nigel Ovens Ariane Bennet Laura Black Gavin Colquhoun Tommy Cruickshank Louise Forsyth Scott Jarron Chris Leg Derek Mackay David McKinnon Shelly Robertson John Saunderson Steven Strachan Gordon Wallace David Webster
QMS Cattle & Sheep Industry Advisory Group	QMS Pig Forum	QMS Haulage Industry Advisory Group
Michael Denholm Hugh Fraser Owen Gray Danny Hair Gavin Hill Lisa Hislop Niall Jeffrey Alistair Kingan Bill MacKinnon Nigel Miller Clive Phillips Kate Rowell Steven Sandison Alex Stephen Charley Walker Sion Williams James Young	Sandy Howie Roderic Bruce Neil Hamilton Alistair Lane Andy McGowan Penny Middleton Donna Nixon Jamie Robertson Fraser Shaw Jill Thomson Robin Traquair Joan Walker Gordon Wallace Grace Webster Jamie Wylie	Derek Armstrong Jim Baird Joe Beedie Ronald Davidson Roy Gauld Iain MacEachen Andy McGowan Gordon Mcken Alan Murrie Alan Stewart Sandy Taylor Neil Walker Richard White
QMS Remuneration Committee	Ian Bentley, Peter Brown, Kate Rowell	



## QMS Committee Members (continued)

QMS Cattle & Sheep Assurance Standards Setting Body	QMS Pig Assurance Standards Setting Body	QMS Haulage Assurance Standards Setting Body
Robert Anderson Johnnie Balfour John Bell Gary Christie Suzie England Hugh Fraser Tom Gatherer Lisa Hislop Ann Irvine Niall Jeffrey Finlay MacIntyre Ian McWatt Jordie Orr Grace Reid Yvonne White Simon Williams Neil Wilson	Peter Brown Roderic Bruce Bridge Frowd Tom Gatherer Iain Lyle Adam Marshall Jr Andy McGowan Penny Middleton Danny Skinner Kathleen Smurthwaite Grace Webster Jamie Wyllie	Derek Armstrong Martin Bell Ronald Davidson Tom Gatherer Adrian Ivory Iain MacEachen Andy McGowan Gordon McKen John McMaster Oliver Shearman Sandy Taylor Richard White
QMS Processor Assurance Standards Setting Body	QMS Auction Market Assurance Standards Setting Body	QMS Feeds Assurance Standards Setting Body
Ian Bentley Angela Carris Bridge Frowd Tom Gatherer Lauraine Manson John McMaster Attila Morvat Andrew Nye Alex Seguino Craig Simpson	Tom Gatherer Jennifer Cursiter Hugh Fraser Luke Holmes Alan Hutcheon Mick Park Brian Ross John Smith John Thomson Neil Wilson Donald Young	Adrian Ivory Simon Williams
QMS Brands Integrity Advisory Group	Standards Coordinating Standards Setting Body	
Ian Bentley Pete Brown Ann Irvine	Adrian Ivory Andy McGowan Gordon Wallace Ian Bentley Kate Rowell Niall Jeffrey Pete Brown	

## Appendix B – QMS Executive Team

**Sarah Millar**

Chief Executive

**Bruce McConachie**

Head of Industry Development

**Debbie Phillips**

Head of Corporate Services

**Kathryn Kerr**

Head of Brands Integrity

**Kirsty McCormack**

Executive Assistant

**Lesley Cameron**

Director of Marketing & Communications

**Tom Gibson**

Director of Market Development





## Appendix C – QMS and the Scottish Government's National Performance Framework

### 1. General

As a result of its activities on behalf of the industry, QMS contributes to the Scottish Government's primary purpose of increasing sustainable economic growth and to the five strategic objectives and relevant national targets. For reference, the purposes of QMS as set out in the Quality Meat Scotland Order 2008 are:

- To increase efficiency or productivity in the red meat sector
- Improve marketing in the red meat sector
- Improve or develop services that the red meat sector provides or could provide to the community
- Improve the ways in which the red meat sector contributes to sustainable development

### 2. National Performance Framework Strategic Objectives

QMS's work on behalf of the industry contributes to all five of the Government's Strategic Objectives. QMS's main contribution is to the wealthier, smarter and greener objectives. Some work is also undertaken which contributes to the healthier objective and the safer and stronger objective.

**Wealthier and Fairer** – the overall objective of QMS is to support the development of a sustainable, professional, resilient and profitable Scottish red meat industry which makes an important contribution to Scotland Food & Drink's target of £30bn by 2030.

**Smarter** – QMS develops and manages the delivery of a range of industry programmes which are specifically designed to transfer knowledge and increase the uptake of new ideas which help to improve efficiency and drive innovation in red meat production.

**Greener** – QMS continues to engage with government and the industry to enhance the environmental sustainability of red meat production.

**Healthier** – QMS contributes to the Scottish Government's strategic objective of a healthier Scotland through promoting the benefits of eating red meat as part of a healthy, balanced diet. For example, work already undertaken and future work will contribute to the Obesity Routemap.

**Safer and Stronger** – through its work in shaping a sustainable, professional and resilient development of a profitable Scottish red meat industry, QMS is helping to ensure long-term food security for Scotland.

### 3. National Performance Framework National Outcomes

There are 16 National Outcomes as follows:

- 1 We live in a Scotland that is the most attractive place for doing business in Europe.
- 2 We realise our full economic potential with more and better employment opportunities for our people.
- 3 We are better educated, more skilled and more successful, renowned for our research and innovation.
- 4 Our young people are successful learners, confident individuals, effective contributors and responsible citizens.
- 5 Our children have the best start in life and are ready to succeed.
- 6 We live longer, healthier lives.
- 7 We have tackled the significant inequalities in Scottish society.
- 8 We have improved the life chances for children, young people and families at risk.
- 9 We live our lives safe from crime, disorder and danger.
- 10 We live in well-designed, sustainable places where we are able to access the amenities and services we need.
- 11 We have strong, resilient and supportive communities where people take responsibility for their own actions and how they affect others.

- 12 We value and enjoy our built and natural environment and protect it and enhance it for future generations.
- 13 We take pride in strong, fair and inclusive national identity.
- 14 We reduce the local and global environmental impact of our consumption and production.
- 15 Our people are able to maintain their independence as they get older and are able to access appropriate support when they need it.
- 16 Our public services are high quality, continually improving, efficient and responsive to local peoples' needs.



#### 4. QMS's Contribution to the National Outcomes

QMS, through its stakeholders, contributes to six of the 16 National Outcomes.

*We realise our full economic potential with more and better employment opportunities for our people* (National Outcome 2). Farming and primary processing of red meat contribute approximately £2.4bn of output and £700m of value added to Scotland's economy annually. QMS brands of Scotch Beef PGI, Scotch Lamb PGI and Specially Selected Pork add value to the industry and enhance Scotland's reputation as a land of food and drink. The red meat industry is a significant contributor to Scotland's food exports. The rearing of beef cattle, sheep and pigs; the primary red meat processing sector; and their principal suppliers (including auction markets and vets) provide employment for approximately 30,400 people in Scotland. In addition, primary red meat production and processing supports approximately 2,300 jobs in other sectors of the Scottish economy, such as construction and financial services.

*We are better educated, more skilled and more successful, renowned for our research and innovation* (National Outcome 3). By developing and managing the delivery of a range of industry programmes specifically designed to transfer knowledge and increase the uptake of new ideas to help improve efficiency and drive innovation, for example, the Monitor Farms programme.

*We live longer, healthier lives* (National Outcome 6). Through our work with consumers of all ages on the importance of red meat in a healthy diet and lifestyle. QMS delivers a range of health and education activities from school visits to a school meat vouchers scheme and a healthy living bursary. A range of support materials is also produced and we work closely with National Diet Resources UK. QMS also works with partners such as the Royal Highland Education Trust on events and farm visits.

*We value and enjoy our built and natural environment and protect it and enhance it for future generations* (National Outcome 12). Our farmer stakeholders understand the land and act as custodians of the countryside significantly enhancing its biodiversity and encouraging visits to the outdoors.

*We reduce the local and global environmental impact of our consumption and production* (National Outcome 14). Through developing our understanding of the effects of climate change and reducing our ecological footprint. For example, waste reduction measures such as encouraging sourcing and purchasing of Scottish red meat products rather than imported products. Also, by providing support to the industry to improve carcase yield through increased sales of fifth quarter products. Finally, knowledge transfer activities which result in better breeding policies and healthier livestock increase production efficiency and, therefore, reduce the environmental impact of production.

*Our public services are high quality, continually improving, efficient and responsive to local peoples' needs* (National Outcome 16). For example, QMS engages in several activities designed to deliver continuous improvement in the red meat production chain. QMS also produces annual benchmarking data on cattle and sheep enterprise profitability in Scotland which is widely used by farmers and their advisors as a continuous improvement tool for increased efficiency.

#### 4.5 Measuring Progress in the National Performance Framework

The organisation currently has an overall strategy and seven specific strategies. Objectives for the implementation of these strategies are set and these objectives are further supported by a list of activities and performance measures which are specified in a detailed management plan.

The Board considers a written progress report in advance of each Board meeting. The Scottish Government attends Board meetings and in this way is continually kept up to date with the performance of the organisation.











Discover more at [qmscotland.co.uk](https://qmscotland.co.uk)

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