MINUTE OF THE MEETING OF THE EXECUTIVE COMMITTEE HELD WITHIN 8/10 NEEDLESS ROAD PERTH, ON WEDNESDAY 23 OCTOBER 2013

PRESENT:	Ian Faulds	President
	Douglas Scott	Chief Executive
	Arthur Matthew	Honorary President

Immediate Past President: Stuart Christie
Past Presidents: David Lindsay, John Chapman, Jamie Chapman, Adam McLay
Executive Members: Jack Meade, Stewart Dempsie, Neil Cameron, Alan Kennedy
QMS: Jack Broussine
Minutes: Bruce McCall

WELCOME: Ian Faulds welcomed everyone to the meeting, this included two guests Jack Broussine, QMS and Donald Harvey, Fatstock Club.

Donald Harvey thanked us for the time to address the meeting. He works for Galloway McLeod who are animal feed manufacturer and is the vice chairman of the Fatstock Club who organise the Winter Fair. He recognised the communication with those other than farmers, was poor surrounding the event. They thought the event was going to be a food event and it was changed to a weekend to get more of the public in and this has not happened. It is the same Winter Fair as previously held but at the weekend of Saturday 30th November. There will 80 to 100 cattle of which 30 will be sold to the butchery trade and around 100 sheep which will be sold for slaughter as well. Ian Faulds said that previously we were concerned our AGM clashed with the Winter Fair. Stuart Christie felt the public wanted to keep some distance between the fact that the animal was going to be slaughtered and entering the food chain. His second point was that the butcher did not now receive much publicity for buying the prize winning animals.

Donald said if there was any suggestion on how they could improve it they would listen. The doors open at 9am with the sheep sale at 4.15 with the champion sold at 4.45; the cattle sale at 5.15 with the cattle champion sold at 5.45. Ian Faulds said the timing is ok for those closer by. Douglas said if Donald forwarded him the information we would include it in the November newsletter we can also email everyone we have on the list to give it as much publicity as possible.

Douglas said in previous years there had been various activities arranged for butchers to be interested in including forerib roasts and cutting demonstrations. Ian Faulds felt the major problem was that there were so few butchers buying live and he suggested some could maybe come along and buy their first one. John Chapman felt the Saturday was only for this year as a trial.

Ian Faulds thanked Donald for coming and sends his best wishes from SFMTA to the organising committee.

APOLOGIES FOR ABSENCE: Hugh Pender, James Pender, Jim Preston, Wilson Ferguson, Duncan Mackenzie, Paul Boyle, Beaton Lindsay, Hamish Deans, George Lees.

MINUTE OF PREVIOUS EXECUTIVE MEETING: Minutes of the previous meeting held in May were approved by Alan Kennedy, seconded by Neil Cameron.

MATTERS ARISING:
John Chapman asked about the horsemeat recommendations. Douglas said the final report was included in the agenda and Wilson Ferguson had asked him to pass on his feeling that the recommendations were very good.

PRESIDENTS REPORT: On 22nd September he visited the Arran butcher, Blackwaterfoot with Douglas. He supplies a lot of local places including hotels and the local Co-operatives. They then visited the original shop in Lochranza where his father was still located. They travelled via Tarbert

to Winston Churchill at Dunoon who processes and sells 800 deer per year. He makes burgers sausages and stew, taking these round music festivals like T in the Park and Glastonbury

CHIEF EXECUTIVE REPORT: Douglas Scott reported.

SCOTTISH FOOD STRATEGY: held in Edinburgh on 18 September. Scottish Government rural food and communities division and about government policy and obesity problem. Elspeth Macdonald of FSA gave her remit on it, moved on to the Scudamore and Troupe reports on the horsemeat and Campylobacter respectfully. Rowat Institute talked about Scotland poor diet. Nick Nairn's presentation was poor and off the cuff. Scotland Food and Drink gave the industry viewpoint. Scott Landsborough of the Scottish Salmon Producers Association gave a very impressive talk on Salmon. Scotland Food and Drink presentation said don't sell the product, they sell the story and probably is what we should be telling SFMTA members.

SCOTTISH FOOD ENFORCEMENT LIAISON GROUP: This group discussed the New Food Body for Scotland. Progress is being made on it and we have been promised that we will hear something about it soon. Douglas greatest involvement with them was liaising on the Butcher Safe system. The background was given by Billy Hamilton, Glasgow City Council. The system is mainly for those who have no HACCP system in place and will help them implement it in a user friendly way. We have looked over the content and with our input the contentious content surrounding shelf life has been removed. Sandy Crombie has also been through it. It will be going to print shortly and distributed.

FOOD ENFORCEMENT OFFICERS ASSOCIATION: 20 local authorities were in attendance. Douglas gave a presentation on Beef Labeling. Susan Pride from FSA in Aberdeen made a presentation on front of pack labeling. This is only for packs which are not sold in your own business. Since 89% of men 70% of women have more than 6g of salt per day, they are hoping front of pack labeling is going to make a difference.

John Chapman asked about the stakeholder advisory group which was set up on charges. Douglas advised that he had met Sandy MacDougall while in Aberdeen and he was aware that the first meeting had still to be held, but they planned to hold the meeting soon. Douglas will follow this up.

QUALITY MEAT SCOTLAND: Jack Broussine reported.

Andy McGowan left on Friday to join Identogen. Jack said that there has been a process of refocusing of the QMS team taking place. They were looking at the decrease of cattle numbers and discussing issue with farmers to tackle it. There is closing date of Friday for a replacement for the team. There will be no job losses where possible.

The BBC Good Food Show took place in Glasgow the previous weekend. The QMS stand gave butchers a platform to demonstrate the advantages of shopping at a craft butcher. The butchers taking part were Stewart Collins, Hopetoun Farm Shop and Nigel Ovens, Mearns T McCaskie. There were three butchery demonstrations everyday. The visitor numbers were over 25,000 but the exhibitor numbers were slightly down.

The next promotional kit going out in the next few weeks is "Make the Most of your Roast" it will also encompass the use of leftovers.

There is a steak pie campaign in conjunction with SFMTA and the Scottish Bakers which will take place in January/February. The pie to be used for photography will be the one from Stuarts of Buckhaven.

SKILLS SCOTLAND: there are four events round the country for 14-19 yr olds. QMS has a stand at them two will focus on chefs and two on butchery. Andrew Gordon is doing the Aberdeen demonstration and Alex Christie is doing the Glasgow event.

The Butchers Marketing toolkit went to print yesterday this will help butchers to think about their marketing strategy. Alan Kennedy expressed the view there was little point in flying round the world promoting the product when supplies are decreasing and this is the area QMS needs to address. He felt the way it was going QMS would be unlikley to exist in a few years as the budget is in so much decline. He asked how can you promote a product which is not there?

John Chapman asked if we had meeting with the Scottish Government about the breeding cattle numbers. Douglas said that a joint letter went to the minister from the NFUS, wholesalers and SFMTA. He did not know that we had reply to it so he will follow it up. The NFUS have a good idea what be done within the rules of the CAP to put forward incentives to boost breeding numbers. The Scottish Government is sympathetic but the UK government is not. John Chapman said they are so short of numbers in England that they are coming up to Scotland to buy so we should seek some co-operation with the National Federation. He said it was not just a Scottish problem more of a UK problem.

Alan Kennedy said you can buy bone in cuts which are Irish which are £1 kg less than Scotch he said this is coming into the country because of the lack of home produce. He said there was lorry load upon lorry going up the A90 at present and the factories they are going to there is very little Irish coming out. Jack said there is hearsay but evidence is required and one of the new roles will be a Brand Integrity Manager. Douglas Scott said other members who had asked for ear tag numbers to be traced. What was sold as Scotch came from Northern Ireland. Douglas said that the worry is that with the DNA testing that members think they are selling Scotch Beef but they are not. David Lindsay unfortunately it has been very easy for farmers to go out of the beef trade and almost impossible for them to come back in.

Alan Kennedy asked on the costs of ANUGA? Jack agreed to pass on to the appropriate person to reply.

LIVESTOCK REPORT: Alan Kennedy said there are various horror stories coming out about the future of plants in the North East simply because they cannot get the throughput they need. He believes the abattoir planned for Inverurie has been indefinitely mothballed. We do not know the implications of all of this. What does it all mean for the Forfar proposal? It is difficult to see how public funding would be available. It is going to leave a very limited choice from Inverness all the way down to Edinburgh. He said the other problem is a lot of the suppliers are becoming a closed shop and trade is in jeopardy of going in the same way as chicken suppliers.

John Chapman said the sheep numbers are down from 4 million to 2.5million in four years. This is a big drop of throughput and plants are not going to recover from that.

PROMOTIONS REPORT: Douglas Scott reported.

SPECIALITY STEAK PIE EVALUATION: The Diamond Award for the best In the Speciality Steak Pie Evaluation was presented at the regional meeting immediately after the last Executive meeting here in Perth. The winner was Kenny Allan from HW Irvine in Blairgowrie.

SAUSAGE FOR SCOTLAND: Entry into the competition was free but limited to two entries per shop. You may recall the objective was to identify a sausage with a Scottish connection that could be promoted during Scottish Sausage Week at the end of October. Entries were judged on the same day as the steak pie evaluation and five sausages were selected for sampling at all the SFMTA Regional Meetings in September. Those present were able to taste the five finalists and then vote for their choice to be promoted. The runaway winner was a Beef Sausage with Strathdon Blue Cheese made by John Lawson in Uphall. Don Wallace of sponsors The Dalesman Group presented the Lawson family with their £500 cheque that ensured SFMTA received the winning recipe. This was circulated to all members along with a Blue Coo Sausage poster to promote the sausage during what we have termed Scottish Sausage Week from Monday 28th October through to Guy Fawkes.

Members were offered a press release announcing a photo call at their shop. So far only nine requested the press release.

CHRISTMAS: Cost will be minimised by re printing the three previous versions. A poster announcing the Year of the Haggis 2014 will be produced for use at Hogmanay this year and next.

BUTCHERS SHOP OF THE YEAR 2013: The Meat Trades Journal competition has announced the finalists in this year's Butchers Shop of the Year. The Scottish finalists are:-
Defending Scottish champions, Stewart Collins from Muirhead
Huntly's Forbes Raeburn & Sons and Perth's Simon Howie.
Finalist in the UK Young Butcher of the Year is Andrew Peter from Davidsons Specialist Butchers in Inverurie and finalist in the new shop of the year is John Davidson's new shop in Aberdeen.

Douglas said we still get members asking for open belly posters to be printed with their personalised message on them. We charge 20p per posters plus postage. Alan Kennedy said he was a huge fan of these they are very striking because they have the Federation logo on them they are a bit more local than perhaps the QMS ones.

TRAINING & DEVELOPMENT REPORT: Claire Simpson reported.
She said Scottish Meat Training is not in a good financial state at the moment and she was in attendance to explain why and what is being done about it. In April 2013 new qualifications were rolled out by Improve and SQA. This meant that all portfolios and paperwork had to be replaced for trainees enrolled onto qualifications from that date. We currently have nearly 70 trainees on the new qualifications who cannot yet achieve as the paperwork is still being worked on.

Speaking to the assessors they said we had new qualifications and the need to write new paperwork has been a problem. Hopefully by the end of this month we will have all the units ready. It means trainees inducted on to the programme since April cannot achieve anything. We have 70 trainees we would like to progress but cannot because we do not have the paperwork ready.

When calling on companies we find that there are a number of problems, trainees not there when we arrive, trainee does not have the correct portfolio on arrival, we arrive and they have been given the day off, or they have not been working on the area which is part of the qualification. The business does not seem to understand when we make a journey to their premises there is a cost involved in travel and time and if we do not have anything at the end of it, then it is a wasted journey. Assessors make visit plans 12 weeks in advance ands if they make a 100 mile journey for nothing it is wasted. A draft letter has been put together explaining they need to be there and ready on the day. All the training to them is free and the funding we get has not increased in the last 15 years. We need to be wiser and work more cost effectively but we need help to do that. If there are any ideas then we can talk about it and move it forward.

John Chapman said he has been getting a phone call form the hospital the day before to check that he was intending to attend. Assessors will now make the phone call in the morning to check trainees are on the premises and ready for the visit. We will also issue visit slips which will be in a bright colour they can pin to their wall. We are also going to write to the company with the cost impact on us. Stewart Dempsie said if the business was paying for the training they would not be cancelling. Alan Kennedy asked to quantify how much this is costing. Douglas said the income is down by around £51k on the last year so it is basically costing us £1,000 a week which is not coming in through lack of achievement. The contract is their but we are not getting the achievement in the milestones to claim that money down. Alan Kennedy said there are occasions when it is unavoidable. Claire replied saying we understand that but it is other times we need to sort out and we need to have a contract with the employer. David Lindsay asked if it was the same trainees concerned all the time. Claire said no but we have a few employers whom we are aware are difficult so they are not prioritised for places. David Lindsay felt that more focus on the employers whom were interested. Alan Kennedy suggested a charge was made up front and will be refunded when the qualification is achieved and that way it is up to the employer. Claire said the employers are also getting half salaries paid for and this additional to the free training. Douglas

said this incentive is worth £3,000 to the employer. David Lindsay said the ones we have to look after are the employers who are supportive. Ian Faulds asked if this was the biggest problem or one of a number of problems. Claire said this has been the bug bear of the assessors over the past two or three months. Douglas said sometimes the assessor says the employer will say they are too busy but this can be a good time as the assessor can see all sorts of things being done. Adam McLay suggested the phone call the day before was a good idea. Claire said that under Skills Development Scotland we need to visit trainees every 12 weeks, if they cancel a visit we can say they cancelled to SDS and this is ok but the reschedule will be 12 weeks later so it could be 24 weeks before we see someone and this is not good enough.

Claire said we do not have the problem with numbers this year and the money is there but we need achievements. The local authority partial wage subsidy is likely to be there for another year and this will encourage employers to take on apprentices.

We currently have a total of 218 trainees funded through Skills Development Scotland and one through Falkirk ETU. Fifty six trainees have achieved their Modern Apprenticeship since 1 April 2013.

SKILLS DEVELOPMENT SCOTLAND: The contract for 2013/2014 with Skills Development Scotland secured 149 trainee places. Applications for training has been positive and to date and we have inducted 61 on to the programme.

ADOPT AN APPRENTICE: Skills Development Scotland has an incentive available for new employers of trainees who are made redundant. If a new employer agree a contract with the trainee to employ them for at least a year and also to allow them to complete their Modern Apprenticeship then they will be eligible for a £2,000 incentive. We have had eight apprentices re-employed through this scheme.

WAGE INCENTIVES: Most local authorities are offering wage incentives for the recruitment of young people. Employers need to contact either their own local authority or jobcentre to find out what is available. SMT now has a contact list for the local authorities to fast-track queries.

MEAT MANAGERS HYGIENE AND HACCP TRAINING COURSES: Two courses have been held in Dunfermline and In Braehead both were well attended.

We have another one-day courses on Meat Managers Hygiene and HACCP scheduled for 30th October 2013 at the Mackays Hotel in Wick. Course Tutor will be Paul Bache, an authority on HACCP implementation.

Feedback from candidates who have already undertaken the course has been very positive and all felt that the course was useful to their businesses.

No other courses are scheduled and a waiting list will be compiled of those wanting to attend.

ADDITIONAL INFORMATION:
We currently have 82 trainees in the higher funding band (16-19 years olds) who are funded at £3,050 and 138 (20+) who are funded at £1,550.

I attended the Scottish Training Federation Conference at Crieff Hydro on 24th and 25th September. The conference was useful in keeping us up to date on all matters relating to training providers. SDS were asked the question regarding improved funding as it has not increased for nearly 15 years - the response was that it would be looked at but basically don't hold your breath for anything increasing anytime soon. What I did think was the quote of the conference was "Your staff is the only asset that you invest in that does not depreciate in value".

Finally, on a positive note!! To date we have recruited nearly 70 new trainees onto our programme which is much further ahead than we had predicated for this time of the year. We are confident

that the Local Council partial wage funding will continue for at least another year which is beneficial to employers recruiting apprentices. Also the amount that we are able to claim from Skills Development Scotland is at a very healthy level – all we need is for the trainees to achieve to be able to pull this amount down.

MEMBERSHIP AND DEVELOPMENT REPORT: Bruce McCall reported.

320 members have joined this year with 97 additional branches, a total of 417 shops in membership. That's six shops more than last year.

NEW MEMBERS since last meeting - included are:-.
Dalmellington Country Butchers and
Mackinnon of Speyside, Aviemore.

The current subscription rate is £250 + VAT for the main shop and £65 + VAT for additional branches. This is capped at 5 shops £510 + VAT.

There are 4 members who have more than 5 branch shops. These are Thomas Johnston, 8 shops. Hugh Black & Sons Bathgate 8 shops, John M Munro, Dingwall 6 shops and James Chapman (Butchers) Ltd 6 shops.

These shops receive Newsletters, membership sticker, handbook, postage and sets of posters that all cost SFMTA. Estimated cost is £50 per annum just to service these shops. As some businesses get bigger, members might like to discuss whether or not there should be a cap on branch shop subscriptions.

CORPORATE MEMBERS – We have 31.

AGM: The annual general meeting will be held on 27th November in the Centenary Suite, McDiarmid Park, Perth. President Ian Faulds will continue for another year. We will have Billy Hamilton Head EHO from City of Glasgow City Council as a guest speaker.

Room hire is £190, tea and coffee is £2.95 per head, two course lunch is £12.75 inc tea and coffee. If 20 turn up for the morning that's £59 and 40 for lunch is £510 so total is £759. Last year we only paid £499 + VAT in Kilmarnock. The past presidents and guests are not charged for attending and last two years members have not paid anything since we are almost at the stage of having to pay members to attend the annual general meeting! Do you want to charge this year?

REGIONAL MEETINGS

Over 200 members and their staff attended the SFMTA Regional meetings in September. The meetings in Glasgow, Kilmarnock, Carfraemill and Stepps were well attended. Aberdeen attracted the smallest number with 15 attending (Scotland were live on TV!) but Perth had a packed house with a massive 64 attendees representing 21 butcher businesses.

There will be no more regional meetings this year but the usual winter meetings will be planned and publicised for January and February.
Provisional dates are

Monday 13th January
Tuesday 14th January
Monday 20th January
Tuesday 21st January
Monday 27th January
Tuesday 28th January

Monday 17th February
Tuesday 18th February
Monday 24th February
Monday 3rd March
Monday 17th March

Venues are proposed are in Kelso, Ayr, New Pitsligo, Inverness, Inchture, Stepps, North Queensferry, Dundee, Kemnay, Castle Douglas, Greenock and Oban.

David Lindsay felt that the members should be able to afford £65 + vat for each branch shop. Alan Kennedy felt it was fair and Jamie Chapman felt it should apply to all. John Chapman asked how many butcher shops in Scotland don't pay. Douglas said there is 760 butchers on our database, 417 are our members. We send invitations to join in January and they join throughout the year. They do tend to be smaller shops but there are exceptions. We have a higher proportion that NFMFT.

Douglas said that he did not have any firm view on charging for the AGM but more of a reminder that the event does have a cost attached to it. We do have Billy Hamilton coming to talk about Butcher Safe so we might get some interest from members.

Jack Broussine departed from the meeting so the accounts could be discussed.

FINANCE COMMITTEE: Douglas Scott reported.
This is the second set of accounts compiled by our auditors, Finlay & Company. Their auditor Sajid Alimahomed has been very thorough and performed what I would have expected of an auditor. He asked lots of questions, came and raked through our invoices and files and came up with a set of accounts that we can have some faith in.

The accounts are in the usual format as previous years so if you turn to page 9 you will immediately see a sad story in terms of the bottom line. A £20,675 surplus last year has turned into a £22,332 deficit this financial year. This is not helped by a PAYE balance of £6140 in this year's accounts that should have been in last year's accounts. What will become clear though as I take you through these accounts that the poor income performance on the training side is the cause of this and would have been worse had Member Services not taken on new business in the second half of the year.

Operating Expense for both Training Services and Member Services remain virtually static when you remove the Trade Fair activity that was not in the 2012 accounts. As I have just said the problem lies on the income side. Income from Training Services is down by almost £71,000. More about that later…

Income from Member Services is up by £33819, due to there being a trade fair in these accounts and a significant boost to income from talking on secretariat for Q Guild. If we remove the income from trade fair and Q Guild from the equation, income is still up by £7000 (six percentage points). Operating expenses are up for the same reason and removing 2013 trade fair costs and cost of servicing Q Guild, these year on year expenses are down by £4166. This can be attributed directly to reduced spend on adverts and promotions. On page 17 the Joint Adverts and Promotions line shows a decrease from just over £15,000 to £9484. You will note at the very top, cost of Regional Meetings down to £4162 compared to £5481 in the previous year. The situation is further helped by the Presidents expenses, AGM expenses and Repairs figures being halved. The increase in Consultancy fees relates to the Health & Safety advisor that we have retained for the last year to offer help to members.

Looking into Member services a bit more deeply; on page 16 the income from subscriptions is up by £1858. Handbook advertising up marginally. Corporate membership income is slightly up again which helps the cause. There is income from golf because there was a SFMTA competition this year but there is a golf expense on the opposite page for £798 to offset against this.

The Trade Fair income in 2013 was £15,075 but expenses were £17,538 meaning we need to charge exhibitors more next time. On page 16 opposite, operating surplus is £12,402 and when investment income is taken into consideration that grows to £17,082.

If you now turn to page 18 and we can look at the Operating Income of Scottish Meat Training. Last year I reported Training operating income down by £26,820 due to reduced funds from ESF grants. Last year we received just £61,000 from ESF as opposed to £132,000 in the previous

accounting year. This year we have received £52245, £9,000 less but on the bright side that figure should not be less in the next financial year.

The biggest difference is on funding received from Skills Development Scotland. This is £51,000 less than last year and this is due to less achievements and more candidates over the age of 19 for whom payments are less. The contract with SDS would have allowed us to have drawn down the same as last year but we can only claim on achievements.

Last year we reduced costs on training side by almost £76,000. This year costs on page 19 have remained the same helped by there being no salary for a Training Manager in these accounts. There was six months in the last accounts.

So when all that is added up operating costs are duly £368,192 against income of £328,779 creating a deficit of £39,413. When the two sides are taken together this means overall a deficit on the year of £22,332. The consultancy fees will be taken out and put on to the member services side and the customer liaison should go under staff travel.

John Chapman said the consultancy fees were a 44% increase. Douglas said that it was not, last year it was only for Peninsula this year we have Peninsula and the Health and Safety consultant. John Chapman suggested they are listed separately so we would know which one had gone up.

Jamie Chapman said on page 14 we have an increase in our debts and our debtors. Alan Kennedy asked when was the last time the training side made any noticeable contribution. Douglas said two years ago we made a loss and last year they made a profit but it has been more negative than positive. The assessors have seen these top line figures. Helen and Claire are meeting the bakers whom were in a similar situation to us but now are working more cleverly and slicker.

Ian Faulds asked the meetings approval for the accounts to be taken forward to the AGM.

ANY OTHER COMPETENT BUSINESS: Stuart Christie highlighted some issues he had with his EHO. John Chapman suggested to him to get the EHO to put it all in writing and send in to the Federation Office. Douglas said that we have discussed the issues with FSA after they were highlighted to us six weeks ago and they in turn spoke to the local authority if you still feel it is not right let us know.

David Lindsay said their shop had an issue with money and hand washing. There is a meeting planned at the shop with the EHO next Tuesday which Douglas agreed to attend.

Ian Faulds intimated that the fees would likely increase at the AGM and asked Executive Members to think about what level it should be.

DATE OF NEXT MEETING: Wednesday 8th January 2014.