

## **Cross Party Group in the Scottish Parliament on Rural Policy**

**Tuesday 5<sup>th</sup> February 2013**

**5.45 – 7.30pm, Scottish Parliament Committee Room 5**

### **Minutes (Approved)**

#### **Present**

<b>Name</b>	<b>Organisation</b>
Wendy Fleming	NFUS (Speaker)
Stuart Ashworth	Quality Meat Scotland (Speaker)
Eric Calderwood	University of Stirling and Cooperative Group (Speaker)
Claire Baker	MSP (Chair)
Alex Fergusson	MSP (Co-convenor)
Jim Hume	MSP (Co-convenor)
Graeme Dey	MSP (Co-convenor)
Jean Urquhart	MSP
Alison Johnstone	MSP
Marianna Markantoni	SRUC
Andrew Paddison	SRUC
Bruce McConachie	Cairngorms National Park Authority
Eric Samuel	BIG Lottery
Ross McLaren	Scottish Churches Rural Group
Fiona Mackenzie	UHI
Artur Steiner	SRUC
Iain Macdonald	NFUS
Maggie Gordon	Chair, D&G LEADER/Vice-Chair D&G Food Cooperative
Sarah Skerratt	SRUC
Jane Atterton	SRUC
Sarah Hunter-Argyle	SRUC
Davy McCracken	SRUC
Siân Ringrose	SRUC
John Elcock	SRUC
Steven Thomson	SRUC
Anya Hart Dyke	University of Edinburgh
Tanya Castell	Soirbheas Ltd
Mike Wilson	University of Stirling
Stephen Pathirana	Scottish Government

Andrew Brough  
Richard Haw

Buccleuch Estates  
Forestry Commission

## Apologies

<b>Name</b>	<b>Organisation</b>
John Farrington	Aberdeen University
Anne McGuire	MP
Barbara Kelly	Convenor, Crichton Foundation
Jenny Brotchie	Carnegie Trust UK
Alison Elliot	Chair, Land Reform Review Group
Rob McMorrان	CMS, UHI
John Watt	Director of High Life Highland
James Ogilvie	Forestry Commission
Sarah Anderson	NFUS
David Whiteford	North Highland Initiative
Karen Dobbie	SEPA
Mark Aitken	SEPA
Jane Smernicki	SRUC
Mike Woolvin	SRUC
Alistair Hamilton	SRUC
Jim Hunter	Vice Chair, Land Reform Review Group
Lorna Philip	Aberdeen University
Jamie Dent	D&G Small Communities Housing Trust
Sheila McWhirter	East Lothian Council
Madhu Satsangi	Head of Housing Studies and Convenor of the Rural Housing Service, Stirling University
David Cameron	Community Land Scotland
Alasdair McKinlay	Scottish Government
Stuart Robertson	HIE
Rhoda Grant	MSP
Annabelle Ewing	MSP
Douglas Bell	SAC Consulting
Patrick Hughes	SAC Consulting
Julia Latto	Scottish Enterprise
Sarah-Jane Laing	Scottish Land and Estates
Andrew Midgley	Scottish Land and Estates
Daniel Gotts	Scottish Natural Heritage

Laura Stewart	Soil Association
Peter Misselbrook	Tods Murray LLP
Sarah-Anne Munoz	Centre for Rural Health, UHI
Amanda Kremer	Thrive for Business, Dumfries and Galloway
David Gass	Upper Quartile
Patrick Hughes	SAC Consulting
Joe Hind	Soil Association
Julian Pace	Scottish Enterprise
David Rennie	Scottish Enterprise
David Watts	Aberdeen University
Justine Geyer	Scottish Government

## **1. Welcome and Apologies**

Claire Baker MSP (chair) welcomed all participants to the meeting. All participants introduced themselves (see list above). Jane Atterton read out the list of apologies received (see list above).

Claire Baker MSP asked if anyone present objected to photos being taken by SRUC staff to use on the Cross Party Group website and in presentations. She also asked if anyone present objected to a recording of the meeting being taken. The latter has been requested by Group members who are unable to attend the meeting so that they can listen to discussion afterwards. No one present objected to photos or a recording. The recording will be made available on the Cross Party Group section of the Rural Policy Centre website, along with the agenda, minutes and speakers' presentations.

## **2. Approval of minutes from the October 2012 meeting**

It was noted that the unapproved minutes from the December Cross Party Group meeting were made available on the webpage for the Group shortly after the meeting. Hard copies were also distributed to attendees for checking.

Claire Baker MSP noted that Alex Fergusson MSP has received an acknowledgement from Margaret Burgess MSP's Ministerial Correspondence Unit for the letter sent from the co-convenors following the Rural Housing meeting. The acknowledgement notes that a reply will be sent asap.

Jane Atterton reported that, based on the minutes of the December meeting, she has produced a two page summary of the key issues discussed. She proposed to publish the briefing – and similar briefings summarising the key issues discussed at subsequent meetings – via the Rural Policy Centre (RPC) website ([www.sruc.ac.uk/ruralpolicycentre](http://www.sruc.ac.uk/ruralpolicycentre)). The briefing includes the names of the speakers at the meeting but does not attribute any points made to individuals. This was welcomed as a useful output from the meetings and no participants objected to the

publishing of these briefings. Jane Atterton will finalise the Rural Housing briefing and publish it on the RPC website asap.

Claire Baker MSP noted that there has recently been broader discussion in the Parliament about the role of Cross Party Groups.

### **3. Presentations (followed by discussion)**

Three presenters spoke to the Group on the issue of 'Rebalancing the Supply Chain'. The key points from their presentations are detailed below:

- *Wendy Fleming (NFUS Food Chain Relationships Manager): Farming and the Supply Chain:* Wendy noted that supply chain issues are currently high on the agenda, however, she noted that understanding remains poor in relation to a number of key issues. She offered some observations on a range of issues including, fairness, traceability, food safety, the impacts of the weather (particularly in terms of reducing output), rising input costs and price volatility, the strategies and reputations of different retailers regarding branding and labelling, the public's perception of their products and the quality of them. Wendy discussed some of the pros and cons of dedicated (direct) supply chains and some recent work by NFUS on the traceability of different supermarkets' products. She also noted the variations between different assurance schemes which creates additional inspections burdens for producers, and the poor communication between supermarkets and producers over the timing of promotional offers and related supply levels. She concluded by discussing the role of the new supermarket adjudicator.
- *Stuart Ashworth (Head of Economics Services, Quality Meat Scotland): Red meat supply chain: welding up the cracks or renewing the links?:* Stuart's presentation noted the number of cattle and sheep holdings and businesses in Scotland compared to the number of markets and abattoirs and the number of supermarkets. He noted that the fragmented delivery of product into a relatively concentrated part of the supply chain can lead to challenges. He noted that this year has been a challenging one for processors as well as for farmers, with 'squeezed margins' across the red meat sector (which is largely an exporting sector – i.e. the major market is outside Scotland). Stuart noted some of the key challenges for high street butchers, some of which are struggling, including the difficulties in getting livestock slaughtered (volume is low and therefore it is difficult to get good margins). Stuart reflected on the continuing perception of the need for cheap food in the UK and noted that a key challenge is getting customers to understand more about the food they eat, including its source, value, etc. This raises questions about the kind of supply chain we wish to have - one that provides a secure, sustainable supply of food or one that maintains people in rural communities and a high quality environment, with high traceability standards and compliance costs – if the latter, then this needs to be recognised as an additional cost.
- *Eric Calderwood (University of Stirling and Cooperative Group): Shopping on the Edge:* Eric began by reflecting on the changing nature of the UK high street with on average one in eight shops having closed recently. This is largely due to peoples' changing shopping behaviour and their increasing reliance on 'non-shop alternatives'. He commented on the increasing use of online shopping and on large supermarkets' delivery services (which offer consumers' greater choice), and the impact that this is having on shops, particularly small, local shops, citing several successful (and less

successful) examples from the Scottish islands. He described the difficulties faced by local shop owners (including community owners) in maintaining their business and the considerable time and effort (often on a voluntary basis) that needs to be invested, and noted the historic lack of collaboration on the high street. He described the role of The Cooperative in supporting local shops in the Western Isles and the different characteristics of the supply chain – or in some cases lack of an effective supply chain - in locations off mainland Scotland. He finished by asking the question of whether we need local shopping facilities in small rural communities, and if so, who will support them in future?

Discussion focused on the following issues:

- The increasingly important question of how to maintain the food supply chain when food supply is threatened e.g. due to wheat shortages caused by poor weather reducing harvests – we will be forced to go back to rationing? This raised the importance of global issues in affecting the UK/Scottish food supply chain.
- The high proportion of food that is wasted across the supply chain and the ‘disrespectful’ attitude to food that exists amongst many UK consumers (linked to expectations of the need for cheap food); the need for more education and awareness raising programmes for UK consumers about their food and where it comes from (it was agreed that some popular TV programmes such as Countryfile have helped here), and the need for clearer messages to be delivered to consumers in an appropriate manner.
- Balancing the different demands and concerns of consumers, for example regarding price, quality, choice, convenience, concerns about climate change/greenhouse gas emissions, shopping local etc.; and linked to this, the need for better and more informative and accurate labelling.
- The role of cooperatives (e.g. in the Scottish pig production sector) and groups such as machinery rings in changing the balance of power in supply chains by increasing the bargaining power of producers; there is a potential role for SRDP funding to boost cooperatives and cooperative working.
- The potential for achieving ‘fair trade’ for Scottish/UK producers – consumer conscience around fairness is high but generally for small producers in an international context rather than for UK/Scottish products. But are consumers, who tend to favour the availability of cheap food, prepared for the high price that is likely to result from a ‘fair trade’ label for UK/Scottish products?
- The importance of wider issues in affecting local retailing, including the restructuring of the post office and the changes to the liquor licensing regime, which have resulted in changed partnership arrangements and higher costs for small local shops, respectively.
- The need for a better understanding amongst farmers of processor and abattoir requirements, and the need for greater consistency in the latter - recognising the challenges to achieving this, for example, the number of different breeds in the Scottish sheep sector.
- The need to recognise that farmers’ margins have also been squeezed from below as a result of higher costs for suppliers.

**Action: Claire Baker MSP informed attendees that Jane Atterton will write-up a 2-page briefing from the meeting to record the key points presented and discussed. This will be made available on the Cross Party Group webpages on the Rural Policy Centre website asap.**

#### **4. AOB**

- Participants may be interested in a recent book by Fiona Mackenzie (UHI) entitled 'Places of Possibility: Property, Nature and Community Land Ownership' (published by Wiley-Blackwell in December 2012).
- Participants may be interested in attending a film screening and discussion in Committee Room 3, Scottish Parliament on Wednesday March 13<sup>th</sup> (6-8pm). The event is entitled '*Two Decades of GM – Farmers Experiences Around the World*' and is sponsored by Jean Urquhart MSP and will be chaired by Rob Gibson MSP. RSVPs to be sent to Eve Mitchell [emitchell@fweurope.org](mailto:emitchell@fweurope.org).

#### **5. Date of next meeting**

The next meeting of the Group will take place on Wednesday March 27<sup>th</sup> (5.30-7.30pm) in the Scottish Parliament, Committee Room 5. The topic of the meeting is '*Community ownership of assets*'.