

**MINUTES OF THE MEETING OF THE WELSH FOOD ADVISORY COMMITTEE
HELD ON 22 OCTOBER 2020 VIA TEAMS**

Present:

Welsh Food Advisory Committee (WFAC) Members Attending:

Mr P Price, Chair
Dr N Barry
Mr A Gardner
Dr P Hollington
Mrs B Lyne-Pirkis
Mr R Alexander

Food Standards Agency (FSA) Officials Attending:

Nathan Barnhouse – Director, FSA in Wales
Julie Pierce – Director of Openness, Digital, Data, Science and Wales
Owen Lewis - Head of Regulatory Policy and Local Authority Partnerships
Helen George - Head of Communications & Business Support Wales
Lucy Boruk - Business Manager

Guests Speakers and Observer:

Tim Render Director, Environment and Rural Affairs, Welsh Government
Andy Richardson - Chair of the Food and Drink Wales Industry Board
Matthew Frankcom - Chair of Safe, Sustainable, Authentic Food Wales (SSAFW)

1. Introductions

1.1 The Chair welcomed attendees to the meeting and introduced Tim Render and Andy Richardson as presenters. The Chair also introduced Matthew Fankcom who will be observing WFAC meetings in a reciprocal arrangement whereby the WFAC Chair observes meetings of the Safe Sustainable Authentic Food Wales (SSAFW).

1.2 Apologies were noted from David Peace and committee members expressed their sincere condolences to David following family bereavements.

1.3 Apologies were noted for Kerys James-Palmer – interim Head of Regulatory Policy.

2. Overview of the Purpose of the Meeting

2.1 The Chair explained that the purpose of the meeting was to build on the landscape report that both WFAC and NIFAC produced earlier in the year. When publishing the report, Ruth Hussey the then chair was keen to ensure the report described the food landscape in Wales pre - EU transition and pre-Covid. The Chair reported that both WFAC and NIFAC have an opportunity over the next 6 months to

build upon changes and developments since the FAC reports were published. The Chair said that the presentation from Tim Render on key food policy issues surrounding the transition period and the Agricultural Bill and the presentation from Andy Richardson about the Food and Drink Wales Industry Board's Strategy were key to WFAC's intelligence gathering.

3. Tim Render- Presentation on the Impact of COVID-19 on the Food Industry in Wales, EU Transition, and the Agricultural Bill

3.1 On the impacts of COVID-19 on the food industry, it was reported that this had been polarised with some limited direct impact on manufacturing and retail compared to a significant impact on hospitality and catering involving job losses and business closures. In the initial stages, a change in retail pattern was reported, including more on-line food deliveries and increased purchasing of food from local shops. The WFAC was told that smaller food businesses in Wales had diversified and been creative, with many adopting innovative schemes. A number of WFAC members commented that they had observed the innovation. Overall, Tim reported that the food industry in Wales had responded well to the challenges of COVID-19 despite a number of outbreaks being reported in some food industry settings. Tim referred to a wealth of guidance and detailed work (from both Welsh Government and the FSA) with FBOs in Wales on disseminating good practice.

3.2 On EU transition matters from a Welsh Government perspective, discussions on a trade deal were continuing. Tim referred to the significant amount of Parliamentary time required to put in place new legislation in Wales, particularly in relation to time-critical Statutory Instruments in the areas of agriculture, fisheries and animal health. The challenges of additional work which will now fall to the FSA as a consequence of EU exit was highlighted, particularly in relation to work previously undertaken by the Commission or EFSA. Tim highlighted that the Welsh Government is responsible for Sanitary and Phytosanitary checks and that border control posts in Wales (in Holyhead and South West Wales) will need to be operational by 1 July 2021 whether or not there is a deal.

3.3 Discussions were held on business readiness and preparedness. Concerns were expressed that, while larger business seemed prepared, the large number of small and micro businesses in Wales have less capacity to introduce new measures and systems. Food security and higher levels of food poverty in Wales were areas of concern highlighted by a number of WFAC members. Tim reported that Welsh Government had work underway to look at the short-term security of food supply. The potential for delays at ports was considered to be a risk for fresh produce. Affordability was an agreed area of concern expressed by members and in this respect, opportunities to utilise horticultural advances and hydroponics were discussed.

3.4 In updating the WFAC on the Agricultural Bill, Tim reported that the UK Agricultural Bill was close to its conclusion and that it would give Welsh Ministers powers largely around expenditure. He said that the Welsh Government was proposing to consult on a White Paper by Christmas, which will set out the proposals for a separate Welsh Agricultural Bill. This will cover powers of spending in a new way and will set out a regulatory baseline, with new ways of enforcement being introduced.

Tim commented that the Agricultural Industry was facing its biggest change in 40 years.

4. Andy Richardson – Presentation on the Impacts of COVID-19 on the Food and Drink Industry in Wales and on EU Transition Readiness

4.1 On the impacts of COVID-19, Andy reported on the results of a survey of food manufacturers in Wales, undertaken in May 2020. This showed COVID-19 has had a significant impact on businesses of all sizes and sectors, with a severe negative impact on:

- sales (39% of respondents referred to lost sales)
- profits (46% of respondents referred to profits being impacted)
- customers (39% of respondents referred to their customers being impacted)

4.2 Andy reported on the changed market-place with retail still growing rapidly (+18.9% in June, +14.6% in August). WFAC noted that on-line and media channels continue to outperform the rest the market; that Amazon's grocery launch is likely to disrupt the market; that Aldi/Lidl are gearing up for home delivery; and that the traditional supermarket model is not forecast to deliver significant longer-term growth to the major grocers. Members noted that the Food and Drink Industry Board would be looking at a new Strategy for Wales (mid 2021) and, in the meantime, was focusing on delivery of its COVID-19 recovery strategy and its Strategic Priorities as set by the Industry Board. These include objectives on Market intelligence, Practical business advice, Prioritising on-line sales channels and marketing, Productivity improvement, Business resilience and Risk management, Adding value, Affordable finance, Industry accreditation, Revising the Board's Retail Plan, Maintaining global trade presence, Sustainable business models, and promoting the food sector as a good place to work.

4.3 In commenting on Welsh business readiness for EU exit, Andy reported that their intelligence indicated that the SME and micro businesses in Wales were unprepared. The state of preparedness is polarised and linked to business size. Andy confirmed that the Industry Board was working with Welsh Government to get a better understanding of the value of Welsh food and drink and it would be encouraging a level playing field, with equality on import and export tariffs. Key EU exit issues including the Border Operating Model, labelling issues, the need for a level playing field on tariffs, the lack of time to prepare for a late deal and the lack of insight on new trade deals.

4.4 In response to questions from members relating to what the brand of Welsh food and drink stands for, Andy underlined the need to understand brand value and said that the Industry Board was undertaking a lot of work in this area. He referred to discussions with Welsh Government on sustainable brand values and how the devolved brand works alongside the 'Food is Great' strategy. It was noted that the Industry Board is considering added value and processing capacity issues in Wales.

4.5 A number of members highlighted concerns relating to the higher levels of poverty in Wales (@24%) and the impact on food poverty. It was noted that both Aldi and Lidl were gearing towards on-line food sales and delivery. On affordability of quality food, reference was also made to obesity and its possible association with food

poverty. In this context, WFAC noted that the FSA is engaged in the work being undertaken by Henry Dimbleby under the National Food Strategy for England.

Action: Secretariat to circulate Andy's presentation.

5. Declarations of interest

5.1 There were no new declarations of interest although Beca Lyne-Pirkis advised that she has recently been approached by 'ports to plates' to promote Welsh seafood and agreed to update the secretariat in her future involvement.

6. Minutes of the Last Meeting (Paper FSA 20/10/01)

6.1 The minutes of the meeting held on 10 September 2020 were agreed as a true record subject to minor amendment.

6.2 The Secretariat confirmed that all action points had been dealt with.

7. Report from Chairman (Paper FSA 20/10/02)

7.1 The Chair presented his written report which summarised discussions at the last Board meeting. It was noted that the Chair was in process of completing his inductions with various stakeholders including key stakeholders in Wales.

8. Director's Update (Paper FSA 20/10/03)

8.1 Members welcomed the written report from the Director in Wales. In updating on his report, the Director reported that a briefing pack for Eluned Morgan MS, the Minister who now has responsibility for the FSA was underway. He also said that in submitting the pack, the FSA would be looking to arrange early engagement between the Minister and the Chair/Deputy Chair of the Board, the Chair of WFAC and relevant officials.

8.2 In updating on SSAFW, the Director endorsed the positive response of the joint working in response to COVID-19, stating public health and food safety is at forefront of a large part of the FSA's work.

8.3 Members congratulated the Director on the positive response from the Welsh Language Commissioner in relation to the work of the Welsh Language Transition team within FSA and the FSA's Welsh Language Scheme.

8.4 Members sought further detail on why the joint FSA and Welsh Government Public Health bid for £2m, submitted as part of the COVID-19 recovery fund, was unsuccessful. The Director reported that he was awaiting feedback on the reasons why. In noting that, local authorities in Wales have been successful in receiving £2.5m from Welsh Government that will be used to boost the COVID-19 response, information was sought on how this money was to be utilised. The Director said that

the FSA is meeting with local authority representatives over the next few weeks and will get more information and agreed to discuss with Matthew Francom the sharing of this intelligence.

8.5 A question was raised in relation to monitoring the content of forthcoming manifestos and it was confirmed that the FSA would be undertaking work in this area.

8.6 A member shared intelligence in relation to COVID-19 in an FBO in Llangefni. The Director agreed to feed this intelligence back to the FSA's Incidents team.

Action: Nathan to discuss with Matthew Frankcom sharing information in relation to additional resources made available.

Action: Secretariat to feedback to Incidents Team on the Llangefni FBO.

9. AOB

9.1 The Chair advised that the next meeting of WFAC will take place on 26 November and indicated that the executive has provisionally planned, restrictions allowing, for a face-to-face committee meeting on 15 July to be held in North Wales.

9.2 B Lyne-Pirkis will look to share a presentation with the committee from the Healthy Weight and Healthy Wales campaign.

9.3 R Alexander referred to email correspondence he had shared in relation to WFAC business processes. Separate discussions are to be held on this.