

Minister for Agriculture and Connectivity
Ministear an Àiteachais agus Ceangal

Jim Fairlie MSP
Jim Fairlie BPA



Scottish Government
Riaghaltas na h-Alba
gov.scot

Finlay Carson MSP
Convener of the Rural Affairs and Islands
Committee
Scottish Parliament
Edinburgh
EH99 1SP

12 March 2024

Dear Finlay

Quality Meat Scotland Levy Rates 2024/25

I am writing on behalf of the Cabinet Secretary for Rural Affairs in relation to the Quality Meat Scotland (QMS) levy rates for 2024/25. Ms Gougeon attended a committee hearing on Wednesday 22 November 2023, to discuss the Quality Meat Scotland (Amendment) Order 2023 and she committed to update you on any proposal from QMS to raise the payable levy.

The amendment to the 2008 Order came into force on the 22 December 2023 and subsequently, following stakeholder engagement, QMS wrote to Ms Gougeon seeking approval to raise the payable levy for 2024/25. I have considered their proposal, and I am content to approve the proposed rise, given the levy payer response during the engagement period.

In the context of a new five-year strategy launched at the RHS in 2023, QMS set out a proposal, whereby for a period of five years, the levy would increase annually based on the consumer price index (CPIH). This proposal will also build-in a check for extreme market conditions or levels of inflation, each year. To ensure it remains fit for purpose, a full review will be carried out after five years.

The engagement process took place during November-February and the QMS Red Meat Resilience Group agreed the approach, as did the QMS Board. Engagement included:

- 12 evening workshops at various locations throughout Scotland, targeting producers
- one-to-one meetings with 13 of Scotland's processors
- an online session for those who could not attend the physical events
- a webpage and dedicated email box inviting feedback on proposals
- other stakeholder fora such as society meetings and AGMs.

The evening workshops were widely advertised including through a QMS newsletter circulated to members of the QMS quality assurance schemes, several media outlets including the Scottish Farmer and also through the NFUS newsletter.

Of participants who attended the evening events, 85% were in favour of a rise (at eight of the twelve events, over 95% of attendees were in favour of the increase.) Additionally, one-to-one meetings were held with 13 processors affording them the opportunity to raise any issues or questions around the proposed levy increase or around QMS's five year strategy and annual plan. There were no significant issues raised by the processors in these meetings.

As part of the wider discussion QMS also took feedback from attendees on how it communicates and works with levy payers across Scotland. This feedback has been incorporated into the QMS communications strategy, to ensure that levy payers have a consistent opportunity to engage and feedback on QMS activity.

As discussed in the committee hearing, the payable levy has not increased since 2010. The increase I have approved amounts to 6.8%, in line with the CPIH, as shown in the below table.

Levy rates for 2023/24 and comparison rates for 2024/25

Levy rates for 2023/24

Species	Paid by Producer per Head	Paid by Slaughterer/ Exporter per Head	Total Levy per Head
Cattle	4.20	1.30	5.50
Calves (up to 68kg)	0.07	0.07	0.14
Sheep	0.60	0.20	0.80
Pigs	1.02	0.24	1.26

Requested New levy rates 2024/25

Species	Paid by Producer per Head	Paid by Slaughterer /Exporter per Head	Total Levy per Head
Cattle	£4.49	£1.39	£5.88
Calves (up to 68kg)	£0.07	£0.07	£0.14
Sheep	£0.64	£0.21	0.85
Pigs	£1.09	£0.26	£1.35

This equates to QMS proposing to increase the rates in the financial year 2024/25 by a small amount for each species:

Cattle: a total increase of .38p
 Sheep: a total increase of .05p
 Pigs: a total increase of .09p

I hope the committee finds this update useful.

Yours sincerely



JIM FAIRLIE