

## Report to the SVA AGM – December 2022

*Richard Cooke, Chairman, SVA*

A short report on what SVA has been doing in the past 12 months but, as a precursor to that, first a few words about the market:

Data that we received from The Knowledge Bank in their retail report published earlier this year showed that after significant increases in sales volumes in 2019 and 2020 the retail market had slowed but was still positive albeit just +1.3% up as at February this year, although value of sales had dropped by 2%. The latest numbers that we have seen to 2 October 2022 from Kantar do however show further encouraging growth reporting a volume rise of 9.2%. Their report says that of all the fresh primary proteins, only 'Other Red Meat' (eg venison) has managed to grow volume and this could be driven by the cost-of-living crisis as it is one of the most competitively priced proteins at £5.18 per kilo and one of the least inflated proteins with prices growing at 2.0%.

Of course, through the same period trade through other channels, restaurants, catering and food service, events etc came back on stream. These channels had dried to a trickle through the pandemic, but it is reasonable to forecast that the cost of living crisis is bound to have an effect on people eating out, and events, and an overall drop in red meat sales has been predicted as belts tighten. I wonder if venison will be able to buck that trend.

Now to activities.

### The Greenhouse gas emissions project

The SVA published a Statement of Intent in July this year, its bottom line to have net zero emissions by 2035 across the whole wild deer management and venison processing sectors. That statement was launched at Scone and in the summer issue of Scope and was drawn up by a steering group comprising ADMG, BASC, LDNS, NatureScot, Scottish Environment LINK, and Highland Game with Ardgay Game also a signatory to the final document.

The next step is commissioning an action plan with guidance as to what the sector can do to limit its emissions and take remedial action. The GHG sector steering group met again a few weeks ago to discuss this and we are now in talks with SAC Consulting's Food and Footprint division hopefully to take this forward. We have around £23K funding, the majority from NatureScot for this project.

**Note: We now have a proposal for approval for the next phase of work to be undertaken by SAC.**

### Meeting with the Minister

As well as several meetings through the year with Government officials on the Food and Drink Industry Growth Team with whom we have a good relationship SVA was fortunate to piggy-back an ADMG meeting with the Minister Lorna Slater where we managed a few moments to talk to her and her officials about venison and venison marketing.

One of the points raised was about the pilot project to support a network of local chill facilities and collection points. With partial funding secured from the Scotland Food & Drink Partnership Recovery Plan, the scheme was launched in 2021, and three applications (in Moray, Argyll and SW Scotland) were successful. The scheme aims to enable more local processing and venison to be available for local consumption and to establish regional collection points to supply national game dealers; also, to demonstrate to others how to develop such facilities.

All three projects are currently under review and re-budgeting as inflation has drastically increased the costs of materials and this has had a knock-on impact on the financial viability of each project.

*Note: All three projects have now completed their re-budgeting exercise and as far as we are aware all are now signed up and underway.*

An immediate outcome also is that we have asked Government for funds to enable a geographically based review of the existing provision of sector infrastructure, AGHEs, collection centres/larders, retail outlets etc to fully understand the existing supply chain and how this might be improved, and importantly what we need to safely handle increased future culls.

*Note: £20K funding has been granted by Scottish Government for this. Through SAOS John Forteith, consultant has been appointed to undertake this work with report expected June 2023.*

It was encouraging to see the award to Wild Jura from the Food Processing Marketing Cooperation Grant Scheme of £40K for the conversion of a shed to provide a venison chill and processing facility on the island. SVA has been pushing this scheme as a source of potential funding for years, but it is competitive, applicants have to be ready when the short application window opens, and the reporting process is thorough. The Jura application should provide a valuable template for others to pitch their projects to the scheme for funding in the future.

In addition, we think that developing the butchery skills base of both stalker and butcher will enable and encourage more local supply. Whilst the pilot project has already shown that many constraints exist – not least funding and planning - in terms of developing a medium sized, community-serving processor business, we also know that at estate level, with the right skills, limited investment, and supply of raw material, a viable local unit can be established to service local markets and beyond and the law and hygiene regulations permit this. To this end we have had a preliminary meeting with Scottish Craft Butchers/Craft Skills Scotland and are hopeful that with them we can implement a series of butchery training events starting in 2023. The National Occupational Standard for wild game butchery exists and we can use it. We need to plot how we roll this out, where, and what level of funding is required to make this happen.

*Note: This course for butchers and stalkers has now been developed as an adaptation of the Wild Game National Occupational Standard (NOS) Butchery course, has been tested on site, and is ready for roll out through SVA/Craft Skills Scotland/Scottish Craft Butchers.*

#### Pressure on the supply chain during the rut

Reinforcing our need to know what facilities there are around the regions, their capacity, and their location we had reports of serious bottlenecks in supply between producer and processor this year during the period of the rut and, when we asked, we received quite a number of reports to that effect. The closure of one collection centre and a number of other minor factors caused severe supply chain breakdowns with the consequence that culling stopped completely in some locations and, as far as we know, will not restart until there are alternative arrangements for carcase collection in place.

It's a wake-up call and we anticipate that with increased culls to support climate change action and prevent biodiversity loss then processor capacity will be insufficient to service the requirements of producers in future years. This could result in more venison being butchered and traded illegally; or interruptions to culling pending sufficient capacity for raw produce to enter the processor chain; or for carcasses to be culled but left on the hills or in woods.

### Moving on to the SVA review

As you know we have commissioned SAOS to undertake a review of SVA, its structure and governance, its role and remit, and its funding and we are discussing their draft report today. What is evident is that we have a developing sector that is significantly underfunded and if it is to make progress in delivering the ambitions of the Scottish Venison Strategy then change is needed.

After a number of years of decline the levy dropped significantly in 2021/22 to its lowest level ever last year, significantly reducing available funds for this year, albeit we have unlocked around £180K of Government and agency funding for the sector.

To do the sector justice, to develop it, to afford it the time, energy and input it deserves it needs, in our estimation, a budget of around £120K per annum. Otherwise we can only pay lip service to what we want to do. There are new threats too, not least venison from England which is becoming more organised and which could easily, as it becomes better structured and resourced, challenge established and valuable markets particularly in London and SE England.

Given the situation going forward – ie an expectation that more deer will be culled - that will result in an increase in production and supply volumes in the short term, we must find solutions for how additional product can be promoted and reach the market. SVA must bear some of that responsibility but requires resource to do so. Public sector procurement (schools, hospitals, prisons etc and where Highland Game has already taken a lead with Forestry England venison) and supply to combat food poverty and to charities such as the Country Food Trust and Empty Kitchens should also play a part.

On the deer farming front it should be noted that the Venison Advisory Service has forged a relationship with the SAC Farm Advisory Service to deliver a series of deer farm demonstration days of which two have already been held, one at Innerhadden and the second at Achadunan on Loch Fyne. Also, that the loss/sale of the Fife abattoir at Downfield Farm is a major blow removing the option for a number of farmers to have their stock killed in Scotland and follow an independent route to market outside that offered by Dovecote Park. This has been a significant setback for a number of businesses and without an alternative option has presented them with unplanned and difficult challenges. We have raised this in recent correspondence with Scottish Government officials.

*Note: Two on site and one online deer farm events have now been delivered by FAS (Farm Advisory Service) Connect and the Venison Advisory Service with a further programme of five events to be delivered through 2023.*

*The Venison Advisory Service is in early discussion with Downfield Farm to see if the abattoir can be re-opened on a temporary basis to service Scottish deer farmers (and also for lamb and goats), as well as the processing of wild game, and provide an educational hub. Next step is for VAS to discuss with SAOS how best to take forward and the possible establishment of a producer co-operative.*

In conclusion, have made considerable progress over the last 18 months, but the more one examines the situation one realises just how much more there is to do.

2 December 2022

Notes added 10 March 2023