

**AGENDA ITEM No. ...19(b)****NORTH LANARKSHIRE COUNCIL****REPORT**

<p>To: ENVIRONMENTAL SERVICES COMMITTEE</p> <hr/> <p>From: DIRECTOR OF ENVIRONMENTAL SERVICES</p> <hr/> <p>Date: 17th September, 1998. Ref: GB/MC</p>	<p>Subject: Report on Consultation on the Five Yearly policy review of the Meat and Livestock Commission (MLC)</p>
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**PROPOSED DECISION**

To homologate the action of the Director of Administration in sending the comments contained in this report by the Director of Environmental Services to COSLA for onward transmission to the Scottish Office.

**REPORT**

A five yearly policy review of the Meat and Livestock Commission (MLC) is due to take place this year and the Scottish Office have consulted COSLA on the MLC and have asked the Council's views on the following questions:-

1. Are the MLC's activities needed?
2. If so, should they be carried out in the private or public sector?
3. If it remains in the public sector, what form of organisation would best deliver the activities of the MLC. (e.g. the present one or merged with other organisations)
4. Should some or all services be contracted out and, if so, which?
5. Should MLC's remit be extended (or narrowed) and, if so, how?
6. What if any, changes may be desirable to take account of devolution?
7. How should the MLC link in with other organisation and sectors?
8. Should funding methods change?
9. Should MLC's structure change? (e.g. number and experience of Commissioners - internal organisation - how the interests of each sector and all three species are protected)

For the information of the Committee a short précis, prepared by COSLA, on how the MLC works is enclosed at the Appendix to this report.

The Department having considered the various questions posed by the Scottish Office and listed above propose the following response.

1. It would seem that the MLC is in the main a marketing tool for the meat industry and as such the Department would have no particular view as to whether or not the body serves a useful purpose in this regard. There would however appear to be some useful service provided/...

provided by the MLC Operations Group in supervising the EU related activities.

2. The private sector appears to be the most appropriate forum for such a body.
3. If it were to remain in the public sector it should probably be integrated with the Meat Hygiene Agency and be accountable to the proposed new Food Agency.
4. The difficulty here is who would they be contracted out to?
5. This is a decision for the meat industry.
6. There should in all probability be changes to ensure that there is some accountability to the new Scottish Parliament.
7. There should possibly be a liaison link to COSLA.
8. As there appears to be no public funding of the organisation other than the payment of Commissioners' salaries this would be a matter for Central Government and the MLC.
9. If there was a move to link the MLC to the new Food Agency then perhaps the structure should change at that time.

#### **RECOMMENDATION**

That the Committee homologate the action of the Director of Administration in sending the comments contained in this report by the Director of Environmental Services to COSLA for onward transmission to the Scottish Office.

*M'Kenzie L. Hutton*

Agenda item 19(6) Appendix - Environmental Services Area  
- 6 October 1998

## INFORMATION NOTE ON THE MEAT AND LIVESTOCK COMMISSION

1. The Meat and Livestock Commission (MLC) was established by the Agriculture Act 1967 with the aim of promoting greater efficiency in the livestock industry. The MLC has a wide range of functions including the promotion of meat as an important component of a balanced diet, livestock improvement, advice on meat marketing, collecting and disseminating information (including prices and economic matters) and Research and Development.
2. There is a total of 14 Commissioners appointed by GB Agriculture Ministers. This includes a Chairman, Deputy Chairman and Chairman of the Consumers Committee (the last remaining statutory committee). All sectors of the meat and livestock industry, from producer through to retailer, are represented on the Commission. An exercise is currently underway to seek replacements for those Commissioners whose terms of appointment expire on 30 September 1998. The salaries of the Chairman, Deputy Chairman, Chairman of the Consumers Committee and Commissioners are paid by MAFF. The appointment of the Director General, other Directors and all staff at the MLC, which together total about 600, is the responsibility of the Commissioners.
3. The MLC raises the bulk of its funds through a general levy payable by livestock producers, slaughterers and exporters and a species promotion levy payable by producers. A Levy Order approved by Parliament sets out the statutory maximum levy charges and is amended periodically as these maxima are approached. Parliamentary approval for a Levy Order was last obtained in 1993. The MLC have recently consulted the industry on plans for a new Order increasing the maximum permitted levels and have presented Ministers with proposals which are currently being considered. The actual rates of levy charged, within the statutory maxima, are a matter for the MLC after consultation with the industry.
4. In 1996/97, the total income of the MLC was £51.0 million of which £37.0 million was raised through levies.
5. In addition, the MLC has an operations group, which supplies commercial services to the industry, such as classifying carcasses in abattoirs. It is also involved in supervising EU related activities such as beef intervention and the Over Thirty Month Slaughter Scheme. These services, which are self financing, bring in a further income of nearly £14 Million (£2.8 m of which was paid by Government for agency and related services).
6. Operationally, the MLC is divided into three Directorates - Corporate Strategy and Industry Support; Marketing; and Technical Services. The (commercial) Operations Group is managed as a separate arm.