



**Scottish  
Food  
Advisory  
Committee**

# **FARMERS' MARKETS IN SCOTLAND**

**Report for SFAC Approval**

**6 February 2002**

## **FARMERS' MARKETS IN SCOTLAND**

### **1.0 INTRODUCTION**

1.1 Over the past four years farmers' markets have emerged as a distinctive new sector in the food retail supply chain. Based on a North American concept, the markets made their first appearance in Southwest England, but they have spread rapidly into other areas of Britain.

1.2 In Scotland, where there was no recent tradition of street markets selling fresh produce, farmers' markets began in 1999. Since then they have become well established in many parts of the country. They are regarded as important in the diversification of the rural economy; as adding value locally through the promotion of farm-based food businesses; as a means of establishing closer and more direct links between farmers and consumers; and as an additional retail outlet for locally-produced food<sup>1</sup>.

1.3 In February 2001, the Scottish Food Advisory Committee (SFAC) agreed to undertake a review of farmers' markets in Scotland, specifically to:

- assess the numbers and frequencies of the markets;
- obtain the views of consumers, market traders, enforcement officials, and others on farmers' markets;
- consider the legislative and enforcement framework under which farmers' markets are operating;
- identify any regulatory, consumer or other issues relating to the operation of farmers' markets.

1.4 The review was planned for completion by the autumn of 2001. However, farmers' markets were severely disrupted during the late spring and summer because of the outbreak of Foot and Mouth Disease in Southwest Scotland. Market research studies were therefore delayed until the autumn, final results becoming available in early January 2002.

1.5 The review programme included collection of baseline information from Local Authorities (Appendix 1), written consultation with stakeholder groups (Appendix 2) and research conducted with stallholders, consumers and Local Authority Officers (Appendix 3). It was led by an SFAC Working Party<sup>2</sup>, with input from FSA Scotland (FSAS) staff<sup>3</sup>. Market research was designed in conjunction with Scotinform Ltd<sup>4</sup>, which also undertook the field studies.

1.6 This paper presents the findings and recommendations of the Working Party for SFAC consideration and endorsement, as appropriate.

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<sup>1</sup> These are priority areas in national policies for agricultural diversification and rural development.

<sup>2</sup> Anne Campbell, Wilma O'Dell and Phil Thomas.

<sup>3</sup> Particular thanks are given to Jim Thomson, Lydia Wilkie, Laura Mowatt, Gaire Moni and Jennifer Howie.

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## **2.0 CHARACTERISTICS OF FARMERS' MARKETS**

### **Numbers and locations**

2.1 The development of farmers' markets has been dynamic, and any information on the markets taking place can only be regarded as a 'snap shot' at a particular time. With this reservation, Table 1 provides an overview of the development of farmers' markets across Scotland.

**Table 1. Regional distribution and frequency of farmers' markets in Scotland<sup>1</sup>.**

<b>Local Authority<sup>2</sup></b>	<b>Markets</b>	<b>Locations</b>	<b>Frequency<sup>3</sup></b>
Aberdeen City	1	Aberdeen	Occasional
Aberdeenshire	1	Banff	Monthly
Angus	1	Forfar	Occasional
Argyll & Bute	3	Campbeltown	Occasional
		Tarbet	Occasional
		Ardrishaig	Occasional
Comhairie nan Eilean Siar	3	Stornoway	Occasional
		Balivanich	Monthly
		Barra	Occasional
Dundee City	1	Dundee	Monthly
East Ayrshire	1	Kilmarnock	Bi-monthly
East Lothian	1	Haddington	Monthly
Edinburgh City	1	Edinburgh	Monthly
Fife	1	Kirkcaldy	Monthly
Glasgow City	2	Glasgow	Occasional
		Portree	Weekly
		Torlundin	Monthly
		Inverness	Monthly
		Tain	Monthly
Moray	1	Elgin	Monthly
North Ayrshire	1	Irvine	Monthly
Orkney Islands	1	Kirkwall	Monthly
Perth & Kinross	3	Perth	Monthly
		Crieff	Occasional
		Pitlochry	Occasional
Shetland Islands	1	Lerwick	Occasional
Scottish Borders	3	Kelso	Monthly
		Galashiels	Monthly
		Peebles	Monthly
		Ayr	Monthly
South Ayrshire	1	Ayr	Monthly
South Lanarkshire	1	Hamilton	Monthly
Stirling	1	Stirling	Monthly

1. Information was collated in March 2001

2. Local Authorities reporting no market were: Clackmannanshire; Dumfries and Galloway; East Renfrewshire; Inverclyde; Midlothian; North Lanarkshire; Renfrewshire; West Dunbartonshire; and West Lothian. East Dunbartonshire reported that two markets were proposed. Falkirk reported it had an open-air market with a minimal retailing of food.

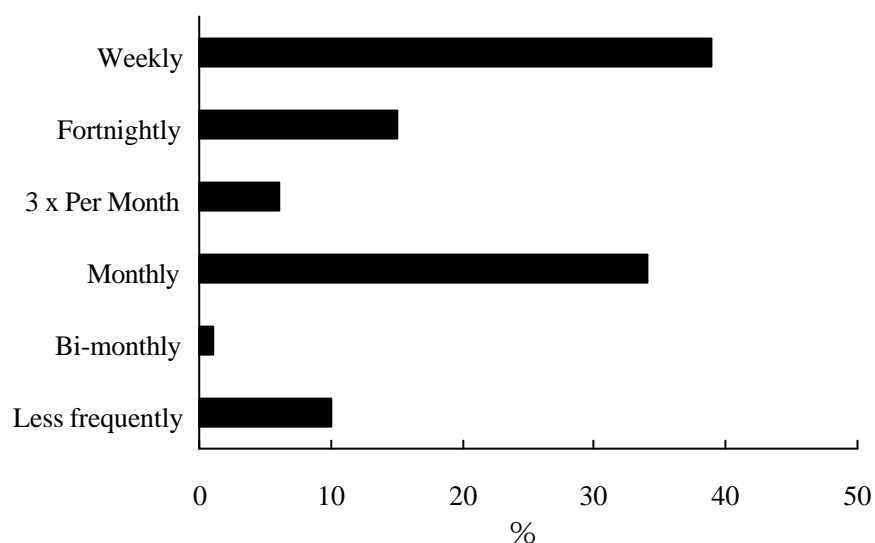
3. Frequencies are indicative. Some markets are more frequent or less frequent at particular times of the year.

2.2 Regionally the markets are widely distributed both in the rural areas and in the industrial towns and cities. A significant number of the markets have become established as regular monthly events, but in other cases they are occasional, varying in frequency with season.

## **Stallholders**

2.3 Based on the survey studies (Appendix 3:2<sup>5</sup>), a high proportion of stallholders attend market weekly (Figure 1), though few individual markets are held with this frequency. This indicates stallholders often attend a number of different markets, with a core of stallholders regarding market trading as part of their overall business operation. In line with this, 88% of stallholders who sold food products attended a market every month or more frequently.

**Figure 1. Frequency of stallholders attending markets to sell goods (% of responses).**



2.4 Most stallholders (79%) also sold their produce through other outlets, with a high proportion supplying produce to hotel and restaurant caterers, wholesalers and retailers, as well as making more limited direct sales to consumers via self-owned farm shops, internet sites, box-schemes and mail order sales.

## **Range of Produce**

2.5 All markets have similarities in the range and type of goods sold, but each also has distinctive features reflecting local circumstances. Almost all offer a mix of retail goods, including clothes, homeware and craft items, but the retailing of food is the most substantial activity - it is the reason for the market being established.

2.6 A wide variety of foods are sold through farmers' markets, including fresh vegetables, fruit and meat, and a range of cooked products, including home-baking and manufactured foods (Table 2). Some 68% of the stallholders report foods as being produced 'on the farm', and 45% offer home-produced foods or foods processed or manufactured in self-owned premises (Appendix 3:16). Only a small proportion of stallholders (15%) supply products produced or manufactured by others.

<sup>5</sup> Where appropriate references to Appendix 3 also indicates the Table number for the data e.g. Appendix 3:2 is Appendix 3: Table 2.

**Table 2. Foods sold at farmers' markets (% markets selling food in each category).**

<b>Food Type</b>	<b>Markets (%)<sup>1</sup></b>
Vegetables	21
Lamb and mutton	18
Preserves	18
Home baking	17
Fruit	16
Eggs	15
Beef	14
Meat products e.g. burgers, pies	14
Herbs	14
Pork and bacon	10

1. Based on figures from Appendix 3:15. For a more detailed and extensive listing of food products sold see Appendix 3:15.

2.7 Most products are of local origin, with many stallholders being located within 30 miles of their nearest market, and over three-quarters of maximum 'travel to market' distances being less than 45 miles (Appendix 3:19).

### **3.0 CONSUMER PROFILE**

3.1 The profile of consumers visiting farmers' markets is heavily biased towards women (76%) who are employed or retired, over 35 years old and with no children living at home (Table 3). Approximately 88% live within a 15-mile radius of the market, and most visit a farmers' market once or twice each month.

**Table 3. Consumer profile of those visiting farmers' markets (% of survey sample).**

<b>Consumer characteristics</b>	<b>% of Sample<sup>1</sup></b>
Age: 16-34 years	9
Age: 35-44 years	19
Age: 45-54 years	25
Age: 55 plus years	46
Employment:	
Full or part-time	56
Retired	32
Other	11
No children	69
Living within 15 miles	88
Monthly or more frequent visit	63

1. Data is taken from Appendix 3:1, Appendix 3:2 and Appendix 3:3.

3.2 Approximately 94% of consumers visiting markets purchase food, most listing quality or perceived quality indicators as their most important reasons for using the farmers' market (Table 4).

**Table 4. Reasons given by consumers for buying produce at farmers' markets (% consumers giving one or more reasons in unprompted response).**

<b>Reasons</b>	<b>% Consumers giving reason<sup>1</sup></b>
Quality of products	72
Support for/ buy from local farmers	31
Organic or less use of chemicals	17
Know origin of food	12
Fresher	10
Price	9
Different foods available	7
Safer	4
Change from supermarkets	4
Total of other reasons <sup>1</sup>	13

1. Six other reasons each contributed 2-3% of response. Data is taken from Appendix 3:5.

3.3 The range of produce purchased covers the full range on offer, but there is clear evidence of consumer selectivity and personal purchasing preferences; a significant number of consumers 'never buy' or only 'occasionally buy' certain products at farmers' markets (Table 5). In some categories, such as drinks, this is a reflection of the availability of the products in the market, but more commonly the reason for not purchasing appears to reflect the consumers' preference to buy elsewhere or in some cases not to buy at all.

3.4 Notwithstanding this, consumers overall satisfaction with farmers' markets is exceptionally high with 92 % of consumers being 'very satisfied' or 'quite satisfied' and less than 1% registering as 'quite or very dissatisfied' (Appendix 3:11).

**Table 5. Frequency of consumer purchases of types of produce (% consumer responses in each produce category).**

<b>Produce category</b>	<b>% Consumers Purchasing<sup>1</sup></b>		
	<b>Usually</b>	<b>Occasionally</b>	<b>Never</b>
Vegetables and fruit	55	27	18
Red meat	36	34	29
White meat	26	28	45
Meat products (e.g. sausages, burgers, pies)	38	27	34
Eggs	34	26	40
Dairy products	29	35	34
Fish and fish products	19	33	48
Home baking	31	33	34
Other products (e.g. preserves, honey, confectionery)	24	46	29
Drinks	5	22	68

1. Data is taken from Appendix 3:6.

## **4.0 REGULATION OF FARMERS' MARKETS**

### **Regulatory Tiers**

4.1 Farmers' markets are subject to regulation under two tiers of legal provision. Firstly, the whole market or individual stallholders may be subject to licensing regulations. Secondly, the stallholders are subject to the authority and requirements of the general and specific food laws and retail trading laws. These regulatory arrangements are enforced through the powers of the Local Authorities and, in particular, the Environmental Health Officers and Trading Standards Officers. For simplicity, we have referred to these collectively as Enforcement Officers.

### **Licensing**

4.2 Licensing of market traders is a complex regulatory area, where different types of licences may apply in different circumstances. Moreover, the circumstances are overlapping, with the result that the requirement for a licence and the type of licence required may reflect local interpretation and practice. Individual food retailers operating in markets (and in other public gatherings, such as shows, exhibitions, outdoor concerts and sporting events) in different Local Authority areas may therefore be required to conform to different licensing requirements for the same retail activity.

4.3 On the information gained from Enforcement Officers, stallholders in farmers' markets are most likely to be subject to a full Market Licence, a Market Operators' Licence or a Street Traders' Licence (Appendix 1). However, there appear to be a small number of cases where those requirements are considered not to apply because the market is operating on Local Authority land or under some other local arrangement judged to exempt the need for a specific licence.

4.4 Evidence from stallholders indicates some 44% were operating under Market Licences, Market Operators' Licences or Street Traders' Licences (Appendix 3:26). However, a significant proportion also held Food Premises' Licences, Butchers' Licences, Game Licences or other licences. Approximately 18% reported they had no licence (although it is possible that they were operating in a licensed market or in an 'exempt' market and were not required to hold a separate licence).

4.5 There is no direct evidence that the complexity of the licensing system and the variable approaches to licensing from area to area are creating increased food risks. However, the Working Party considered that the licensing system should seek to provide a transparent and easily understood regulatory framework, where the provision is proportionate to the need for food safety and consumer protection. We concluded that a less complex system would offer advantages to the stallholders and to the enforcement authorities, and would facilitate more transparent and consistent regulation, less subject to the risk of licensing errors.

4.6 We therefore **recommend** that FSAS<sup>6</sup> considers the requirements for licensing of farmers' markets (and other events where food is sold) with a view to seeking a consistent approach by Local Authorities within existing legislation or to making recommendations to Scottish Ministers for appropriate changes in the law.

### **Provision of Facilities**

4.7 Local Authorities generally assist farmers' markets through the provision of sites and facilities, but the locations and facilities provided vary enormously from place to place (Appendix 1). In some instances markets are adjacent to Local Authority property so that electricity, hand washing facilities and toilets can be made available. Similar arrangements may also have been established by the Local Authority or by the market organisers with an adjacent shopping centre or pub.

4.8 Based on the evidence, most markets provide the basic facilities of electricity, hand washing facilities and toilets, together with rubbish collection and cleaning after the market (Appendix 3:27 and Appendix 3:30). This may explain why approximately 92% of stallholders are 'satisfied' or 'quite satisfied' with the facilities available (Appendix 3:28). However, we also noted that a significant minority of stallholders made suggestions for improvements, and those included 'more and better' provision of electricity, hand-washing, toilets and rubbish collection.

4.9 We **recommend** that FSAS encourages Local Authorities to benchmark local farmers' market facilities against the best elsewhere in the UK and provide for improvements in facilities in their development planning.

### **Monitoring and Inspection**

4.10 In the written responses to consultation (Appendix 2), the Scottish Federation of Meat Traders' Association and Scottish Association of Meat Wholesalers expressed some reservations and concerns about the monitoring and inspection of farmers' markets, including the possibility that inspections were being missed because markets were taking place 'outside office hours'.

4.11 From the information supplied by the Local Authorities (Appendix 1) and gained from telephone interviews with Enforcement Officers (Appendix 3), we concluded that most farmers' markets were subject to systematic and regular inspection, although the routines adopted varied from place to place. Monitoring visits to markets varied from 'every market' to 'occasionally'.

4.12 However, in two instances there was evidence that systematic monitoring was not necessarily taking place. In one report from a Local Authority the licensing arrangements for the market were dealt with outside the Environmental Health Department, and there was some uncertainty about the monitoring and inspection arrangements (Appendix 1). Also one telephone interview with an Enforcement Officer indicated monitoring was not occurring because the market took place on a Saturday (Appendix 3).

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<sup>6</sup> Since this is a report on Scotland, recommendations throughout have been made to FSAS, recognising that in some cases the appropriate actions may involve the Food Standards Agency (FSA) generally.

4.13 Stallholders reported a high level of monitoring and inspection by Enforcement Officers. Inspections at 'every market' or 'regularly' were reported by 41% of stallholders, whilst a further 51% indicated occasional inspections (Appendix 3:28).

4.14 Against this background, the Working Party concluded that in the overwhelming majority of cases the Local Authorities have appropriate monitoring and inspection regimes in place. However, we are concerned to ensure that any shortcoming in systematic monitoring and inspection in individual Local Authority areas is addressed as a matter of urgency.

4.15 We **recommend** FSAS issues a letter to Local Authorities advising them of the need to ensure the systematic inspection of farmers' markets, and requiring a statement of inspection policies for farmers' markets to be included in the annual reports submitted under the FSAS/Local Authority Framework Agreement.

## **5.0 FOOD SAFETY**

### **Guidance**

5.1 Most stallholders selling produce at farmers' markets have received written information or advice on aspects of food hygiene, handling, storage, packaging and labelling (Appendix 3:22), although three stallholders in one Local Authority area said they had received no guidance at all. Some 61% of stallholders had received information and advice from the Local Authorities, and 33% from the Local Enterprise Companies (LECs), but other market participants (33%), friends (13%), leaflets (7%) and the Farmers' Market Internet site (6%) were also important sources (Appendix 3:20).

5.2 The information and advice provided was generally regarded as 'quite useful' or 'very useful', although a small proportion (4-11%) from the Local Authorities and LECs fell into the 'not at all useful' category. Stallholders were less likely to have received guidance on food processing, manufacturing and composition, and this may represent an information gap for some producers who are seeking to diversify their businesses.

5.3 Evidence from the Local Authorities (Appendix 1 and Appendix 3:33) confirmed the level and nature of the advice and guidance being given, although the detail of the provision varied considerably from one Local Authority to another. In 50% of cases the advice given was prepared 'in house', although in some cases it was supplemented by industry standard guidance.

5.4 In this area, we **recommend** that FSAS encourages the Local Authorities and LECs to co-operate across Scotland to seek to ensure that standardised advice and guidance documents are available to all stallholders. If possible, guidance should be made available both in printed form and on an appropriate Internet site, so that updating and revision of the documents can be undertaken at regular intervals.

## **Training**

5.5 Over 80% of the stallholders surveyed had received some food safety training and most of those held a recognised food safety qualification (Appendix 3:23). Over half of those qualified held the Basic Food Hygiene Certificate, but some 15% held the Intermediate Certificate and 5% the Advanced Certificate; almost 40% of the sample also had some other qualification or had received on the job training. Information on the training and qualifications of staff employed by stallholders is less certain, but where employed staff are qualified around a third have one or more of the Food Hygiene Certificates.

5.6 Training is obtained from a variety of sources, with Local Authority, college and private-provider training all making a significant contribution (Appendix 3:24). There was little evidence that access to appropriate courses or costs of training provided a significant barrier to training uptake (Appendix 3:25). As in most industry sectors, the biggest single barrier to further training was stated as 'not enough time'.

5.7 The Working Party noted the training achievement reported by stallholders, but concluded that training should continue to be encouraged. We believe that the training requirements for stallholders and their staff should be benchmarked against the types and levels of training that are required, or are the normal expectation, in other retail outlets dealing with the particular products being sold.

5.8 We **recommend** that FSAS continues to promote training for stallholders and their staff, either directly or via Local Authorities: where there are statutory requirements for training it should seek to ensure that the same standards apply in farmers' markets as in other retail outlets selling the same goods.

## **Risk Management**

5.9 Over half of stallholders (53%) had risk management procedures in place (Appendix 3). This included all stallholders selling dairy or fish products and two thirds of those selling meat products. The main risk management procedure was Hazard Analysis Critical Control Point (HACCP).

5.10 Whilst the major proportion of stallholders transported their produce to market by van, lorry or truck (Appendix 3:18), some transported produce by car. In the transport of meat and meat products, 75% of stallholders used refrigerated transport. Nonetheless, there was also some non-refrigerated transport (16%) and use of 'cool boxes'.

5.11 In the responses to consultation (Appendix 2) the Scottish Association of Meat Wholesalers expressed reservations about the risk posed by the cold-chain facilities being used in the transport and display of meat being sold at farmers' markets. From a food safety standpoint the Working Party endorses the importance of maintaining the integrity of the cold-chain. However, on the evidence received from Enforcement Officers, there are no grounds for concluding that satisfactory levels of low temperature control are not being achieved. However, we **recommend** that the FSAS continues to monitor

information from Enforcement Officers on the cold-chain conditions associated with the sale of meat and meat products in farmers' markets.

## **Labelling**

5.12 The market research showed that labelling of foods was important to consumers, with 88% indicating that they looked at labels when making purchases (Appendix 3:10). Use by dates or best by dates were examined by 100% of consumers either 'always' (93%) or 'sometimes' (7%). But approximately 80-90% of consumers also looked 'always' or 'sometimes' for country of origin labelling, ingredient listing or nutritional information.

5.13 Approximately three-quarters of consumers considered food labelling in farmers' markets was similar to that provided for foods sold elsewhere; a minority of 7% thought market labelling was worse and 16% thought it was better. The opportunity to be able to obtain information by asking the producer about the food they were buying was regarded by consumers as a significant point in favour of farmers' markets.

5.14 Amongst those who responded to the consultation (Appendix 2), there were mixed views about labelling at farmers' markets. The standard was generally regarded as good, but there were alternative opinions, even within a given product sector. For example, the Scottish Federation of Meat Traders' Association thought labelling was 'generally good' but with 'some omissions', whilst the Scottish Association of Meat Wholesalers considered that compliance with labelling was 'incomplete and variable'.

5.15 The Local Authority Enforcement Officers, as part of their inspection regime for farmers' markets, systematically undertake monitoring of labelling (Appendix 3:35). The majority of Officers (65%) reported that labelling requirements are being met 'always', but a significant minority (25%) considered that requirements were not being met on some occasions. Whether these shortcomings relate to particular products or to particular labelling requirements, such as the differences in labelling requirements between 'packaged' and 'loose' products, is not clear.

5.16 Assurance and provenance are important considerations for those selling produce at farmers' markets. However, all labelling claims must be made within the detailed regulatory framework that applies. For traceability and quality assurance, independent verification can be a requirement. New labelling regulations have been introduced this year to allow consumers more easily to identify the origin and provenance of meat supplies (a development sought by the National Farmers' Union of Scotland in its consultation response).

5.17 Given the importance of labelling to consumers attending farmers' markets, Local Authorities, LECs and others providing guidance to stallholders should ensure that the need for proper, and legally correct, labelling is given emphasis. We **recommend** that FSAS writes to the Local Authorities and LECs advising them of the market research studies outlined here, and also considers the preparation of an advisory publication on labelling designed for use by stallholders at farmers' markets.

## **Standards**

5.18 Of the 20 Local Authority Enforcement Officers interviewed, 90% indicated they were 'very satisfied' or 'quite satisfied' with the standards of management being achieved (Appendix 3:36). One Officer had not inspected the local market and therefore could not express a view. One Officer was 'quite dissatisfied', but mainly because of the complexity of the provision of Street Traders' Licences during the establishment of the market. Generally, Enforcement Officers regarded the markets as well managed and low risk. Main suggestions for improving their operation related to better facilities for hand washing, additional cover for the stalls in bad weather and increased refrigeration.

**Table 6. Consumers' perceptions of food safety. (Expressions of concern about food safety in different locations.)**

<b>Location</b>	<b>Level of Concern (%)<sup>1</sup></b>					<b>Mean score<sup>2</sup></b>
	<b>Very</b>	<b>Quite</b>	<b>Neither/ nor</b>	<b>Not very</b>	<b>Not at all</b>	
Home	15	15	11	29	28	3.41
Farmers' market	14	17	11	34	24	3.36
Local butchers	16	21	17	30	17	3.10
Local corner shops	23	29	22	20	6	2.57
Supermarkets	26	36	11	19	7	2.44
Abattoirs	32	40	8	13	8	2.26

1. Data is taken from Appendix 3:8.

2. Scores are based on: Very concerned (1); Quite concerned (2); Neither concerned nor unconcerned (3); Not very concerned (4); Not at all concerned (5).

5.19 In line with the Enforcement Officers' comments, consumer perceptions of food safety at farmers' markets were exceptionally high (Table 6), although it should be recognised that these results reflect the views of a selected population of consumers, and are based on impressions rather than scientific assessments of risk.

## **6.0 MEAT LEGISLATION**

6.1 During the review the Working Party identified two areas of meat legislation to which particular attention should be drawn. The first relates to wild game and the second to the cutting and packaging of meat.

### **Wild Game**

6.2 In its consultation response (Appendix 2), the British Deer Producers Society, whose members produce farmed deer, raised a number of separate, but related, matters concerning their perceived lack of regulatory controls on the preparation and sale of wild venison. This is a specialised area of consideration and outwith the Working Party's review remit, although we accept that some markets do sell wild venison and/or farmed venison.

6.3 We have been advised by FSAS that the regulations for the handling and preparation of wild game are already under consideration by the FSA.

We confirm that in our view such consideration is timely and appropriate; it is important to ensure that the regulations are in line with modern best practice in the safe preparation and handling of meat, and to achieve regulatory consistency. The assumption that there are less public health risks associated with wild game than with its farmed equivalent, which appears to underlie the present legislation, seems worthy of careful re-examination. Producers and retailers dealing in wild game and game products, or the farmed equivalent, may wish to note the FSA's ongoing deliberations.

### **Fresh Meat Production, Cutting and Supply**

6.4 During the review, stakeholder organisations, stallholders and Local Authority Enforcement Officers all commented on aspects of fresh meat production, cutting and supply. Some respondents were concerned about the difficulties and disincentives faced by farmers wishing to supply meat directly to consumers. Others, the Scottish Association of Meat Wholesalers in particular, expressed the view that the meat supply chain should be closely controlled and that the sale of fresh or processed meat in farmers' markets should not be encouraged.

6.5 All retailers, including market traders, can sell fresh meat to the public in accordance with the *Food Safety (General Food Hygiene) Regulations 1995*; these outline the hygiene requirements that apply to restaurants, fast food outlets, supermarkets, shops, market traders etc. However, wholesalers of meat, poultry or farmed game require to be approved in accordance with the *Fresh Meat (Hygiene and Inspection) Regulations 1995* (the 'Fresh Meat Regulations') or the *Poultry Meat, Farmed Game Bird Meat and Rabbit Meat (Hygiene and Inspection) Regulations 1995* (the 'Poultry Meat Regulations'). Under these regulations, animals and birds for meat production must be slaughtered in licensed abattoirs, and the cutting and packaging of meat for sale must be carried out in licensed cutting plants, which are inspected by the Meat Hygiene Service (MHS).

6.6 According to the Fresh Meat Regulations, the licensing and inspection requirements for cutting plants do not apply to premises where fresh meat is '*cut up or re-packaged exclusively for sale from those premises to the final consumer*'<sup>7</sup>. Thus, wholesale butchers require a cutting plant licence but retail butchers, supplying customers directly from their premises, do not. Additionally, under a non-statutory derogation to the regulations, retail butchers are permitted to cut up meat in one of their shops and supply other shops in their ownership, subject to not more than 1 tonne or 50% of the total sales per week being sold outwith the main premises.

6.7 A similar derogation for retail butchers also applies to minced meat and meat preparations (e.g. sausages). In this case the butcher must also comply with the *Minced Meat and Meat Preparations (Hygiene) Regulations 1995*, which state that meat must be derived from animals slaughtered and health

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<sup>7</sup> In this, the '*final consumer*' is defined as a person who buys meat:

- otherwise than for the purpose of resale;
- for direct transport to, and consumption on, premises either in his ownership or under his personal supervision, or in the ownership or under the personal supervision of a person employed by him; or
- for cooking on premises either in his ownership or under the personal supervision of a person employed by him for sale as take-away food for consumption off those premises.

marked at a licensed abattoir. However, within the 1 tonne or 50% limit, butchers may supply processed products not only to their own premises but also to other retailers for resale.

6.8 So far as farmers' markets are concerned, the slaughter of animals does not seem to present insurmountable problems. However, as highlighted by the Scottish Landowners' Federation (Appendix 2), the abattoir infrastructure in Scotland is less than ideal. Access may therefore present difficulties if there is no local abattoir or if the nearest abattoir is reluctant, for commercial reasons, to handle small batches of animals.

6.9 A detailed examination of the availability of abattoir facilities was beyond the Working Party's remit. However, we should record that the recent changes in the MHS charging schedules will help small abattoirs and may facilitate the balance of supply and demand for abattoir facilities. Based on the comments received, we formed the view that the public health need for licensed and inspected abattoirs is widely acknowledged and fully supported. We observe, in passing, that consumers visiting farmers' markets still perceive abattoirs as areas of high food safety concern (Appendix 3:8).

6.10 On the question of licensed cutting plants, the review detected a good deal of dissatisfaction and frustration with the present regulatory position. This reflected perceived inconsistencies in the regulations, and also the practical difficulties experienced by some producers who wish to sell meat through farmers' markets or through other routes of direct marketing to consumers.

6.11 The Fresh Meat Regulations are designed to provide traceability and public assurance that meat has been properly handled during its production, processing and supply<sup>8</sup>. However, the need for flexibility in the legislation to allow for the practicalities of the market has been recognised in the derogations allowing butchers to supply their subsidiary premises with cut meat and to process meat for their subsidiary premises or for resale by others (paragraphs 6.6-6.7).

6.12 Correspondingly, we note that any retail butcher with a Game Dealers' Licence can cut up and supply game to other outlets for resale (since wild game is not covered the Fresh Meat Regulations or the Poultry Regulations). And, within the Poultry Regulations, there are exemptions allowing small producers to make sales direct to final consumers<sup>9</sup> or to retailers who can then re-sell to final consumers in the same or a neighbouring locality.

6.13 On the evidence of this review, at least a proportion of farmers selling meat direct to consumers, either through farmers' markets or through other routes, are experiencing difficulties in local access to a suitable licensed cutting plant. However, whether these difficulties reflect only the impact of the meat legislation or also the subtleties of commercial decision making and competitive practice in the meat supply sector is less clear.

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<sup>8</sup> This includes the application of the health mark, the meat inspector's number and the abattoir registration number to carcasses, and the cutting plant registration number to meat packaging.

<sup>9</sup> Small is defined as those producing less than 10,000 birds or animals a year. Sales are allowed to take place from the producer's premises or at local markets.

6.14 In principle farmers could accommodate the need for a licensed cutting plant in a number of ways. For example, they could establish their own cutting plant either alone or in co-operation with others or they could become butchers, cutting meat at their own premises for direct sale or for sale at markets. In some instances such developments are already taking place. However, these options incur significant costs and/or require farmers to develop new skills, both of which present hurdles for small farm-based businesses.

6.15 An alternative would be for cutting to be undertaken by a local retail butcher, who could become licensed as a cutting plant for this purpose. From April 2001, inspection costs for small cutting plants were reduced<sup>10</sup>, and we are advised that many retail butchers' premises would meet the structural requirements for low throughput registration. Thus in some cases licensing as a cutting plant might offer butchers a low cost and commercially viable business opportunity.

6.16 Irrespective of this, however, the Working Party could find little cogent public health or food safety argument against the present derogation for butchers to supply minced or processed meat to other retailers (including market traders) not embracing the small-scale supply of cut meat. This might then allow farmers access to additional local cutting facilities, and would remove a regulatory inconsistency, which appears to be without public benefit.

6.17 We therefore **recommend** that FSAS urgently reviews the derogation to butchers under the Fresh Meat Regulations, and seeks to find a regulatory solution which, whilst consistent with the relevant EU Directive, will safely provide greater market flexibility in regard to the cutting and packaging of meat.

## **7.0 CONCLUSIONS AND LIST OF RECOMMENDATIONS**

7.1 The Working Party has found farmers' markets to be a rapidly developing and distinctive new sector in Scotland's food retail supply chain, meeting the needs of a particular group of consumers. They have an emphasis on the supply of local fresh food, which we believe should be encouraged.

7.2 Overall, we have concluded that farmers' markets are generally well organised and well managed. However, there is scope for continued improvement in some areas of their operation and facilities, and there are a number of specific areas in which we believe their operation and regulation could be improved. Against this background we recommended that the FSAS:

- considers the requirements for licensing of farmers' markets (and other events where food is sold) with a view to seeking a consistent approach by Local Authorities within existing legislation or to making

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<sup>10</sup> Cutting plants may pay the actual costs of the Meat Inspector or a standard rate of approximately £1.80 per tonne, whichever is the lowest.

recommendations to Scottish Ministers for appropriate changes in the law (paragraph 4.6);

- encourages Local Authorities to benchmark local farmers' market facilities against the best elsewhere in the UK and to provide for improvements in facilities in their development planning (paragraph 4.9);
- issues a letter to Local Authorities advising them of the need to ensure the systematic inspection of farmers' markets, and requiring a statement of inspection policies for farmers' markets to be included in the annual reports submitted under the FSAS/Local Authority Framework Agreement (paragraph 4.15);
- encourages the Local Authorities and LECs to co-operate across Scotland to seek to ensure that standardised advice and guidance documents are available to all stallholders. If possible, these should be made available both in printed form and on an appropriate Internet site, so that updating and revision of the documents can be undertaken at regular intervals (paragraph 5.4);
- continues to promote training for stallholders and their staff, either directly or via Local Authorities: where there are statutory requirements for training it should seek to ensure that the same standards apply in farmers' markets as in other retail outlets selling the same goods (paragraph 5.8);
- continues to monitor information from Enforcement Officers on the cold-chain conditions associated with the sale of meat and meat products in farmers' markets (paragraph 5.11);
- writes to the Local Authorities and LECs advising them of the market research studies outlined here, and also considers the preparation of an advisory publication on labelling designed for use by stallholders at farmers' markets (paragraph 5.17);
- urgently reviews the derogation to butchers under the Fresh Meat Regulations, and seeks to find a regulatory solution, which, whilst consistent with the relevant EU Directive, will safely provide greater market flexibility in regard to the cutting and packaging of meat (paragraph 6.17).

### **Acknowledgements**

The Working Party wishes to thank the many people who have given of their time and effort in contributing to the review, including stallholders and market organisers, Local Authority Officers, trade and consumer organisations, and members of the general public.

**APPENDIX 1. INFORMATION SUPPLIED BY LOCAL AUTHORITIES**

At the initial stage of the review, in March 2001 baseline information was sought from Local Authorities in order to design and plan the market research. All 32 of the Local Authorities responded to the request, with 9 recording 'nil returns', as they did not have farmers' markets in their area. One Authority responded that farmers' markets were planned but had not yet started; another reported an open-air market but with a minimal retailing of food. The remaining 21 Authorities reported that there were 32 markets operating in their areas. The following Tables are based on the information for the Local Authority areas in which there were markets.

**Table 1. Location of markets (% in each location<sup>1</sup>).**

<b>Location</b>	<b>%</b>
Town/market square	16
Street area	19
Car park	37
Hall	6
Other	22

1. Figures have been rounded for presentation.

**Table 2. Guidelines issued to stallholders (% of responses<sup>1</sup>).**

<b>Guidelines offered</b>	<b>%</b>
Yes	100
Type <sup>2</sup>	
In house	50
Industry standard	17
Other or not classified	33

1. One Local Authority failed to return information: results are based on 21 completed returns. Figures have been rounded for presentation.
2. Industry standard documents included LACOTS and SCIEH guides. Some Authorities provided more than one category of guides.

**Table 3. Types of licensing (% in each category<sup>1</sup>).**

<b>Type of licence</b>	<b>%</b>
Market Licence	56
Market Operators' Licence	22
Street Traders' Licence	9
None	9
Other	3

1. Figures have been rounded for presentation.

**Table 4. Enforcement activity, monitoring and inspection (% of markets in each category of inspection<sup>1</sup>).**

<b>Level of monitoring and inspection<sup>2</sup></b>	<b>%</b>
Frequent	72
Occasional	22
None	3
Other	3

1. Figures have been rounded for presentation.
2. 'Frequent' included inspection visits to every market or within every month. 'None' and 'Other' each were for a single market; where 'Other' was reported the licensing and inspection function was being undertaken by a Local Authority Department other than the Environmental Health Department.

## **APPENDIX 2. CONSULTATION WITH STAKEHOLDER ORGANISATIONS**

A consultation letter containing six questions on food hygiene and safety at farmers' markets in Scotland was sent to 30 organisations on 17 September 2001. The following is a summary of the comments of the 7 organisations which provided responses.

### **Question 1. Is your organisation involved in providing assistance and advice in the setting up and running of farmers' markets? If yes, what form does this advice and guidance take?**

Women's Farming Union	Yes, but not WFU orientated. Many WFU members are involved in developing farmers' markets.
Scottish Federation of Meat Traders' Association	Very few members involved in selling at farmers' markets.
Scottish Landowners' Federation	No.
British Deer Producers Society Limited	No.
Scottish Association of Meat Wholesalers	No.

### **Question 2. In your opinion, are stallholders selling food and food products at farmers' markets complying with the relevant food safety and hygiene regulations?**

Women's Farming Union	Most farmers' markets in Scotland approach protective services for advice before starting up in new areas and draw up guidelines according to the food safety regulations.
Scottish Federation of Meat Traders' Association	It is the fear of the retail trade that standards so rigorously enforced on them are diluted to accommodate the desire to hold farmers' markets.
Scottish Landowners' Federation	Yes, but the SLF has no evidence to substantiate such a response, other than anecdotal.
British Deer Producers Society Limited	Yes, although wild game and wild venison is not required to undergo any meat inspection.
Specialist Cheesemakers' Association	We believe that stallholders selling food and food products at farmers' markets should be conversant with the food safety and hygiene risks associated with the products they have chosen to sell and adopt reasonable practices to minimise those risks.
Scottish Association of Meat Wholesalers	We have grave reservations regarding the ability to control temperature with some of the apparently unreliable cabinets and compressors observed. Most products appear adequately covered but there remains a risk.

**Question 3. In your opinion, are stallholders selling food and food products at farmers' markets complying with the relevant food labelling regulations?**

Women's Farming Union	A stallholders' information sheet is sent to all prospective participants; they must sign. Trading Standards Officers inspect markets on a drop in, no advance warning, basis.
Scottish Federation of Meat Traders' Association	Labelling and declarations are generally good but there are odd examples and omissions. The claims that farmers make with regard to the source of their product are understandable, but under EU Beef Labelling Regulations external verification that the product does come from the farms claimed would have to be undertaken.
Scottish Landowners' Federation	Yes, but the evidence to support this response is based on individual experience rather than objective assessment.
British Deer Producers Society Limited	Yes.
Specialist Cheesemakers' Association	Stallholders should demonstrate a good standard of awareness of the normal labelling requirements for their products, including batch identification and traceability, and display their products accordingly.
Scottish Association of Meat Wholesalers	From our observations, the answer would be that compliance with food labelling regulations is incomplete and variable.
National Farmers' Union of Scotland	The central weakness of present food regulation in the UK is the lack of statutory regulations on labelling of country of origin. This prevents the clear identification to consumers of home produce and imported produce.

**Question 4. In your opinion, are farmers experiencing difficulties with the current regulations in relation to the slaughter and cutting of their meat prior to its sale at farmers' markets?**

Women's Farming Union	Farms are definitely experiencing difficulties. Most do not have difficulty in slaughtering (although self-interest is influencing many abattoirs). However, difficulties related to cutting and packaging are stopping farmers coming forward to join farmers' markets.
Scottish Federation of Meat Traders' Association	Any butcher supplying other premises has to have a meat cutting plant licence. We would expect farmers' market produce to be subject to the same conditions. There are concerns that meat is frozen and re-presented at subsequent markets.

Scottish Landowners' Federation	Yes, there is evidence to suggest that individual producers experience difficulty within the current regulations. This can then cause problems in timeliness of slaughter and cutting especially when an individual's scale of operation is often disproportionate to the current meat processing structures in Scotland.
British Deer Producers Society Limited	Those selling wild venison and game are permitted to cut and pack venison in their own kitchens.
Scottish Association of Meat Wholesalers	Yes, particularly in relation to preparation and packing.

**Question 5. Do you think the current regulations are restricting, in any way, farmers participating in farmers' markets?**

Women's Farming Union	Yes. Participants are only allowed to have red meat cut and packaged at a EU registered cutting plant. In the Highlands of Scotland and Islands these facilities either do not exist or are so over capacity that they can't cope with the extra business.
Scottish Federation of Meat Traders' Association	Our members would like to be assured that Environmental Health Officers are regulating and policing these events at both point of packing and point of sale, which normally occur outwith normal office hours.
Scottish Landowners' Federation	Possible, but those who are determined to sell produce through farmers' markets will persevere or act collectively. At the very least, the current regulations do not act as an incentive to producers considering this form of retail outlet in order to capture additional 'value added'.
British Deer Producers Society Limited	The absence of control of wild venison unfairly restricts those selling farmed venison.
Scottish Association of Meat Wholesalers	It appears not - there appears to be very little to constrain them.

**Question 6. Are there any changes that you consider should be made to the current regulations which would make trading in meat at farmers' markets easier while continuing to safeguard the consumer?**

Women's Farming Union	Yes. License butchers' shops to cut and package meat for farmers' markets. Their standards are as high, if not higher than abattoirs. This would give butchers a chance, if desired, to help farmers to sell and promote local red meat, killed locally and cut and packaged in the local area, making transportation and delivery easier.
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Scottish Landowners' Federation	Unfortunately no. Protection of public health and consumers' sovereignty must remain paramount. What is required in Scotland is a meat-processing infrastructure that allows simple and efficient access by all producers, with proportionate associated costs, in order to supply produce of high quality and secured traceability to a spectrum of retail outlets.
British Deer Producers Society Limited	Yes. Introduce meat inspection etc. for wild venison.
Scottish Association of Meat Wholesalers	No - we do not believe the practice of selling fresh meat (or in many cases processed meat) should be encouraged. All other sectors of our industry are highly regulated and controlled with the full weight of enforcement applied.
National Farmers' Union of Scotland	Consistent with sound consumer protection, meat preparation for direct sales should be allowed on butchers' premises. This is a definition issue, which should be clarified. The costs to business of compliance and of regulation should be considered in any amendment of food regulations.

**APPENDIX 3. THE SCOTINFORM REPORT**