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Thank you for your email of 3 April updating me on Young's Seafood proposed restructuring of its manufacturing footprint and the potential implications for the Pinneys site in Annan.

As I'm sure you will understand, the Scottish Government was extremely concerned to learn about the potential implications this announcement could have on the future of over 400 employees at the site and the potentially devastating impact on the local community in Annan and the wider area. It is self-evident that the announcement came as a great shock to many of the staff employed at the site and naturally there is now significant concern for the future of the workforce and the wider local economy. As I have indicated to your colleague, Dominic Kerrigan, the announcement also came as a shock to our economic agency, Scottish Enterprise, with whom you have an account management relationship. This, too, is disappointing, as I believe that more constructive, earlier engagement may have enabled us to explore alternative options to support Young's and the Pinneys team to ensure the site maximised its competitiveness, prior to any decisions regarding future contracts, which led to an announcement of this nature being made.

Nevertheless, we now need to focus on the immediate future and I hope you agree with me that our priority and shared objective must be to maintain some production at the site and retain as many of the jobs as possible. I do of course appreciate the challenging commercial environment the company is operating in and the need for it to function as efficiently as possible. However, I also think that Young's has an obligation to consider the profound impact such a decision will have on the families affected by this announcement. In some cases, as you will know, entire households are employed at Pinneys, and therefore we must leave no stone unturned in exploring all possible options to maintain production there. Indeed, I understand the statutory consultation process you intend to initiate with the workforce is scheduled to begin on 16 April and last for at least 45 days – as such, we should not pre-judge the outcome of that consultation and work together during that time to explore alternative approaches.

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Needless to say, the Scottish Government, our agencies and partners, including Dumfries & Galloway Council, stand-ready to work with you during this difficult time for you and the Pinneys team and to provide whatever support we can to find a positive solution. I have already assembled a team of senior officials and they are now in discussion with your senior management team to progress a number of workstreams and we are keeping the First Minister's office informed of progress in our discussions. I am grateful for the cooperation and constructive approach taken by your team thus far, including the fact that they have been very swift in providing us with the information we have requested. I hope this cooperation will continue over the days and weeks ahead, underpinned by a genuine willingness to explore all viable options to maintain production at the site and safeguard as many jobs as possible.

My team are visiting the site today and have a further discussion with the senior management team. I also understand you will be visiting the site yourself on Thursday 19 April and I welcome the opportunity this presents to meet with you in Annan that day so we can take stock of the situation and continue our dialogue to find solutions and to discuss how best to secure a future for the workforce, including how to support any discussions with potential investors.

As I'm sure you know, it has been less than three years since a similarly devastating situation arose at your site in Fraserburgh, which had significant ramifications for the workforce and wider community, and responsibility for the Scottish Government's response to this was an early priority for me when taking on this portfolio. I welcome the positive engagement we had with Young's in tackling that challenge. Given we are now facing a similar challenging situation in Annan, I think this latest news has highlighted a vulnerability and high risk associated with single client sites and, as such, it would be good to get your assessment of the potential risks, if any, faced by your other sites in Scotland, should they be solely or significantly reliant on one customer, and to better understand, from your perspective, the nature of the increasing price pressures now being brought to bear on Young's Seafood and other key suppliers to the food retail sector, and how best to support Scotland's manufacturers to address this.

I look forward to meeting you on 19 April.

Kind regards



Paul Wheelhouse

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