

**SUMMARY MINUTES OF THE ONE HUNDREDTH MEETING OF THE  
AGRICULTURE AND HORTICULTURE DEVELOPMENT BOARD  
HELD ON WEDNESDAY 4 DECEMBER 2024 AT 8.30 A.M.  
IN THE BOARD ROOM, AHDB, SISKIN PARKWAY EAST, COVENTRY**

**PRESENT:**

Nicholas Saphir (NS) [Chair], Colin Bateman (CB), Stephen Briggs (SB), Lyndon Edwards (LE), Catherine MacKenzie (CM), Sarah Pumfrett (SP), Graeme Jack (GJ), Glen Nimmo (GN), Tom Clark (TC)

**IN ATTENDANCE:**

Gill Laishley (GL) [*Defra*], Graham Wilkinson (GW), Katie Davies (KD), Tony Holmes (TH), Guy Attenborough (GA)

Liam Byrne (LB) and James Taylor (JT) (agenda item 5.2 only), Ken Boyns (KB), Chris Gooderham (CG) and John Gilliland (JG) (agenda item 6 only), Paul Flanagan (PF), Angela Christison (AC), Sarah Woolford (SW) and Sam Charlton (SC) (agenda item 7 only), Will Jackson (WJ) and Roseanne Thomas (RT) (agenda item 8 only)

<b>APOLOGIES FOR ABSENCE</b>
Apologies received from Anthony Taylor, Board Apprentice which would have been his last Board meeting.
<b>DECLARATIONS OF INTEREST</b>
SP noted a declaration of interest that she has taken up a new role as a non-executive director for the UK Space Agency. This has also been recorded on the register.
<b>MINUTES OF THE BOARD MEETING HELD ON 24 SEPTEMBER 2024</b>
The minutes of the Board meeting held on 23 September 2024 were accepted as a true and accurate record.
TC noted that he thought we should consider appointing a member to the Board who had experience in Digital and Data.
<b>Action: GW was asked to consider this and come back to the Board with his thoughts, possibly one to pick up with Rebecca Loveday when she starts as she specialised in Data.</b>
<b>MATTERS ARISING FROM THE BOARD MEETING HELD ON 23 JULY 2024</b>
TC noted that on action 6833, the Sector Councils should have input into the AHDB strategy and vision. GW confirmed that following the all-staff conference on 5 December, he will bring a paper to all January Sector Council meetings on the vision. Following the Sector Council feedback, the vision can be tweaked if there is anything material missing before it is rolled out externally in March.

On action 6888, GW noted that Richard Hampton had resigned as International Trade Director. We are commencing recruitment for his replacement with a refined role profile and skillset with more strategy included. We do need someone who is able to lead and command the team as well as strategic and technical expertise. Jono Eckley is stepping up as interim director in the meantime.

## **CEO & OPERATIONS**

### **BUSINESS PLAN STATUS UPDATE**

GW presented the November update of the business plan. The overall RAG status is amber and we are 5% behind on our target for activities completed. There is an amber status in C&O around DGP although positive progress has been made on this.

GW noted that Janine Hayter has now started as the Head of Culture and Transformation. Work is happening behind the scenes on next year's business plan looking at where we could make efficiencies within the organisation. A tender is being finalised on evaluation, delays on getting this live was due to sickness.

GW noted there was a red status around assurance, but this would be covered off in more detail under that agenda item later in this meeting.

### **DEVELOPMENT AND PROCESS FOR 2025/26 BUSINESS PLAN AND BUDGET**

GW presented a draft version of the top-level key essentials for our 2025/26 business plan. This is still work in progress but has been presented at all sector council meetings for their input. GW will build on what comes back from the January sector council meetings. A final version will then be presented at the March Board meeting.

SB asked if there was any misalignment on the draft key essentials and any comments from the Sector Councils. GW noted there hadn't been any identified yet. What goes on the next level down will be key.

GJ noted that with the significant focus on improving our comms, that should be clearly articulated in the top key essentials which it isn't currently. That way the comms team can be clearly measured on what they do.

**Action: GW to make sure a clear essential around comms is added to the business plan.**

GN asked if we can look at efficiencies around the findings from the Comms Task and Finish group. Comms is a very large team and is there a way to do the work with less people? He further noted there is a lack of anything around efficiency measurables or KPIs on the business plan. GW noted that an external auditor, RSM, will be conducting a target operating model audit in January/February 2025 to look at where we can improve efficiencies across the whole organisation. The report from this audit will be available by March 2025 and GW will share this with the Board.

SP noted that before TH's time as Finance Director, they committed to zero based budgeting and this should be discussed with TH and his team.

CB presented next year's business plan to his B&L Sector Council. Of the 4 key essentials, the council were very happy with three of them, but the last one was too woolly and will need refining.

### **MEASUREMENT OF VISION STATEMENT**

Liam Byrne and James Taylor joined the meeting. They presented some slides on early stage thinking on how we could calculate success around unlocking the success of British agriculture. Key points were:

- What we calculate and how we prioritise
- The five core business principles
- How we calculate value in return for the levy

They also presented an example of where this had been done before with an Australian company called Meat & Livestock Australia. LB confirmed he would circulate the slide deck to the board following this meeting.

SB noted a lot of thought had gone into how we move this process forward, but is unsure how we communicate this with our levy payers. JT said that a consolidated list of outcome statements would help SC members and others to communicate the value of our work to Levy Payers.

GN noted the process was very outcomes and outputs focussed and how will it work when things are not going so well. NS suggested we need to be able to ladder-up our specific successes into the macro.

CB loved the concept, noted it fits really well with GW's idea of aligning everything and will help drive the outcomes we control. CB further noted it will give clarity to the councils that what they've asked for with their levies, will be delivered.

TC noted it was good to see the effort that had gone into the work so far and it gave a lot of clarity. He felt it was difficult to see who's doing what and who is accountable and does show how out of kilter the organisation is across the sectors. LB noted it would come back to how this process was articulated to levy payers and how do we measure the return on investment back to farmers clearly and easily. LE thought the MLA was a really good example of this work, but a lot of it is very sector specific.

GJ was attracted to the simplicity of the work, and this would provide an additional layer of reassurance to levy payers that AHDB is providing fantastic value for money. SP really likes the work and the discussion that had gone on around the table. She felt looking at the next level down on how we're doing against our peers, recognising we have no direct peers, but contrasting and explaining the differences as part of the comparison is really important and the sooner we can look at that, the better.

GW noted that the next steps would involve sharing the work with an external group of MI/Economists and getting their views and feedback. This would help us with future competencies and skillsets we require to deliver the work and tie into business planning. GW doesn't want to wait a year to complete this work and would prefer to land it sooner.

**Decision: The Board are very supportive of the work so far and progressing it.**

**Action: LB/JT were asked to link in with TC on how this will work with the C&O sector.**

## **CENTRE OF EXCELLENCE**

### **DATA CUSTODIAN AND BASELINING UPDATE**

Ken Boyns, Chris Gooderham and John Gilliland joined the meeting. They presented some slides with an update on three key areas; horizon scanning and policy options, baselining and data custodian. KB noted he would be bringing a firm proposal to the January Board to get agreement for what we want AHDB's role to be in the data custodian project.

NS noted that AHDB had led the debate, but had avoided offering to be the data custodian. SP thinks we should be bold, as it's a critical time for the industry, even with the risk involved with taking on the ownership of the data. SB noted we need to be seen to be influencing the industry with the right data and policies and this is going to become increasingly important. He would support a bolder role.

CM concurred with the aspiration of being bold, but we must ensure that we prioritise our current work and resources we have. She felt it needed further thought as a board to whether we go bold. GN noted we would need to be careful not to lose the integrity of what we are trying to say, as we are not government or trade body. NS confirmed that anything that is a strategic development, needs to come to the Board for discussion.

TC noted that when he applied for the Board member role, he wanted AHDB to be bolder. Where there is a good story for the whole of the supply chain, it's easy, but where there are conflicts within sectors, it becomes more difficult as you'll get pushback from stakeholders. TC noted he was happy for us to be involved with the work and take the ownership, if we are prepared to take the heat.

GW noted the work we do on the environment is one of the areas we want to be famous for. This would help to challenge the other functions and teams.

**Action: KB to come back to January's Board meeting with a data custodian paper that will require a decision and approval.**

## **ASSURANCE REVIEW**

Paper was taken as read. KB noted the recruitment for the new Red Tractor chair was progressing and he would keep the Board updated.

KB gave a brief update on the C&O assurance report which was not good enough quality for AHDB to accept and publish. We have now entered into a contract dispute process with the supplier. GW noted we need to look what learnings we can get from this process.

## **SECTOR UPDATES**

Paul Flanagan, Sam Charlton, Angela Christison and Sarah Woolford joined the meeting.

## **DAIRY**

PF noted key updates for the Dairy sector:

- YTD milk volumes are up 5% and fats pricing is up
- Welsh government sustainable farming forestation scheme discussions continue, but in a much more practical form and NS noted how well the discussions at the Welsh Roundtable meetings had been managed.

Sentiment in the sector is really low, especially after the Arla press release on Bovaer that they are working with Tesco, Morrisons and Aldi on trialling a feed additive that can reduce methane emissions by 27%. There has been a backlash in social media following this with most comments citing the naturalness of milk and risks of additives.

**Action: GL noted she would share some evidence and data held by Defra on Bovaer with the Board.**

SP noted that AHDB need to be in crisis management mode and there was concern that some of the key staff, Board members and Sector Council members have strong links back to Arla and other promoters of methane minimising additives, creating the potential for reputational damage due to a perception of bias. LE noted that Arla farmer representation on the Sector Council was in proportion to Arla membership within the industry as a whole. GJ noted that the recent media storm over this press release will have a life cycle, and another crisis will come along soon. He further noted that it's always important to take the emotion out of the situation and look at what can be learnt.

LE noted we were making good progress on the dairy road map work, but this is now taking some flack. AHDB are showing leadership in both baselining and data custodian. Two further dairy insight meetings are being arranged, these are proving to be positive. Four new sector council members have joined, and their input was valued at the recent council meeting. The recent inward mission had received excellent feedback from the industry.

## **BEEF & LAMB**

SC noted key updates for the B&L sector:

- There is a lot of work being done around halal at the moment. Halal represents a large body of work for AHDB reflecting the importance of this market.
- Work on 2030 production forecasting has been done and shows a decline in beef production.
- Four new sector council members have been ratified and attended their first sector council meeting. They will make a positive contribution to the sector.

CB noted that sentiment in the sector is at rock bottom. This should inform our Board discussions around how we communicate with our levy payers, as we need to be seen as being sensitive to their feelings. A number of farmers are going out of business. SC and CB recently both attended the Sheep Breeders Roundtable event.

CM asked if the government doesn't support the industry and farmers do go out of business, how do we measure the cost around communities and the hardships they are facing.

**Action: SP agreed to raise this issue at the next fiscal commissioners meeting around risk.**

## **PORK**

AC noted key updates for the Pork sector:

- Good stable pricing continues, integrators own half the pigs and want to buy more stock
- Had some good wins recently which showed the great work we do in collaboration with other government departments and Defra. Two sites that had their Chinese export licences suspended have now got them back meaning they are now able to export into China.
- Environment Agency have accepted AHDB's figures on ammonia emissions
- Looking to host events similar to the Dairy Insights days but with a slightly different format.
- New sector council member has been ratified and a great addition to the council

GN noted that there have been challenges to our pig pricing. David Eudall and his team had gone through a very rigorous critique of the process that has persuaded those challenging to accept all our pricing.

## **CEREALS AND OILSEEDS**

SW noted key updates for the C&O sector:

- C&O Sector Council have now endorsed moving forward with DGP. SW and SB have a meeting with GL after the Board meeting to discuss putting a business case forward to Defra around funding.
- A decision has been made to stop mailing out the Arable Focus magazine, however, it will still be available in digital format and hard copies will be available at all events.
- A new comms strategy within C&O is being worked on, getting more engagement with farmers through events and monitor farm events.
- During 2025/26 budget setting, we need to ensure value for investment for the sector.
- SAOS report to be rejected.
- Focus for the sector is around RL and looking at the efficiencies of this area of work. Legislation has been passed on precision breeding.

TC noted the mood in the sector is very low. C&O budgets are a worry, the sector is very close to its minimum reserves. This will result in difficult discussions during budget setting.

## **MARKET DEVELOPMENT, COMMUNICATIONS & EXPORTS**

### **COMMUNICATIONS TASK & FINISH GROUP UPDATE**

Will Jackson and Roseanne Thomas joined the meeting. Update paper was taken as read.

WJ noted he did an update on the Task & Finish group at all the recent Sector Council meetings. There were five key areas taken as actions from the findings, two of these have now been closed with work still being done of the other three. The recent comms structure changes and ways of working is in place and bedding in.

GJ noted significant progress has been made within the comms function but there is still some work to do. It is imperative to build confidence in comms and GJ was keen to see the work progressing in all five areas identified.

SB asked if we were looking at how we reach levy payers that are not signed up to our communications. BC noted that levy payers need to know what AHDB can do for them.

TC noted we need to measure the task and finish group work to see if it's working. If it isn't, then we need to look at changing what we are currently doing. GW noted that following the earlier comment from GJ, he will look at making Comms more visible in the business plan so it can be measured with KPIs.

**Action: NS said that at either January or March Board meeting, we need to have a discussion around who is our target audience, given the disparity of size, aptitude and skills in different sectors.**



## **AHDB REBRAND**

Paper taken as read. GW noted that at the last Board meeting, a discussion was had around looking at a possible rebrand. The Board had tasked GW with going away and doing some work in house, low key and low cost around a name change. GA noted that any name change must have ministerial approval, and the Statutory Instrument updated before we are permitted to use a new organisation name, this would be a delay of at least 18 months until implementation.

GW noted he would prefer to focus on rolling out the new vision and look at a possible name change further down the line. TC agreed and noted that given the obstacles in getting a name change done, focus on doing our job properly and keep the name AHDB. GJ also felt that we should carry out an audit on stock and in house materials before commencing with any name change as cost of changing would be key.

**Decision: The Board agreed to pause any work on the rebrand.**

**Action: The Exec were tasked with coming up with a future recommendation and come back to the Board with a proposal when the time is right.**

## **PLAN FOR ROLLING OUT AHDB VISION**

Paper taken as read with the external roll out of the new vision happening in March 2025.

## **DEFRA**

GL noted that most of her update had already been mentioned in the meeting. Defra budgets including headcount have been hit hard. GL and her team are helping to get a meeting in the diary with Minister Zeichner in the new year. It was noted that NS and GW had had a briefing session with SoS supported by David Woolford.

## **FINANCE AND PERFORMANCE**

### **MANAGEMENT ACCOUNTS**

Management accounts were taken as read. GN asked how consistent the reforecast and headcount summary is. TH noted that as a Leadership Team, we regularly look at the roles we are currently recruiting for and if there is an actual business need for that role.

GW referred back to the RSM operating target model audit taking place in the new year that will identify where there are excess roles. TH noted he pushes back hard on the teams who try and build contingency into their budgets.

TC noted the C&O Sector Council are looking to cut a substantial amount from their budget.

SB asked if recruitment is a continual drag on delivery, allowing the time to advertise, recruit and appoint and whether the strategic comms staff are now allocated under their specific sectors for budgeting purposes.

**Action: TH to bring a paper back to the Board on reserves for further discussion.**

## **PEOPLE**

### **REMUNERATION AND NOMINATIONS COMMITTEE**

RemNom draft minutes taken as read. TC asked if TH had an update on whether we were eligible for the NI increase exemption. TH confirmed we were not.

GA noted the current ad hoc arrangement with SB as Deputy Chair was in place until December 2024. He asked the Board if they would agree to extending this for a further six months which would give a period of crossover with the recruitment of the new Chair.

**Decision: The Board agreed to extend the ad hoc arrangement for SB as Deputy Chair until July 2025.**

## **HR UPDATE**

Paper taken as read.

GN asked for an explanation over the staff turnover and whether this is being monitored. TH confirmed that the current YTD staff turnover for 7 months ending 31 October is 9.2%, for the prior year to 31 October, it was 20.6%.

CB queried the mental health data and if there was a way to benchmark against similar organisations. SP noted she was pleased to see the HR dashboard now included this data.
<b>Action: SP was asked to include mental health data on her next ARAC agenda to see if there was a way to benchmark against similar organisations.</b>
TH noted our current sickness policy provides a full pay entitlement for 6 months after two years of service.
GW noted he is driving change within the culture of the organisation. Some staff are uncomfortable with the speed of change and there may be some residual churn before things improve.
<b>H&amp;S</b>
H&S report and dashboard taken as read.
<b>BOARD AND GOVERNANCE MATTERS</b>
<b>AUDIT AND RISK ASSURANCE COMMITTEE</b>
ARAC summary and draft minutes taken as read. SP noted she recently attended the Defra ARAC chairs meeting and found this very useful. There is a drive to hold these meeting on a more regular basis. Defra's internal auditors (GIAA) do audit training for any new members of the Defra ARAC committee. SP thought it might be useful for our ARAC committee members to join this training. [Post meeting note: anyone wishing to register for the GIAA ARAC training can do so on this link: <a href="#">ARAC Member Registration Form v1.0</a> .
<b>ARAC TERMS OF REFERENCE</b>
Paper taken as read. GA noted the ToR have been updated mainly around the skills and knowledge of members, particularly with reference to the ARAC Chair. If a substitute is required to stand in for the ARAC Chair, at least one member of ARAC should hold suitable qualifications. GA feels the Committee has enough knowledge to cover the chair role on an interim basis.
<b>Action: GA to come back to the Board with an update on what relevant skills each member of ARAC currently hold.</b>
<b>Decision: Revised ToR accepted by the Board.</b>
<b>SCHEME OF DELEGATION</b>
Paper taken as read. GA noted there was a technical change to the Scheme of Delegation and was asking the Board to approve this change. CB asked if the scheme of delegation could be circulated to Sector Council members. SP noted this was previously discussed at an ARAC meeting and was agreed it would be inappropriate to share the complete documents, but they could receive the one paragraph that is relevant to them as sector council members. This was already included in their appointment letters.
<b>Decision: The Board agreed with the change to the Scheme of Delegation.</b>
<b>Action: GA was asked to pull together a paper for all January Sector Council meetings with the one paragraph from the Scheme of Delegation relevant to them.</b>
<b>CORPORATE RISK MANAGEMENT</b>
Following the recent ARAC meeting, the recommendation had come to ask the LT to review the risks currently on the corporate risk register as it was felt they need some significant refining.
<b>Action: LT to come back to the Board after they have met to discuss the risks with the updated list.</b>
SP asked if we could wait until February to have a decision around our risk appetite. SB agreed we need to discuss our attitude towards risk. NS also felt we needed to see the first draft of next year's budget.
<b>Action: Draft budget, contingency planning and risk appetite will be added to January's Board agenda.</b>

**Action: GA to prepare a paper on risk appetite for January's Board pack. SP/GA/GN to meet as a working group to discuss risk appetite to help with this paper.**

#### **FREEDOM OF INFORMATION REQUESTS**

Paper taken as read.

#### **FEEDBACK LOG**

Paper taken as read. Two formal complaints were received, both of these down to misunderstandings and have been resolved following discussions.

#### **SI CHANGES PROCESS**

Paper included in pack for information only. GL noted that SI changes are very heavy on resource at Defra so this would need to go into the mix with other SI's and may face delays.

GA noted that there are conversations happening around levy ceiling increases for each sector, and also on levy mechanisms at C&O sector council. A recommendation on levy ceilings will come to the January Board meeting.

#### **ANY OTHER BUSINESS**

#### **HORTICULTURE LEVY RESERVES OPTIONS**

Paper included in the pack for information. GA noted there had been an approach from British Growers Association. There have also been discussions with GL's team. GA noted that BGA proposal presented a possible way to distribute the remaining reserves. NS confirmed the Board had previously decided it would not be doing any repayments to individual levy payers.

**Action: GA to do some further work and investigations into distribution of levy reserves and come back to the Board when a viable proposal is on the table.**

#### **MODERN SLAVERY STATEMENT**

An updated modern slavery statement was included in the pack. GA was asking the Board if they were happy for NS to sign off the statement.

**Decision: Board approved NS to sign the statement on behalf of AHDB.**

#### **DATE OF NEXT MEETING**

Date of next meeting is Tuesday 28 January 2025 at AHDB offices in Coventry.