

**SUMMARY MINUTES OF THE NINETY SIXTH MEETING OF THE
AGRICULTURE AND HORTICULTURE DEVELOPMENT BOARD
HELD ON WEDNESDAY 20 MARCH 2024 AT 8.30 A.M.
IN THE BOARD ROOM, AHDB, SISKIN PARKWAY EAST, COVENTRY**

PRESENT:

Stephen Briggs (SB) [Chair], Colin Bateman (CB), Lyndon Edwards (LE), Catherine MacKenzie (CM), Sarah Pumfrett (SP), Mike Sheldon (MS), Janet Swadling (JS), Tom Clark (TC)

IN ATTENDANCE:

Anthony Taylor (AT) [*Board Apprentice*], Gill Laishley (GL) [*Defra*], Graham Wilkinson (GW), Ken Boyns (KB), Katie Davies (KD), Tony Holmes (TH), Will Jackson (WJ), Jackie Kay (JK), Guy Attenborough (GA) (agenda item 5.2 and 5.2.1 only), Chris Gooderham (CG) (agenda item 7.1.1 only)

SB opened the meeting by noting that he was standing in for NS as Chair due to illness.

AGENDA ITEM 1 – APOLOGIES FOR ABSENCE

Apologies received and accepted from Nicholas Saphir and Ian Ascroft.

AGENDA ITEM 2 - DECLARATIONS OF INTEREST

No new declarations of interest were made.

AGENDA ITEM 3 – MINUTES OF THE BOARD MEETING HELD ON 23 JANUARY 2024

The minutes of the Board meeting held on 23 January 2024 were accepted as a true and accurate record.

AGENDA ITEM 4 – MATTERS ARISING FROM THE MEETING HELD ON 23 JANUARY 2024

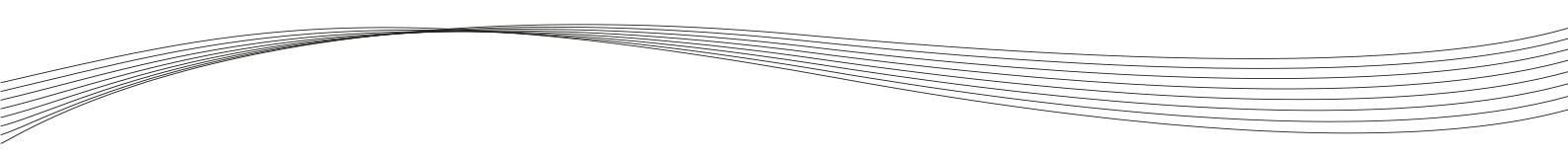
All actions are either completed or in progress with updates provided on the paper included in the Board pack.

AGENDA ITEM 5 – OPERATIONS

5.1 CEO UPDATE

GW had given an overview of his thoughts on his first two weeks in the business at dinner the previous evening where he highlighted his key priority areas, being in listening mode and knowing there is work to be done.

GW presented a slide to the Board which highlighted seven key essential areas of activities, broken down into sub areas which will be performance managed like the current KPI dashboards. These key activities came from a list of hits and misses put together at an LT away day, a process which normally takes place over two days, but was completed in a fast-track process within a few hours. The current Sector Council plans currently in place were also incorporated. GW noted the Leadership Team were working on a set of principles/ways of working and he will share these at the next Board meeting once finalised.



GW noted that the LT/SLT still had to build all the KPIs that lie at the next level down behind this master slide, and once this has been finalised, these will be built into all staff PDRs as well as incorporated into the AHDB 2024 business plan.

GW noted that when you look at the slide, it does highlight there are a lot of key priority areas that are assigned to only a couple of the LT. This will be something GW will look at as a priority when he looks at the overall leadership structure in due course. TC reiterated this point and noted that most of the activities lie under KB. He said GW needs to look at a way of releasing KB from a lot of these items so he can focus on C&O priorities.

SB commented that he felt the slide was a very good overview of the business and has highlighted key areas of concern or where improvements were needed. JS agreed and noted it was very clear and laid out the business objectives.

SP concurred with the comments from SB and JS but noted that after being in the role for six months, GW may have further items to add to the list. She further noted that we do need to demonstrate our value to levy payers but currently don't know who they all are.

Action: GW to add key stakeholder mapping to the priorities list.

LE noted that he felt as a Leadership Team, we must have a robust communications' plan in place as a top priority, especially when the new levy rates come into force.

AGENDA ITEM 7.1 – ENVIRONMENT (moved up on agenda to accommodate CG's availability)

7.1.1 ENVIRONMENT UPDATE

CG joined the meeting. A paper with an update on the environment work had been included in the Board papers so CG highlighted the main points:

On the policy and stakeholder piece, CG noted the Climate Change Committee is undergoing a lot of change currently. We are working with the NFU to make sure our voice is still heard on that forum.

CG and John Gilliland are holding a lot of meetings with retailers on our environment plan and baselining pilots. The baselining tender document is currently being pulled together and we are talking to potential providers as well as working with our internal procurement team. KB noted we have had a lot of support from retailers and others on baselining work.

SB noted he was really pleased to see the momentum was building in the work on environment.

SP raised the point that the Scottish Fiscal Commission had identified, in their recent report, that Scotland would bear a greater burden of cost for meeting UK net zero than other home nations. As such, SP queried if we had thought about trying to get additional funding from the Scottish Government. If anyone hadn't seen the report, wanted a copy, or wanted to talk to the authors on this, SP offered to facilitate connections.

7.1.2 DATA CUSTODIAN

KB presented slides from the deck included in the board papers. Following Board support to explore this concept, KB confirmed they have now spoken to a large number of stakeholders. KB noted they have been quite surprised by the level of interest and support to develop the concept further, KB noted others have had similar ideas inc. AFS/Red Tractor, Northern Ireland but it seems like AHDB is the only one in the right position to progress (in partnership).

KB stated that Tom Bradshaw, NFU had proposed having an away day with senior players to discuss the concept further and get agreement to move forward in principle. We are looking at a date in mid-April for this.

SB asked if the model had been presented at the recent Sector Council meetings. KB confirmed the concept had been. SP and LE both really like the idea; it gives a single source of truth. GL noted the focus on this work within Defra is not very acute at the minute with other priorities on the horizon.

CB noted that the data custodian concept is very similar to LI. We need to ensure we don't make the same mistakes and need to keep this at the forefront when making decisions on the work. KB confirmed the only way we could proceed with the concept is with Government funding.

MS felt the concept of internal data system improvement didn't land quite right when it was presented at the Pork Sector Council meeting during the budgeting process and we definitely have a challenge on our hands. He noted we need to sense check it for buy in and added value.

5.2 HORTICULTURE AND POTATOES UPDATE

GA joined the meeting. The update paper included in the Board pack was taken as read. GA then noted that he needed a board decision concerning the wind-up of horticulture royalties at AHDB: To relinquish the rights to the head licence (UK & Eire) for the Apple rootstocks M116 and M200 to NIAB (the breeder), rather than to British Apples & Pears Ltd.

In 2023 the Minister agreed with the AHDB Board decision to transfer horticulture royalties back to the most appropriate original funding source in the industry, identified as British Berry Growers, British Protected Ornamentals Association and British Apples & Pears Ltd.

- Strawberry variety royalties were transferred to British Berry Growers
- Jasmonic Acid royalties were transferred to British Protected Ornamentals Association

However, the board of British Apples and Pears Ltd declined to take on the head licence for UK & Eire for two apple rootstocks, M116 and M200. These are not yet commercialised in these markets and the administrative burden was estimated to outstrip any potential royalty payments. British growers wanting to use M200 are already happily buying it in from mainland Europe where Dalival holds the head licence. There is only one major grower using the M116 rootstock, and provided no royalty fee is added to this rootstock, they would be content for AHDB to relinquish the rights to the head licence.

Decision: The AHDB Board decided to relinquish the rights and assign them to NIAB with the assignment agreement covering the requirement for M116 to be royalty free. SB congratulated GA and the team on their hard work on the sale of Sutton Bridge.

5.2.1 POTATO RESERVES PROPOSAL

GA noted that GB Potatoes has been establishing itself over the last two years to address the void created by the wind-up of AHDB Potatoes. GB Potatoes has generated wide support from the trade organisations for its set of proposals which address a variety of issues that aim to provide benefit to the various parts of the potato industry, including the seed sector.

The grant funding being sought is to cover project costs, not organisation overheads, on a tapered basis over five years to enable voluntary industry funding to be built-up over time.

Based on current reserve levels we could commit to years one-three but years four and five would depend on whether there are any further contingencies that we may incur between now and then. It is quite likely that year four would be possible by eating into the residual liabilities contingency. Year five grant funding may well be unaffordable, but we will not know the position on residual liabilities until that point in time.

GA noted that the Board's agreed policy on Potato and Horticulture reserves is:

- A. Support grant applications where there is majority industry support.
- B. Retain funds until a majority of industry agree on grant-funded projects.
- C. Repatriate levy to levy payers as the backstop.

GA noted the Executive's recommendation is:

1. Support the proposal to fund years one, two and three, with a commitment to fund years four and five if potato levy funds retained for residual liabilities permit.
2. Make this grant recommendation to Ministers for their agreement.
3. Funding only to be released in tranches, dependent on auditable expenditure and proven delivery milestones for the projects.
4. Issue an industry communication on the level of potato reserves, following the sale of Sutton Bridge, and that the board has received a well-supported proposal from GB Potatoes for a grant across seven project areas which it has agreed to recommend to UK Ministers.

CB noted he found the business case unconvincing. GL noted that Minister Spencer wanted the reserves to go back to the levy payers so we would be on the back foot already with his considerations. CM noted we would need to be very careful with the wording in our business case, so we are not committing to anything long term.

TC noted that as a potato levy payer, we need a position for the press and website and a clear argument about why we are allocating to GB Potatoes as a grant, rather than returning it to the levy payers.

SB noted that the decision would be a Ministerial one and all we can do is provide him with a business case which included a range of options and our recommendations. JS agreed and said we would need to present the business case showing we have done an options appraisal and due diligence so we can publicly defend ourselves if needed.

Board recommendation to ministers:

- 1) To authorise funding from potato reserves for the RB209 potato section review.
- 2) To recommend to Ministers a grant to GB Potatoes. GA to prepare a business case to go to Ministers for approval, making it clear this would be an initial three-year grant and then subject to review.
- 3) Prepare a statement that can be used publicly for setting out options to ministers and recommending a grant to GB Potatoes as apposed other options that were considered, including simply returning the money directly to levy payers.

AGENDA ITEM 6 – ENGAGEMENT

6.1 LEVY INCREASE UPDATE

WJ gave a brief verbal update on the status of the levy increase. Since the last Board meeting, the increase has been approved by the Minister and press releases have gone out. The reaction to the increase has been quite muted. There has been some feedback pushing back on this, especially for within the Pork Sector. WJ confirmed that the press statements around the increase were all framed in a fair and balanced way.

GL noted that Defra were very impressed with the quality of the proposal that went to the Minister for approval. JS asked for it to be formally noted how well the work on the levy increase was done by all of the team involved, including the Sector Chairs, without having a CEO in post. This was a big milestone for the organisation and we now need to look to the future and how we can embed regular incremental increases across all sectors rather than waiting a considerable amount of time before the next increase.

WJ confirmed that the work on implementation had now started. TH and his Finance Team had sent letters out to all businesses who collect levies on our behalf, informing them that the increase will take effect from 1 April 2024.

A working group had been set up to look at best practices for our next Shape the Future event. GA is heading up this work (working closely with Defra) and will look at the various options available to us. These will then be reported back to the Board. MS confirmed that Seafish are now looking to do incremental increases, and there has been a substantial amount of work done exploring this. MS to look at the possibility of sharing the work Seafish have done with our team.

GW noted that there will be a great deal of work needed over the next couple of months once the levy increase takes effect on farmers. The increase will hit some sectors such as Dairy and Pork much quicker than it will hit C&O and B&L.

WJ noted he will circulate an email to all Sector Chairs with a proposal for the levy increase communications plan. They will then need to decide, alongside NS, as to how these communications are then cascaded down ensuring that any communication is showing value for money. We need to ensure that the mixed farm element doesn't trip us up, and a proposal could be that there is one letter that then links back to each individual sector. LE feels our current communications are very sector specific and that we are not prepared for how quickly the farmers will be hit by the increase. He said we must thank levy payers for their continued support and show them how value has been delivered for their money. CB agreed that value for money is the key message.

SP asked if we had any way of getting in contact with unknown levy payers through other service providers such as veterinary surgeons, agronomists and food merchants who don't currently receive AHDB communications. SP suggested perhaps we could add a paragraph into their regular newsletters to clients which would carry a means for direct sign-ups. CM asked if we were considering any alternative formats for our communications, so that we comply to our communications with DDA guidelines (e.g.: braille, etc).

Action: WJ to check we are using the appropriate channels to ensure there is a wide understanding of the levy increase.

6.2 MANAGEMENT REPORTS AND DASHBOARDS

WJ noted that the management dashboards had been included in the Board papers, but now GW is in post, these will evolve and be amalgamated into the one-page top sheet GW presented earlier in the meeting. There had been several working group meetings with members of staff from each sector to go through the dashboards and KPIs to try and refine them. KB noted that there had been a strain on resource as staff are stretched between teams, so we are currently working within the confines we have. WJ happy to follow up on any questions the Board may have offline.

KB updated the Board on Phil Hadley's replacement. Richard Hampton has accepted the job offer and he will start in June. His appointment will be announced to staff later today. Angela Christison will continue to manage the Exports team until Richard starts, and then do a month handover with him once he's in post.

GW has started sending out weekly Board updates. These cover the top three priorities for each of the four sectors so the non-execs who aren't involved with a sector, will become more exposed to regular updates. Any comments or feedback on these updates can go directly to Graham.

6.3 SECTOR CHAIRS VERBAL UPDATES

Dairy:

LE noted that at the recent Dairy Sector Council meeting, the discussions around budget had been incredibly difficult. The Council have some big concerns around communications and some concerns around animal health and welfare. LE noted he had to have various conversations, some rather challenging, with individual members of his Council prior to the meeting. Data, Digital and Architecture had mixed reviews but there was overwhelming support for the work on environment.

C&O:

TC noted that the weather is continuing to cause major concerns for the C&O industry. We have had the wettest winter for a long time and this has severely affected crops. TC noted the sector are currently feeling very low, on the brink of a grain crisis and about to have the levy increase applied. The recent budget meetings (they had several) had been incredibly tough, and the Council were looking at justification on value for money around communications. They were also looking to amend merchants' deduction costs by October this year. SB noted we did need to look at building volatility into our levy increase work.

LE noted that C&O sector have dropped the level of work around education. This has had a knock-on effect for the other three sectors who were having to pick up some of the costs. He asked TC if this was something the C&O sector would look to pick back up in the future. TC noted the C&O sector are still funding some of the work around education, and if the income in the sector recovers, they will look to pick this work back up.

B&L:

CB noted the current sheep price was being driven by the Halal sector but our AHDB team on the ground were doing an amazing job. He noted we need to ensure we retain key members of the team. WJ/KB confirmed we have recently recruited a new member to the team who has expertise in Halal. Domestic beef is at a premium compared to Irish. Producers are saying the industry isn't as interested in importing as it used to be. CB noted he was at the NFU Livestock board the previous day. The board had a new chair who outlined the committee's priorities, and that NFU want to work more closely with AHDB. CB feels we can help NFU with this work.

Pork:

MS noted that pork prices are really low compared to lamb and beef prices, although higher than European prices and higher than cost of production. He feels it will be a fairly stable few months in pork production. As the Pork Sector Council is about to get a new Chair as MS ends his term, he noted that they will need to think a great deal about AHDB's offer to the very large integrators. Pilgrims have no board in the UK and this makes AHDB very small and insignificant to them as a business. This is going to be a big challenge for AHDB as an organisation, and one we will definitely need to put some work into trying to resolve.

AGENDA ITEM 8 – ASSURANCE REVIEWS AND INVESTIGATIONS

SB reported that the Board paper and an update had been actively discussed by the Board the previous evening. He asked the Board to confirm its approval to proceed with the wider governance review, on the basis that the funding will be split between all parties, which was given. WJ noted his actions from this discussion were to get sign off for the ToR for the work and look at any possible budgeting issues.

SB further asked the Board, if they can agree on a decision of who would take over the director role at the AFS board meetings that WJ has been covering in the interim since Tim Rycroft left the organisation. The Board considered that this was a matter for the Chief Executive to decide.

JS asked, further to the discussion last night, for it to be formally noted that the broad principles around the governance should be documented, namely where would responsibilities rest, what would be delegated, what sign off procedures would be in place, what process would be involved for the confirmation of the terms of reference and appointment of the secretariat, for example how much freedom will be given to the commissioners on the decision of who to appoint. JS also noted concerns around the time frame for the work to make sure this will be kept to an agreed time which she proposed should not extend beyond the calendar year. She asked if we were going to discuss any plans for this work with Defra. WJ confirmed NFU will handle the procurement and official appointments for the commissioners and secretariat and will ensure they have the appropriate liability insurance in place.

SP highlighted that there are specific governance principles that apply to joint and multi-ventures with regard to participant interactions, decision authorities and information flows which in her experience have not been well managed in a number of governmental and quasi-governmental organisations. SP wanted assurance that the wider governance set up would be reviewed and best practice formalised where it was not currently evidenced, and that a formal stakeholder management plan would be agreed to ensure appropriate communications for all AHDB joint ventures, including this one, in the future. [*See post meeting addendum for additional information*]

LE asked how we could determine if the secretariat has experience to do the role and no conflict of interest. WJ confirmed that there has been some conflicts of interest for the commissioners meaning there have been some who we've approached that have had to recuse themselves, and others who were able to resolve the conflict. It would be the same process for the secretariat.

WJ confirmed the three commissioners already in place, a fourth has been approached and as soon as she is confirmed, WJ will update the board on who she is.

CM asked if we had a process in place to report back to the Board regularly on this work, although they will not want to be seen as micromanaging. WJ confirmed that assurance would be a standing item on the board agenda for the foreseeable, but he will also give regular updates as everything is so fast moving.

Decision: The Board all agreed to move forward with the wider governance review on the agreed split between the five organisations for funding and that the governance principles, delegation and sign off points for AHDB Board should be documented and shared with the board.

Decision: The Board all agreed with GW's recommendation that WJ is delegated GW's authority to sit on the AFS board.

AGENDA ITEM 9 – WEBSITE STRATEGY AND DEVELOPMENT

WJ noted a paper had been included in the Board pack. This highlighted the here and now fixes which were being implemented and what other changes will be made over the coming weeks. One key update was that any feedback that is inputted onto our website, will go directly to the Bureau Team who will pick it up immediately.

SB asked how the updates would be seen by levy payers and how do we communicate to them we've made the changes. He further asked how we would capture any feedback from levy payers. WJ noted that the levy payer would notice the changes just from going onto our website, and if they accept cookies when they first land on the home page, this will help us capture their user experience.

GW noted that he felt a soft launch should happen, then gather feedback before any bigger bits of work are carried out.

AGENDA ITEM 10 – DEFRA UPDATE

GL gave a brief verbal update. The Prime Minister made a recent announcement around grant funding. This included the Farm to Fork summit which will now become an annual event. The date for 2024 is yet to be confirmed but looking around May time. NS attended this summit last year.

New Board appointments have been signed off by Minister Spencer who agreed with the recommendations of the interview panel. The paperwork is now sat with the Secretary of State for signing but it's a case of getting this to the top of his pile. GL confirmed his private office are now aware of the issues around the timing of getting these appointments confirmed. They may look to ask Ian Carter (Policy Advisor) to help push the approval through. JS asked if the appointments had been approved by the Devolved Governments. GL thinks they had and it was only the SoS yet to approve but she will check and confirm.

SoS keen to visit a farm in his local constituency. David Wilford keeping us in the loop on this.

AGENDA ITEM 11 – FINANCE AND PERFORMANCE

11.1 MANAGEMENT ACCOUNTS

A finance paper had been included in the Board pack, with TH happy to field any questions. SB noted there is a lot of detail in this paper and wondered if we could move towards a slimmed down version. TH said it would be quite hard to slim the paper down as he is having to cover all four sectors but happy to take away any feedback on what the board feel could be removed. TC and CM both felt the level of detail included in the paper is ideal for what they would like.

TH noted his team had just finished the February accounts and we are on track to finish this financial year where we thought we would.

11.2 BUDGET PROCESS

TH noted his team have spent the last three months going through a detailed budgeting review with the four Sector Councils. Getting the budget approved has been very challenging this year and that has been down to having two types of financial reporting: functional and workstreams. Although this would normally be quite straightforward, there have been some concerns raised around DDAT and Communications in particular. TH noted he has taken feedback away from each sector and him and his team will work on how they can improve the reporting and budget process for next year.

TH noted that finance can track what workstreams staff are directly putting their time against and this will give everyone more comfort moving forward that we are being as cost effective as we can be. TH said it was good that we were able to have conversations around the budget process now we have something to compare this year's to, whereas last year we had nothing to compare the budget to. This has to be seen as a positive to come out of the process which has been a big learning curve for him and his team.

CB noted his meeting was the last of the four Sector Councils so any potential pitfalls had been ironed out before his meeting. Transparency of the process had made some of his Council members feel they had input and accountability for the B&L budget.

JS wanted to commend TH and his team on what they have achieved with the budget process. She asked if there are key learnings to take onboard going into next year. JS also asked if central services

costs are benchmarked against industry levels (such as HR and Finance). She noted this would help to build the board's confidence across the organisation. TH advised that RSM had been tasked with carrying out a benchmarking exercise but were unable to obtain any data from comparative organisations within the public sector.

MS noted his Pork Sector Council took a backward step in trusting the budget process. They declined signing off the budget at the first meeting and only reluctantly agreed to sign off the budget at the following meeting. The feeling within the sector is they are paying for a lot of headcount for which they don't fully understand the value of, and they are paying money to AHDB for minimal results.

MS further noted that the Communications presentation did not land at all well, it was very confusing and woolly. He said his Council members all come from manufacturing backgrounds and fail to see what benefit AHDB Communications can bring them. The presentation also left a residual scepticism that we have our communications under control and MS was disappointed to see the Pork Sector Council take such a step backwards in his last couple of weeks as Chair.

CB noted the Sector Councils are there to give advice and if there are any concerns, they should go via the Sector Chair to the CEO for an audit on where the concerns lie.

TC noted his Council felt they didn't have enough time to process the budget papers prior to their meeting. He feels this is the case with all the various meetings across the business with papers getting circulated last minute. This in turn makes his Council members feel out of the loop on things. TC said we need to acknowledge this is an issue and improve the process.

LE said that one of the key things that came from levy payers during the Shape the Future vote was they wanted to spend less money on Animal Health and Welfare. This didn't happen at the first budget presentation and had frustrated some of his Council members.

GW confirmed that as part of our 2024 business plan, improving the budget process will be a key priority. He is aware of the issues around Communications, and a task and finish group is being set up to help refine the process. We will take away all the learnings from this year's budget and work on these as a team to improve the process.

Decision: The Board all agreed to approve the 2024/25 budget.

11.3 HORTICULTURE & POTATOES DEBT UPDATE

Update paper was included for information only. TH confirmed he has only written off a minimal amount of debt across both sectors and is still managing to bring the total debt down significantly. On behalf of the board, SB thanked TH and his team on their fantastic work on collecting outstanding debt.

11.4 HGCA PENSION SCHEME INVESTMENT STRATEGY

TH declared a conflict of interest as he is a trustee on this pension scheme and JS declared an interest as she is Chair of the HGCA pension scheme. At the last Board meeting TH informed the Board that AHDB had received notice from the HGCA Pension Scheme Trustees that they wished to consult on a revised investment strategy consistent with the 2022 actuarial valuation. The plan is to reduce the level of investment in growth assets from 40% to 20%, increase matching credits from 0% to 19% and increase liquid assets from 16% to 17%. As a result of this change the targeted level of return was reduced from gilts + 1.8% to gilts + 1.3%.

TH noted that following the discussion at January's Board meeting, on behalf of AHDB, TH wrote to the Trustees to request the following:

1. To set out their assessed impact of this proposal on the timeframe for achieving a full buy-in.
2. To what extent has the cashflow requirements influenced the Trustees proposal to move 20% of the growth assets to matching credit assets in the short term.
3. For assurance that this change to the investment strategy would not lead to the Trustees seeking to reduce the discount rate as part of the next valuation and not directly lead to seeking additional funding contributions as a result.

TH confirmed that the points had been discussed at a meeting of the HGCA Pension Scheme Trustees and that the letter received from the Chair on behalf of Trustees included in the Board pack provided the responses. The Trustees had noted the points from their consultation with the AHDB Board but concluded that they should follow the professional investment advice which they had

received. Consequently, the revised investment strategy would be implemented with effect from 1 April 2024 without explicit consent from the AHDB Board, which was not required. The Trustees indicated that they wished to engage with AHDB about the longer-term strategy for the Scheme and would seek discussions with AHDB later in the year to inform the next actuarial valuation.

SP asked if we were retaining enough in reserves to cover any deficit in the funding of the pension scheme.

Action: The Board asked TH to look into this and report back at May's Board meeting and to consider how AHDB would engage in the longer-term strategy for the Scheme.

AGENDA ITEM 12 – PEOPLE

12.1 REMUNERATION AND NOMINATIONS COMMITTEE

Minutes from the January 2024 RemNom meeting were included in the Board papers. CM noted that January's meeting had included a training session on employment law by an external provider, which most of the Board members joined. The view is that this was extremely beneficial, so we would look to do one of these training sessions each year.

CM noted that remuneration for Sector Council members and Chairs is an ongoing agenda item at RemNom. There is no easy solution to these so discussions will continue and the item will remain on the RemNom agenda. She further noted that she would like the Committee to start focusing on more strategic work rather than the organisational side of this in the coming few months.

JS asked about EDI recommendations as AHDB need to show leadership on this. SP noted that EDI training was being offered to the Dairy Sector Council and could this be offered out across all Sector Councils and Board members. GW confirmed this is a key focus area and important that as an organisation AHDB has a responsibility to set the right tone. .

Action: JK to recirculate all the dates for the EDI training sessions and any members of the board that can join one of these to let her know. In person training will also be tagged onto all Sector Council meetings.

12.2 HR UPDATE

HR report taken as read. JK noted that some additional roles had been identified in the budget which we need to review and start recruitment for.

GW has a call with Dragonfish after Easter. JK will brief him on the work they have done to date prior to the call.

A pulse survey went out to all staff members last week. This was run through Gallup and was totally anonymous. Once the survey has closed, the reports will go direct to GW and he noted that staff will want to see him taking action on their feedback. To date, 67% of staff have completed this.

JK noted an action plan which was created following the Thrive survey carried out at the end of last year was included in the board papers for information.

Action: JK to keep the board updated on progress of the plan.

A leavers process has now been created. This will be rolled out soon when some Council members come to the end of their terms. CB noted there is no formal exit interview for Council members or Chairs and could this be done by another Sector Chair or any member of the Board.

Action: JK to look at possible options for Council member and Chair exit interviews and present a paper to the Board.

12.3 HEALTH & SAFETY

H&S report was taken as read. JS noted she felt the environment update included within the H&S report should be put into a separate paper.

Action: JK to put the environmental update from the H&S report into a separate paper going forwards.

AGENDA ITEM 13 – BOARD AND GOVERNANCE MATTERS

13.1 AUDIT AND RISK ASSURANCE COMMITTEE

ARAC summary and draft minutes taken as read. Risk training was booked in for the Board to do before the May 2024 Board meeting. SP noted we needed to look at the members who sit on the ARAC Committee to ensure we cover all areas of the business.

SP saw a recent RBST (Rare Breed Survival Trust) newsletter which had a very positive mention of AHDB. We need to keep up the good work here.

13.2 CORPORATE RISK MANAGEMENT

TH picked up this item on behalf of IA who sent apologies. Extensive risk management training had now been carried out for 43 staff members. Implementation of 4Risk is complete and the system is now live. Staff have been getting trained on the system and have until end of April 2024 to populate their risks up to the required standard. The Leadership Team are actively managing the risk process.

SP noted we are not yet at a level we should be for a business but is pleased to see the positive progress we are making. Once the system is embedded into everyday life, it will help to get the business to where it should be.

13.3 FREEDOM OF INFORMATION REQUESTS

WJ noted that FOI's take quite a lot of time to complete. We are making sure that all the right people are involved in the requests, and training other members of staff up to be able to complete these so we have sufficient skills in place if cover is needed.

WJ noted that we are starting to get direct email communication from levy payers which we're having to respond to.

13.4 FEEDBACK LOG

Feedback log taken as read.

AGENDA ITEM 14 – ANY OTHER BUSINESS

14.1 NATIONAL LIBRARIES FOR AGRIFOOD

Paper included in the Board pack taken as read.

MS wanted to thank the Board for the opportunity of being a Sector Chair and wished AHDB all the very best for the future.

GW thanked the Board for the dinner last night and his first Board meeting since starting as CEO. He realises he has a lot of work to do and wants to build the Board's confidence in the Leadership Team so we can spend less time at Board meetings discussing organisational items and focus more on strategic work.

JS wished everyone all the very best as she is coming to the end of her term.

CB thanked SB for stepping in to Chair the Board meeting and thanked MS/JS for all their support over the years. CM concurred.

AT wanted to thank all the Board for making him feel so welcome since he joined as our new board apprentice. He also gave his apologies for the May 2024 Board meeting.

On behalf of the Board, SB thanked MS/JS for all their hard work and effort over the years and wished them all the very best for the future.

The Board all wished NS a speedy recovery and sent him their best wishes.

AGENDA ITEM 15 – DATE OF NEXT MEETING

Date of next meeting is Tuesday 21 May 2024 at AHDB offices in Coventry.

ADDENDUM TO MINUTE

SP committed to add the following additional governance information in reference to “AGENDA ITEM 8 – ASSURANCE REVIEWS AND INVESTIGATIONS”.

Specifically, SP highlighted the roles of the:

- Shareholder Representative (or Owner’s Group representative), which should take instruction from their board (AHDB Board in our case) on any and all decisions regarding the partner’s involvement in the venture. They act with the authority and on the instructions of the shareholder (AHDB). Their role is to ensure AHDB influences the venture to ensure that the AHDB objectives (needs) for involvement in the venture are met, and to influence the venture to deliver additional value (wants) where this is not in conflict with the ‘needs’ of other partners. The Shareholder Representative has no conflict of interest, as their role is exclusively to represent the interests of AHDB in discussion with other partners in relation to the venture. This individual should provide the formal channel or communication from the joint venture to AHDB and the communications from the JV to the parent entities via their respective Shareholder Representatives should be both regular and simultaneous to ensure no favourable advantage to any individual participant; and
- Joint Venture Director (Board member), whose obligation is to the joint venture and not the parent entity and as such has a conflict of interest where the venture is discussed within AHDB, but should give no consideration to AHDB when involved in decisions for the best interests of the venture. They may be party to confidential “in venture” discussions and therefore no information should come from the JVD to AHDB (or from any other JVD to their parent organisation) as this would be a blatant breach of confidentiality and trust which could jeopardise the JV existence; in some organisations information leakage via this channel could meet the category of ‘insider dealing/trading’.

