

**SUMMARY MINUTES OF THE ONE HUNDREDTH AND ONE MEETING OF THE  
AGRICULTURE AND HORTICULTURE DEVELOPMENT BOARD  
HELD ON TUESDAY 28 JANUARY 2025 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), Sarah Pumfrett (SP), Graeme Jack (GJ), Glen Nimmo (GN), Tom Clark (TC)

**IN ATTENDANCE:**

David Wilford (DW) [Defra], Graham Wilkinson (GW), Katie Davies (KD), Tony Holmes (TH), Rebecca Loveday (RL)

Paul Flanagan (PF), Angela Christison (AC), Sarah Woolford (SW) and Sam Charlton (SC) (agenda item 6 only), Ken Boyns (KB) and Adam Short (AS) (agenda item 7 only), Ian Ascroft (IA) (agenda items 11.1 & 11.2 only), Guy Attenborough (agenda items 11.5 & 11.6 only), Joe Worrall (JW) and Matthew Clarke (MC) (agenda item 12.1 only)

**APOLOGIES FOR ABSENCE**

Apologies received from Catherine MacKenzie.

**DECLARATIONS OF INTEREST**

No new declarations of interest.

**MINUTES OF THE BOARD MEETING HELD ON 4 DECEMBER 2024**

The minutes of the Board meeting held on 4 December 2024 were accepted as a true and accurate record.

**MATTERS ARISING FROM THE BOARD MEETING HELD ON 4 DECEMBER 2024**

Paper taken as read. NS noted we were not participating in the UK Board Apprentice scheme this year after two years of being involved. This is due a new Chair incoming and allowing the new Chair time to settle into the role.

CB noted he never received the evidence and data that Defra had on Bovaer which Gill Laishley circulated (action 6987).

**Action: KD to recirculate the email to all Board members.**

TC reaffirmed his view on the need of an additional Board member with DDaT skills and experience. Today's agenda highlighted this. GW noted that there may be a broader skillset needed with an additional Board member. SP agreed and asked whether a skills analysis needs to be redone with the current Board members to identify any gaps. SB felt this should be something the incoming Chair needs to address.

**Action: GW/NS/RL to discuss how we could deal with the potential missing expertise amongst Board members and come back to the March Board meeting with a proposal.**

**CEO & OPERATIONS**

**2024/25 BUSINESS PLAN STATUS UPDATE**

GW noted we are finalising January's updates over the next few days. Hit 45% of targets for Q3 with the majority of activities on track. There are three reporting months left in 2024/25 so the focus and clarity is on the KPI's we set to be completed. GW noted the Pork sector activities have been extremely successful, with over 8000 people having completed the Pig Handling Course, updated ammonia emissions work has avoided investment that would otherwise have had to be made, and the free farrowing guidance has been delivered.

SP raised concern around the wording of the assurance essential as it could be subject to an FOI. GW would rephrase the terminology of the detail around this. NS noted we could get inundated for FOI requests from farmers about the SAOS report, so need to ensure we say publicly that we reject the draft report to mitigate this.

DGP is making good progress and is now at a stage to approach Defra for financial support. SB noted the DGP Leadership Group have spent most of their time looking at how they would build the system and not how it would be rolled out. Some issues have been identified around the costs of implementation. TC confirmed that we need to identify a Plan B if there is no funding provided by Defra.

Medicine Hub is still a missed target, but Paul Flanagan and Sam Charlton are working with industry stakeholders on how we can drive the process forward. LE feels Med Hub is not fit for purpose as it currently stands. CB agreed and noted we need to look at the governance around Med Hub, the budget for this work is substantial so need to ensure it is deliverable. SP concurred with this comment, she feels AHDB have not been great at setting governance structures for other bodies (Livestock Information Ltd a good example). GJ had been doing some real time research into Med Hub as a relatively new person to agriculture. He felt collaboration was required to deliver this piece of work and the governance around this needs to sit with AHDB.

LE declared a declaration of interest that as an organic dairy farmer, he doesn't use any antibiotics on his farms, so Med Hub doesn't affect him in any way.

GW confirmed that RSM (external auditors) had started work around a target operating model audit. This work would involve calls with all members of the Leadership Team and would help to identify our efficiencies and any areas where we are under or over resourced. RSM would also do work around benchmarking against a similar organisation. Following this audit, a report would be made available at the end of March, which GW will share with the Board.

GW confirmed that work was continuing on a comms strategy following the work and findings from the Comms task and finish group. GJ noted the focus now was on the fifth area of work identified from the task and finish group around having a fit for purpose team including structure and cost.

**Action: Roseanne Thomas was working with her team to pull together a plan for the comms strategy and this will be presented to the Board at the March meeting.**

## **2025/26 BUSINESS PLAN**

Work is continuing on the 2025/26 business plan. The Leadership Team have a session later this week to refine the detail behind the key essentials. GW confirmed that all Sector Councils have been involved in agreeing the key essentials for each of their sectors. SB asked if there had been any feedback from the discussions at Sector Councils on the business plan. GW noted that with some sectors, the essentials they finally agreed with are crystal clear, whereas more work is required to define these. There have been some differences of opinions amongst the sectors.

## **VISION AND STRATEGY UPDATE**

Slides included in the Board pack were taken as read. GW noted an Agricultural Insight Forum group had been created to help measure our success against the vision and strategy. The first meeting of this group will be held on Friday 7 February 2025.

**Action: The minutes of the forum group meeting will be circulated to the Board.**

## **SECTOR UPDATES**

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

## **PORK**

Sector continues to have healthy prices and margins, but pressure is growing on pricing due to the gap between UK and Europe. Pork Sector Council are keen to invest hard where we can. This would involve putting another person on the ground in China now that movement has started there. There is pressure on the feed side, which is a concern within the industry. 8000 people have been trained on pig handling.

## **B&L**

Beef prices are currently increasing rapidly. As a result, there is a shift in behaviour at abattoirs in weights and restrictions. There are strong prices in lambs (ewes in particular), which is up 12p on last week. A Foot and mouth outbreak in Germany is a concern but we must remain focussed on Blue Tongue too. Consumer insights show evidence that beef on shelves is in a good place.

GW noted that Anna Taylor from the Food Foundation had criticised the Eat Balanced campaign at Oxford Farming Conference erroneously stating that we were promoting more consumption of red meat, as opposed to the role of meat in a balanced diet She was challenged on her criticism and a meeting has now been set up with her and our team to strengthen that relationship.

## **C&O**

Main focus is on evaluation for 2025. An internal review is being done on Recommended List. TC confirmed that Recommended List is the biggest single commitment for C&O budget and a big call on resource. Only get to review how the list works every five years so need to take the opportunity. Could also get some additional income from this area of work. Heavy focus on scenario analysis and the work done by David Eudall and his team. There have been some structural changes within the C&O team to ensure we are delivering for levy payers.

Work continues on the business plan for 2025/26 and this will be shared with the Sector Council at the March meeting. Reviewing financials on DGP, implementation phase is of concern. Bernie Consultancy paper on international levy collection processes will come to the Board for discussion in March.

TC noted the increase in fertiliser pricing. This and the inheritance tax falls unfavourably towards C&O sector and there is concern that a number of farmers will close their businesses over the next two years. The weakening UK exchange rate will affect imports.

NS feels the Board should be looking at the risk the C&O sector poses to itself, but also to other sectors and AHDB in general How can AHDB as an organisation help turn the sector around? NS asked when SW and TC would be in a position to come to the Board with a proposal on how to tackle the main risks within the sector. SW asked to wait until after business planning and budgets, so April.

**Action: SW/TC to prepare a report on the C&O sector which will come to Board by April for further discussion.**

## **DAIRY**

Milk supply has increased. Need to look at rolling out the letterbox concept that C&O have done recently to the Dairy sector. LE noted Muller coming back into Dairy UK has changed their relationship with us, which is still evolving. Dairy roadmap needs industry collaboration and to be seen as speaking with one voice. Bovaer has gone quiet but still a concern for the industry. There have been a large number of requests to hold our Dairy insight days, with a bespoke Arla one next week. No longer need to promote these.

Following discussions with FSA, they have agreed to give us all the data they have on levy payers within England and Wales. DW raised concerns around using any data obtained from an external organisation as this may be in breach of GDPR. SP concurred and noted this could be breaking the law. GJ noted we need to look at ways that allows us to use the data obtained, rather than why we can't. PF confirmed he is working with AHDB's data protection team on how we can legally obtain and use this data.

## **CENTRE OF EXCELLENCE**

### **FARM DATA EXCHANGE (DATE CUSTODIAN)**

Ken Boyns and Adam Short joined the meeting and presented some slides. Three key areas of activity: Policy, Data Governance and FDE System (proof of concept). FTTP are supportive of the project and are expected to contribute towards funding. Discussions on funding are still ongoing pending the AHDB Board's decision.

SB asked how this project can remain voluntary rather than mandatory from a levy payer perspective, and how can the process be managed? KB noted this system is meant to make it easier for farmers

when they are required to do something with their data by some else – it solves a problem for them. For example dairy companies ask their dairy farmers to do a great deal with their data.

NS asked how many farmers would be involved in the proof of concept from the B&L sector. AS felt that three data sources and approximately 12 farms would be sufficient. SP felt that trust will need to be gained from the industry as we are only taking the data to send it back out again. Knowing what we want to gain from the data is key.

GJ asked to what extent had AS/KB held discussions with other key members of the supply chain on this concept. AS confirmed there had been a lot of conversations prior to pulling together the Board paper. He noted that discussions were still ongoing. KB noted different stakeholder groups wanted different things out of the concept.

GN felt there was a gap in the market for a farm data exchange system but should it be AHDB who drives the work? Software development takes a totally different mindset. If this is a one off ask for funding, it's more likely to get buy in rather than being an ongoing ask for funding. DW noted the team need to have a Plan B in place in case Defra can't make a significant contribution to the project. AS confirmed they are working on alternative sources of funding. CB noted if there is an opportunity for AHDB to secure funding and spend money on the proof of concept, he would welcome this piece of work but would want shared funding in place prior to bringing the concept to his Sector Council.

TC noted that his C&O Sector Council cannot fund towards this project and he felt he would not get approval from his council for this work. TC acknowledged that the C&O sector might need to "catch up" funding in due course if they got involved later on. NS noted the Board were all in agreement that there is a need for an organisation like AHDB to operate in this space. If we can secure funding from Defra, the project will gain credibility. This could be a significant part of the strategic change within AHDB.

NS confirmed we would not be able to progress with the work on FDE without appropriate funding. Management were asked to come back to the Board once funding has been secured. DW noted this work would be included in the next Defra spending review.

NS asked the Board if they resolve to proceeding with the three items noted: policy, data governance and proof of concept subject to funding.

**Decision: The Board agreed to proceed on the basis funding can be secured. If this doesn't come from Defra, alternative funding must be secured.**

**Action: KB and AS to come back to the Board with a proposal once funding has been secured. This can be before the March Board meeting.**

## **DEFRA**

DW gave a brief verbal update:

- New government is still in formation stage. Those who attended the Oxford Farming Conference felt that the SoS speech signalled several directions of travel, but left the industry concerned and uncertain in regard to commitment to farming.
- Pushing forward new programmes and strategy. EU/UK summit to be held at the end of February/early March.
- Headcount is going down. Directorate is changing, structure and ways of working.
- Welsh Government is still to approve four Board reappointments.
- Had Ministerial clearance for shortlisted Chair candidates, interviews first week of March.
- Still awaiting a reply from NS's letter to SoS.
- Still awaiting a meeting with Minister Zeichner, DW to continue to push for this.

## **FINANCE AND PERFORMANCE**

### **MANAGEMENT ACCOUNTS**

Management accounts were taken as read. TH noted that overall, we haven't spent as much as we forecasted. Increase in headcount and maternity figures are quite high. Work continues around budgets.

### **DRAFT 2025/26 BUDGETS**

TH noted that his team will be having meetings over the next two weeks and will have a draft budget ready for discussion prior to the March Sector Council meetings. GW confirmed the Leadership Team are looking at areas of work that can be stopped; further discussion around this will happen on Thursday 30 January. TC asked if we were checking whether our business processes are effective and efficient. TH confirmed the DDaT paper to be discussed later in this Board meeting included a piece on AI and improving efficiencies.
TH confirmed the Board will receive a three-year plan once his team have finished their budgeting work. TH to speak to David Eudall to see if he can collate any of DE's analysis work with finance data.
<b>RESERVES UPDATE</b>
Reserves update paper taken as read.
<b>PEOPLE</b>
<b>REMUNERATION AND NOMINATIONS COMMITTEE</b>
RemNom draft minutes taken as read. In CM's absence, KD noted that two recommendations had come from RemNom to the Board for ratification.
RemNom considered revisions to the list of exceptions relating to the annual pay award. Following discussion, RemNom were minded to recommend the proposed exceptions, subject to one amendment, for Board ratification. The full list of final proposed exceptions can be found in the draft minutes of the Committee.
<b>Decision: The Board confirmed they were in agreement with the list of exceptions noted.</b>
The Committee considered the need to appoint an Employer Guarantor to the HGCA Pension Scheme, as this has been vacant since the previous AHDB Finance Director left the organisation. The Committee supported the recommendation that Tony Holmes be appointed, and that this be ratified by the Board.
<b>Decision: The Board confirmed they were in agreement to appoint TH as Employer Guarantor.</b>
<b>HR UPDATE</b>
Paper taken as read. TH noted he is working on an updated version of the dashboard, which will give more granularity around sickness and absence as well as learning and development.
SB asked if there were any reoccurring themes in days lost during October/November. TH noted there weren't. SB asked if the Eli platform could be made available to Sector Council members as they were unable to access anything on our intranet. TH to make enquiries.
GJ noted there was some confusion around the title of one of the sections within the HR report: Culture, Wellbeing and Engagement. TH noted this title was historic, but he will look to reword this going forward as Culture change is being addressed separately to the revised HR structure.
GJ asked if it was possible to get an update on the feeling amongst staff around culture and how the work was progressing.
<b>Action: GW to ask Janine Hayter to pull together an update paper on Culture and Transformation to be included in the Board papers going forward.</b>
<b>H&amp;S</b>
H&S report and dashboard taken as read. Ongoing roofing repairs at HQ are slightly behind due to adverse weather conditions but contractors are doubling up to make up lost time and are confident they will finish on schedule.
LE noted the recent fire drill was too long to evacuate everyone out of the building. TH to feed this back to the Facilities Team.
<b>BOARD AND GOVERNANCE MATTERS</b>
<b>CORPORATE RISK MANAGEMENT</b>



RL confirmed she was carrying out a review of all governance arrangements, where we currently are and where we need to get to. Once this review has been completed, RL will come back to the Board with an update.

IA joined the meeting. Corporate Risk paper taken as read. IA noted he had done a significant amount of work with the Leadership Team to refine the risks on the corporate register. Relative risks at operational level still need to be defined in some areas, but there are now only five main corporate risks. IA noted the paper included in the Board pack also outlined what had happened to the pre-existing risks for audit purposes. SP wanted to note her thanks and congratulations to IA for all the work and progress he has made on the corporate risk register. She is impressed with the direction this is now going in.

#### **RISK APPETITE**

SP noted this is something AHDB has been looking at for some time. IA noted the paper included in the Board pack covers the work we've done and what work we'll be doing to get to where we want to.

GN noted that his view as a Board member to the rest of the non-execs is that there are some failings here. The risk environment starts with the Board, is led by the Board and as a matter of good governance, we should be reviewing and approving the systems on a regular basis. SP noted we have assessed the risk appetite every year but other priorities kept pushing it back and has never been given the attention it required.

**Action: IA to bring a paper back to the Board on Risk Appetite when it was ready for consideration**

#### **FOI REPORT**

Paper taken as read.

#### **FEEDBACK LOG**

Paper taken as read.

#### **DATE OF NEXT VOTE**

Guy Attenborough joined the meeting. On behalf of the Board, NS thanked GA for stepping into the Interim Company Secretary role for the last six months and for all his hard work whilst in the role.

7Paper taken as read. GA noted the recommendation included in the paper and asked the Board if they agree to having the next vote in 2027.

SP noted the impact it would have on resource if we are constantly going out for votes. GA confirmed several council members on different councils asked if there could be more frequent lighter touch votes. GA felt AHDB shouldn't go out on votes more frequently.

NS asked the Board if they agreed with the recommendation to go out for the next vote in 2027.

**Decision: The Board were all in agreement that the next vote would take place in Autumn 2027**

#### **LEVY CEILING CHANGES IN THE STATUTORY INSTRUMENT**

Paper taken as read. GA noted the recommendation for the Board to agree that we ask the SoS to increase the levy ceiling. GA confirmed there would be discussions with main stakeholders within each sector prior to the ceiling increase so they are all suitably consulted. SB asked if the uplift is enough to future proof the ceiling due to the substantial time it would take to get Ministerial approval.

**Decision: The Board were all in agreement to write to the SoS asking for an increase in the levy ceiling.**

#### **ANY OTHER BUSINESS**

#### **DDaT PROPOSAL**

Matthew Clarke and Joe Worrall joined the meeting. Paper was taken as read. TH gave a brief verbal breakdown of the budget figures. SP noted that we need to be aware of possible data breaches with AI from a risk perspective.

MC noted an average website life cycle is 5-8 years. AHDB would look to stretch the lifecycle for our website. We need to look at what website tools our customers are currently using and find a way to capture this data. GJ noted the standout for him was website development and asked how much insight we have obtained on what the levy payer wants from our website.

**Action: TH asked to do some further work on the DDaT proposal and come back to a later board meeting for further discussion and approval.**

#### **CHANGES TO C&O LEVY COLLECTION ADMIN DEDUCTION**

Guy Attenborough and Sarah Woolford rejoined the meeting. There was a detailed and robust discussion on the recommendation to reduce the C&O admin deduction, which covered the background, the evidence, the fairness of the recommendation and what discussions had been held with industry (particularly the Agricultural Industries Confederation (AIC)). The Board concluded that AIC should be provided one more opportunity to produce any evidence that could alter the recommendation from the Sector Council. The Board's decision was to support the reduction of the cereals levy collection administrative deduction from 5% to 3.28% with affect from 1 April 2025. In addition, the Board provisionally agreed the further phased reductions to 1.03% by 1 April 2027 unless AIC came forward with clear evidence to support an alternative rate, before the Board meets again in March 2025.

**Action: SW to inform Robert Sheasby at AIC of the Board's decision**

**Action: TH to write to cereals buyers giving a minimum of one month's notice of the new admin rate affective from 1 April 2025**

#### **ASSURANCE/RED TRACTOR**

Due to the Board meeting overrunning and travel commitments, it was agreed that an interim Board call would be scheduled for Friday 31 January 2025 to discuss assurance and Red Tractor.

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

Date of next meeting is Tuesday 25 March 2025 at AHDB offices in Coventry.

## **ADDENDUM**

### **Notes from Interim Board Call held at 3pm, Friday 31 January 2025:**

A broad discussion on assurance and Red Tractor was held. NS agreed to provide a summary of conclusions (noted below) for Board members.

### **THE ASSURANCE REVIEW**

#### **1. Commission Follow Up**

AHDB will seek to persuade the other sponsors of the Independent Review (the Farmers' Unions and Dairy UK) that we avoid putting ourselves in the position of responsibility for the delivery of the Review's recommendations. We equally cannot simply ignore the implementation having started the process. We therefore propose the appointment of an independent 'Reporter' (possibly one of the existing Independent Commissioners) with a small secretariat to report back to the industry as a whole - not simply to the sponsors. The frequency and starting point for the report should be as appropriate, at least in six months and twelve months. It should report progress in delivery of the Review's recommendations. This might require limited ongoing funding from the sponsors.

Publishing a progress report will ensure that the Reporter names and shames non-delivery or, at least, prompts rational answers as to why the recommendations have not been accepted or delivered by each named organisation.

#### **2. AHDB's Direct Response**

AHDB management will consider the recommendations that the Review has addressed directly at AHDB and present a paper to the March Board as to which recommendations we might consider appropriate to follow-up or reject, including issues of resource requirements and funding.

Following Board consideration, AHDB will publish a considered specific reply to the Review regarding the recommendations that relate to AHDB.

#### **3. AFS / RT**

AHDB's representatives on the Ownership Committee and AFS Board will be instructed to persuade their colleagues to address the Commission's recommendations and reposition AFS/RT in terms of governance and responsibilities.

Specifically, the 'ownership' committee must take responsibility for ensuring that the Board of AFS/RT delivers the recommended changes through full use of its powers to appoint and support or, if necessary, dismiss the Chair and Board Directors.

The AFS/RT Board must take full responsibility to introduce improved governance and industry consultation as well as establish strategic and business programmes and monitor progress to deliver the agreed Commission's recommendations.

Failure to obtain agreement will require a reconsideration by the AHDB Board as to its ongoing involvement and support for AFS/RT on behalf of levy payers.

