

**SUMMARY MINUTES OF THE ONE HUNDREDTH AND SECOND MEETING OF THE
AGRICULTURE AND HORTICULTURE DEVELOPMENT BOARD
HELD ON TUESDAY 25 MARCH 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), Catherine MacKenzie (CM)

IN ATTENDANCE:

Gill Laishley (GL) [Defra], Graham Wilkinson (GW), Katie Davies (KD), Tony Holmes (TH), Rebecca Loveday (RL)

Janine Hayter (agenda item 5.2 only), Ken Boyns (KB) (agenda items 5.2 and 7 only), Will Jackson (agenda item 8 only), Roseanne Thomas (agenda item 8.1 only), Jonathan Eckley (agenda item 8.2 only), Ian Ascroft (IA) (agenda item 12.1 & 12.2 only)

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| APOLOGIES FOR ABSENCE |
| No apologies received. |
| DECLARATIONS OF INTEREST |
| TC noted he now sits on the Stakeholder Committee of the British Beet Research Organisation (BBRO). |
| MINUTES OF THE BOARD MEETING HELD ON 28 JANUARY 2025 |
| The minutes of the Board meeting held on 28 January 2025 were accepted as a true and accurate record. |
| MATTERS ARISING FROM THE BOARD MEETING HELD ON 28 JANUARY 2025 |
| Paper taken as read. |
| Action 7033 regarding appointing an additional Board member with DDaT expertise. TC noted he felt a paper should be prepared in advance of the new Chair taking up the role so they could make a decision on this new Board member as soon as they are in post. |
| Action: NS, GW and RL to draft a paper for Board discussion prior to sharing with the new Chair. |
| CEO & OPERATIONS |
| 2024/25 BUSINESS PLAN STATUS UPDATE |
| GW noted that we were now in the final stages of this year's business plan. Completion rate was 90% with a projected final year end completion rate of 92%. Four amber rated items will continue into next year's business plan. |
| Improving the reputation of B&L – work has been progressing steadily on this. Clarification happening within a working group regarding governance and finances which will conclude mid-April at which point the item will be marked as complete. |
| EDI online and in person training figures have improved. Employees who have not yet completed this training will be booked onto courses during 2025 and any staff not turning up for their training session will be escalated to line managers. |
| Stakeholder management is still amber. Work is continuing to strengthen relationships with key stakeholders. There are examples of strong stakeholder engagement across AHDB and areas where that engagement is managed as part of a stakeholder management framework. However, there is |

more to do to embed stakeholder management consistently across the organisation. Work has started at Leadership level, and we will then roll this out across AHDB in 2025/26.

Risk management remains amber. Progress has been made including a review of the corporate risks and the AHDB risk appetite, however, risk management needs to be embedded fully into the organisation to make sure we are managing risks in an appropriate and consistent way. We will be rolling out further work in 2025/26 including training, roles and responsibilities and communications

7CM queried if we were using the right metrics for the amber rated items. GW confirmed that we were improving our metrics and next year's will be more refined.

2025/26 BUSINESS PLAN

Ken Boyns, Will Jackson and Janine Hayter joined the meeting. GW noted that sections 1-4 of the 2025/26 business plan had gone to all the March Sector Council meetings for sign off. GN noted that there had been real buy in from his Pork council on the business plan. TC noted the C&O council have taken ownership of their essentials, although broadly on board, there are a few gaps that need refinement.

GW and JH noted the key points from essential 5 – Unlocking the success of our people. SB noted he was pleased to see a career development framework being put in place and asked if staff were brought into this piece of work. GW noted awareness within the organisation was building. Work around a leadership blueprint was being developed and this will be incorporated into the career development framework. We are also looking at how to use current resource more effectively.

SP noted she would welcome being reversed mentored by a member of staff. We should be encouraging our top talent to look at becoming non-exec directors on boards within other organisations to help develop them further.

JH noted that TC was participating in a 360 feedback survey. SP, LE and CM all confirmed they would also like to participate in a 360 survey.

Action: JH will follow up with SP directly on reverse mentoring and contact SP, LE and CM about participating in the 360 survey.

RL and WJ noted the key points from essential 6 – Driving growth, innovation and excellence.

The Board supported the principle around attracting future funding, but this must be at the benefit of the levy payer.

Action: RL to bring a paper back to the Board on the division of responsibilities between it and the CEO

GN noted that his council were expecting a key activity around driving efficiencies by reducing headcount by 10% in the next two years. TC noted this was the first he was hearing of a timeframe. SB felt a roadmap was needed for this efficiency work and take this to Sector Councils for feedback.

Action: GW to bring a paper on achieving this 10% efficiency, including a baseline to work from, back to the Board at the next meeting.

RL confirmed she had now met with all Board members and was pulling together a plan to deliver improvements to AHDB governance. This document will be shared with the Board at a later date.

KB noted the key points from essential 7 – Industry leadership and collaboration.

A lot of the activities were focussed on data and baselining where we were making good progress. SB noted we needed to be asked by Defra to be involved in the Food Strategy work, whilst ensuring we were not acting as lobbyists.

GW noted that we were looking to include a column on the overall rating slide that tracked the activity against budget and forecast. TH was working on RAG status ratings for this but should hopefully have this column included in the business plan, which will come to the May Board meeting.

Decision: NS asked the Board if they were happy to sign off the 2025/26 business plan. The Board were all in agreement to approve. It was noted by SP and GN that GW did not need the board's approval of the business plan, he can inform and ask for advice, but ultimately it is down to him and the exec.

AGRICULTURAL INSIGHT FORUM MEETING

Paper and notes from the meeting on 7 February 2025 were taken as read. TC noted there were a good range of views from participants from the meeting.

Action: NS noted it would be helpful to include where the participants were from as well as their names. KD will circulate the bios for all participants.

SECTOR UPDATES

Sector update paper was taken as read. LE noted that following some recent work with FSA, they now had over 90% of dairy farmers contact details. This could be advantageous to other sectors and lessons could be learnt.

CENTRE OF EXCELLENCE

FAR ASSURANCE UPDATE

Ken Boyns joined the meeting and presented slides on the FAR work. He noted AHDB are not taking responsibility for general implementation.

Key areas of work for AHDB specifically or in collaboration:

- Clarity of the RT scheme, it's purpose and scope
- Red Tractor approach and ownership
- Data and Technology
- Environmental ambition

NS noted that the report doesn't address the key issue of what assurance is all about and how it can be improved.

The FAR sponsor group intended to ask David Llewellyn to lead on a follow up to the FAR in regard to progress by all those organisations recommended to address specified issues in 7-14 months' time.

SP felt some of the deadlines KB presented were unachievable and should be challenged rather than be seen to under deliver. This would show leadership.

CB noted the landscape we're operating in was constantly changing. The assumption in the report was that environmental standards were the way forward in UK farming. CB disagreed with this. He further noted this issue came up at the recent B&L council meeting and they asked for clarity on the RT scheme.

RED TRACTOR

NS gave a short verbal background to Red Tractor (RT). Core funding by AHDB was stopped four years ago, as it was felt that RT was financially able to support itself. AHDB is seen as the difficult party trying to get RT to address some of the more difficult issues. NS noted the RT board has started responding to our pushback and, although AHDB had intended to gradually withdraw from direct engagement, it was considered necessary to continue to be involved until RT's purpose and delivery is clearly focused on benefitting levy payers.

Recruitment of the new RT Chair was currently underway and NS is on the deputed selection panel with NFU and Dairy UK.

SP considered that AHDB had failed with RT due to a lack of proper governance. NS queried whether the Board would wish us to walk away completely if we don't get traction. CM noted she felt RT was taking up far too much organisational time and the Board should discuss the option of extracting ourselves completely in six months' time. CB said the B&L council also thought we should extract from RT.

LE noted that levy payers thought it was AHDB's responsibility to sort out the issues with RT. He felt we needed to resolve these or be seen to have failed.

NS noted that the RT scope and purpose in regard to the C&O sector and beef and lamb was urgently needed to be dealt with.

Action: GW to prepare a paper with an option to exit any responsibility for helping steer RT to come to the September 2025 Board meeting for discussion.

ENVIRONMENTAL & DATA UPDATE

Update paper taken as read. As noted in the paper, KB confirmed that funding had been secured from Defra and asked the Board if they were happy to proceed with the work with this funding. He confirmed the work would be England focused.

CB asked now that the funding amount from FTTP had been reduced, was this still acceptable and would it affect the speed of delivery. KB confirmed it may slow down slightly, but speed would come down to how much resource we could put into the project.

GN noted that if we proceed with this project, we need to keep a careful eye on the timeline. The project would benefit from a fixed timeline rather than a shifting timeline. KB confirmed we would be very clear on what the proof of concept would deliver.

Decision: NS asked if the Board were in agreement to proceed with the proof of concept project on the basis of the funding. The Board were all in agreement as long as very clear timelines were established.

MARKET DEVELOPMENT & COMMUNICATIONS

COMMUNICATIONS STRATEGY

Will Jackson and Roseanne Thomas joined the meeting. RT presented slides with an update following the conclusion of the Comms Task & Finish Group work. These were focused on the comms strategy up to 2030 and the comms plan for 2025/26. RT noted that following Board approval today, she would return to a later Board meeting with another update on progress.

RT confirmed that now all four sectors had their own dedicated strategic comms person, they were responsible for the comms within their sectors. GJ noted this would give accountability within each of the sectors for their own comms performance. It would be very clear if things are going well or not and would remove the insulation that had previously been around the comms function. GJ further noted that a comms update should be a regular Board item, but needed to find a meaningful way for progress to be reported back.

SP noted it was good to have sector specific comms people but asked how would they cover the cross sector or organisational comms. RT noted she is working with the wider team to come up with a plan to cover all these areas.

SB noted the focus and drive to go more digital, but asked how we'd service the not so technical farmers. RT noted the need to encourage change in behaviour and show farmers what they're getting was real value for money. WJ confirmed a few may be lost by advancing our technology, but we needed to be seen as leaders within the industry. He further confirmed it would be a gradual transition to allow farmers to get onboard with the changes. LE noted the need to look at staffing and capabilities to improve our digital offering since going more digital would allow a spotlight onto the team

SB asked how levy payers can feed back their thoughts on our digital changes, what worked for them and what didn't. RT confirmed that Qa Research insight surveys would still continue and all levy payers could email AHDB directly.

TC noted the tone of voice needed to be clear. He felt the phrase "behind" doesn't show us as leaders and recommended other phrases be considered instead.

GJ noted that he had recently had a conversation with Liz Haines, ex Dairy Sector Council member. She was doing a lot of work around neurodiversity amongst farmers. Neurodiversity was a big challenge for AHDB so asked that RT and her team consider what could be done through communications.

Action: RT to get in touch with Liz Haines to discuss the neurodiversity work further.

CM noted that when RT presented to the Board in 2024, they were all quite shocked at the size of the comms team. CM noted the Board needed to understand the cost effectiveness of this team and asked the Board to consider the size and skills of the comms team over the next six months. It was

increasingly recognised that the team covered a multitude of functions beyond comms and that this needed to be better understood. GW confirmed they were looking to decentralise the comms team into other areas of the organisation.

On behalf of the Board, NS thanked GJ for leading the comms task and finish group and for all the work they did.

EXPORTS UPDATE

Jonathan Eckley joined the meeting. WJ noted that JE had just been offered and had accepted the role of International Trade Director following a period of doing the role on an interim basis. JE introduced himself and noted that having been at AHDB for 19.5 years, he had spent a considerable amount of time in all the various parts of exports.

JE presented slides covering four key areas:

- **Beyond Borders**
Beyond Borders was launched in June 2023 and was done in collaboration with government departments including Defra and DBT, as well as key industry stakeholders. It was all about maximising the opportunity of international markets and the offer to our sectors.
- **Market Access**
Increasing access to markets and maintaining the existing ones. Make prioritisation partnership working with UK government and industry.
- **Trade Development**
Needed to promote a positive image for great British food using a focused events programme (MENA, Asia and Americas). Trade shows were a cornerstone of our activity. AHDB was uniquely placed to fly the flag for British produce. Worked with the MI team to identify the most cost-effective shows.
- **Where next?**
Slimmed down calendar of trade shows all leading up to Anuga in October. Market promotion was key. Use of aligned branding, all under the “Quality” branding bespoke to sector.

SP asked if JE was factoring in what branding colours work in different countries/markets (i.e.: red is big in the middle east). JE confirmed they were, and they had great teams on the ground in countries to help with this.

SB noted that exports was a growing key area and asked if we have the right size team and relevant skills needed. JE confirmed there were some great skills within the exports team, but JE/WJ needed to look at where the gaps were and how to fill these effectively. JE also noted he needed to look at the current use of agents in certain countries.

DEFRA UPDATE

GL gave a brief verbal update on Defra.

- A list of five appointable candidates for AHDB Chair had now gone to Ministers. They would decide on the preferred candidate, which would then need to be approved by the devolved governments and finally submitted to Number 10 for final approval. This may take a couple of months to get through all the required approvals, so an interim extension of two months would be agreed for NS to remain in post.
- A paper on SI levy ceiling changes hadn't yet gone to Ministers.
- The Land use framework was being developed, KB was helping Defra with this.
- The Farming Roadmap was a priority for Defra, which was structured by theme rather than sector.
- The Head of the Farming Profitability Review would be announced soon. This needed to be aligned with the Farming Roadmap but it wasn't yet clear how that would be achieved.
- Getting the right stakeholders on Defra boards and groups was proving difficult. GL asked for AHDB help with addressing that.
- GL noted there is a lot going on and she now had a very small team so asked us to bear with them.

FINANCE AND PERFORMANCE

MANAGEMENT ACCOUNTS

Management accounts were taken as read. TH noted that after 11 months net levy income was more than the latest forecast. Beef & Lamb reports an increase in levy repatriation, the Q3 volumes were received after the forecast was finalised. Milk production was currently over forecast resulting in a positive variance. Pork slaughtering was above expectations resulting in additional levy and levy repatriation was ahead of forecast. For the full year forecast Dairy was over budget, which relates to late returns from 23-24 and an expected increase in 24-25 production volume, B&L and Pork income variances were due to natural variances. Levy repatriation reports a variance, which relates to 23/24. C&O net levy income was below budget, levy income has reduced due to the expected size and quality of the UK harvest. Levy collection costs were only included in the Budget for April to September; these have been reinstated for October to March resulting in an increase. The Pork sector has suffered a bad debt charge in Q1, as previously reported, which has remained static.

2025/26 BUDGETS

TH confirmed that all four Sector Councils had now signed off their budgets.

CB noted that B&L council were looking at a future budget. The council were quite pessimistic about levy forecasting and tended to doubt what the experts were saying. Once Sam Charlton returned to the business, CB would work with her to look at future budgeting for addition savings, so they didn't hit their minimum reserves. GN noted that the Pork sector had been sceptical about the AHDB experts' forecasting previously but the forecasts had been correct.

SP asked if our Sector Councils were the right size, given this was one of the biggest expenditures. CB noted that the day rate council members got was less than they would get spending that time in their own businesses. They also each brought a different expertise to the council. TH confirmed he would keep an eye on this figure going forward.

Decision: NS asked the Board if they were happy to sign off the 2025/26 budget. The Board were all in agreement to approve.

AHDB SUBSIDIARIES

Paper with all the background taken as read. TH noted the recommendation was to request approval from the AHDB Board meeting in March 2025 to register NewCo Limited as a company limited by guarantee with AHDB as the sole member. The Board would also be asked to appoint two members to represent the Board in SBEU strike-off related activity. SP confirmed as ARAC Chair, she was happy with this recommendation.

Decision: The Board all agreed with the recommendation noted above.

AGENDA ITEM 11 – PEOPLE

REMUNERATION AND NOMINATIONS COMMITTEE

MLC PENSION SCHEME – REQUEST FOR A DISCRETIONARY INCREASE

Paper taken as read. TH asked if the AHDB Board supported the award of a discretionary increase over the scheme rule limits. The Remuneration and Nominations Committee considered this request and voted unanimously to reject the call for a discretionary increase above the current scheme rules.

Decision: The Board declined the request.

HGCA PENSION - EMPLOYER NOMINATED TRUSTEES

Paper taken as read. TH asked if the Board agreed with the proposal to reappoint Janet Swadling as an Employer Nominated Trustee and if they agreed to the replacement of George Lyon as an Employer Nominated Trustee. If the Board agreed to replace George Lyon as an Employer Nominated Trustee, the Board would be asked for a volunteer to take his place. The Remuneration and Nominations Committee have considered this request and voted unanimously to reappoint Janet Swadling for a further 5-year term and replace George Lyon with a new ENT.

Decision: The Board confirmed they agreed to reappoint Janet Swadling and replace George Lyon with a Board member. TC nominated himself for this position.

Action: Any Board member wishing to nominate themselves for this position should email KD by Tuesday 1 April. KD will then place a vote into OnBoard for the Board to decide who should take up this position.

HR UPDATE

Paper taken as read. TH noted the reduction in staff turnover and the gender pay gap. A new Head of HR had just been appointed and would start at the end of June 2025. The successful candidate was an external applicant. Once they were in post, this would help bring stability to the team.

GJ noted there were a significant number of leavers after 3-5 years of service. TH confirmed this was down to staff being headhunted or looking for roles elsewhere and wasn't a new development. The industry tended to recruit the most experienced or high-performing staff. GW noted that this area would be looked at during the work on Employee Value Proposition being led by Janine Hayter. AHDB wanted to attract and retain the best employees.

TH confirmed the new Head of HR would look at the possibility of introducing a bonus scheme across the organisation. There was considerable work required to examine what this scheme comprised of.

Action: Once the Head of HR has established in role, a paper will be produced and go to a RemNom meeting at a later date for further discussion.

Action: The Leadership Team will discuss the EDI statistics reporting and bring a paper back to the Board.

H&S

Paper taken as read.

Decision: It was agreed by the Board that the H&S report will only be included in the agenda and Board papers by exception going forward.

BOARD AND GOVERNANCE MATTERS

AUDIT AND RISK ASSURANCE COMMITTEE

Ian Ascroft joined the meeting. Summary paper and draft minutes taken as read. SP asked if the Board were happy with the extended timelines for some items and happy to agree to these.

Decision: The Board confirmed they were happy with the suggested extended timelines as noted in the paper.

GN asked for more details around the Pig Hub issue. SP confirmed that the failure to address the audit recommendation in a timely manner had resulted in a transfer of data ownership to LI Ltd without first purging the data indicated as obsolete by AHDB's documented retention schedule. This may have resulted in a breach of GDPR which could result in an ICO investigation of AHDB. However, in discussions with management it appeared that the originally determined data retention timelines were inaccurate, specifically to enable traceability for public health in the event of a disease outbreak, and therefore retrospective extension of the data retention timeline to reduce the risk of purging data that may be required later and could be justified should an ICO investigation into the matter ever occur. It would also remove the issue of ongoing non-compliance.

CORPORATE RISK MANAGEMENT

Paper taken as read. IA noted that the work on risk management was ever evolving. IA had included an annex with the draft risk appetite statement. He noted this had been to both the Leadership Team meeting and ARAC and now needed final Board approval. This would then form the new risk policy.

Decision: Board agreed with the risk appetite statements.

IA noted that he had just passed his MOR4 Risk Practitioner qualification, so AHDB had met their requirement to have one person in the organisation with this. He is continuing to study for his IORM Certificate in Risk Management.

FOI REPORT

Paper taken as read.

FEEDBACK LOG

Paper taken as read.

ANY OTHER BUSINESS

LE noted he had recently stepped back from sitting on the ARAC Committee after three years and would now like to join the RemNom Committee. He asked the Board if they agreed with him doing this.

Decision: The Board all agreed to LE joining the RemNom Committee.

DATE OF NEXT MEETING

Date of next meeting is Tuesday 20 May 2025 at AHDB offices in Coventry.

