

AHDB Strategy 2017-2020 “Inspiring Success”

Summary of consultation feedback

Introduction

AHDB’s new three-year strategy, ‘Inspiring Success’ was launched on 1 December 2016. The strategy sets out a new purpose for AHDB, an ambitious vision for the industry and four strategic priorities for the whole organisation. These are:

- Inspiring British farming and growing to be more competitive and resilient
- Accelerating innovation and productivity growth through coordinated research and development (R&D), and knowledge exchange (KE)
- Helping the industry understand and deliver what consumers will trust and buy
- Delivering thought leadership and horizon scanning

Working under an AHDB framework, the strategy sets out six new sector strategies that have been drawn up by our six sector Boards, along with a series of targets for our activity over the period 2017-19 <http://www.ahdb.org.uk/documents/Corporate%20Strategy.pdf>.

The document was published for consultation and sent to almost 300 organisations and individuals across the food, farming and horticulture sectors, as well as government departments. AHDB also held discussions with stakeholder organisations and a series of roadshows in the beef and lamb sector.

Over 90 written responses were received, as well as more informal feedback. In line with AHDB’s commitment to engage positively with the industry, this short report provides a high level summary of the feedback we received and the next steps that have been agreed by our main Board and Sector Boards on the strategy.

Corporate strategy – summary of feedback

Purpose, vision and priorities

Most of the responses indicate support for broad thrust of the strategy, the vision for the industry and the four strategic objectives. Many responses indicated a feeling that the corporate strategy gave a clearer focus to AHDB’s work than at any time in the past, as well as a good framework for the six sector strategies.

A concern was expressed by some that the corporate strategy contained a bit too much management speak and felt ‘top down’, being presented as a fait accompli rather than a document

for genuine consultation. There was also a feeling from some representative bodies that the strategy paid insufficient regard to processors and other post-farmgate levy payers.

Some responses identified a desire for greater transparency about the workings of AHDB and our sector Boards, including at least one call for AHDB Board meetings to be held as 'open' meetings and webcasted, similar to the Food Standards Agency

Finally, some respondents enquired whether the strategy was sufficiently flexible and 'Brexit-proofed'. In addition, some responses questioned whether enough emphasis was being placed on environmental sustainability and collaboration as objectives for AHDB activity.

AHDB role in research

There was widespread support for AHDB taking a more strategic approach to R&D in order to address the major challenge of developing an effective innovation pipeline. Research contractors and others who responded to the strategy welcomed the plan to organise AHDB's technical work into a series of six 'themes'.

AHDB's role as the interface between the farmers and growers and the research institutes was recognised, notably the aim to work as a partner to the Agritech Innovation Centres.

One notable recommendation suggested that AHDB should lead efforts to create a new fund for applied R&D to bridge major funding gaps in applied R&D that could be managed like a trust fund to combine funding from AHDB, other organisations and government.

Concerns were, however, expressed, especially by research contractors and responses from the horticulture sector about the move in financial commitment from R&D to KE

Knowledge exchange

There was general support for increased emphasis on KE and the desire to move KE closer to farming, albeit with some concerns expressed above. Overall, there was recognition and appreciation of the key message in the strategy about the need to join up the fragmented landscape of KE and the need for more collaboration with the private sector. Many respondents saw this as a key challenge to overcome in terms of productivity growth and were keen to work more closely with AHDB.

There was enthusiasm in some quarters for AHDB engaging in more benchmarking, both of international performance and in terms of new tools for farmers and growers.

Developing markets

Although some responses highlighted a fear that AHDB's role in marketing was being downplayed, others questioned the value of investing levies on generic product promotion. There was support for developing a more unifying and compelling proposition for the British food brand through Red Tractor.

Few responses formally highlighted AHDB's role in food exports, although industry discussions highlighted the growing importance of this in the context of the UK's departure from the EU.

Cross-sector working

Responses highlighted an underlying tension between, on the one hand encouragement for more cross-sector, functional working in R&D and KE while, on the other, a feeling that AHDB must continue to demonstrate it is investing in activities that benefit levy payers from specific sectors.

Responses universally highlighted the need for cross-sector working to deliver greater value for money.

Specific comments were made by several respondents about approaches to plant health across three sectors looking disjointed and the need for this area to be elevated in the strategy.

Supply chain focus

The intention to adopt more of a supply chain approach to KE and some sector strategies was welcomed. Some responses suggested AHDB could do more to shine a light on the workings of the supply chains and bring more transparency and leadership around fairness, contracts and so on. In addition, at least one response indicated that the strategy missed an opportunity to promote cooperation and collaboration.

Targets and KPIs

There was an overwhelming desire for more detail on how the strategy will be delivered with particular reference to wanting to see the KPIs that will be used to monitor performance and how these will be communicated to the industry.

Budgets and levy rates

Responses indicate that the indicative budget pie charts were not always clear, with some demand for a better breakdown of expenditure. There were no calls to adjust the proposed levy rates.

Sector Strategies – summary of feedback

Beef & lamb

The feedback received was broadly supportive, although there were some challenges, including:

- Whether the sector targets were bold enough, particularly in relation to export
- The desire to see KPIs as well as activity plans, especially in connection with specification targets
- Questions around the role AHDB Beef & Lamb could play in shaping the future of carcase classification
- A concern that the corporate and Beef & Lamb strategies don't overtly mention the Livestock Identification and Data Exchange Hub (LIDEH)

The AHDB Beef & Lamb board discussed all sector responses. Although it confirmed its intention to maintain the published strategy, it agreed that it should highlight AHDB's desire to lead discussions on carcase classification to move the industry beyond the current EUROP grid. It also confirmed its intention to support AHDB involvement in LIDEH.

Cereals & Oilseeds

For the Cereals & Oilseeds strategy, there was majority support for the main thrust of the strategy under the four overarching AHDB priorities. The principal changes: shift in emphasis towards KE, the greater utilisation of third-party research data, the coordination of KE delivery, the focus on the supply chain and the inclusion of more insight with MI outputs had broad support.

There were specific concerns expressed in three key areas of the proposed strategy. These were the proposal to move funding from research to KE, the decision to withdraw AHDB funding from pre-breeding research and centralising the delivery of education, diet and health activity.

Having considered these responses, the Board has indicated its desire to maintain the proposed strategy, albeit recognising a need to review decisions on pre-breeding research on a case-by-case basis.

Dairy

Overall, comments received in relation to the proposed dairy strategy were supportive of the overall thrust as well as the specific components of the strategy. There was encouragement for AHDB to invest more in thought leadership and analysis in dairy markets and supply chains, as well as the new area of work in domestic market development.

Many of the questions and points raised related to how AHDB will translate the strategic objectives into activities, how to reap the benefits in practice of one AHDB and very importantly how we will set targets and monitor progress. The AHDB Dairy board has, therefore, endorsed the proposed strategy.

Horticulture

The AHDB Horticulture strategy received the most sector-specific responses (over 40) of any AHDB sector. There was universal endorsement of the EAMU programme and for research work on integrated crop management (ICM). Many contributors challenged the indication set out in the budget pie charts of a reduction in funding for technical research and a proportionate increase in funding for KE feeling this went against the long-term interests of the sector.

Many contributors, particularly those representing the most consolidated supply chains, argued that AHDB Horticulture should confine its activities solely to technical R&D on the grounds that non-technical activities like market intelligence and development are already well provided for by others. Diverse views were expressed on the potential role of AHDB Horticulture in thought leadership. Some growers of speciality crops have made a case for limited market development activities.

Although the AHDB Horticulture Board has approved the published strategy, it recognises that some important points of clarification were required.

Firstly, the change indicated by the budget pie chart largely reflects the fact that KE activity was previously split between the Horticulture Research and Knowledge Transfer (KT)/Communications teams, and was not explicitly recognised in the way that it now is. It is recognised this should have been made clear in the document. AHDB Horticulture's actual expenditure on technical research will remain approximately the same as it is now.

Secondly, the Board has confirmed that crop protection and ICM will remain the two joint top priorities and will continue to account for around two-thirds of our total research budget. Funding has been committed to strengthen the EAMU team and the Board will periodically review the situation to ensure AHDB remains able to fully meet the industry's short-term crop protection needs.

Thirdly, on the points of greatest contention, notably market development and thought leadership, the AHDB Horticulture Board has approved the formation of two task-and-finish groups, which will draw their members from industry and whose findings will be reported back to industry through AHDB Horticulture's normal communication channels.

Pork

Feedback from stakeholders was supportive of the strategy and the areas of activity that are proposed to deliver benefit for levy payers. There was particular support for putting more resources into rejuvenating the image of pork through promotional activity and focusing more resources on exports. Some stakeholders felt there should be more focus on eating quality and consistency.

There was also support for stimulating new methods of pig carcass classification and improving skills.

Reassurance was sought about maintaining sufficient focus in the delivery of the strategy. The pig sector is a specialist industry that requires specialist staff working on their behalf. There was also clarification sought about the responsibilities of the AHDB Pork Board and Board members' role in ensuring the delivery of the sector strategy. Concern was expressed that AHDB must remain accountable to the people who pay the levy.

Potatoes

Stakeholders were overwhelmingly supportive of strategy, albeit eager to see more detailed activity plans, KPIs and evaluation of activities.

Support was received for the determination to link AHDB KE activity with agronomists. There was also a desire to see better join-up on issues like crop protection across sector strategies.

The move towards an advocacy approach to promoting the benefits of potatoes was supported. There were some question marks around the value of the EU-funded promotional campaign. Some stakeholders were keen to see more emphasis on rebuttals of bad news.

Next steps

AHDB's Board met on 31 January to review responses to the strategy and agree next steps. Following the feedback the Board has agreed that:

- The proposed strategy should be maintained and reviewed regularly by the Board in light of the significant challenges and opportunities posed by Brexit
- Levy rates should remain unchanged for the 2017/18 financial year
- AHDB should respond in writing to all those who took the trouble to submit substantive written comments on the strategy
- Detailed annual activity plans that implement the strategies should be drawn up for approval by Sector Boards by 31 March 2017, along with final budgets. Activity plans should take account of the feedback received on the strategy
- These annual plans will be published, along with approved budgets, targets and KPIs for activities in April 2017. These will enable levy payers to see more clearly how AHDB will go about delivering the strategy and enable the industry and stakeholders to hold the organisation to account on delivery.

February 2017