

**SUMMARY MINUTES OF THE SEVENTY FIRST MEETING OF THE  
AGRICULTURE AND HORTICULTURE DEVELOPMENT BOARD  
HELD ON TUESDAY 19 NOVEMBER 2019 AT  
STONELEIGH PARK**

**PRESENT:**

Hayley Campbell-Gibbons (HC-G), Sophie Churchill (SC) (Skyped into meeting until 11.15 a.m.), Gwyn Jones (GJ), Peter Kendall (PK) (Chair), Will Lifford (WL), George Lyon (GL), Adam Quinney (AQ), Mike Sheldon (MS), Janet Swadling (JS), Paul Temple (PT)

**IN ATTENDANCE:**

Ken Boyns (KB), Rebecca Geraghty (RG), Tom Hind (TH), Jane King (JK), Richard Laverick (RL), Tim Mordan (TM), Sue Walker (SW), Christine Watts (CW)

**AGENDA ITEM 1 – APOLOGIES FOR ABSENCE**

No apologies for absence were received.

**AGENDA ITEM 2 - DECLARATIONS OF INTEREST**

There were no declarations of interest.

**AGENDA ITEM 3 – MINUTES OF THE MEETING HELD ON 24 SEPTEMBER 2019**

The minutes of the last meeting held on 24 September were accepted as a correct record and signed by the Chairman.

**AGENDA ITEM 4 – MATTERS ARISING FROM THE MEETING HELD ON 24 SEPTEMBER 2019**

**Red Tractor**

A discussion with the Board on future partnership/arrangements with Red Tractor will be discussed at the next meeting in January.

**Board visit in 2020**

The Board agreed to a regional visit in 2020, timings for this were discussed.

**Chair of HGCA Pension Scheme**

The role profile for the HGCA Pension Scheme Chair had been prepared.

## **AGENDA ITEM 5 – REQUEST FOR VIEWS FEEDBACK**

Sarah Evered (SE) joined the meeting for this item and Agenda item 6. TM informed the Board that SE had recently joined his Defra team with responsibility for AHDB, innovation and agritech.

TM provided the Board with a summary of findings from the Request for Views consultation.

The results will be published once agreed with Ministers following the General Election. There will be a need to work up proposals to new ministers on how to respond to the findings. Consideration should be given to the results in the development of the new AHDB Strategy.

TM agreed that the slides that had been presented, which gave a very top-line look at the Request for Views responses, could be shared. CW/TH will discuss how this is done in relation to staff and sector boards. It is the intention to inform staff at the staff conference on 5 December.

## **AGENDA ITEM 6 – AHDB STRATEGY**

Phil Bicknell (PB) joined the meeting for this item. TH referred to the paper in the board pack. The draft strategy had been further refined following the board meeting in September. The document had been submitted to the communications team to ensure that the language was accessible to key audiences. A simple one page/slide illustration was being prepared that can be used in presentations with farmers and growers. Six sector plans had been drawn up which identify the key priorities under the Corporate Strategy for each of the Sector Boards. The plans set out at a high level what we aim to achieve over the short, medium and long-term. The sector boards have been discussing the plans at recent meetings and they will accompany the strategy for consultation.

TH commented that meetings had been held with the Senior Team and “Heads of” to describe the overarching corporate priorities set out in the Strategy and the Sector Plans. The Leadership Team had identified a number of investment areas that are considered critical to delivering the strategy.

It was agreed that owing to the General Election, which was causing a delay in appointing the new Chairman, it would be correct to pause the strategy consultation until the appointment is made which would give the incoming Chair an opportunity to have some involvement in conjunction with the Leadership Team. KB/TH agreed to work up a timeline for the process.

### **Action: KB/TH will work up a timeline for the AHDB strategy consultation**

PB commented that the Leadership Team had identified two overarching measures of success for AHDB. Further work was needed to refine the outcomes being sought to achieve across the six priorities/segments of the Corporate Strategy and how these are measured. It has been proposed that a REED/DEER model (Delivery-Engagement-Effectiveness-Results) is used to enable teams to understand how the work they deliver helps to achieve outcomes to enable a clearer, cleaner line of sight for measuring performance and evaluation of work.

**SE and PB left the meeting at this point.**

## **AGENDA ITEM 7 – LIP – VALUE ADDED WORK DECISION MAKING**

Simon Hall (SH) joined the meeting for this item.

SH thanked the Board for its continued support of LIP. This support as well as that of TDUG has been key to enabling Defra to let go of direct control of the design of the new multi species traceability

service. Since the full business case was agreed in July significant progress has been made to enable the programme to be delivered.

LI Ltd has been established, SH thanked KB and colleagues across AHDB for their help with this. A Delivery Agreement has been signed by AHDB, Defra and LI Ltd. that sets out the terms of collaboration. LI Ltd. has been commissioned to deliver the LIP for Defra which lays the foundation for further development. SH commented that so far two contracts have been let to Shearwell and SCISYS and Equine Register.

SH commented that the LIP team was growing. An additional £0.75m had been secured from Defra to continue to work in line with the preferred plan. It is anticipated that the new cattle service will be rolled out from September 2020.

RL informed the Board on the decision-making process under development for added-value functionality and services and the commissioning of that work with LI Ltd. The paper provided an overview of the structures that will inform the development and commissioning of added value activity with LI Ltd. and a proposed decision-making approach for the development of added value capability and services that will build on the core multispecies traceability system. RL commented that it is proposed to form within AHDB a Technical Innovation Group and a process to commission work with LI Ltd. The Technical Innovation Group would identify, shape and develop added-value options related to the programme. Membership would be drawn from across the Technical Directorate or wider AHDB, individuals will be engaged according to the subject area under consideration. The framework described will provide a coordinated view of AHDB requirements in relation to the development of added value options, a prioritised demand pipeline, a recognised commissioning process and an intelligent client capability.

It has been agreed that two ownership groups (one each for Defra and AHDB) will give direction to LI Ltd., both groups have a governance role. The AHDB Ownership Group will be expected by LI Ltd and Defra to have the authority to act on behalf of AHDB for matters relating to LI Ltd. Membership of the group has yet to be agreed but will be at a senior level. For the Defra group it is planned that the terms of reference for that group will be in line with the AHDB group. Each group will have representation on the other members Ownership Group. The Chair of the Traceability Design User Group (TDUG) will be invited by both members to attend Ownership Group meetings.

It was agreed that as this was such an important project, half a day during the early part of next year would be devoted to updating the Board. The timing for this will be agreed.

**Action: A half day during early 2020 will be planned for the Board to learn more about LI Ltd.**

**Action: Final Terms of Reference and ways of working to be brought back to the Board for final approval**

## **AGENDA ITEM 8 – CROSSKEYS PROJECT UPDATE**

KB provided the Board with an update on Crosskeys. The Potato Sector Board had discussed the proposals at its recent meeting. The AHDB Board confirmed its support on the direction of travel going forward.

## **AGENDA ITEM 9 – UPDATE ON FARBENCH**

RG provided an update on Farmbench. The Farmbench system is now fully live and is being actively used by over 1200 farms and benchmarks are being used for different products. A Farmbench Lite

or KPI entry level portal to the full Farmbench system has been scoped. This will be produced initially for Dairy followed by Beef and Sheep and then the rest of the sectors. This will address the concerns relating to full benchmarking.

After a debate, it was agreed that some proposals should be developed for the Board to look at how farmers and growers are involved in the development of new products and services.

**Action: Proposals will be developed for the Board to consider regarding how farmers and growers can be involved in the development of new products and services**

#### **AGENDA ITEM 10 – RISK**

KB commented that a number of risks had been removed. The two risks relating to cyber security/IS had been merged. Work continues on the corporate risk relating to delivery of mission critical projects and activities in some areas. The risks relating to HS2 and the loss of income in Scotland and Wales have been removed as they were being managed as business as usual.

KB provided the Board with an update on VAT.

KB commented on the volatility in the financial markets which was having an impact on the MLC Pension Scheme. The Trustees of the Scheme have discussed and are planning to send a letter to the AHDB Board setting out its position and actions that will be taken. The next Triennial Valuation of the MLC Scheme will take place on 31 March 2021.

#### **AGENDA ITEM 11 – FINANCE UPDATE**

KB provided the Board with an update on the budget position.

#### **AGENDA ITEM 12 – HGCA PENSION SCHEME TRIENNIAL VALUATION APPROVAL**

KB provided details on the outcome of the HGCA Pension Scheme Triennial Valuation. KB informed the Board that a number of proposals had been discussed at the Remuneration and Nominations Committee on 18 November 2019. The Board agreed the recommendations.

KB reported that a Head of Pensions role was being recruited on a fixed term basis.

AQ enquired whether the pension trustees were receiving the right level of training as there was a legal requirement. Board members and those in attendance who are trustees confirmed that they were receiving sufficient training.

#### **AGENDA ITEM 13 – APPROVAL OF HUNTINGDON OFFICE LEASE**

The Board was informed that the Huntingdon office lease was due for renewal. The Huntingdon office accommodates staff working on the Cereals & Oilseeds Recommended List. The Board approved the renewal of the lease and this was signed by MS and PT.

#### **AGENDA ITEM 14 – BOARD GOVERNANCE SCHEDULE AND FORWARD PLANNING**

The Board governance schedule was discussed with items identified for forthcoming board meetings including levy payer engagement, future of AHDB, what emerges from Request for Views, Brexit. HCG commented that by early next year an overview of the horticulture levy can be discussed.

**Action: Presentation on horticulture levy to the AHDB Board at a future meeting**

## **AGENDA ITEM 15 – HEALTH AND SAFETY REPORT**

RG commented on the new health and safety dashboard. RG requested feedback from the Board. SC commented that there were still areas of concern relating to health and safety at Sutton Bridge, RG agreed to get in touch with SC to discuss.

**Action: RG will speak to SC about health and safety at Sutton Bridge**

## **AGENDA ITEM 16 – AHDB SUB-COMMITTEES**

### **Audit and Risk Assurance Committee**

The ARAC had met on 18 November. WL reported that some time had been spent at the meeting discussing the role of ARAC. This had included recommending to the AHDB Board that ARAC's remit should be clarified to be clear that it should include looking at the systems and operation of these systems to assure the Board and ARAC that significant projects and value for money is being achieved. It was noted that ARAC should not make decisions about projects or value for money but focus on reviewing the assumptions and systems and provide the AHDB Board with advice on where the Board may wish to seek further assurances on projects or request the executive take action. The ARAC considered that these changes, subject to the approval of the Board, should be implemented as soon as possible. After debate the Board agreed with the principle. JK commented that the ARAC felt that some of the monitoring and evaluation tools were not user friendly.

**Action: Amended Terms of Reference for ARAC to be brought to the January Board meeting for formal approval**

The internal audit report on legal requirements had received a satisfactory rating. A discussion had been held on internal audit services. The Board agreed with the recommendation that the contract with the current provider would be extended by one year.

WL commented that a report had been presented on penetration testing.

An updated risk management policy was discussed. This will come to the Board for approval in January 2020. The risk map had been reviewed, ARAC was satisfied with the key risks.

The interaction between the AHDB ARAC and LIP ARAC had been discussed. A paper will go to the LIP board next month.

The updated Whistleblowing Policy was still to be finalised. WL/JS will take this offline and get some time with Jackie Kay to discuss with the intention of approving before the next meeting.

A discussion had taken place relating to the speed of web migration. CW agreed to look at this.

**Action: CW to review the speed of web migration**

## **REMUNERATION AND NOMINATIONS COMMITTEE**

GL reported on the Remuneration and Nominations Committee meeting which had been held on 18 November. A discussion had taken place relating to car fleet costs. There was a need to look at fleet costs against other organisations. It was agreed that the mileage criteria is increased. A paper will be prepared for the January meeting relating to the Government policy on road to zero targets.

**Action: Driving Policy proposals to be considered by the Remuneration and Nominations Committee at a future meeting**

***All staff and TM left the meeting at this point.***

The board had a private discussion on Remuneration issues and agreed to a recommendation from the Remuneration and Nominations Committee.

***All staff and TH re-joined the meeting***

#### **AGENDA ITEM 17 - ANY OTHER BUSINESS**

Electronic board packs will be used from January 2020. These will be accessed on board members' own devices – smartphones, laptops, iPads or Kindles.

**Kate Rowell (KR), Chair and Alan Clarke (AC) CEO QMS joined the meeting from this point**

#### **AGENDA ITEM 18 – SECTOR REPORTS**

The sector reports were taken as read. Each of the sector chairs informed the Board of the key points in their sector strategies.

#### **AGENDA ITEM 19 – CORPORATE REPORT**

CW reported on the lamb campaign which had shown positive increases in lamb sales.

RG provided the Board with details on the changes within the Technical Management Team. The Ruminant Health and Welfare consultation had closed on 25 October with 51 responses received. An independent summary report of the consultation responses will be produced. Discussions have been taking place with the Agri-metrics Innovation Centre on a pilot project to help classify various data sets across the Technical function.

#### **AGENDA ITEM 20 – CHAIRMAN'S REPORT**

PK asked for his report to be taken as read.

#### **AGENDA ITEM 21 – CEO REPORT**

JK encouraged the sector board chairs to look at mechanisms of engagement with levy payers through making sector board meetings more accessible to them. JK cited the potato board meeting which SC had held in Peterborough which she had attended. TM asked if there were other opportunities where the Board can explain what AHDB does. TH commented that sharing the new strategy offers a great opportunity for engagement. It was agreed a communications strategy should be developed to use as part of the strategy launch.

JK provided an update on skills. A paper will be prepared for the March 2020 Board meeting.

#### **AGENDA ITEM 22 – PRESENTATION BY KATE ROWELL AND ALAN CLARKE QMS**

**Phil Hadley (PH) joined the meeting at this point**

KR provided the Board with an overview of QMS outlining the activities that were underway.

AC discussed with the Board the future of the ring fenced fund requesting that this be reviewed for the benefit of England, Scotland and Wales levy payers.



### **AGENDA ITEM 23 – EXPORT UPDATE**

PH provided an update to the Board on exports. PH highlighted progress to date following the export team restructure. Links both internally and externally were being developed which included raising the profile of the work and role that AHDB plays. PH outlined the number of market access successes which had been achieved as well as those being targeted in 2020.

### **AGENDA ITEM 24 – DATE OF NEXT MEETING**

The next meeting will take place on Tuesday 28 January 2020.

### **Dates of future meetings**

- Tuesday 24 March 2020
- Tuesday 2 June 2020
- Tuesday 28 July 2020
- Tuesday 22 September 2020
- Tuesday 24 November 2020

