

**SUMMARY MINUTES OF THE SIXTY FIFTH MEETING OF THE AGRICULTURE AND  
HORTICULTURE DEVELOPMENT BOARD  
HELD ON TUESDAY 20 NOVEMBER 2018 AT 8.30 A.M.**

**THE BOARD ROOM, AHDB, STONELEIGH PARK**

**PRESENT:**

Hayley Campbell-Gibbons (HC-G), Sophie Churchill (SC), 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), Anna Farrell (AF) (Agenda item 10), Tom Hind (TH), Rebecca Geraghty (RG), Jane King (JK), Richard Laverick (RL), Tim Mordan (TM), Sue Walker (SW), Christine Watts (CW)

**AGENDA ITEM 1 – APOLOGIES FOR ABSENCE**

There were no apologies for absence.

**AGENDA ITEM 2 - DECLARATIONS OF INTEREST**

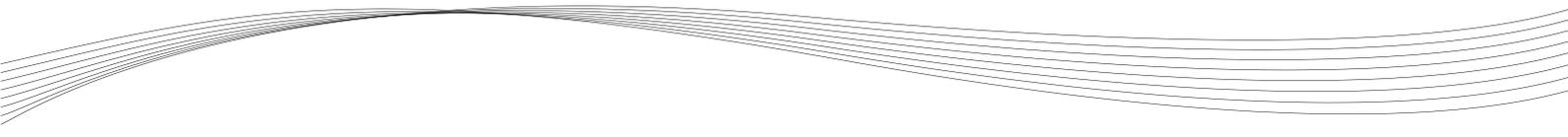
MS informed the Board that his appointment as a member of the AFS Board had been extended by one year. In addition, MS had been appointed Deputy Chair of the Seafish Authority with effect from 1 January 2019.

**AGENDA ITEM 3 – MINUTES OF CONFERENCE CALL ON 5 NOVEMBER 2018**

The minutes of the conference call which took place on 5 November to discuss MLCSL were agreed.

**MINUTES OF THE MEETING HELD ON 25 SEPTEMBER 2018**

The minutes of the Board meeting held on 25 September 2018 were accepted as a correct record with the exception of para 4974 which should read Delivery Agreement rather than delegation agreement.



## **AGENDA ITEM 4 – MATTERS ARISING FROM THE MEETING HELD ON 25 SEPTEMBER 2018**

### **Disease Management**

The disease management paper will be brought to the Board meeting in January 2019.

### **Meeting with David Rutley**

An invitation had been sent to David Rutley MP requesting a meeting. A response is expected soon.

### **Strategic Forward Plan**

CW reported that conversations had been undertaken with board members and Defra. Information will be circulated as part of the regular Board update from January 2019.

### **Non-stun Halal**

CW reported that the Beef & Lamb Strategy Director was leading this work area in partnership with colleagues across AHDB and a working group of the B&L Board to propose an AHDB future position. It was agreed that a discussion should take place at a future Board meeting, Phil Hadley will be invited to attend.

**Action: AHDBs position relating to non-stun Halal will be discussed at a future meeting of the Board**

### **Skills**

Skills investment will be discussed at the January 2019 Board meeting.

**Action: Skills investment will be discussed in January 2019**

### **Sound quality in Board room**

KB informed the Board that user experience will predominantly depend on the effectiveness of the connection at their end and how staff set the call up. Guidance will be prepared to avoid errors in setting up the calls plus information on the minimum strength of internet connection/mobile phone signal required. This work will be completed as soon as resources allow.

## **AGENDA ITEM 5 – UPDATE ON EXPORT STRATEGY AND IMPLEMENTATION**

The Board was provided with an update on the export team and strategic focus for 2018/2019. The export team had been restructured as part of the wider market development review and a number of changes made. CW commented that there was good collaboration with teams at DiT and Defra as well as the Chief Veterinary Officer. JS felt that it was a very helpful report but commented that she could not see any targets/KPIs or how performance was being measured. TH commented that the targets were set by the sector boards. SC informed the Board that she was very appreciative of the work that Phil Hadley had done relating to potato export activity.

A discussion took place relating to the GREAT branding.

JK commented on SIAL. CW informed the Board that the events team will be looking after this event in future.

## **AGENDA ITEM 6 – MLCSL SALE**

KB provided the Board with an update on the sale of MLCSL and associated risks. The completion of the sale is due to take place on 30 November.

KB requested that the resolution below was approved by the Board and this was agreed. KB will circulate the resolution to the Board.

"To authorise the Board of MLCSL to do all such acts and things and agree on behalf of MLCSL all such other documents to which MLCSL is a party and all other documents as may be required in connection with the sale of MLCSL, subject in each case to such amendments as the Board of MLCSL think fit."

## **AGENDA ITEM 7 – LIVESTOCK INFORMATION PROGRAMME**

RL provided an update on LIP. A letter had been received from Defra confirming that AHDB will be reimbursed for the costs incurred on behalf of the LIP programme in the financial year ending 31 March 2019. The letter confirmed the commitment made by Defra in the Heads of Agreement.

RL outlined key activities that had taken place in the past few months following the approval of the outline business case by the Defra investment committee in July. A further update will be available in December.

A briefing for the three livestock sector boards had taken place on 5 November. Board members were taken through the detail of the programme relating to the Delivery Agreement, the procurement approach and Programme planning. The event had been considered a success and enabled the board members to meet the LIP team. Questions had been asked around funding. RL informed the Board that he had requested a repayment schedule for AHDB. Board members enquired about how the programme will be taken forward and communicated to Levy Payers. GL commented on the different systems available in other countries particularly Canada and asked if the Programme was aware of the detail including the costs of the service provided.

RL informed the Board that the Delivery Agreement will underpin the future relationship between AHDB and Defra, setting out how the AHDB led collaboration between industry and government will work. It will be informed by the principles and detail in nine supporting products i.e. Procurement Approach, Target Operating Model, Performance Objectives, Governance Schedule, Financial Strategy, Organisation Design, Capability Strategy, Stakeholder MoUs and Accommodation Plan. RL commented that significant progress had been made in these areas. The Board considered that a sub-group should be established to provide oversight of the nine products. Consideration will be given on how this is taken forward. RL indicated the Delivery Agreement will be ready for review early in the New Year. RL informed the Board that the ITT for Contract 1 was still being reviewed by lawyers but the Programme still expected to issue the ITT before Christmas 2018.

Communication of the programme is being supported with attendance at forthcoming Knowledge Exchange (KE) team meetings, this will also raise the profile of the LIP team in AHDB. A strategic communications plan will be developed and agreed with Defra.

RL had met with MS and Mick Sloyan to discuss Mick's role with the programme going forward. They will meet again early in January. It is hoped Mick will engage with service design, user requirements and challenge thinking within the Programme to ensure learning from EAML2.

JK commented that a good conversation had taken place at the Audit and Risk Assurance Committee (ARAC) on 19 November about LIP and risk. It had been suggested that the sector chairs and board members from the crop sectors as well as ARAC members attend an event similar to that held on 5

November to provide them with an overview of the programme. GJ commented that he felt that more joint meetings should be held in future. RL agreed to organise an event for the crop sectors and ARAC members in the New Year.

**Action:**

- **A sub-group will be established to provide oversight of the nine products. Consideration will be given on how this is taken forward**
- **An event for the Crop Sector boards and ARAC members will be arranged in the New Year to learn about LIP**

**AGENDA ITEM 8 – BREXIT NO DEAL CONTINGENCY PLAN**

TH commented that the paper in the Board pack provided an overall framework for corporate and sector specific contingency plans. It acts as a living document, being updated as more information on the process and implications of withdrawal become known and decisions are taken by the Boards and Executive on AHDB plans. A conversation took place to discuss the possibility of a Brexit No Deal taking place. The Board agreed that the industry should work collectively during these uncertain times. TH informed the Board that a small Brexit Contingency Team had been established which identified key industry risks and where AHDB can play a role. TH commented that the NFU was holding a Brexit contingency event on 6 December which he would be attending. There was a need to draw up contingency plans to build budgets which may impact on activity plans. TM said that he was appreciative of the assistance that AHDB staff were providing Defra. TH will send the Board a note if the position changes.

**AGENDA ITEM 9 – CONFIRMATION OF CORPORATE PRIORITIES**

TH commented that teams were working on the Activity Plans and discussions are taking place with sector boards about priorities for 2019/2020. AHDB's priorities were refreshed in 2017 and 6 corporate (cross-sector) priorities for delivery as well as specific sector priorities were agreed by the Board.

A discussion took place relating to internal priorities. It was agreed that RG would include in the HR Strategy paper coming to the Board in January a section relating to staff development. In addition, central costs will also be discussed at that meeting.

KB commented that the IS Strategy will be coming to the Board in the near future.

An update on FarmBench was provided to the Board. It is planned that the programme will be launched to levy payers on 28 November, 2018.

The Board gave its approval to retain corporate focus on delivering the six priorities.

AQ commented that it would be more impactful if the three livestock sectors could join forces with domestic marketing.

**AGENDA ITEM 10 – CRM INVESTMENT**

Anna Farrell (AF) joined the meeting for this item to discuss future CRM investment.

AF provided the Board with an overview of the current CRM and explained that it was fundamental to understand, target and effectively engage with AHDBs customers to enable strategic priorities and supporting compliance requirements for the General Data Protection Regulations (GDPR).

The Board was being asked to approve a proposal to increase the budget for the next 2 years and appoint three additional CRM staff members. It was noted that these posts would be absorbed within existing headcount in the Marketing and Communications Directorate.

The Board was informed that working groups had been established in the dairy and horticulture sectors, in conjunction with the Sector Strategy Directors, to look at sector requirements and it was intended to roll this out to the remaining sectors.

The Board approved the proposal subject to a satisfactory hypothecation being agreed and a net zero impact on headcount.

**Action: A satisfactory hypothecation for CRM will be agreed subject to a net zero impact on headcount**

#### **AGENDA ITEM 11 – WHAT WORKS CENTRE**

RG provided the Board with an update on the development of a What Works Centre for Farming initiative under the Food and Drink Sector Council (FDSC). This would be a transformative initiative for UK farming, bringing government, industry and the science community together to ensure that decision making in both public and private sectors is driven by robust and high quality evidence. RG commented that What Works is an official government concept launched in 2013 and includes NICE, Education Endowment Foundation, What Works for Crime Reduction/College of Policing, etc. A more detailed presentation will be brought back to the Board in the near future.

Helen Ferrier (NFU) and Susannah Bolton had been working on this for some time to gain consensus from various groups of people across the industry and research communities. The concept was emerging as a key priority for the Agricultural Productivity Working Group which AHDB was sponsoring for the FDSC.

The Food and Drink Sector Council had given its full support at a meeting held on 17 October 2018. A presentation to the Defra Secretary of State was expected to take place before the end of February.

RG commented that a formal document was being updated including the business case and scope to aid further discussions, including working through Cabinet Office guidance.

Members of the Board recognised the strategic significance of the concept for AHDB but some members of the Board felt uneasy that there was a risk of another organisation being established to undertake work that is being carried out by AHDB. PK commented that the purpose of the paper was to bring this initiative to the Board's attention. It was important that TH and Susannah Bolton attended forthcoming sector board meetings to discuss this activity.

**Action: A more detailed presentation on the What Works Centre will be brought back to the Board in the near future**

#### **AGENDA ITEM 12 – UPDATE ON SUTTON BRIDGE**

RL provided an update on Sutton Bridge. It was agreed that a paper would be prepared for discussion at the January Board meeting.

**Action: A paper on Sutton Bridge will be prepared for the January Board meeting.**

## **AGENDA ITEM 13 – SECTOR REPORTS + DASHBOARDS**

### **Beef and Lamb**

AQ asked for the report to be taken as read. Following a question from PT, a conversation took place relating to fifth quarter products.

### **Cereals and Oilseeds**

The report was taken as read. PT commented that some members of Defra staff had visited his local flour mill and farm recently.

### **Dairy**

GJ asked for the report to be taken as read.

GJ commented on the successful Dairy Leaders event which had taken place in Edinburgh recently. It is likely that the number of strategic farms will increase from 9 to close on 30 by the end of next year. GJ will provide the board with an update on the Animal Health and Welfare Group. GJ provided an update on bvD.

### **Horticulture**

HC-G informed the Board that a petition had been raised for a ballot by some growers in Lincolnshire seeking a move to a voluntary levy.

HC-G reported on the recent meeting of the Horticulture Board. HC-G had received an invitation to speak to crop association chairs in Peterborough on 6 December.

### **Pork**

MS commented that African Swine Fever was still causing problems in China. The Belgians had done well in containing the outbreak in that country.

Angela Christison will be meeting RG in the near future to discuss KE capability within the pork sector.

### **Potatoes**

SC reported that the Potato Board was supportive of levy collection going electronic.

SC commented on sector board recruitment.

## **AGENDA ITEM 14 – CORPORATE REPORT**

CW reported that the Project Blue AHDB website “traffic” stats were very promising.

The Board was provided with information on AHDBs presence at the Oxford Farming Conference in early January 2019 leading a number of sessions titled “A World of Opportunity”..

An amendment to the Agriculture Bill relating to red meat levies was discussed. AQ asked whether the movement numbers could be re-calculated.

RG provided an update on gender pay. RG informed the Board that a review of how other companies dealt with gender pay was being conducted and the results will be shared with the Remuneration and Nominations Committee in January.

A discussion took place relating to headcount. It was agreed that the headcount CAP agreed with the Board a few months ago should remain and include maternity cover and posts paid for by new income streams such as Welsh Government funding for dairy KE expansion albeit it was noted that if vacancies did not arise as expected the CAP might be breached slightly. PK suggested that a longer discussion on headcount took place. A conversation took place relating to publications, AQ commented that any decisions relating to discontinuing any titles should be discussed with the sector chairs.

#### **AGENDA ITEM 15 RISK**

KB provided the Board with an update on risk and in particular those items which were showing as a high risk.

#### **AGENDA ITEM 16 – CHAIRMAN’S REPORT**

PK asked for his report to be taken as read.

#### **AGENDA ITEM 17 – CEO REPORT**

TM provided an update on the Request for Views which had closed on 9 November.

JK advised that the Leadership Team will be meeting on 3 December to discuss the request for views as well as other pressing issues and will report back to the Board in January.

JK informed the Board of a request from AFS for additional funding for complete assurance. A meeting will be held with AFS in the New Year to discuss the future.

#### **AGENDA ITEM 18 – FINANCE UPDATE**

KB provided an update on financial performance to October 2018.

#### **AGENDA ITEM 19 – BOARD GOVERNANCE SCHEDULE**

This item was taken as read.

#### **AGENDA ITEM 20 – HEALTH AND SAFETY REPORT**

RG reported that there had been 40 accidents/incidents reported in the rolling 12 months to the end of October 2018 across AHDB and MLCSL. Of the accidents there have been six of a nature sufficiently serious to require reporting to the Health and Safety Executive under RIDDOR regulations, four had been previously reported and two happened since the last Board meeting.

WL raised concern about health and safety at Sutton Bridge. SC commented that the AHDB Facilities Manager and colleagues had visited Sutton Bridge to advise on best practice.

AQ commented that it was important that any AHDB publications should be health and safety compliant in relation to images. JK commented that she and PK had recently met with the Chair of the Health and Safety Executive. AHDB and HSE will share information on the respective websites.

#### **AGENDA ITEM 21 – AHDB SUB COMMITTEES**

##### **Audit and Risk Assurance Committee (ARAC)**

WL asked for the minutes of the ARAC meeting held on 6 September to be taken as read.

A meeting of the ARAC had taken place on 19 November. WL reported that procurement was going in the right direction with the number of exemptions having decreased and good examples of substantial savings demonstrated. A good internal audit report for project management had been received. WL reported on a conference he had attended at the Treasury recently on audit committees.

#### **Remuneration and Nominations Committee**

GL commented that there was nothing to report, the next meeting of the Remuneration and Nominations Committee will take place on 28 January 2019.

#### **AGENDA ITEM 22 – ANY OTHER BUSINESS**

A letter of thanks from the Board will be sent to Karen Morgan who recently stepped down as Agriculture Counsellor in China.

PK asked the Leadership Team to thank the team responsible for the sale of MLCSL.

#### **Action:**

- **A letter of thanks to Karen Morgan will be prepared**
- **The Leadership Team will thank the team responsible for the sale of MLCSL**

#### **AGENDA ITEM 23 – DATE OF NEXT MEETING**

The next meeting will take place on 29 January 2019.

## **Dates of future meetings**

- Tuesday 26 March 2019
- Thursday 30 May 2019
- Tuesday 30 July 2019
- Tuesday 24 September 2019
- Tuesday 19 November 2019

