

**SUMMARY MINUTES OF THE SEVENTY SECOND MEETING OF THE AGRICULTURE  
AND HORTICULTURE DEVELOPMENT BOARD  
HELD ON TUESDAY 28 JANUARY 2020 AT 8.30 A.M.**

**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), 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**

JS declared that she had been appointed a Director of Agskills Ltd.

**AGENDA ITEM 3 – MINUTES OF THE MEETING HELD ON 19 NOVEMBER 2019**

The minutes of the last meeting held on 19 November were accepted as a correct record and signed by the Chairman.

**AGENDA ITEM 4 – MATTERS ARISING FROM THE MEETING HELD ON 19 NOVEMBER 2019**

**Strategy**

KB informed the Board that the first draft of the activity plan had been circulated. 2020/2021 budgets will go to the Board and Sector Boards in March. The next stage relating to the strategy was very dependent on how the new Chair and Board wished to move forward with the request for views feedback.

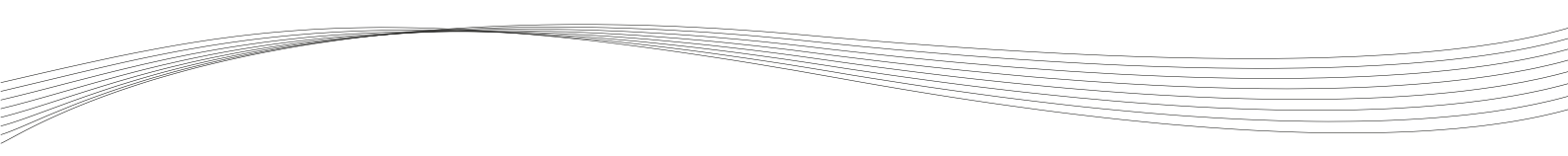
**Livestock Information Programme**

It was agreed that a half day will be identified in April for the Board to receive an update on the Livestock Information Programme (LIP).

**Action: A date will be identified in April for the Board to receive an update on LIP**

**Levy Engagement Working Group**

CW commented that the levy payer engagement working group had made progress in agreeing areas of focus and approach for dedicated workstreams relating to account management, stakeholder and influencer work, building the digital first approach and capturing farms and grower insight/panels.



Key messages about AHDB that can be shared are being discussed with farmer focus groups during February/March. A paper will be prepared for the March Board meeting.

### **Horticulture Discussion**

HCG commented that a fuller discussion relating to horticulture will take place at the next meeting in March.

SC/RG had discussed health and safety at Sutton Bridge. Actions identified on the health and safety audit were being closed off.

### **AGENDA ITEM 5 – FUTURE OF AHDB – REQUEST FOR VIEWS**

TM provided an update on the Request for Views.

He reported that the drafting of the summary of responses document is complete and was currently going through reviews and sign off. Defra aims to publish the responses on gov.uk in March. Engagement with stakeholders will take place before and after publication.

### **Agriculture Bill**

The Agriculture Bill had been introduced to Parliament on 16 January 2020 and will receive its second reading on 3 February 2020. The Bill is expected to receive its Royal Assent in the summer. There will be a clause in the Bill relating to red meat levies which allows for the redistribution of levy money collected in the red meat sectors from England to Scotland and Wales and vice versa.

### **AGENDA ITEM 6 – RED TRACTOR**

MS/CW provided the Board with an update on Red Tractor (RT). MS commented that there was a conversation to be had as to where the RT brand should be positioned and the importance of the opportunity to AHDB, sectors and industry.

CW commented on the plans which the RT had for 2020 which included revising its core logo.

The Board considered that there was further work to be done with RT, WL commented that there was a need for its governance to be examined and standards should fulfil promise that the brand could deliver. PK suggested that MS leads a group which includes representatives from AHDB, NFU and RT. There was a need for industry to come together and have a collective view.

**Action: MS will lead a group to discuss the RT brand which includes representatives from AHDB/NFU/RT**

### **AGENDA ITEM 7 – EVIDENCE FOR FARMING**

Susannah Bolton (SB) joined the meeting for this item and Agenda item 8.

SB and RG provided the Board with an update on progress to date with Evidence for Farming. The Evidence for Farming Initiative (EFI) forms the centrepiece of recommendations in the Agricultural Productivity Working Group report. Industry stakeholders led by AHDB and NFU have developed the concept to address co-ordination failures in the UK's agricultural innovation and knowledge exchange landscape. EFI is modelled on bodies within the 'What Works' network. Its core infrastructure consists of a single physical and digital hub. Net Zero was being explored as the pilot for setting up a What Works centre for farming

A project team had been established which was meeting fortnightly and RG asked for a board member to be involved when PK leaves at the end of March. PT commented that this activity should be the centre of thinking relating to the 5 year strategy. GL echoed this comment saying that this

should be a key objective for AHDB. TM informed the Board that a reference to evidence for farming had been included in the foreword to the request for views.

**Action: Board members who would like to be involved in the evidence for farming project group should get in touch with RG**

## **AGENDA ITEM 8 – BUSINESS INSIGHT AND SKILLS**

Steve Dunkley (SD) joined the meeting for this item. SD provided an update on the work of the Business Insight and Skills Group which was a new team that had recently been established.

SD commented that there was an ambition for a cross sector AgriPro tool. It was agreed that priorities needed to be made by the sectors on how this activity was taken forward.

JK commented that she and JS sit on the Skills Leadership Group. The proposed vision, objectives and ambition for a professional body for agriculture and horticulture have been adopted and are being progressed. The purpose of the body was to create a single point of access for everyone and serve as the home of professional development and training across the UK. This body would serve England only.

JK said that there was a need to progress work but resources were tight and more help was needed. JS commented that learning could be taken from other industries i.e. construction. There was linkage with the evidence for farming activity. TM commented that he felt the fringe meeting at the Oxford Farming Conference had been very good. He had spoken to both JK and JS and was trying to get Ministers to support the initiative but urged that a convincing business case was required. AQ commented that there were a number of organisations in this arena, JK said that courses would not be moved but that the institute would be able to provide awareness in one place.

## **AGENDA ITEM 9 – LEVY RATES**

### **Horticulture levy recommendations**

The Board was informed that the Horticulture Sector Board is recommending that the Horticulture (including mushrooms) levy rates are reduced by 10% from 1 April 2020. This is part of an ongoing review of the levy and is estimated to reduce levy income by circa £800k. The Board was informed that a working group was being established to work through next steps.

### **Levy rates**

It was agreed that levy rates for Cattle, Sheep, Pigs, Milk, Potatoes, Cereal & Oilseeds should remain unchanged from the current rates for 2020/21 financial year and that the rate for horticulture products (including mushrooms) will reduce by 10% along with a corresponding reduction in the late payment rate.

It was agreed that the draft letter, following some amendments will go to Defra from the CEO on behalf of the Board, requesting ministerial approval of the proposed levy rates, as required under the Statutory Instrument.

## **AGENDA ITEM 10 – APPROVAL OF LIVESTOCK INFORMATION LTD AHDB OWNERSHIP GROUP TERMS OF REFERENCE**

The Terms of Reference for the Livestock Information Limited AHDB Ownership Group were approved. It was agreed that the minutes of the Ownership Group will be circulated to the Board as part of the Board pack.

**Action: Minutes of the AHDB Ownership Group meeting will be circulated to the Board**

#### **AGENDA ITEM 11 – PROJECT CROSSKEYS UPDATE**

The Board was provided with an update on Project Crosskeys. SC commented that excellent project support was being given.

#### **AGENDA ITEM 12 – SECTOR REPORTS**

##### **Beef and Lamb**

AQ commented that engagement with industry stakeholders around the strategy was going well.

##### **Cereals & Oilseeds**

PT informed the Board that the weather situation has not improved which will have an impact on income.

##### **Dairy**

GJ commented on the KPI version of Farmbench which had been developed for Dairy had been well received, other sectors were looking at this format.

##### **Horticulture**

HCG asked for the report to be taken as read. A full report on the visit by HCG/TH to Australia was being prepared.

##### **Pork**

MS commented that the Carcase Classification project had been approved by the Pork Board.

Work to extend our reputational work continues both in terms to protect and promote the industry. Plans to leverage consumer segmentation work alongside a more sophisticated approach towards social media use are underway. This will allow us to target 'wavering' consumers who are open to permission to enjoy pork.

##### **Potatoes**

There had been real movement in reputation work on the marketing side. The potato board had agreed to provide some additional funding to that activity.

#### **AGENDA ITEM 13 – CORPORATE REPORTS**

The digital/web migration paper was taken as read. HCG commented that her Board had commented on some errors on the migrated website. CW informed the Board that a quality control exercise needed to be undertaken.

The coronavirus outbreak in China was being monitored closely.

CW provided an update on reputation work. AHDB's Food Advisory Board was launched in November at Food Matters Live to a range of health journalists. This group has built on the concept of AHDB's highly successful Meat Advisory Panel and extended it to cover potatoes, cereals and dairy. It comprises a group of qualified nutritionists, dieticians and environmental specialists with the

remit of rebalancing the media debate around diet and environmental issues. In addition, AHDB's 'Ordinary Foods' video aims to reassure consumers that in a world of faddy diets, that 'ordinary food is good enough' for health and wellbeing.

TM enquired about forthcoming Horizon reports. In addition, TM asked about stakeholder communications for 2020. CW agreed to follow this up.

TH provided an update on the ring fenced fund.

There needs to be a review of the operational report. Thinking needs to be developed and this will be discussed at the next meeting in March.

**Action: The Operational Report will be discussed at the next meeting.**

The HR dashboard was considered to be good. Headcount was continuing to be monitored with request to fills being discussed with the Leadership Team at its weekly meeting.

SC enquired about staff having regular PDRs. It was agreed that Jackie Kay will be asked to put this data on the HR dashboard. TM offered to speak to Jackie about the PDR process at Defra.

**Action: Data relating to PDRs will be included on the HR dashboard. Jackie Kay will speak to TM about Defra's PDR system**

#### **AGENDA ITEM 14 – RISK**

KB commented that the Audit and Risk Committee (ARAC) discussed the Risk Policy and had made some amendments. The Board approved the Risk Policy with an amendment that black risks should be notified to the Board immediately.

African swine fever (ASF) had now been entered on to the risk register as this was a material risk for the organisation. Owing to the outbreak in Asia, European producers were benefitting massively. There was however a concern that the disease could spread from Poland into Germany, if this occurred it could lead to a glut in the European market. RG commented that Mandy Nevel was working with the National Pig Association discussing business continuity. Discussions were taking place in Defra to implement safe disposal to mitigate welfare issues should ASF occur in the UK.

#### **AGENDA ITEM 15 – CHAIRMAN'S REPORT**

PK asked for his report to be taken as read.

#### **AGENDA ITEM 16 – CEO REPORT**

JK asked for her report to be taken as read.

#### **AGENDA ITEM 17 – FINANCE UPDATE**

KB provided the Board with an update on income and expenditure.

KB provided an update on the HGCA Pension Scheme and informed the Board that the Trustees had agreed the latest valuation.

#### **AGENDA ITEM 18 – VAT**

Naveen Gupta (NG) joined the meeting for this item.

KB provided the Board with an update on VAT. There had been no decision by HMRC on AHDB's future VAT status.

#### **AGENDA ITEM 19 – GOVERNMENT BANKING SERVICE**

KB informed the Board that there had been a request from HM Treasury and Defra to move to a Government Banking Scheme (GBS). The Board decided they would not enter into GBS without a guarantee that AHDB could retain its interest. After discussion, it was agreed that KB would draft a letter and liaise with TM about this.

Following a question from SC relating to resources, KB informed the Board that a new Financial Controller will be starting on 3 February 2020.

#### **AGENDA ITEM 20 – SUBSIDIARY COMPANIES**

A discussion took place relating to subsidiary companies. Agreement from the Board is outlined below:-

- The Board confirmed that it was content with independent input from Naveen Gupta.
- The Board confirmed it was content for JK/KB to be directors of AHDB subsidiary companies.
- The Board agreed to close the dormant companies and for the signing of the resolutions to be delegated to two Board members (AQ/MS) subject to the completion of the review of the history of the companies.
- The agreement between AHDB and SBEU Ltd. was approved and the signing/delegated to two Board members (AQ/MS).

#### **AGENDA ITEM 21 – APPEALS POLICY FOR LEVIES**

NG informed the Board that there was a need to introduce an Appeals Policy into AHDB's levy income collections processes, given the limitations of possible actions owing to the Statutory Instrument. This would enable a consistent approach across the sectors. On AHDB Board approval, the proposal would be communicated to relevant sector boards and would be subject to legal advice.

The Board gave its approval to the Appeals Policy and asked for it to be named appropriately.

**Action: The Appeals Policy to be given an appropriate name**

#### **AGENDA ITEM 22 – BOARD GOVERNANCE SCHEDULE**

The Board Schedule was discussed. The Board agreed that a visit will take place in November 2020 which would be along the lines of the Herefordshire visit last July. JK asked the Board to come back to her on the topics scheduled for the next meeting in March.

#### **AGENDA ITEM 23 – HEALTH AND SAFETY REPORT**

Mick Brown (MB) and Andrew Holt (AH) joined the meeting to bring the Board up to date on the building fire which had taken place on 20 January. The Board was informed that key staff had been prioritised in terms of places to work in the local area until the building is back up and running. The Board thanked the Business Continuity and Leadership Teams for everything that they were doing in addressing this incident.



RG reported on a member of staff who had slipped on the day of the fire and had sustained broken wrists. This was being classed as a RIDDOR incident.

A health and safety audit on knowledge Exchange events has taken place. The report will go to the next Health and Safety Committee.

#### **AGENDA ITEM 24 – AUDIT AND RISK ASSURANCE COMMITTEE**

The revised Terms of Reference for the Audit and Risk Assurance Committee were approved. KB reminded the Board that the document had been updated following discussions at the last Board meeting.

#### **REMUNERATION AND NOMINATIONS COMMITTEE**

The updated Driving Policy will be discussed at the next meeting of the Remuneration and Nominations Committee which was taking place after this meeting. The outcome of the discussion will be brought back to the Board.

#### **AGENDA 25 – ANY OTHER BUSINESS**

PK along with MS/PT and Jackie Kay had undertaken interviews for the Chair of the HGCA Pension Scheme role. The Board approved that GL will be appointed to that role. The appointment will take effect from June 2020.

Recruitment was taking place for the Chair of the Ruminant Health and Welfare Group.

Opportunities for AHDB around the COP 26 conference which will take place in Glasgow later this year were discussed. TM agreed to discuss this with JK outside the meeting.

#### **AGENDA ITEM 26 – DATE OF NEXT MEETING**

The next meeting will take place on Tuesday 24 March 2020.

#### **Dates of future meetings**

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

