

**SUMMARY MINUTES OF THE SIXTY NINTH MEETING OF THE AGRICULTURE AND
HORTICULTURE DEVELOPMENT BOARD
HELD ON TUESDAY 30 JULY 2019**

AT ROSS ON WYE

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), Maggie Charnley - Defra (MC), Tom Hind (TH), Rebecca Geraghty (RG), Jane King (JK), Richard Laverick (RL), Ian Smith - Defra (IS) (Item 5 only), Sue Walker (SW), Christine Watts (CW)

The Board had held a discussion to discuss the new strategy on 29 July. This was based around the draft strategy paper circulated ahead of the meeting. The Board had provided wide ranging feedback, this will be taken into account when drafting the updated version.

AGENDA ITEM 1 – APOLOGIES FOR ABSENCE

Apologies for absence were received from Tim Mordan (TM).

AGENDA ITEM 2 - DECLARATIONS OF INTEREST

There were no declarations of interest recorded.

AGENDA ITEM 3 – MINUTES OF THE MEETING HELD ON 30 MAY

The minutes of the Board meeting held on 30 May were accepted as a correct record and signed by the Chair. In addition, the notes of the conference call which had taken place on 18 July 2019 to discuss the Livestock Information Programme Delivery Agreement were also approved.

AGENDA ITEM 4 – MATTERS ARISING FROM THE MEETING HELD ON 30 MAY

MLC Pension Scheme

A proposal relating to the MLC Pension Scheme will be brought to the Board in September.

Horticulture Levy Working Group

The Board had received an update from HC-G relating to work taking place by the Horticulture Working Group. Action points from the last working group meeting were being addressed in advance of the next meeting which will take place in September.

Communication evaluation targets

CW informed the Board that the metrics measuring ongoing success of the communications strategy had been simplified and included in the Operational Report to the Board. The Operational Report also included Leadership Team deliverables agreed with the Board. It was noted that these needed updating by LT members.

Action: LT members to update progress against deliverables in the corporate operational report

Farm Excellence Platform

The presentations to the sector boards providing detail on the Farm Excellence Platform was underway.

HR Dashboard

JS had spoken to RG and Jackie Kay, the HR dashboard will come to a future meeting of the board.

Action: The HR dashboard will come to a future meeting of the board

Project Management

Helen Bashford will present at the next Audit and Risk Assurance Committee (ARAC) meeting on 4 September about the prioritising of projects.

Diversity of the Board/board effectiveness

RG will re-circulate her email relating to diversity of the Board. In addition, RG will also re-send the email relating to effectiveness surveys for the sector boards.

AGENDA ITEM 5 – REQUEST FOR VIEWS

MC and IS provided the Board with some initial top-line feedback on the request for views. Defra hoped to be ready to publish a summary of responses in the autumn.

MC commented that there are plans to publish an autumn statement for farming.

IS left the meeting at this point

AGENDA ITEM 6 – LIVESTOCK INFORMATION PROGRAMME (LIP) DELIVERY AGREEMENT

RL provided an update on LIP. The Delivery Agreement had been signed by John Bourne on behalf of Defra, JK on behalf of AHDB and RL on behalf of Livestock Information Ltd. RL commented that the next stage was to award Contract 1 (the core system build), this could not be done until final approval had been received from Government Digital Services which was expected imminently. However, there was a need to resolve quickly whether the contract would be awarded by AHDB or by Livestock Information Ltd, to award from AHDB will require a further revision to the Letter of

Comfort supplied by Defra, to award from Livestock Information Ltd will require the practical aspects of company set-up (e.g. a bank account) to be completed quickly.

MS commented that there was a need to ensure that the core system worked for everyone and that it could support the added-value elements. In addition, it should be established which added-value projects were to be conducted within the AHDB Technical Directorate and which would be developed as part of the programme. After a discussion, it was agreed that a proposal would be prepared for the next Board meeting outlining how decisions about added value would be made.

Action: A proposal will be prepared for the next Board meeting outlining how decisions about added value would be made

AGENDA ITEM 7 – TECHNICAL CAMPAIGN: ENVIRONMENT

RG provided the Board with an outline of a proposed AHDB agri-environment programme which has been developed to meet the changes and challenges of incoming environmentally focussed agricultural policies and environmental land management schemes. AHDB does not currently have a clearly defined environmental programme and agri-environment does not form part of the current strategic priorities 2017-2020. With future agricultural policy changes focussed on the environment through the concept of public money for public goods from 2020 and the increasing ask from consumers for food produced with less environmental impact AHDB needs to agree an approach which can be incorporated into its new five year strategy.

The Board supported the next steps contained within the paper, MS cautioned that one of the important challenges was that it was properly resourced. RG commented that a new Head of Environment and Resource Management had been appointed and will join AHDB at the beginning of October.

AGENDA ITEM 8 – MARKETING CAMPAIGN UPDATE 2019

CW provided the Board with an update on the key marketing campaign activity following the 2018 team restructure. The restructure realised significant savings which had been invested into additional campaign work with relevant sector board approval. Details of evaluation regarding campaigns was provided with significant successes noted. 2020 campaigns will see a greater focus on targeting consumer attitudes and behaviours to enjoy the sectors we promote as part of an overarching campaign strategy supporting a positive reputation for our industry.

CW provided details on the 2018/19 campaign results and highlighted what was planned for Autumn 2019.

AGENDA ITEM 9 – SECTOR REPORTS

Beef and Lamb

AQ asked for the report to be taken as read. AQ commented that beef prices continued to be difficult. A recent inward mission from a Chinese delegation had led to the opening of market access for beef for the first time in 20 years.

Cereals and Oilseeds

PT commented harvest had started. Early indications suggested an above average yield for wheat and barley but variations across the UK are likely to be great this year.

Dairy

The Dairy report was taken as read.

Horticulture

The Horticulture report was taken as read. HC-G commented that she had found the discussions with levy payers the previous day had been very useful.

Pork

MS commented that African Swine Fever was continuing to be a massive animal welfare issue for China. Record quantities of pork was being exported to China as a result.

Potatoes

SC commented that as a result of the General Data Protection Regulations (GDPR) a number of significant potato levy payers were no longer receiving information from AHDB. SC provided an update on Sutton Bridge.

AGENDA ITEM 10 – CORPORATE REPORT

CW provided an update on the Levy Payer Satisfaction Survey Working Group. The group had met on several occasions. Technical interviews had taken place to understand what activity was key to farmers and growers. A proposal will be brought to the September Board meeting.

Action: A proposal from the Levy Payer Satisfaction Survey Working Group will be brought to the next meeting

MS commented on the Brussels office manager's resignation. CW informed the Board that there was a workstream and conversations were taking place about AHDB's presence in Brussels.

TH commented that it was becoming more likely that there will be a No Deal Brexit which will require a shift in emphasis and resource within the organisation back towards preparations. The Board was asked to note this and provide support where appropriate to the Leadership Team and colleagues.

RG commented that earlier this month a development day had taken place for the Technical team. Discussions had included looking at future priorities as well as talking about the new strategy. A Head of Technical Communications had been appointed, this role will focus on improving messaging on the technical campaigns. RG commented that meetings with key stakeholders had been taking place including a visit by representatives of Teagasc. A reciprocal visit to Teagasc is planned.

KB commented that the new Finance Director had been appointed and will start on 1 August. A response had been received from HMRC relating to VAT. A meeting with them will be arranged in the near future. The Board was updated that the future of Sutton Bridge was likely to take some work to resolve.

RL commented that there is a need to rationalise the arrangements for each secondment to the Livestock Information Programme to align the length of each secondment and the formal review dates.

JK reported on the staff engagement survey. This was the second year that the Gallup survey had been used. The survey was showing that there was some improvement in most areas year on year but there were still issues to be addressed.

JK sought the Board's approval to award AHDB staff a 2% salary increase. This was approved. However, the Board raised a concern about the potential fall in levy spend on future pay awards if the levy rates continue to be frozen.

Whistleblowing Policy

The Whistleblowing Policy was discussed. The Board felt that more work needed to be done and suggested that a policy, which is being used by another NDPB, be reviewed and adapted for AHDB. This should be brought back to the Audit and Risk Assurance Committee (ARAC) in due course.

Action: A Whistleblowing Policy developed by another NDPB should be reviewed and adapted for AHDB. The Policy should be brought back to ARAC

AGENDA ITEM 11 – RISK

KB commented that the Data Protection Officer had advised that the risk relating to GDPR cannot be reduced further until there is a Retention Policy in place. The other risk which the Board had asked to be reduced relating to levy withdrawn owing to poor levy payer support had been reduced down to amber.

AGENDA ITEM 12 – CHAIRMAN'S REPORT

PK asked for his report to be taken as read.

Agricultural Productivity Working Group (APWG)

The APWG had submitted its report to the Food and Drink Sector Council at the beginning of July. There are no formal next steps but a number of specific recommendations concerning data, KPIs and Evidence for Farming seem to have traction with industry and Defra. TH commented that the report had not been published although key recommendations had been widely discussed amongst stakeholders in England. TH asked the Board whether AHDB should continue to co-ordinate this work and provide resource. After discussion it was felt that in the event of a No Deal Brexit resource should be concentrated in that area.

AGENDA ITEM 13 – CEO REPORT

The timing relating to the board effectiveness proposal was discussed. It was agreed that a draft proposal would be circulated for the Board to consider.

Action: The draft board effectiveness proposal will be circulated to the Board for consideration

The Board was informed that owing to RG's workload the HR Director will report to JK. The Board gave its approval to this proposal.

AGENDA ITEM 14 – FINANCE

KB commented that after three months of trading a small deficit of £0.1m had been delivered. Forecasting was improving with the support of the finance business partners.

The HGCA Pension Plan triennial valuation has commenced based on the 31 March 2019 position. Initial outputs of the valuation should be known in September.

AGENDA ITEM 15 – BOARD GOVERNANCE SCHEDULE AND FORWARD PLANNING

The Levy Payer Satisfaction Survey, Pension future accrual proposal and Strategy will be included on the Board governance schedule for the September meeting.

Dates of future meetings

The proposed dates for AHDB Board meetings in 2020 were approved.

AGENDA ITEM 16 – HEALTH AND SAFETY REPORT

There have been 28 accidents/incidents/near misses reported in the rolling 12 months to the end of June 2019 across AHDB. Of the accidents there have been three reported to the Health and Safety Executive under RIDDOR regulations, all three have been previously reported to the Board.

MS commented that there seemed to be a high level of staff who pull out of health and safety training courses. The Board considered that health and safety training should form part of performance management and any persistent non-attendance should contribute to a non-performance rating. It is planned that details of non-compliances will be sent to Chief Officers to promote compliance.

SC commented that the health and safety report needed to include some more intelligence.

AGENDA ITEM 17 – AHDB SUB-COMMITTEES

Audit and Risk

WL commented that there was nothing further to report since the last meeting.

Remuneration and Nominations Committee

GL did not have anything to report, the Remuneration and Nominations Committee will meet again on 24 September.

AGENDA ITEM 18 – GIFTS AND HOSPITALITY REGISTER

The Gift and Hospitality Register was discussed. It was agreed that the register would be available on line going forward.

Action: The Gifts and Hospitality Register will be available on line

AGENDA ITEM 19 – ACCOUNTING OFFICER LETTERS

The Accounting Officer letters, which had been received, were noted.

AGENDA ITEM 20 – CABINET OFFICE CODE OF CONDUCT FOR BOARD MEMBERS

The Cabinet Office Code of Conduct was noted.

AGENDA ITEM 21 – PURCHASE OF TRADE MARK FLAVOURTARIAN AND SEALING OF DEED OF ASSIGNMENT

The Board approved the purchase of the Trade Mark Flavourtarian, subject to receiving written consent from Defra the Board agreed.

AGENDA ITEM 22 – ANY OTHER BUSINESS
There was no further business discussed.
AGENDA ITEM 22 – DATE OF NEXT MEEETING
The next meeting will take place on Tuesday 24 September 2019.

Dates of future meetings

- Tuesday 19 November 2019
 - Tuesday 28 January 2020
 - Tuesday 24 March 2020
 - Tuesday 2 June 2020
 - Tuesday 28 July 2020
 - Tuesday 22 September 2020
 - Tuesday 24 November 2020
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