

**SUMMARY MINUTES OF THE EIGHTY SEVENTH MEETING OF THE
AGRICULTURE AND HORTICULTURE DEVELOPMENT BOARD
HELD ON TUESDAY 26 JULY 2022 STONELEIGH PARK & MS TEAMS**

PRESENT:

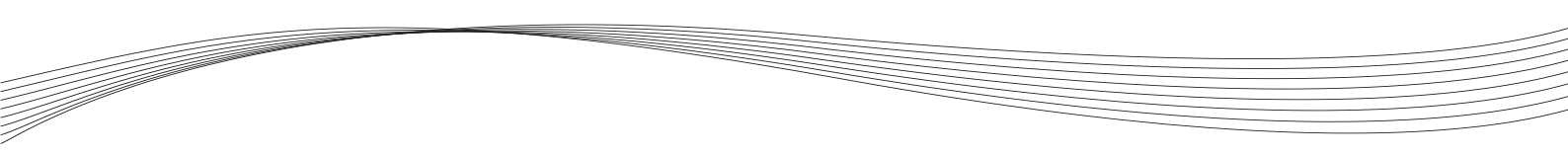
Colin Bateman (CB), Sarah Bell (SB), Stephen Briggs (SBr), Lyndon Edwards (LE), Catherine MacKenzie (CM), Sarah Pumfrett (SP), Nicholas Saphir (NS) (Chair), Mike Sheldon (MS), Janet Swadling (JS)

IN ATTENDANCE:

Ian Ascroft (IA), Ken Boyns (KB), Rob Clayton (RC) (Item 7.1), Paul Flanagan (PF) (Items 5.2 & 6.2), Tony Holmes (TH), Will Jackson (WJ), Jackie Kay (JK), Tim Mordan (TM), Tim Rycroft (TR), Alison Thomas (AT)

Jennie Hind (JH), The Clear Company (Item 8.1)

AGENDA ITEM 1 – APOLOGIES FOR ABSENCE
No apologies for absence had been received.
AGENDA ITEM 2 - DECLARATIONS OF INTEREST
No new declarations of interest were made.
AGENDA ITEM 3 – MINUTES OF THE BOARD MEETING HELD ON 16 JUNE 2022
The minutes of the board meeting held on 16 June 2022 were accepted as a correct record.
AGENDA ITEM 4 – MATTERS ARISING FROM THE MEETING HELD ON 16 JUNE 2022
The matters arising from the previous meeting were considered.
NS commented that item 6192 relating to board minutes had not been satisfactorily resolved yet. Two aspects needed to be addressed: firstly, whether the current content, level of detail and format of the minutes was optimum and secondly, what should be published on the website.
Action:
<ul style="list-style-type: none"> • IA to put forward a proposal for consideration by the board in September regarding the content, accuracy and format of the board minutes and their publication on the website.
AGENDA ITEM 5 – CEO REPORT AND OPERATIONS
TR welcomed and introduced TH who had joined AHDB as Finance Director on 18 July 2022.
Sue Walker had left AHDB on 30 June with tributes being paid to her by former CEOs and Chairmen. The recruitment of an Executive Assistant to support the CEO was well underway.



Detailed planning around activities was progressing following decisions made by the Sector Councils last week. TR recorded his thanks to the staff who had worked so hard on the process to-date.

Progress was being made on some significant and important pieces of work including development of the export and environment strategies, the future and strategic direction of LI Limited and the What Works Centre. Attendance by TR at several events over the past three weeks had provided opportunities for valuable discussions with industry stakeholders and levy payers.

5.1 – Update from Defra (TM)

TM gave a brief update on Defra's activity and recent ministerial changes.

5.2 – Overview of Sector Plans / Cross-Sectoral Overlay (WJ)

SB and PF joined, and JS left the meeting.

WJ reported that all four sector councils had met last week when decisions about delivery of future activities had been debated.

Cross-sector activities identified as requiring further consideration were Eat Balanced, animal health & welfare, education, environment and FarmBench and the issues presented by each were debated by the board.

Work to develop an activities-based plan for each sector was now underway. These would be circulated to Sector Council members in September, prior to being reviewed at the October Sector Council meetings when targets, activities and indicative budgets would also be approved.

Final sector plans would be launched at the Open Meeting in November. The board agreed that AHDB must prepare key messages to explain how it has changed, responded to, and respected the voting results of Shape the Future, and will deliver and engage with levy payers in future. The Executive were asked to present a proposal for consideration by the board in September.

Action

- **Executive to prepare a proposal for consideration by the board in September on the key messages to be delivered to levy payers in November.**

CB commended TR, WJ and KB on the high quality of the papers presented to the Sector Councils and thanked them for their efforts. This was endorsed by other Sector Chairs.

The Executive thanked CB and asked that the contributions of Angie Christison, Jenn Birrell and Sara Maslowski to this process also be recognized.

AGENDA ITEM 6 – STRATEGY & POLICY

6.1 – Follow-up on vision and strategy following the board away day

TR drew attention to the vision and strategy paper designed to capture the key themes discussed by the board at its away day on 6 July and sought feedback.

The following key points were noted:

- Greater emphasis should be placed on the practical tools and services provided to support farmers directly or indirectly and AHDB's position as a facilitator and/or enabler.
- Work on the vision and strategy must continue in earnest for publication alongside the sector plans in November.

- The paper should address how AHDB might work more effectively in partnership with other organisations in areas where collaboration would be beneficial.
- AHDB's leadership role should be made more explicit, as should its unique relationship with Defra and its ability to act as a bridge between farmers and policy.
- Values of integrity and trust had been identified as important, but AHDB should emphasise these more forcefully so that levy payers recognize it more readily.
- The paper should be further sharpened to give greater clarity around the scope of AHDB's work.

It was agreed that the paper should be developed further to reflect the feedback and that the next iteration should be presented to the board at its September meeting.

Action:

- **TR to develop the strategy/vision paper further and present the next iteration to the board in September.**

6.2 – Update on “What Works Centre” (WWC)

JS and PF re-joined the meeting.

In the light of Defra's acknowledgment of AHDB's important role in the WWC in its recent white paper, KB gave a presentation updating the board on work which has taken place to develop the WWC concept. Discussions had confirmed that there is strong support for the concept and for AHDB to play a key part in initiating it. To progress the work, more formality was needed, and it was proposed that a steering group be formed to develop pilot proposals without incurring significant upfront costs. KB sought the board's confirmation that it was content with the direction of travel and for AHDB's continued involvement. The board indicated that it was content with direction of travel.

The board was advised that a paragraph regarding AHDB's involvement in the development of WWC would be proposed to be included within Sir Don Curry's Translating Science into Practice report. The draft wording would be circulated by KB for the board's comment.

Action

- **KB to circulate wording regarding AHDB's involvement in WWC for inclusion in Sir Don Curry's report to the board.**

The board was concerned about AHDB's resource capability to deliver the concept successfully. The Executive explained that there was already a need to join up work in Research, KE & Comms more effectively and that the WWC concept was therefore a valuable concept internally. AHDB's independent position was a key asset and, if successful, the concept would be beneficial in raising its profile and demonstrating delivery for farmers by tackling their most important questions.

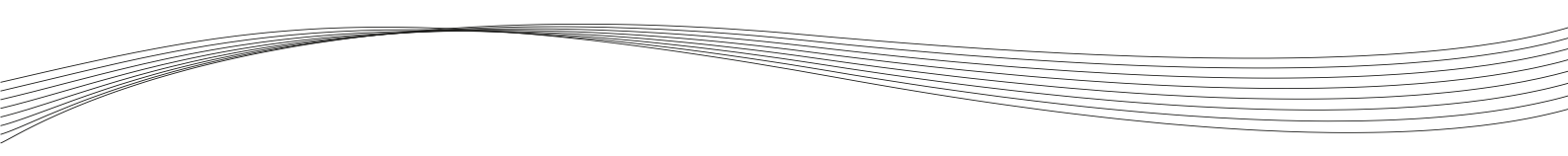
Funding was discussed and the board resolved that, whilst it accepted some levy payers money would be spent developing the concept, it was clear that any material additional costs to progress it should be met by Defra.

The board agreed that work should progress as outlined. It acknowledged that if funding could not be secured through Defra and AHDB was forced to withdraw, there would be a reputational risk which would need to be carefully managed.

It was agreed that an update on WWC should be provided to the board at its September meeting.

Action

- **Update on What Works Centre to be provided to the board in September.**



6.3 – Correspondence with Secretary of State

The board was asked to note correspondence exchanged between the Secretary of State and Chair in July.

AGENDA ITEM 7 – FUTURE OF AHDB SERVICES TO HORTICULTURE

RC joined the meeting for this item and was thanked by the Chair for all the work he had done in difficult circumstances to provide support on horticulture and potatoes.

An update was provided on discussions which had recently taken place between AHDB, Defra and Jack Ward and John Chinn (representatives of the industry working group which was developing proposals for a voluntary subscription mechanism).

The options under consideration for the future delivery of the EAMU/EA services were discussed at length. The board resolved that:

- Option 1 whereby AHDB would tender for work on a commercial basis should not be pursued.
- It agreed with the other recommendations, whereby transfer of the AHDB team to someone else within industry, potentially with some grant funding from surplus reserves to allow time to review operations and establish a long-term approach, was its preferred option.
- Wind-down arrangements should commence from the end of September 2022 with no future planning for delivery of services in 2023/24, barring the fulfilment of existing contractual obligations and statutory reporting requirements.

The board was informed that legal advice received recently confirmed that the Statutory Instrument did not on the face of it afford AHDB the power to return any surplus levy to individual levy payers. Two options were proposed: seek a ministerial instruction allowing AHDB to return the money to levy payers or, alternatively, establish a grant scheme to fund work to benefit the industry. The board requested that the executive seek to secure an instruction from the minister but begin work on developing criteria for implementing a grant scheme should that instruction not be forthcoming.

Action

- **Executive to seek to secure a ministerial instruction to enable a return of any surplus to levy payers and begin development of a grant scheme should that not be successful.**

AGENDA ITEM 8 – PEOPLE & FINANCE

8.1 – Clear Company Presentation on equality, diversity and inclusion (EDI)

Jenny Hinde, Executive Director, The Clear Company, joined the meeting and gave a brief presentation on findings following a recent assessment of AHDB's current position on EDI.

The Clear Company had concluded that AHDB was already compliant and focus group discussions had identified positive indicators which would help it develop and improve its inclusive practices further. A recommended action plan for the next 3, 6 and 12 months was described.

JH left the meeting.

JK provided the board with feedback on The Clear Company's performance. The findings of their report were as expected and emphasised the need for EDI messaging to be improved from the top down; delivery of training to be cascaded down was a priority. It was likely that this would be delivered in-house by the new Learning & Development Business Partner who had significant experience in this area.

It was agreed that the action plan proposed by The Clear Company should be developed further and progress against it monitored and regularly reported to the board. The importance of identifying targets against which the board could measure success was highlighted.

It was agreed that board members should be provided with a copy of the full report and that, as ARAC Chair, SP should receive a copy of the Terms of Reference which had been agreed by the Remuneration & Nominations Committee.

The board accepted the findings of the report and were reassured that AHDB is already considered compliant. It requested that JK prepare a paper for the next Remuneration & Nominations Committee and that a recommendation be made to the board subsequently on the programme of work to be delivered.

Action

- **JK to develop action plan and ensure progress against it is regularly reported to the board**
- **Copy of The Clear Company's full report to be circulated to the board**
- **SP to receive a copy of the Terms of Reference**
- **JK to prepare a paper for the next Remuneration & Nominations Committee meeting**

8.2 – Update on pensions negotiations with MLCPS trustee

Declarations of interest were noted for MS as a member of the MLC Pension Scheme Trustee and JS as chair of the HGCA Pension Scheme Trustee.

TR provided the board with an update on pension negotiations reporting that the MLC Pension Scheme Trustee had accepted AHDB's revised offer for deficit repair contributions. A payment schedule had been agreed with payments being made at the end of September 2022 and March 2023, followed thereafter by quarterly payments from 2023/24 onwards. The final deficit figure currently estimated by the trustee's advisers would require contributions from AHDB for 11 years subject to future triennial valuations during that time period.

TM was asked to update the board on progress in securing a Crown Guarantee. He confirmed that the matter had been considered by experts whose report was awaited. Once in receipt of their findings, Defra would revert to the Treasury.

The board was asked to approve the appointment of TH as the employer representative on both the HGCA and MLC pension schemes, replacing Naveen Gupta. This was agreed.

8.3. – Update on negotiations over potential building move

JK reported that plans to move to alternative local accommodation had been derailed but a suitable alternative affordable building was already under consideration.

The potential risk to AHDB's reputation of a move away from Stoneleigh Park and the cost implications of an alternative location for staff were discussed. JK accepted that there was some risk but emphasised that a move was needed to reduce financial pressures; the search for accommodation would continue but options available to secure a building of a similar and suitable standard were very limited. Cost implications for staff were being considered but with office attendance required just two days a week, this was not envisaged to be a barrier. The board was reminded that a move to a more suitable office would generate significant cost savings in a full year.

AGENDA ITEM 9 – ANY OTHER BUSINESS

SP questioned whether the Danish Data Protection Agency's decision to ban Google Workspace would have an impact. This would be reviewed internally and, if an issue, reported to ARAC.

Action

- **AHDB's use of Google services and any potential impact following Denmark's decision to ban Google Workspace to be confirmed and reported to ARAC, if necessary.**

CB raised the matter of sector council representation on the Remunerations & Nominations Committee and ARAC. It was confirmed that all the Sector Chairs would automatically be members of the Remunerations & Nominations Committee. Membership of ARAC was currently under review. It was accepted that all four sectors should have representation on ARAC in future (though this need not necessarily be the Sector Chair), and that ARAC appointments should be made on a skills basis. It was agreed that IA would prepare a proposal for future ARAC membership for consideration by the Remuneration & Nominations Committee at its next meeting.

Action

- **IA to prepare a proposal for future ARAC membership for consideration by the Remuneration & Nominations Committee at its next meeting.**

NS reported that he had written to the Chair of the Remunerations & Nominations Committee regarding the time allocated to Sector Council and Committee Chairs. A proposal was being prepared and a recommendation for consideration and approval by the board via email would be made by the Remuneration & Nominations Committee.

Action

- **Remuneration & Nominations Committee to make a recommendation to the board on time allocated to Sector Council and Committee Chairs for approval via email.**

SBr requested that the board be given access to more information about staff, including responsibilities and contact details. JK advised that this was already available to board members through MS Teams and agreed to demonstrate the system to those who were not familiar with it.

Action

- **JK to provide support to board members in use of MS Teams to access more information regarding staff.**

LE asked whether plans to hold board meetings in other parts of the country had been progressed. It was confirmed that proposals would be presented to the board at its meeting in September.

Noting that it was SB's last meeting, JS thanked her for the significant contribution she had made to the board and wished her well for the future. This was endorsed by other board members. SB thanked the board and wished them and the organisation good luck for the future.

AGENDA ITEM 10 – DATE OF NEXT MEETING

The next meeting will take place on Tuesday 20 September 2022 at Stoneleigh.