

**SUMMARY MINUTES OF THE SIXTY SIXTH MEETING OF THE AGRICULTURE AND
HORTICULTURE DEVELOPMENT BOARD
HELD ON TUESDAY 29 JANUARY 2019 AT STONELEIGH PARK**

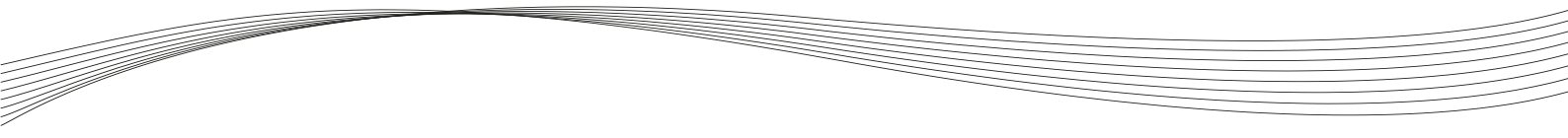
PRESENT:

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), 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
There were no declarations of interest recorded.
AGENDA ITEM 3 – MINUTES OF THE MEETING HELD ON 20 NOVEMBER 2018
The minutes of the Board meeting held on 20 November 2018 were accepted as a correct record with the exception of the reference to African swine flu which should read African Swine Fever.
AGENDA ITEM 4 – MATTERS ARISING FROM THE MEETING HELD ON 20 NOVEMBER 2018
Non-Stun Halal
Non-stun Halal will be discussed at the March Board meeting.
Skills
JK reported that skills will be discussed at the next meeting owing to further work needing to be done in that area before coming back to the Board.
MLCSL
A press release had been agreed and issued following the sale of MLCSL.
LIP



A sub-group of the Board had been established who will review the products and Delivery Agreement.

CRM Hypothecation

CRM hypothecation had been agreed with the Sector Strategy Directors.

Sutton Bridge

SC commented that she was happy with the proposals on Sutton Bridge.

Karen Morgan

A letter of thanks had been sent to Karen Morgan for the work she had done in her role of Agriculture Counsellor at the British Embassy in Beijing. Ray Smith had succeeded her. Ray has had an induction to AHDB and joined AHDB colleagues at the Oxford Farming Conference earlier this month.

Thanks to MLCSL team

A note was circulated to staff thanking them for their efforts in getting the sale to completion.

AGENDA ITEM 5 – What Works Centre, Update on Integrated Pest Management and Technical Campaigns 2019

Simon Oxley (SO) and Susannah Bolton (SB) joined the meeting for this item.

RG explained that some projects were being elevated and Integrated Pest Management (IPM) was one of them. IPM is an ecosystem approach to crop production and protection that combines different management strategies and practices to grow healthy crops and minimise the use of pesticides. SOs presentation had been shared with the crops boards and outlined the current challenges facing crop protection. The chemical landscape was rapidly changing, the government 25 Year Environment Plan had explicitly mentioned IPM and government was looking at payments for more environmentally benign production (Environmental and Land Management Scheme (ELMS)). An IPM roadmap had been developed which outlined a way in which AHDB could develop a plan the industry could aspire to. BREXIT was unlikely to change any of the pesticide regulations in the short to medium term. The Board enthusiastically endorsed such a wide ranging collaboration approach to such an important issue.

SB commented that the Board had received a copy of a document on the What Works Centre. SB informed the Board that the document had received some quite significant responses from across the industry. IPM was a good example of using the What Works approach. It was noted that the Defra Chief Scientist, Ian Boyd had raised concerns and an invitation to Stoneleigh to discuss this will be made.

AGENDA ITEM 6 – Livestock Information Programme (LIP) Update

RL provided the Board with an update on LIP. RL commented that he was really pleased with progress to date in terms of overall programme delivery. There had been a very good response from the market to the Invitation to Tender (ITT) with 57 suppliers registering an interest in Contract 1. The deadline for responses is noon 8 February.

RL provided the Board with detail relating to the funding changes. He confirmed that the AHDB loan offer cannot be taken up by government but he also confirmed that the LIP tranche 4 funding bid had been successful with the programme awarded £3.5 million for 2019/20. Defra has confirmed their commitment to the joint collaboration with AHDB irrespective of the funding model.

An internal workshop will review the nine products and the overarching Delivery Agreement (DA); this will involve the sub-group of the Board and AHDB technical input and will be held on 11 February. An overview paper has been prepared that explains the background to the development of the nine products, the purpose of each product and how they relate to the DA. It remains the ambition to see the DA signed April/May, the draft DA is now with Defra legal.

RL confirmed that the Traceability Design User Group (TDUG) continues to have significant input to the activities of the LIP and that the future role of the group is highlighted in the product documents. He also confirmed that a workshop is being organised for software companies operating in the agricultural sector that will explore opportunities for inter-operability with the new system.

The crop sector boards had all been offered a joint LIP event but they have declined preferring instead a separate presentation to the respective boards at an appropriate time. RL will make sure the programme responds when it is invited to present.

AGENDA ITEM 7 – BREXIT NO DEAL

TH provided an update on preparations for a No Deal Brexit.

The Board was informed of plans that had been put in place if a no deal scenario takes place. A team had been established focussed on contingency planning across the organisation. The team meets weekly to ensure that support can be given to sectors. Specific teams and individuals have been asked to prioritise No deal preparations over all other work. Web presence has been overhauled to ensure that it is fit for purpose to support the industry.

The Board agreed to the request that teams and individuals should prioritise on contingency planning and be in an overall state of preparedness. The Board also agreed to the Executive being able to operate under high degree of delegated authority around Brexit contingency work. Board conference calls will be organised as required.

AGENDA ITEM 8 – SUPPORT COSTS

KB provided the Board with information on support costs. KB reminded the Board that when the budget was approved in March 2018, a request for a review of support costs was made. JS enquired whether there was anything going on in the organisation relating to LEAN and commented that there was a variation of support costs between sectors. RG noted that some LEAN expertise would soon become available in the Technical team. WL requested that where there was a need to materially increase support costs then a board business case was prepared in order to know the benefits of the investment.

AGENDA ITEM 9 – FINANCIAL RISKS

Helen Walker (HW) joined the meeting for this item.

Financial risks were discussed. The Board was informed that the 2019/20 activity and budget planning completion week will take place during w/c 4 February with a view to having the activity plan finalised by 11 February. A lessons learnt exercise will take place following the completion of the activity plan.

HW had sent a management accounts survey to the Board. Board members were asked to return the survey if they had not already done so.

Following a question from JS relating to increasing focus, the Board was informed that the Senior Team had been holding workshops to identify priority work.

Matt Catlin and Joe Worrall attended the meeting at this point to demonstrate Brexit + SmartHort web pages over the coffee break

AGENDA ITEM 10 – SECTOR REPORTS + DASHBOARDS

Beef and Lamb

AQ reported that there had been continued pressure on environmental and health issues around the sector. This is gaining momentum and was an area the B&L Board had identified as a priority for the coming year. A survey is going to take place to get an understanding of what consumers require.

Interviews for the B&L Board had been taking place with good applicants showing interest in the roles.

Cereals and Oilseeds

PT commented about the delay with Farmbench which had put pressure on delivering targets. RG provided an update on the reasons for the delay. It is anticipated that full delivery will not take place until the autumn. JK commented that the LT will discuss lessons learnt from this. PK commented that owing to the importance of this project it was vital to get the service right before launching Farmbench.

Dairy

The launch of the seventh strategic dairy farm had taken place in Wiltshire in December. The KE team was looking to recruit 2 farms to hit the initial target with a farm in Wales being the main priority. Work with Welsh Government and the Betty Lawes Foundation is underway to recruit an additional 16 farms. A cross functional planning day is scheduled for 15 February to define the framework to recruit, manage and promote up to 25 farms.

GJ reported on the Dairy sector board interviews which had been taking place.

Horticulture

HC-G reported on a petition for a voluntary levy allegedly supported by approximately two hundred horticulture growers. To date, no petition has been received by AHDB nor Defra. A meeting with 5-6 of the growers involved will be arranged in March/April to discuss the petition.

Action: A meeting with a small number of growers will be held in the near future

HC-G reported on the recent sector board recruitment.

A half day facilitated session with the Horticulture board was taking place on 12 March. HC-G was also planning to hold a similar meeting with AHDB Horticulture staff.

The horticulture levy payer form will go out to growers at the end of April. A letter to accompany the form is being drafted.

Pork

MS commented that meetings had been taking place with key levy payers to establish their perception on how business performance can be improved. The meetings had been well received.

Potatoes

SC mentioned that similar conversations relating to the value of the levy had been taking place.

Board interviews had been taking place with strong candidates interviewed.

There will be a focus on potato consumption this year.

SC thanked the sector chairs for inviting her to their board meetings.

AGENDA ITEM 11 – CORPORATE REPORT

Communications and Market Development

CW commented that following the new market access to Japan, there will be an increased presence at Foodex, under the Food is GREAT banner. CW and Phil Hadley will be attending and an outward mission for beef and lamb exporters will take place to coincide with the event.

A discussion took place relating to the comms metrics contained within the board pack. The Board requested that more commentary is required to provide detail on the figures which are being quoted.

Action: More commentary around the comms metrics was requested

The results of the latest Levy Payer Satisfaction Survey will be shared with the Board at the March meeting.

HR

The Board asked for more commentary to be included in future HR reports relating to employee engagement, performance, etc.

Action: More commentary will be included in future HR reports on employee engagement, performance, etc.

A further discussion took place relating to headcount. It was noted that although the Board re-affirmed its commitment to a headcount cap, it did not want to create a perverse incentive for managers not to build partnerships or seek external funding.

Action: A fuller paper on headcount will be made available for the March Board meeting which will include figures that will be presented in the ARA

Strategy

The Board was informed that the Strategy team has started to prepare to develop a new AHDB strategy, the current one runs to 2020. There will be two major changes to the approach taken in 2016 i.e. engage with industry earlier and a single over-arching strategy for AHDB which will encompass the needs of the 6 sectors and from which the sector plans will flow in a relevant and impactful way. The first draft of the Corporate Strategy will be produced for sense checking by the Leadership and Senior Teams in May 2019 prior to consideration by the AHDB Board. Sector plans will be ready for consideration in September 2019 with the ambition that these are approved by the end of November 2019.

Technical

RG outlined her 5 key priorities for 2019 which included profile raising of the Technical team, communicating with colleagues in AHDB to develop technical campaigns for 2019, improving internal collaboration, demonstrating return on investment and simplifying in an attempt to reduce, streamline and remove unnecessary processes. RG commented that she had started holding stakeholder meetings with key research contractors.

AGENDA ITEM 12 RISK

KB provided the Board with an update on risk and in particular the 5 highest risk items. RG will be attending the next Audit and Risk Assurance Committee on 5 March to discuss the lack of co-ordinated talent management and staff development programme. An update was expected from HMRC regarding VAT on 15 February. The Head of Information Management and Security interviews were taking place on 30 January. The Board agreed to increase the risk relating to Brexit – no deal resulting in industry disruption/delivery of AHDB services.

Action: The risk relating to a Brexit no deal will be increased in the risk register

AGENDA ITEM 13 – CHAIRMAN’S REPORT

PK asked for his report to be taken as read. PK commented that there was a cocktail of challenges for the organisation i.e. Request for Views, the Agriculture Bill and the Food and Drink Sector Council productivity work which could create a huge opportunity. PK thanked GL and all members of the team who successfully completed the sale of MLCSL in November 2018.

AGENDA ITEM 14 – CEO REPORT

JK provided the Board an update on the year end progress of the Leadership Team against the deliverables which had been set for 2018.

JK was working with CW to look at making the Stoneleigh headquarters more accessible to levy payers.

The Board was informed that the July meeting will take place in Herefordshire. A programme will be developed for 29/30 July.

Action: A programme for the Board visit to Herefordshire on 29/30 July will be developed

AGENDA ITEM 15 – FINANCE UPDATE

KB provided an update on financial performance to December 2018. It was pointed out that there needed to be an improvement in budget forecasting. The Board asked that this was included in PDR objectives of budget holders.

AGENDA ITEM 15 – APPROVAL OF LEVY RATES

The Board was reminded that under the Statutory Instrument, levy rates must be approved annually by Ministers. It was agreed that levy rates should remain unchanged from the current rates for the 2019/20 financial year. The Board approved the draft letter which will go from JK to Defra on behalf of the Board, requesting Ministerial approval of the proposed levy rates.

AGENDA ITEM 15 – EXPENSES

The revisions to the Expenses Policy were approved. A discussion took place on corporate memberships, i.e. The Farmers Club. It was agreed that there should only be one membership within AHDB. JS enquired about environmental footprint capturing, KB agreed to review this before staff are given more freedom on selecting travel arrangements.

Action: KB will review environmental footprint capturing before staff are given more freedom on selecting travel arrangements

AGENDA ITEM 16 – STANDING FINANCIAL INSTRUCTIONS

The proposed changes to the Standing Financial Instructions (SFI) were approved by the Board. JS asked for there to be consistency relating to strategy setting in the sector board delegated authority and KB agreed to mirror the wording from elsewhere in the SFI.

AGENDA ITEM 17 – MLC PENSION SCHEME TRIENNIAL REVIEW

The Remuneration and Nominations Committee had discussed the MLC Pension Scheme Triennial Review at its meeting on 28 January. The Committee agreed with all the recommendations in the paper regarding the triennial evaluation. The Board approved the recommendations.

AGENDA ITEM 18 – BOARD GOVERNANCE SCHEDULE

RG outlined what will be included on the agenda for the next Board meeting on 26 March and requested feedback from the Board in terms of priorities.

AGENDA ITEM 19 – HEALTH AND SAFETY REPORT

RG reported that in the last 12 months there had been twenty four accidents. Since the last Board meeting there had not been any more RIDDOR reportable accidents. RG had included in her report details of Health and Safety training courses taking place during 2019, the Board will undertake the Leading Safely course on 25 March. JS commented that it was very useful to see the list of courses that will take place but it would be useful to see the percentage of staff who had received health and safety training. In addition, JS asked if details relating to health and wellbeing could be included in the health and safety report for the Board.

Action: The Board should be provided with the percentage of staff who have received health and safety training. In addition details relating to health and wellbeing should be included in the Board health and safety report.

RG provided the Board with details of the health and safety support which had been provided to staff at Sutton Bridge (SBCSR). A summary was included in the report. The Board was reminded that MS was the Board representative on the Health and Safety Committee.

AGENDA ITEM 20 – AHDB SUB COMMITTEES

Audit and Risk Assurance Committee (ARAC)

WL commented that the last meeting of the ARAC had been held on 19 November and the minutes of that meeting were in the Board pack. MS had been appointed to sit on the committee and the Board ratified the appointment. WL informed the Board that the committee was now up to strength.

AGENDA ITEM 21 – ANY OTHER BUSINESS

There was no further discussion under this item.

AGENDA ITEM 22 – REMUNERATION AND NOMINATIONS COMMITTEE

The Leadership Team, with the exception of the Chief Executive, left the meeting at this point. GL provided details of the Remuneration and Nominations Committee meeting, which had taken place on 28 January 2019.

AGENDA ITEM 23 – DATE OF NEXT MEETING

The next meeting will take place on 26 March 2019.

Dates of future meetings

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