

**SUMMARY MINUTES OF THE NINETY FIRST MEETING OF THE  
AGRICULTURE AND HORTICULTURE DEVELOPMENT BOARD  
HELD ON TUESDAY 28 MARCH 2023 AT 8.30 A.M.  
IN THE BOARD ROOM, AHDB, SISKIN DRIVE EAST, COVENTRY**

**PRESENT:**

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

**IN ATTENDANCE:**

Tim Rycroft (TR), Ken Boyns (KB), Will Jackson (WJ), Tony Holmes (TH), Jackie Kay (JK), Ian Ascroft (IA), Katie Davies (KD), Rob Clayton (RC) (Item 5.3), Guy Attenborough (GA) (Item 5.3), Chris Gooderham (CG) (Item 7.2), Tim Mordan (TM)

<b>WELCOME AND FAREWELL</b>
NS welcomed the board to AHDB's new office. As it was TM's final board meeting, NS thanked him for all his hard work over the years and wished him luck for the future.
<b>AGENDA ITEM 1 – APOLOGIES FOR ABSENCE</b>
No apologies received.
<b>AGENDA ITEM 2 - DECLARATIONS OF INTEREST</b>
No declarations of interest declared. TM reminded the board of their requirements on the use of social media. All board members need to follow the guidelines which will be recirculated.
<b>Action: TM to provide IA with Defra guidelines on the use of social media ahead of circulation.</b>
<b>AGENDA ITEM 3 – MINUTES OF THE BOARD MEETING HELD ON 24 JANUARY 2023</b>
The minutes of the board meeting held on 24 January 2023 were accepted as a correct record.
<b>AGENDA ITEM 4 – MATTERS ARISING FROM THE MEETING HELD ON 22 NOVEMBER 2022</b>
All items had either been actioned or were on the agenda for discussion.
<b>AGENDA ITEM 5 – OPERATIONS AND ENGAGEMENT</b>
<b>5.1 CEO REPORT</b>
CEO Report taken as read.
SB asked what the status of AgriLeader currently was. TR commented that this was under review. It was important to acknowledge (and preserve) that an element of AgriLeader's appeal was that it has been developed somewhat at arm's length from the organisation.
<b>Action: WJ tasked with putting together a short paper on the future of AgriLeader which will go to all Sector Councils.</b>
<b>5.2 ENGAGEMENT UPDATE</b>
Sector Report taken as read. WJ gave a summary of council meetings which have just taken place. Two key items discussed at these meetings were budgets and levy rate increases. All councils signed off their 2023/24 budgets, but discussions are continuing over levy rate increases.
<b>Action: The board asked for a business case to be prepared on levy rate increases to present at the next round of council meetings in May.</b>

#### **5.2.1.1. GENETICS STRATEGY UPDATE**

KB gave a verbal update on what is happening with genetics. The Beef & Lamb and Dairy sectors are working closely with the Sector chairs and external organisations to collaborate on the best way to move forward. TM requested that AHDB work closely with the Defra team on this.

**Action: KB to present a formal paper on genetics at a future board meeting.**

#### **5.2.2.1 DIGITAL GRAIN PASSPORT**

KB gave a verbal update on the latest developments. Currently a paper passport goes with every grain load transported, but many stakeholders believe that inevitably at some stage this will become digital. AHDB has been asked to use its independence to facilitate discussions across the sector to see whether an affordable and effective digital passport that commands wide confidence is currently possible. An AHDB-chaired industry working group is meeting weekly. SB, who is chairing the working group, commented that we're in a much better place than we were but still a lot of work to do.

A business case is being developed for the industry with assistance from AHDB for mid-year. This is to either get approval to press ahead or the no go which will stop any further work.

#### **5.3 HORTICULTURE AND POTATOES UPDATE**

KB thanked RC for all his hard work during the past few years on getting this project through. GA is taking over from RC, but TR will have responsibility for completing the transfer to, and future relations with, HCP Ltd. The transfer should go through on Friday 31 March 2023.

On potatoes, offers have now been made to owners of small sections of the Sutton Bridge site and we are seeking a quick decision on these so we can secure clean title.

#### **5.4 AHDB STRATEGY (Continuation from discussion on 27 March 2023)**

The discussion on 27 March 2023 was very productive. TR has a full list of actions from the meeting to progress development.

**Action: TR to present an update on strategy and the way forward at June board.**

#### **5.5 AHDB COMMUNICATIONS CHANGES**

WJ presented slides providing an overview of the recent changes in the Communications team.

**Action: WJ to set up an online session with Roseanne Thomas for a more in-depth look at the recent changes for any board members wishing to join.**

#### **AGENDA ITEM 6 – SERVICES**

##### **6.1 SERVICES UPDATE**

Services Report taken as read. CB raised some concerns around Medicine Hub that have come from the council. KB noted that remedial actions are in place.

**Action: KB and CG to set up a short online session to discuss Medicine Hub which CB, LE and any other council members can join.**

##### **6.1.1 WHAT WORKS CENTRE (WWC)**

KB gave a verbal update on the latest developments with WWC.

##### **6.1.2 EXPORT STRATEGY AND CONFERENCE**

KB outlined the recent changes within the Exports Team which involved some of Phil Hadley's (PH) team involved in international marketing moving under Liam Byrne's management.

TR and KB stated they wanted the June Export conference to be a great event and planning is well advanced

**Action: KB is to task PH to put together a strategy for Dairy exports.**

## 6.2 LI LTD DECISION

Report taken as read. KB headlined key points and options open to AHDB with the recommendation to go with Option C – maintain a close working relationship with LI and Defra, whilst at the same time reducing involvement and resource of AHDB.

**Decision: The board were in agreement with the recommendation given but with a preference for a lower minority percentage of ownership than that recommended, if that could be achieved.**

## 6.3 ENVIRONMENT UPDATE

CG gave a short update on Environment. The board asked that he makes it clear going forward the level of resource required and requested that they receive more frequent updates.

**Action: NS suggested arranging an afternoon session prior to the June board dinner for CG and John Gilliland to meet with the board to discuss the Environment Strategy.**

## AGENDA ITEM 7 – DEFRA UPDATE

TM provided a verbal update on latest developments at Defra and informed the board that Gill Laishley is taking over from him, likely with effect from the end of March.

TM gave an update on the latest with the Statutory Instrument. A suite of proposals have gone to ministers for approval. The proposal for a statutory register of levy payers has not been included for reasons which TM explained.

Defra and Devolved Administration Ministers have approved SP's reappointment for a second term of three years. They have also approved MS staying on as Pork Sector Chair for another year as no appointable applicants came forward. The successful applicant for Cereals & Oilseeds Sector Chair has accepted the offer and will be appointed, but this remains confidential until confirmed by Defra.

## AGENDA ITEM 8 – FINANCIAL AND PERFORMANCE UPDATE

### 8.1 MANAGEMENT ACCOUNTS

The management accounts were taken as read.

**Action: TH to look at the apparent current underspend after the reforecast in July to see if we can change the way it's reported in the accounts.**

### 8.2 FRENCH PAYROLL

Report taken as read. TH stated the costs outlined will remain the same. LB has taken over responsibility of the French office; he will be reviewing the options available and will report back with a strategy proposal in due course.

### 8.3 INTERNATIONAL HOUSE FINANCIALS

Report taken as read. The board thanked JK and her team for all the hard work getting us into the new office.

### 8.4 HORTICULTURE AND POTATOES DEBT COLLECTION

Report taken as read. TH stated there are several CCJs already in place. It was noted that AHDB is under a legal duty to recover any levy monies owed. TH noted that even if enforcement action were taken, a payment plan can still be agreed at that stage.

**Decision: The board agreed with proceeding with the enforcement action if CCJs are ignored.**

### 8.5 2023/2024 BUDGET APPROVAL

All budgets were signed off by the councils. The board thanked TH and his team for all their hard work getting these through the process.

**Decision: The board approved the proposed budgets.**

## **8.6 INVESTING CASH BALANCES**

Report taken as read. This was also discussed at ARAC and NAO are happy with the proposal to invest AHDB cash balances. The board asked if there was an option to look at spreading investment across several banks.

**Action: TH to request an ethical statement from Barclays. The option to spread investment is to go to ARAC for discussion and report back to the board.**

## **8.7 HCC/QMS VAT ISSUE**

Report taken as read. Since writing the report, TH stated that HCC and QMS have found a solution and way forward with HMRC on the VAT issue.

## **AGENDA ITEM 9 – PEOPLE**

### **9.1 HR UPDATE**

The HR Report and dashboard were taken as read. JK invited the board to sign up for any online training sessions they would benefit from completing.

**Action: Board members to advise JK of any training sessions they wish to join.**

### **9.2 PRIVATE MEDICAL INSURANCE (PMI)**

JK stated progress had been made with PMI and NAO have confirmed they are happy with this progress. JK to keep the board updated on this item going forward.

### **9.3 HEALTH & SAFETY UPDATE**

H&S Report taken as read. Two minor accidents reported since last board.

### **9.4 REMUNERATION AND NOMINATIONS COMMITTEE (RemNom)**

A verbal update was given by CM on the RemNom meeting held on Thursday 19 January 2023.

Updated Terms of Reference have been amended following further recommendations and will be circulated by IA for approval.

**Action: IA to circulate updated RemNom Terms of Reference to Committee and board for formal approval.**

### **9.5 NEW BUILDING REPORT**

Building move is on track to have all staff in by Monday 17 April 2023. JK will provide the board with a tour of the new office following the meeting.

## **AGENDA ITEM 10 – BOARD AND GOVERNANCE MATTERS**

### **10.1 REPORT FROM AUDIT AND RISK ASSURANCE COMMITTEE (ARAC)**

Draft minutes from the ARAC meeting held on 23 March 2023 were taken as read.

### **10.2 DEFRA MEETINGS UPDATE**

IA gave a verbal update on the meetings currently taking place with Defra.

### **10.3 RISK REGISTER UPDATE**

Risk Register paper taken as read. The Executive have a meeting on 14 April 2023 to discuss identifying new risks and the way AHDB categorises existing ones.

**Action: NS asked for a deep dive on risk to be included on the agenda for the next ARAC meeting and then report back to the board.**

### **10.4 FREEDOM OF INFORMATION REQUESTS**

FOI paper taken as read.

**10.5 FEEDBACK LOG**

The feedback log was taken as read.

**10.6 AHDB STANDING INSTRUCTIONS**

IA presented a number of proposed amendments to AHDB's Standing Instructions, along with options for separating the existing one document into a more appropriate suite of documents.

**Decision: The board approved all the proposed changes as well as the creation of a new suite of documents as per the recommendations.**

**AGENDA ITEM 11 – ANY OTHER BUSINESS**

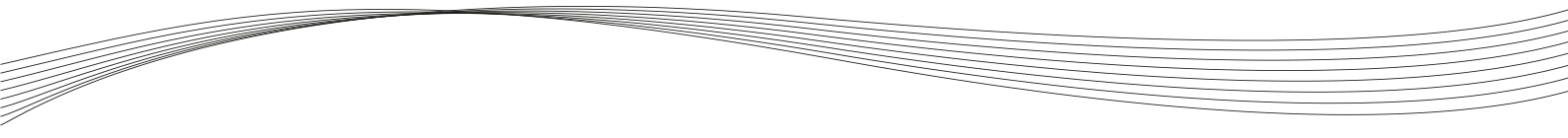
SP advised that a request has come through from Defra ARAC Secretariat for the Defra Group ARAC Chair to attend one of our ARAC meetings as an observer. SP asked the board for their approval in agreeing to this.

**Decision: The board agreed to an invitation being sent to the Defra Group ARAC Chair as requested.**

**AGENDA ITEM 12 – DATE OF NEXT MEETING**

Date of next meeting is Tuesday 6 June 2023 at AHDB, Siskin Parkway East, Coventry.

Appendix 1 – Summary of board discussion Thursday 11 May 2023



## Appendix 1

### **Summary of AHDB board discussion Thursday 11 May 2023 via Microsoft Teams**

The board met to discuss and formally approve the 2023 Pay Review.

CM presented the details of the 2023 Pay Review recommendation raised at the RemNom meeting on 3 May 2023. The recommendation was supported by RemNom, the Executive and Defra.

It was queried whether this pay increase would push the highest paid employees beyond any limits that would require additional Defra approval. TR noted that any limits referred to are only a requirement for appointments and not regular company pay reviews.

It was noted that this would be a good opportunity to look at any gender pay related issues across the organisation.

**ACTION:** JK was requested to recirculate the EDI pay related paper that was presented at RemNom and included in March's board papers. JK was also asked to circulate the draft RemNom minutes which noted the discussion and approval of the pay review recommendation.

**Decision:** The board unanimously approved the recommended increase to AHDB employee salaries and for this to be backdated to 1 April 2023.

