

**SUMMARY MINUTES OF THE CEREALS & OILSEEDS SECTOR COUNCIL MEETING
HELD ON FRIDAY 9 DECEMBER AT 9.30 A.M.
AHDB BOARD ROOM AND VIA MS TEAMS**

PRESENT:

Stephen Briggs (Chair) (SB), David Bell (DB), Tony Bell (TB), Tom Clarke (TC), Polly Davies (PD), Julius Deane (JD), Russ McKenzie (RM), Sarah Nightingale (SN), Cecilia Pryce (CP), James Standen (JS), Patrick Stephenson (PS), David Walston (DW)

IN ATTENDANCE:

Guy Attenborough (GA) (*Item 9*), Ken Boyns (KB), Angela Christison (AC) (*Items 1-6*), David Eudall (DE), Will Jackson (WJ) (*Items 1-6*), Sara Maslowski (SM) (*Item 6.2*), Alison Thomas (AT) (minutes)

CHAIR WELCOME AND INTRODUCTIONS
SB welcomed everyone to the meeting.
APOLOGIES FOR ABSENCE
None received.
DECLARATIONS OF INTEREST
No new declarations of interest were made.
MINUTES FROM THE COUNCIL MEETING HELD ON 4 OCTOBER 2023
Minutes to be amended to read “DE reported that AHDB was considering its future presence at Cereals.”
Subject to this minor amendment, the Council agreed that the minutes be signed by the Chair as an accurate record of the meeting.
MATTERS ARISING AND ACTION POINTS FROM THE COUNCIL MEETING HELD ON 4 OCTOBER 2022
Most actions had either been completed or were on the agenda for discussion. No points were raised.
CEREALS AND OILSEEDS (C&O) SECTOR PLAN
Feedback on Sector Plan launch and “Delivering the Future of Farming” (DTFF) event
The sector plan had been successfully launched at the DTFF event on 11 November and council members had attended several monitor farms since to answer questions and gauge levy payers’ reactions to it. Feedback from Council members was invited by the Chair.
The Council agreed that the DTFF event had been successful overall and, with little negative reaction reported, apparently well received. It was acknowledged that this was the first event of its kind and improvements could be made in future.
WJ shared an update on levels of interest in the launch reporting 5200 views of the live screening to-date. The ability to watch the event was still being highlighted through social media channels and a follow-up letter from the CEO, Tim Rycroft, had been issued to all levy payers on AHDB’s database.



Summarising the discussion, the Chair commented that the event and sector plan's launch marked the start of a process; there was still much to be done to raise the visibility and profile of AHDB and its work and ensure effective delivery of the plan. He thanked Council members for their contributions to the development of the sector plan, participation in the DTFF event and their presence at monitor farm events since. This had been valuable and would, he hoped, encourage levy payers to engage more directly with the council in future.

Measurables

A small sub-group of the Council had worked with the Executive to develop measurables for the sector which, through evaluation of quantitative and qualitative data would demonstrate the benefit of AHDB's work to levy payers. AC gave a brief presentation outlining the principles and the RAG rating mechanism which would be used to report workstream progress to the Council.

Discussion took place and whilst there was broad agreement with the principles and direction of travel, the Council requested that more work be done to show how workstreams would be evaluated and the potential costs involved. Effective evaluation would support the Council in its decision making and ensure money was spent on those activities which delivered maximum benefit to levy payers. It was agreed that an evaluation plan and budget proposal would be presented at the next meeting.

Action: Evaluation plan and budget proposal to be presented at next meeting.

DIGITAL GRAIN PASSPORT (DGP)

KB provided an overview of the current position explaining that the industry remained broadly supportive of the development of a passport fit for the 21st century but that some unanswered questions needed to be resolved before a credible full business case could be developed. The questions, which had also been shared with the Cereals Liaison Group at its meeting on 17 November, were outlined. KB also confirmed that AHDB planned to strengthen the capacity and capability of its team recognising that more director-level input was necessary.

The Council was asked to consider options for AHDB's future role in the development of the DGP. A presentation outlining the pros and cons of each option, a suggested approach to comms, and potential governance arrangements and timeline if AHDB were to work with industry to evolve the project was given.

Lengthy debate took place during which the Council expressed its view that the industry must feel greater ownership of the DGP, that there must be a strong and compelling business case clearly demonstrating the benefits to farmers if AHDB were to continue its involvement, and that development of the DGP should not be rushed.

Questions were raised regarding the level of expenditure incurred by AHDB to-date and it was agreed that the Finance Director would be asked to provide a breakdown at the next meeting. The Council also requested that AHDB explore the possibility of Defra providing funding for development of the DGP.

Action: Finance Director to provide breakdown of expenditure incurred on DGP to-date.

Action: AHDB to discuss with Defra potential for future funding of DGP

The Council concluded that the initiative should be led by the industry with AHDB acting as a facilitator if requested to do so. The Council remained supportive of the concept recognising the need to improve the transfer of information up and down the supply chain but felt that this should be steered by the industry, with it considering alternative solutions and driving the work forward. It was agreed that the Executive would draft and circulate by email to the Council a proposal about how the Council's decision should be communicated to industry.

Action: Executive to develop and circulate to the Council via email regarding AHDB's future role in DGP and how the council's decision should be communicated to the industry.

KB drew attention to his paper and reinforced that the effectiveness of research and KE activity would be critical to the success of the sector plan's delivery.



It was agreed that a Sector Council “away day” event would take place on Wednesday 1st (evening) and Thursday 2nd February 2023 (all day) to develop the thinking further. The suggested topics for discussion were agreed and it was suggested that it might be beneficial to share information regarding current research projects and activities with Council members in advance of the event.

The Council were advised in confidence of plans to adjust the staff structure to develop a single team primarily focused on C&O research and KE and managed by one director.

LEVY

Levy Rate Increase – Procedures and Next Steps

Guy Attenborough, Director of Corporate Affairs, joined the meeting and asked that his paper setting out the process and next steps for instigating a levy increase be taken as read. He highlighted that the onus was on AHDB to evidence industry support for any levy increase (which under current legislation would require ministerial approval) and that the process would entail an 8 to 12-week consultation period. The council was also advised that changes to the Statutory Instrument might present an opportunity to change existing legislation relating to the levy.

After discussion, the Council decided that a levy increase should be pursued and discussed with the industry as soon as possible and requested that AHDB continue to socialise the prospect with key industry stakeholders. It was agreed that a business case and plan for seeking levy payers’ support should be developed for approval at the March meeting.

Action: Business case for levy increase to be developed and presented to the Council in March 2023.

It was agreed that the levy rate for 2023/24 should be stand on until such time as industry consultation had taken place and the business case developed for a levy increase to be implemented later in the 23/24 year or 1st April 2024.

Cereals 5% Levy Collection Deduction

The results of an audit examining the administrative processes, time commitment and costs incurred by cereal buyers when collecting the levy on AHDB’s behalf were shared. Considering these, the Council requested that the case for the removal or significant reduction in the administrative charge, be included in the business case for the levy increase.

ADAS YIELD ENHANCEMENT NETWORK (YEN) 2023/24 PROPOSAL

DE outlined proposals for changes to AHDB’s existing sponsorship of YEN given concerns regarding the value derived from the current investment.

After debate, the Council supported the Executive’s recommendation that the sponsorship be adapted to only cover the YEN Nutrition network on the clear understanding that, through a formal contract, AHDB received suitable recognition and credit for its contribution and appropriate access to data.

2023/24 EVENTS PROGRAMME

A slide illustrating the C&O events planned for 2023/24 was shared. Careful consideration was being given to AHDB’s future presence at some external events given increasing stand build costs which might result in scaling back activity or exhibiting in partnership with others to reduce costs.

Discussion took place regarding the benefits and return on investment for levy payers derived from AHDB’s presence at larger external events versus those staged at relatively low cost by AHDB such as Monitor Farm Events. It was agreed that the Sector Council should be provided with statistics and analysis at its meeting in March so that it could consider the impact and return on investment in events and the extent of levy payer reach.

Action: AR to present statistics on event attendance at March Meeting

CHAIR’S REPORT / LEVY FEEDBACK

The Chair invited members to raise any issues faced by the industry.



It was suggested that a closer working relationship between PGRO and AHDB might bring about cost sharing opportunities. KB confirmed discussions had recently taken place with Roger Vickers, CEO of PGRO.

SECTOR LEAD & DIRECTORS' REPORTS (including project reports)

KB requested that his report be taken as read.

It was noted that the first terms of office for four members of the council were due to end on 31 March 2023. The Chair would be contacting each in the new year to invite them to continue until 30 September 2023.

The success of the recent Grain Market Outlook Conference was acknowledged but the council recommended that in future presentations should be recorded and made available after the event. Being well attended, the decision to move the event away from London had proved successful and consideration would be given to rotating the event around the country on a three-year cycle in future.

Discussion took place regarding AHDB's potential role in working with the British Farm Data Council (BFDC) with the Council urging AHDB to increase its involvement. It was agreed that Darren Sharp, Transformation & Data & Architecture Director and Jo Cook, Head of Data & Analysis, should be invited to attend the next council meeting to provide a more detailed update on their involvement with BFDC to-date.

Action: Darren Sharp and Jo Cook to be invited to March Sector Council meeting to provide an update on BFDC involvement

Clarification on the situation regarding certification and the importation of UK barley to Morocco was sought. It was agreed that a separate meeting with members of the export team and relevant Sector Council members would be convened to discuss this further.

Action: Meeting to be convened between AHDB staff and relevant Council members to discuss concerns relating to Morocco

CEREALS & OILSEEDS MANAGEMENT ACCOUNTS

Management Accounts

KB reported that the levy income forecast position was likely to improve in the next management accounts report when this year's large harvest results would be taken into account, thus reducing the deficit.

Queries were raised in respect of WS3, WS17 and costs incurred so far to progress the DGP. It was agreed that the Finance Director would attend the next meeting to provide more information.

It was also agreed that it would be helpful for the council to receive a top-level overview/dashboard of costs/resources across the organisation to provide more context to the C&O sector's financial position.

Action: Finance Director to attend March meeting to answer queries and provide overview/dashboard of costs across the organisation to give more context to the C&O sector's financial position



Update on HGCA Pension Scheme Valuation

KB advised that the outcome of the HGCA pension scheme triennial valuation had not yet been formally communicated to AHDB.

RISKS TO THE CEREALS & OILSEEDS SECTOR

KB drew attention to the risk register commenting that two new risks, Glyphosate and Gene Editing, would be added. It was suggested that a risk relating to farm business service moving away from universities should also be included, as should mention of Mycotoxins.

It was agreed that the register should be developed further to include more detail around mitigating actions and that it would be beneficial to work more closely with other organisations to understand how they were managing risk so that any gaps could be identified. It was proposed that the risk register might have its most value in discussion with the industry – possibly the Cereals Liaison Group.

Action: Risk register to be updated to include new risks identified and expanded to include more detail around actions taken to mitigate risks

2023 PROPOSED MEETING DATES

The Council meeting dates for 2023 were agreed.

ANY OTHER BUSINESS

None.

DATES OF FUTURE MEETINGS

- Sector Council Away Days: 1 February (evening) & 2 (all day) February 2023
- Sector Council Meeting: 1 March 2023

CLOSE

The Chair closed the meeting at 1.30pm

