

**SUMMARY MINUTES OF THE CEREALS & OILSEEDS SECTOR COUNCIL MEETING
HELD ON TUESDAY 4 OCTOBER AT 8.30 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:

Ken Boyns (KB), Angela Christison (AC), David Eudall (DE), Paul Flanagan (PF), Chris Gooderham (CG), Will Jackson (WJ), Roseanne Thomas (RT), Alison Thomas (AT) (notes)

CHAIR WELCOME AND INTRODUCTIONS
SB welcomed everyone to the meeting and explained that he would be acting as interim Chair pending the appointment of a new permanent Chair by Defra.
APOLOGIES FOR ABSENCE
None received.
DECLARATIONS OF INTEREST
No new declarations of interest were made.
MINUTES FROM THE COUNCIL MEETING HELD ON 22 JULY 2022
DB requested that initials used within the minutes be amended to distinguish between himself and Dhan Bhandari.
It was agreed that in future acronyms would only be used in minutes once a term had been fully spelt out.
Subject to the amendment above, 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 22 JULY 2022
Most actions had either been completed or were on the agenda for discussion.
KB reported that the early indications of the audit of some cereal buyer businesses to examine their levy collection costs demonstrated that costs were reduced due to more automated and efficient processes. The audit was ongoing, and an update would be provided at the next council meeting.
Any proposed change to the existing 5% levy deduction would need to be agreed and included within the new Statutory Instrument (SI), which was already under discussion with Defra. KB highlighted that the timescales for the SI changes might mean it was necessary to consult the Council on this matter prior to its next meeting in December.
SN requested that The Grain and Feed Trade Association (Gafta) be kept informed.



CEREALS AND OILSEEDS (C&O) SECTOR PLAN

Second Draft

The council's attention was drawn to the second draft of the sector plan.

KB provided context setting out AHDB's current financial position and advised that budget cuts across all sectors would be required over the next year due to the change in the VAT position and reduction in surplus reserves.

Discussion took place regarding the need to consider increasing the levy to take account of the VAT decision, high inflation and potential impact of pension liabilities. There was consensus that a levy increase was necessary if AHDB was to continue to deliver for levy payers; it would be important to explain the reasons why.

Any increase in levy rate would require industry support and ministerial approval making 1 April 2024 a realistic date for implementation however, the Council expressed a desire to work towards an implementation date of 1 April 2023 if possible. It was agreed that KB would prepare and circulate a proposal for the council's consideration.

In considering the content and style of the sector plan, a number of observations were made including:

- The document should be a positive statement setting out what AHDB will deliver over the next 5 years but also emphasising AHDB's willingness and capacity to change direction to respond to the industry's changing needs. It should be looking forward, not back, and demonstrate that levy payer's voices have been heard reflecting that AHDB wants to adopt a "bottom-up" approach and engage more with them.
- Linkages between soil, IPM and RB209 should be made more explicit.
- The AHDB Chair's statement should be reviewed.
- There should be greater emphasis on how levy payers can interact with AHDB eg increased content about the Knowledge Exchange (KE) team and Sector Council members.
- The document must be simplified further.
- The content should be meaningful to all levy payers, including those who had limited knowledge of AHDB and what it delivers.
- Effective comms messaging would be vital.
- Short sector council member biographies and photos should be included to highlight the breadth of expertise which exists and that some are farmers.
- The statement regarding measurables should be amended.

It was agreed that the plan should be updated to reflect the Council's feedback and that a short meeting would be convened late w/c 10 October to consider the revised version.

Measurables

AC outlined proposals for how performance of workstreams and themes might be measured in future to demonstrate the benefit of AHDB's work to levy payers.

Discussion took place and the council resolved that the measurables as presented needed development. They requested that successful delivery be measured through a combination of data illustrating the uptake of tools and services alongside more qualitative data assessing not only what products, tools and services were used but, more importantly, how. Outputs from the measuring and monitoring should then be used to drive improvement. The importance of KE in this process and obtaining levy payer feedback through increased use of focus groups was emphasised.

It was agreed that a small sub-group including the Chair, TC and DW should be convened to discuss measurables further with the Executive.



Plan for “Delivering the Future of Farming” event, 9 & 10 November 2022

RT joined the meeting and gave a brief presentation on plans for the Delivering the Future of Farming event when AHDB’s response to the “Shape The Future” campaign would be shared with levy payers. The event would now be virtual and live-streamed on 10 November only.

The content and format of the day were still being finalised but a number of council members would be asked to attend (in person) to present the sector plan, and urged to use their contacts to encourage levy payers to register. All other sector council members would be asked to attend virtually.

It was acknowledged that levy payers might pose some challenging questions during the event and agreed that the comms team should circulate to the Council the issues most likely to be raised and suggested responses.

FUTURE DIRECTION OF KE

PF, Director of Engagement, gave a brief presentation on the future of technical KE and engagement, highlighting areas of success and areas for improvement. Guiding principles for the future development of KE were shared and the council asked for its views.

Discussion took place and the council confirmed that it was content with the proposed direction of travel and to support the evolution of research and KE which would see a shift towards better co-ordinated farmer-led research, strengthened links both between the KE and research teams and AHDB and other organisations, and increased, more effective engagement with levy payers.

WHAT WORKS CENTRE (WWC) UPDATE

TC declared an interest in this item.

CG, Interim Research & Science Director, provided an update on WWC, explaining the concept and reporting that plans were already underway to develop a pilot with a steering group established to oversee this work.

There was significant support for the project with many industry stakeholders recognising the benefits it had the potential to deliver through greater collaboration and co-ordination of research and KE. As an independent and trusted body, AHDB’s role was not to own the project but to act as ringmaster and, if successful, it would derive benefit internally through better co-ordinated Research, KE & Comms.

Discussion took place about the value of the project to farmers and the challenges faced to make it succeed and there was consensus that the concept was worth developing further on the clear understanding that AHDB’s investment was limited and that the costs of delivering the pilot would, in the main, be met by Defra.

CHAIR’S REPORT / LEVY FEEDBACK

The Chair invited members to share issues faced by the industry and a brief discussion took place regarding the most significant risks faced including doubts over availability of fertiliser, dynamic market conditions and the impact of high energy costs, particularly on millers.

SECTOR LEAD & DIRECTORS’ REPORTS (including project reports)

KB requested that his report be taken as read.

The Council had held an informal discussion regarding the Digital Grain Passport (DGP) project the previous evening. For those not present, DE summarised the debate explaining that the Council had agreed that following the current work and testing with the industry there was a need for the development of a very clear updated business plan providing transparency around the benefits for all groups of levy payers, the budget, explaining how agile project management would be used to monitor delivery and costs and setting out the risks, pros and cons. It would also be imperative to understand how the DGP might be funded in perpetuity. The business plan would be presented to the council in December for consideration when a decision on whether to proceed or not would be taken.



DB reported that AHDB was considering its future presence at Cereals. No decision had been taken yet but given the cost of exhibiting, it was likely that the size and scale of its stand would decrease and that it would curtail its sponsorship of the theatre. This would release funds allowing it to have a greater presence at other more appropriate events.

It was agreed that a review of AHDB's C&O activity at 2023 events should take place in December.

CEREALS & OILSEEDS MANAGEMENT ACCOUNTS

KB provided an update on the latest financial position. He highlighted that the figures had been presented both in the old "by function" format and a new format to reflect the "workstreams" and explained the reasons behind the most significant variances in underspend in KE and Economics & Analysis.

A question was raised regarding the accuracy of allocation of staff time to C&O activity. KB confirmed that directors would be checking and reviewing timesheet data and that responsibility for overseeing C&O budgets rested with him.

An explanation of the figures attributed to WS17 Commercial was requested. TH would be asked to provide this.

The council requested that in future more narrative be provided to explain the figures and that the old format of the report should continue to be presented with the new format until the end of the current financial year so that comparisons could be made.

ANY OTHER BUSINESS

A question was raised regarding the benefit to levy payers derived from AHDB's sponsorship and involvement with ADAS Yield Enhancement Network (YEN). AR confirmed that a meeting had already been arranged with ADAS to consider this. The Council would be updated on the outcome of those discussions at its meeting in December.

Some negative feedback from traders was reported in respect of the proposed agenda for the Grain Market Outlook Conference on 22 November. Speakers' names had not yet been published and concerns had been raised over the decision to hold the event in Grantham rather than London. Council members had not yet received an invitation to attend. It was agreed that DE would circulate more information about the event.

Council members were encouraged to attend the AgriScot event on 16 November at the Royal Highland Centre.

DATES OF FUTURE MEETINGS

- 10 November 2022 – "Delivering the Future of Farming" open meeting
- w/c 10 October 2022 (date tbc) – Sector Plan Review
- 9 December 2022 – Sector Council Meeting

ITEMS FOR FUTURE DISCUSSION

- Education
- Export Strategy
- Risks to the Industry
- Environment Strategy

CLOSE

The Chair closed the meeting at 1.20pm

Date of next meeting: - Friday 9th December 2022 (hybrid meeting).

