

**SUMMARY MINUTES OF THE CEREALS & OILSEEDS (C&O) SECTOR COUNCIL
MEETING
HELD ON 8 JULY 2024 AT 10.00AM
AHDB BOARD ROOM & MS TEAMS**

PRESENT:

Tom Clarke (Chair) (TC), David Bell (DB) (Vice-Chair), Tony Bell (TB), Allan Bowie (AB), Polly Davies (PD) (MS Teams), Julius Deane (JD) (MS Teams), Sarah Nightingale (SN) (MS Teams), Richard Orr (RO), Cecilia Pryce (CP) (MS Teams), James Standen (JS)

IN ATTENDANCE:

Ken Boyns (KB), Stephen Briggs (SB) (MS Teams), Derek Carless (DC), David Eudall (DE), Mike Gooding (MG) (MS Teams), Tony Holmes (TH) (MS Teams), Ana Reynolds (AR), Alison Thomas (AT) (minutes), Graham Wilkinson (GW) (MS Teams)

AGENDA ITEM – CHAIR’S WELCOME AND INTRODUCTION

The Chair welcomed everyone to the meeting.

AGENDA ITEM – APOLOGIES FOR ABSENCE

Apologies for absence had been received from Russell McKenzie and Patrick Stephenson. The Chair confirmed that both had submitted comments to him on the matters to be discussed prior to the meeting and that he would feed their views in as appropriate during the course of the meeting.

AGENDA ITEM – DECLARATIONS OF INTEREST

CP declared an interest commented that she was not qualified to make judgements or comment on financial matters.

No other new declarations of interest were made.

AGENDA ITEM – DIGITAL PASSPORT

The Chair reported that plans for representatives of the digital passport industry Leadership Group (LG) to attend the meeting had been cancelled as during its meeting on 5 July the LG had concluded that it was not yet ready to make a formal request of the Sector Council. Nevertheless, the Chair felt that it was important for this meeting to proceed to give the Council an opportunity to debate the digital passport and the principles around it so that it could decide how it wanted the staff to move forward and make a strategic recommendation to the AHDB Board about AHDB’s future role in the project. Stephen Briggs, Chair of the LG, was in attendance to answer any questions.

KB provided an update on industry stakeholder support for the digital passport following the release of the updated Business Case to reflect input gathered during the consultation process.

KB and DE gave a presentation which included the historic timeline, industry’s choices, merits of a single system versus multiple systems, key risks and a request for ongoing funding of staff time to continue to support the industry explore the concept.



Following the presentation discussion took place during which council members raised some key points including:

- Consideration should be given to changing the name from Digital Passport to Commodity Digital Document Exchange or similar to better reflect where the potential value is
- Poor communication to-date had caused confusion amongst some stakeholders and levy payers as to the value of the DP and its purpose and going forward if it were to succeed, comms must improve significantly.
- If AHDB were to take a more prominent leadership role in delivery, the potential for reputational damage to AHDB if the project were to fail should be acknowledged and the risk mitigated through appropriate resources and funding.
- The Digital Passport was scored as 3.3/5 by levy payers in the Shape the Future campaign. If AHDB increased its involvement and took a leadership role, more must be done to gain support from levy payers for the merits of a DP.

After debate the Council decided (by majority) on a set of points which, if met, the Sector Council would support taking on the digital passport. These would be shared with the Digital Passport Leadership Group for their consideration and feedback.

The Council also noted that there were practical issues which it would need further assurance on regarding the appropriate skills, resourcing, capability, contract and risk management of this as an AHDB project.

The Chief Executive gave an assurance that if the system were to be built, he would ensure the project was adequately resourced to increase its chances of success.

It was agreed that the Council's points should be shared with the LG and that, if it was supportive, AHDB could take a clearer leadership position on communications.

It was noted that the Council had previously approved funding for the project to cover staff time up until 30 June and that if work were to continue, its agreement for additional funding was required. It was agreed that the Executive would prepare and circulate to the Council via email a paper setting out the next steps, the resources required and estimated costs. A further update on progress would be provided at the September Council meeting, with a more in-depth discussion at the November meeting when the LG's position on the Council's points would be clearer.

Action: Executive to prepare and circulate via email a paper setting out next steps, resources required and estimated costs

AGENDA ITEM – FINANCIAL REPORT

KB thanked TH and his team for their support in preparing the financial report outside of the normal cycle of forecasting.

The Council's attention was drawn to a number of risks and opportunities which had been identified and which might impact the reforecast which will be undertaken in July.

KB stated that, there was no need to consider pausing any activity at this time as the weather reserve agreed when the budget was set would absorb the lower than budgeted income and remain above the minimum reserves threshold.

The Council was also advised that some budgets were currently requiring slightly less levy investment with work being undertaken as planned but more cost effectively than expected.

AGENDA ITEM – 5% ADMIN LEVY DEDUCTION



KB drew attention to his paper and the letter received from AIC following their attendance at the Council's meeting in June.

The Council considered the recommendations made and agreed that:

- a) A meeting between the AHDB finance team and representatives from some of AIC's members' finance teams should be held to better understand the costs being incurred in collecting the levy as proposed.
- b) A change in the rate would take effect from 1 April 2025 and AIC should be advised of that immediately.
- c) Priorities for all the levy should be discussed with AIC members through a round of formal meetings in the autumn as part of Business Planning.
- d) AHDB should not agree to AIC's request to cut the deduction to one third initially as this appears arbitrary and would prolong the process of change.

AGENDA ITEM – ANY OTHER BUSINESS

There being no further business the meeting closed at 2.20pm.

DATE OF NEXT MEETING

Friday 20 September at 8.30am, AHDB Board Room

