

**SUMMARY OF AHDB DAIRY BOARD MEETING
HELD ON 20TH MARCH 2019
THE BOARD ROOM, AHDB, STONELEIGH PARK**

PRESENT: Gwyn Jones (Chair), David Cotton (DCo), David Craven (DCr), Andrew Fletcher, Tim Gue, Oliver Hall, Janette Prince, Mary Quicke, Peter Rees, Scott Shearlaw, Richard Soffe

IN ATTENDANCE: Susannah Bolton, Ken Boyns, Derek Carless, Sue Cleaver (minutes), Anna Farrell, Paul Flanagan, Rebecca Geraghty, Tom Hind, Jane King, Richard Laverick

WELCOME AND APOLOGIES FOR ABSENCE

The Chair, Gwyn Jones, opened the meeting at 8:30 am and welcomed those in attendance. There were no apologies.

DECLARATIONS OF INTEREST

There were no new declarations of interest.

MINUTES FROM THE MEETING HELD ON 23RD JANUARY 2019

The minutes from the meeting held on 23rd January 2019 were examined and two changes requested. Subject to these changes the minutes were accepted as a true record and signed by the Chair.

MATTERS ARISING

An update on the matters arising from the meeting held on the 23rd January 2019 was given. PF was pleased to announce the appointment of Nic Parsons from Tesco, who would be the new Head of Dairy Delivery, joining AHDB in June. It was confirmed that the new date for the November Board meeting was 21st November. It was agreed that the September 2019 meeting would be re-arranged as a teleconference.

CHAIRMAN'S REPORT

The Chairman updated the Board with latest activities.

PR highlighted the importance of the e-medicine book technology being delivered on time, as the Welsh Project had committed to use eMB as a register.

MQ requested that carbon sequestration and on-farm forestry be considered when planning the Dairy roadmap. The full environmental impact of agriculture requires to be taken into account.

The Chair highlighted the progress made by the Dairy/Industry Communications group consisting of AHDB, NFU and Dairy UK. Christine Watts would attend the May Board to present some of the ideas being discussed.

The Chair thanked the Board for attending the meetings in Nottingham with PBD Biotech, and the visit to the University of Nottingham's Centre for Dairy Science Innovation. The Board thanked Jenny Gibbons for organising the day.

The balance of AHDB and Dairy UK branding in the press was discussed.

DIRECTOR'S AND OPERATIONAL REPORT



PF presented the Director's and Operational report. Stuart Martin left AHDB for NFUS in February, the operational management of the Scottish Dairy Hub transferred at the same time. The Board expressed their gratitude and thanked Stuart for his hard work and contribution.

The Board discussed the Academy of Cheese to upskill the Food Service industry on how to manage the cheese plate course.

FINANCE MANAGEMENT ACCOUNTS

The latest finance update was given and discussed.

RUMINANT HEALTH AND WELFARE GROUP (RHWG) – GWYN JONES

GJ presented on the thinking/meetings that had taken place to create a simplified, cohesive and effective landscape in the ruminant sector. A paper had been included in the pack and was taken as read. The RHWG would agree priorities around a joint approach on animal health and welfare to speed up the fight against endemic disease. The group has the potential to be a game-changer on health and welfare. GJ was presenting to the AHDB Board on the 26th March 2019.

The Board highlighted that there was potential for confusion with the roles of the different organisations, and that it would be important to keep the messaging clear and simple.

CEO UPDATE – JANE KING

JK gave the Board an overview of work that AHDB was doing to implement its skills delivery work in specific sectors, and also the broader remit of bringing together a new national skills strategy. This would include a more professionalising agenda, a way to become better organised and less fragmented, clearer career routes and a suite of more employer driven qualifications. Lessons could be learnt from other industries, such as construction, to present the industry as dynamic, digital and technology driven. A number of Board members showed a keen interest in this area and recognised that there is much work to be done to position Agriculture better.

JK gave an update on the Defra Request for Views. Due to work on Brexit, the results had not yet been released. There was an awareness at AHDB of some of the feedback as JK has been told directly by some farmers and key stakeholders. There was a range of opinions on the levy, where the money should be spent, and what the top priorities should be. The next step will be when the Government releases the summary, and then this will go forward to recommendations for the future of the organisation.

Robert Goodwill had been appointed as the new Minister of State for Agriculture, Fisheries and Food. AHDB were keen to develop a relationship with Robert and he had already had a phone conversation with the Chair of AHDB, Peter Kendall.

JK discussed the need for AHDB to become more accessible and engage with more levy payers. The Open Potato Board had been a success, and the main Board were also having an Awayday meeting in July meeting growers and farmers in Herefordshire. The Board highlighted the importance of having a clear vision for agriculture and for the future role of AHDB. Clearer priorities, and clearer KPIs would help give the organisation a tighter focus.

ACTIVITY PLAN AND BUDGETS – PF/KEN BOYNS



PF presented the activity plan and budgets for 2019/20. The replacement of EU research money was discussed. Rather than take an approach of “X amount to spend on research”, the approach should be to determine what needs to be done, and then built a collaborative pot of funding. Putting greater spend behind sustainability pillars (health and nutrition, animal health and welfare and environment) were discussed by the Board. PF confirmed that as the new strategy and dairy plan for 2020 – 2025 is developed, the Board can discuss and define where additional spend is required.

The Board discussed the need for AHDB to have a clear plan for its own future, as well as waiting for the results of the Defra Request for Views. TH updated the Board on the Food and Drink Sector Council who were looking at industrial strategy and productivity. Peter Kendall was Chair of the Agricultural and Productivity Working Group which had various working groups feeding in to it. One of the leading proposals was around the opportunity to create a “What Works” centre for Agriculture and Horticulture – a centre of excellence – SB is leading work in this area.

The Board approved the proposed 2019/2010 budget.

LIP – RICHARD LAVERICK

RL presented an update on the Livestock Information Programme (LIP).

The Board discussed the bolt-ons to LIP. It was not a linear process of developing a core system then adding value, rather the aim was to integrate the added value in the development of the core system. RL confirmed that the project was still on track in terms of critical path.

The connectivity between LIP and the systems that the devolved nations will adopt was discussed. A series of workshops had taken place which considered the core system and how it interacted with the Scottish and Welsh systems. It was important to establish dialogue with other key stakeholders in Wales, for example with Chief Vet officer. RL agreed to share the Welsh contacts with PR in order to give reassurance and also get guidance.

STRATEGIC DAIRY FARMS (SDF) UPDATE – SUSANNAH BOLTON

SB updated the Board on the latest developments for the Strategic Dairy Farms including the recruitment plan for additional strategic farms, the appointment of the Head of Dairy Development, and the initial findings for the Farm Excellence evaluation report.

The Board were interested in the initial findings of the evaluation report, and were keen that the positive messages should be shared with the farming press. There was a wide ranging discussion on how to increase attendance and engagement.

The Board were interested to see the pitch that is being pulled together to sell the SDF concept to potential farm hosts. Adverts will be in the farming press this Friday (22nd March) and we will take every opportunity to promote SDF’s, as well as the KE team targeting to farmers in regions where we have gaps in the current network.

FARMBENCH UPDATE – DEREK CARLESS

DC updated the Board on the latest developments in Farmbench. Progress was continuing to be made, and additional training for the KE team had been scheduled. The Board were interested to know when the test phase would end. The Board noted that it would be helpful to be able to fill in Farmbench using CFP data via a wizard.

STRATEGY REVIEW

PF presented the strategic planning paper which had been included in the pack and taken as read. The new AHDB strategy will begin in April 2020 and work had already begun with industry being approached and consulted. There were three key areas to consider – predicting what the operating environment will look like in 5 years’ time, defining what the key developments will be



needed for businesses to succeed in such an environment, and identifying the key steps AHDB needed to take to be of optimum value.

PF presented the results of the PESTLE analysis that had already begun. (Political, Economic, Social, Technical, Legal, Environmental) and invited all present to check for gaps and see if all the big issues were listed out.

There was a robust discussion which highlighted the following issues to add to the PESTLE analysis:

- Antibiotics – reduction of use, consumer pressure
- Preparation if a pandemic occurred
- Disease – the on farm impact of disease in terms of profitability, and also pressures on managing disease nationally, trade demands, and farmer impact
- Tariffs – trade implications and trade challenges
- Succession issues, generation issues, decrease in total number of farmers, structural change, changes in tenure and new arrangements
- Subsidies coming down, land prices starting to slip, harder to borrow money
- Allergens and food allergen.
- Population growth, including the opportunity presented by an increasing population – 75 million rather than 65 million
- Drones and aerial technology, specifically satellites
- Skills and professionalism of the industry
- Carbon sequestration
- Inflation
- Income streams
- Changing supply chains – eg in Waitrose stores growing salads vertically in store.

The Board discussed “what development will you need to implement for your business to succeed in such an environment”. Points raised included:

- Use of technology is very fragmented
- Legislation – challenge of keeping up with it and maintaining it
- Mental and physical health
- Increasing productivity and reducing costs will continue to be a key driver.

The Board discussed “What does AHDB need to do to offer the best value to you”. Points raised included:

- Big data and LIP
- Relevance to customer base
- Very outcome focussed and very clear about progress made
- Independent and scientific led – driving force of honest, independent, science based facts
- Open and transparent
- Trust both by levy payers and other stakeholders and consumers.
- Leadership showing a pathway to excellence

POSITIVE DAIRY MESSAGING/COMBATting NEGATIVE MESSAGING – REBECCA MIAH/ANNA FARRELL

AF and RM presented on the Dairy consumer campaign and the Food Advisory Panel. The Board were very enthusiastic about all the progress made and the potential for positive messaging.

The Board made a suggestion for AHDB to have a Climate Advisory Panel using a similar model as the Food Advisory Panel.



AHDB were working with Dairy UK and NFU to get comms alignment (Dairy Roadmap), with a focus on environment and climate.

AF had attended the Eat Lancet launch in London about 6 weeks ago. The purpose of this report was to try and provide a framework of how the world can eat in a more sustainable way with a focus on eating plenty of fruit, vegetables and legumes, and less red meat and dairy.

AOB

The Board discussed how information could be signposted on the web for organic systems. It was agreed that a good way to show the information was with a logo that draws your eye to the relevant passage – e.g. “here is the general bit, and if you are organic, read this bit”. In this way the information would be available to everyone, rather than packaging it up separately.

David Cotton, Tim Gue and Janette Prince had all completed their terms on the Board and the Chair thanked them for their contributions and all the hard work they had put in over the years. Amanda Ball also sent her best wishes.

The Chair closed the meeting at 14:10.

