

AHDB Horticulture Board meeting
MINUTES OF THE MEETING OF THE
HORTICULTURE BOARD HELD ON 10th March
2020

Farmers Fayre, Stoneleigh

PRESENT: Hayley Campbell-Gibbons (HCG), Rob Saunders (RS), Alison Spaul (AS), Louise Sutherland (LS), Roma Gwynn (RGw), Jamie Dewhurst (JD), Rob James (RJ), Neville Stein (NS)

IN ATTENDANCE:

Lenka Rihova (LR) - Minute taker, Tom Hind (TH) – Chief Strategy Officer, Debbie Wilson (DW) – Head of Knowledge Exchange – Horticulture, Tim Isaac (TI) - Acting Knowledge Exchange Director, Susannah Bolton (SB) - Director of Research, Lee Abbey (LA) – NFU Chief Hort advisor
Roz Reynolds (RR) - Head of Strategic Operations, Education and Nutrition, Keston Williams (KW) – observer, Peter Judge (PJ) - observer

APOLOGIES

Ruth Ashfield (RA), Martin Evans (MEv)

AGENDA ITEM 1 – Apologies for absence

Apologies received from RA and ME (last meeting). HCG welcomed two newly appointed Board members, PJ and KW who joined as guest observers.

AGENDA ITEM 2 – Declarations of interest

There were no new declarations of interest.

AGENDA ITEM 3 – Minutes from the meeting held on 14th January 2020

The minutes of the last meeting held on 14th January were accepted as a correct record and will be signed by the Chair.

AGENDA ITEM 4 – Actions from the meeting held on 14th January 2020

TH recapped on the matters arising and action points, confirming all items were either ongoing, on the agenda or still in progress.

AGENDA ITEM 5 – Chair's report

The report was taken as read.

HCG and TH gave an overview of their business trip to Australia. Companies visited: Hort Innovation, the robotic centre at Sydney University, AUSVEG and Meat & Livestock Australia. The aim is to build a stronger international horticultural network, align our strategy with Hort Innovation and see if there are any opportunities for collaboration. A full report of the visit will be circulated to the board; key outcomes included:

- Relationships with executive team at Hort Innovation, and colleagues within AHDB will be linked into their Australian counterparts.
- Strategy learnings and alignment; Hort Innovation has recently published a new 4 year strategy (2019-2023)

- Research mapping exercise to identify any duplication, learnings and collaboration potential.
- Key programmes of work underway in Australia that would benefit British growers, including data capture and environmental benchmarking.
- Hort frontiers model for attracting external investment for research is a potential model to adopt in the UK.

AGENDA ITEM 6 – SSD report + Ops report

The report was taken as read. A verbal update was given by TH on behalf of RA.

Strategy and the sector plan work are on hold pending the appointment of a new chair. Subject to the publication of RFV, work on the strategy for consultation will move forward. Hort engagement group – developing connection and approach to account management with grower associations and bigger grower businesses. There will be a new ops report with the new strategy. The key deliverables are on track.

A concern was expressed regarding a pause on research due to certain projects coming to an end. This will be discussed under item 8.

The Board requested more information on the technical programmes timeframes and future plans as SCEPTREPlus is coming to an end. It was requested that the Board has input to these discussions.

HCG commented on strategy consultation. The aim is to give growers ample opportunity to input and influence AHDB's priorities.

AGENDA ITEM 7 – Finance report & budget approval

TH delivered a detailed summary presentation on finance report & budget approval. He reported on Income, Expenditure and Support Expenditure & Reserves.

The key topics:

- Review latest Management Accounts and Reserves
- Recommendation on budget approval for 20/21 to AHDB Board

There was full agreement of the levy reduction proposal at the Hort Board meeting in January. The Board expect the minister to approve the levy rates for all sectors in March. AHDB is working on the basis that the reduced levy rate will be implemented from 1st April.

TH presented on the Horticulture Sector Plan and Guiding Principles. The key areas are Business, Technical and Environment. Budgets will be allocated to the segments. TH commented on the key points in Budget approval, including reduced income, target reserve position, plans and savings.

Each panel has a priority list including the areas of work for which the impact of a pause would be most significant. We can match the priorities against panels' reserves. Panels have different reserves positions.

The Hort Board has made a collective decision to recommend a reduction in levy and to have a pause on spending. All growers on the panel have been informed and the research managers are fully embedded in the process. Essential services and critical programmes will not be paused. TH reported on the full year expenditure position for Horticulture. The Board requested further information on market development, levy payer communications, especially CRM. The Board wants to have a digital first approach. A concern was expressed regarding rising Sector admin & Central support costs. Clear communication is important. Efficiency savings were discussed. The key focus of the LRWG is to ensure the prioritisation of work. It was felt that the budget balance KE and Research is wrong. Research and KE are important and IPM work should continue.

AGENDA ITEM 8 – Levy Reduction Working Group (LRWG)

A Levy Reduction Working Group (LRWG) has been set up to oversee the implementation of levy reduction. SB delivered a presentation on the key areas the group will focus on.

The Group's objectives are to provide clear communications to staff and levy payers; to assess activity and efficiency savings; forecast new budgets and prioritise future activity and spend. SB set out the timelines the Group is working to for each objective:

- March: Pause and prioritise. This requires sector panels to review priorities for new work and revise budgets, including reserves position. All contracted work will continue as normal.
- By 31st March funds will be released for highest priority new work, where reserves allow.

A question was asked about where panels may have priority work but insufficient reserves. HCG advised that the board may need to take an exceptional approach towards use and adjustment of panel reserves and that the executives should be empowered to make recommendations as needed.

The Board requested an update on VAT position and impact on budgets. HCG clarified that HMRC had requested clearer examples of how AHDB's research activity directly benefits an individual.

AGENDA ITEM 9 – NFU vision for Horticulture and AHDB's role

LA gave a verbal update on this agenda item. NFU's focus has been on areas that can help deliver the best ambition for the sector. The key points discussed:

- Hort revolution (opportunity to scale up production and increase productivity)
- Brexit (challenges and opportunities, new emigration policy and other schemes)
- Labour (seasonal workers - pilot schemes, freedom of movement concern, labour reduction)
- Permanent workforce & immigration (no low skilled immigration route, shortage occupation list)
- Trade (consultation on the most favoured nation tariffs, no trade deal, entry prices)
- Environment & sustainability (key issues, carbon calculators, net zero by 2040, environmental management, new schemes, water policy, water infrastructure and management)
- Productivity. There is provision in the Agriculture Bill to create a new productivity scheme, which is likely to be a Hort specific scheme.

It is important that AHDB's and NFU's strategy ambitions align.

TH commented on the Hort revolution, which is a big opportunity for the NFU as a trade organisation to push positive agenda for sector. Industry targets – net zero missions 2040: wide spread appeal across industry, need hands on approach. NFU needs to drive this with AHDB to bring key parties together to establish how net zero is achieved in practice. The delivery body and the trade association need to work together to identify strategy. AHDB's role is to act as an independent source of evidence and data. LA agreed and welcomed AHDB's input.

AGENDA ITEM 10 – Farm Excellence and KE in 2020 – Considerations for Hort

TI delivered a presentation on Farm Excellence and KE. The main points:

- Farm Excellence survey & events
- Strategy with the KE teams across the sectors (driving towards excellence)
- Delivery of new strategy & Business
- IPM & Environment
- Hort KE Summary

AGENDA ITEM 11 – SmartHort – outcomes, impact and what next

DW delivered a presentation on SmartHort on behalf of Gracie Emeny. Technology is a core part of SmartHort programme. The key points covered:

- Labour shortages & Labour efficiency achievements
- Future plans & LEAN business
- New technologies achievements
- SmartHort conference 2021

The Board discussed events attendance and ways of delivering messages (conferences, stakeholder mapping, and webinars).

The board agreed to have a full discussion on KE delivery, and the balance between KE and research at the next board meeting.

AGENDA ITEM 12 – AOB

The dates of next meetings are 23rd June and 5th November.

Board/Industry updates were covered earlier on. RS commented on new skin necrosis and its impact on fruit.

The FOI letter was sent out to all limited companies in response to Freedom of Information request. AHDB contacted the companies prior to releasing the information.

TH confirmed that ministerial confirmation on the levy rates has been received.

It was AS's, NS's, LS's and ME's last Board meeting. HCG expressed her gratitude to them and thanked them for their input, knowledge and expertise.

The meeting closed at 12pm.