

**AHDB Horticulture Board meeting**  
**SUMMARY OF HORTICULTURE BOARD HELD**  
**ON 14<sup>th</sup> January 2020**

**Teleconference (10am – 12pm)**

**PRESENT:** Hayley Campbell-Gibbons, Martin Evans, Rob Saunders, Alison Spaul, Louise Sutherland, Roma Gwynn, Jamie Dewhurst, Ruth Ashfield, Rob James

**IN ATTENDANCE:**

Lenka Rihova (LR) - Minute taker

**AGENDA ITEM 1 – Apologies for absence**

There were no apologies for absence.

**AGENDA ITEM 2 – Declarations of interest**

There were no declarations of interest.

**AGENDA ITEM 3 – Minutes from the meeting held on 28<sup>th</sup> November 2019**

The minutes of the last meeting held on 28<sup>th</sup> November were accepted as a correct record and will be signed by the Chair.

**AGENDA ITEM 4 – Actions from the meeting held on 28<sup>th</sup> November 2019**

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

Item 5.1.1 Finance reporting: RA will present (for comment) a draft report at the next Board meeting presenting alternative ways of looking at figures and investment in strategic areas and provide an opportunity to comment.

Item 8.3.2 Website Migration: Board discussed ongoing issues with the website and testing processes.

Item 8.5.1 Collating key successes. The Board are keen to be better informed on key successes to understand the impact of key research and development programmes.

**AGENDA ITEM 5 – Chair's report**

The report was taken as read.

A verbal update was given on levy payer meetings that RA and HCG had attended before Christmas. A Freedom of Information request for a list of all limited companies that AHDB hold information for has been submitted.

RA presented a summary on Horticulture Request for Views. This information is still not in the public domain. It is expected that Defra will publish a report in Feb/March, and that a sector breakdown will then be available.

**AGENDA ITEM 6 – SSD Report & Finances (Ops report)**

RA commented on the management accounts (based on November figures) including income, spend, reserves and forecast. Income is slightly up and reserves are slightly up against corporate plan.

There will be a new version of the Operational and Heat report. The aim is to align it to the new Strategy and sector plan.

#### **AGENDA ITEM 7 – Levy working group and rate recommendation for 2020**

RA gave a presentation on horticulture levy rates which included a series of reductions and an update on the proposed revised calculation.

The Board has been considering the issues of levy rate and calculation method since June 2019. Two distinct streams of work have emerged:

- Levy rate
- Seeking an amendment to the Statutory Instrument to change the current calculation method

The current levy rate is 0.50%. RA reported on the top line financial implications of a possible levy reductions to 0.40% and 0.45%. With any proposed reduction in levy rate an efficiency savings review and reprioritisation of work would be necessary across all functions.

The AHDB Board approved the submission of a levy reduction with several board members noting the timeliness and importance of making such a move considering the reserves position and industry feedback on the levy.

The board also noted the following points of caution, some of which sit outside of the Board's control:

- Financial impact of AHDB VAT status
- The need to remain responsive to emerging industry crises
- The impact on future income of a levy calculation change
- Overheads must be cut in line with the levy reduction (cost saving analysis exercise underway)
- Review of costs mustn't impact on need to fund essential research
- Future underspends need to be avoided in future projects to prevent further accrual
- Need to review the impact on the reserves & panels capability
- Pause on all new spend
- Review sign off process for commissioning work

A comment was made regarding the need for AHDB to review how they manage budgets to limit annual underspends. RA confirmed that budget management and commissioning process will be part of the wider review.

There was full agreement that the levy rate of 0.45% was achievable and necessary and that it should be recommended to the main AHDB Board. The main AHDB Board is on 28<sup>th</sup> January, HCG will report back to the Hort Board with any updates.

#### **AGENDA ITEM 8 – Strategy & Sector Plan**

RA presented on the Strategy & Sector Plan. It was confirmed that the Board feedback from the recent workshop was taken on board. The terminology, phrasing and format had been revised.

Every sector has now submitted their sector plan to the central strategy plan. We are no longer in Purdah. However, AHDB is due to have a new Chairman in spring time and so formal consultation is on hold until this post is filled. This does not stop ongoing communication with growers and key stakeholders to ensure the sector plan is timely, relevant and applicable. Activity planning is underway to ensure programme development is aligned to the new sector plan.

#### **AGENDA ITEM 9 – Panel Updates**

Board members provided an update on sector specific issues; key points included:

- Disease issues: tomato rugose virus (20% of Dutch crops infected), first case in Spain, threat to British growers (availability and cost to the UK retailers)
- Low margin businesses (10% reduction in levy would be a benefit)
- Weather issue (wet)
- Many growers not planting
- Retail pressure and pricing a major issue

#### **AGENDA ITEM 10 – AOB**

- Board recruitment

Advert has attracted interest from some high calibre applicants. Interviews will be held in February. New appointees will be invited along as observers to the next Hort Board dinner and meeting.

- PhD applications

RA commented on studentship applications. The Board received two applications that had been recommended by the central PhD team to continue to go ahead and fund.

A comment was made regarding the expertise to supervise a student (application number 29. It is a very specific area).

Concern was raised over the possible duplication of projects. EPSRC have funded 50 PhD posts at Lincoln and the Board is keen to ensure that this is not already being covered as part of that programme.

- Dates of meetings in 2020

The next Board meetings dates are as follows:

- 10<sup>th</sup> March 2020
- 23th June
- 5th November

The conference closed at 12:10pm.