

**SUMMARY OF THE MEETING OF THE
HORTICULTURE BOARD HELD AT STONELEIGH
PARK ON 28th November 2019**

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

APOLOGIES: Rob James

IN ATTENDANCE:

Lenka Rihova - Minute taker, Tom Hind - Chief Strategy Officer, Lee Abbey – Chief Adviser Horticulture & Potatoes NFU, Jane King – CEO, Mark Eves – POBOF panel member, Jenna Wain, Team Leader - Billings & Collections, Martin Grantley-Smith - Strategy Director - Cereals & Oilseeds, Bill Parker – Head of Technical Programmes, Bolette Palle-Neve - Crop Protection Senior Scientist - Pesticide Regulations

AGENDA ITEM 1 – Apologies for absence

MEm and LA joined the meeting as observers. HCG welcomed RA, the new Horticulture sector strategy director, JD who is a new Horticulture Board member and MEvs who was representing the ornamental sector, and was a member of the levy working group.

AGENDA ITEM 2 – Declarations of Interest

Members were reminded of their obligation to declare any conflicts of interest they may have had before discussion of the relevant items.

AGENDA ITEM 3 – Minutes from the meeting held on 10th July

Item 5.1 The PMD is incorrect, to be amended to P&D.

AGENDA ITEM 4 – Actions from the meeting held on 10th July

HCG recapped on the actions arising, confirming all items were either complete or on the agenda.

AGENDA ITEM 5 – Finances

RA presented on finances, including the October management accounts, our reserve position and panel finances.

The total support costs consists of central support and sector specific costs.

The group discussed reserves. Every panel has a plan to draw reserves down to a target position by 2023/24. As an organisation, there is a target level of reserves, which is a proportion of the income. The main Board is responsible for setting the target position and adjust it if necessary at reforecast.

RA reported on the new panel finance reports. RA attended most of the panel meetings since she started her new role. The aim is to allow panel managers and panels to make better informed decisions, to provide them with much clearer management accounts and to provide clarity. The feedback has been very positive.

A summary was given on tree fruit panel finances including addressing the potential deficit position. The budget is based upon flat projected income. RA together with RS and Ali Capper will sense check tree fruit levy. It was suggested to do the same exercise with all the panels.

AGENDA ITEM 6 – Chair's Report

The report was taken as read.

Clarification was sought regarding the current VAT status. This is ongoing and remains a high risk. Currently, AHDB as an organisation can reclaim VAT. HMRC is currently reviewing this position. HMRC has requested more information before making a final decision. An update to follow once further communication received from HMRC.

AGENDA ITEM 7 – SSD Report

RA gave a verbal update on SSD report.

AGENDA ITEM 8 – Panel updates

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

- A request from British Apples and Pears for data and information to support marketing from AHDB's Market Intelligence department.
- The challenging field conditions and crop losses as a result of high rainfall.
- Since his appointment was announced, JD commented that several growers had been in contact and offered feedback; including the poor usability of AHDB's horticulture website (especially the search box). The need for communication to be improved, particularly important was the need for growers to be able to interact digitally. RA said that AHDB is creating a preference centre so that each user will have their "own profile" when using the website.

Successful soft fruit agronomist and annual soft fruit days.

AGENDA ITEM 9 – Strategy – Corporate update and sector plan sign off

JK updated the Board on the timetable for the appointment of a new AHDB chair, and the Request for Views. The top line findings of which will be presented to Board members via a webinar on 9th December. Due to Purdah, the formal publication won't be available until the New Year.

Peter Kendall leaves AHDB in the spring (end of his second term). Interviews have been delayed due to Purdah. It is important that the new Chair is in post to deliver a new strategy, and has a chance to input into it.

The satisfaction survey is already live. Success measures and KPIs are based on the feedback from the survey. AHDB is looking at how to reframe it for the next financial year and beyond.

Comments were made on the new strategy. There are two clear functions for AHDB – to fulfil market potential and enhance farm performance. It identifies six broad areas where AHDB will invest and focus activity for the next five years. It provides a flexible framework for sector boards to tailor their focus to industry needs.

It was agreed that the AHDB Horticulture Board's focus remains on the provision of research and the dissemination of those outcomes to growers. This is the main activity in the sector. The priority areas for that research and delivery are Crop Protection (EAMUs, IPM, the specific reactive to pests and disease in specific sectors), labour and environmental performance. The Board will be responding to emerging demands from the industry for data, insight, and analysis. It was agreed not to invest directly in marketing campaigns, but to support sectors with insight, data and marketing support where requested. Strategy will be further discussed in January.

A revised version of the strategy document will be provided in January. It was agreed to be very clear to the industry on where the focus lies and use grower friendly terminology. Some changes to be made

to the wording around Farm Performance. The Board agreed that the aim and direction of travel is correct.

AGENDA ITEM 10 – Levy Working Group

HCG gave a verbal update on the levy working group. Growers from every band of levy are represented on the group, alongside the NFU and DEFRA. The group's focus is to identify proposals to improve the fairness and simplicity of the horticulture levy.

Different scenarios for different levy calculations have been developed (including rate, calculation and deductions). There is no desire or mandate to look at a scenario for a rate increase. If there is a reduction in income, other areas of the business will have to be reviewed. Case studies and financial impact to sectors of various changes are currently being worked up. A further update will follow in January, with a full impact assessment expected for Spring. The board supported the levy work and understood the importance of addressing this longstanding issue.

AGENDA ITEM 11 – New look Horticulture

HCG gave a verbal update on a 'new look horticulture'. This includes proposals on:

- Levy (as above)
- Governance (board appointments and composition, and clear guidance of the roles and responsibilities of the Board members and expert advisory groups).
- Communications (more interaction with growers with new digital platforms, annual report, a digital first approach to all communications to reduce costs and improve accessibility). The Board had mixed views on a digital first approach; however, HCG insisted that this was a necessary change and that the board would adopt a position of action and assess feedback, rather than hold off making changes for fear of a negative reaction. It was agreed that existing information that was relevant should still be available on the website, and the Grower would still be available as a printed paper for now.

AGENDA ITEM 12 – IPM Programme

- **AMBER project (SceptrePlus)**
- **EAMU**

MGS, BP and BPN joined the meeting at 11:45 am. MGS presented on IPM Programme (Integrated Pest Management). It is about looking forward and no current activities will be stopped. The Board is supportive of IPM.

BP presented on SceptrePlus & AMBER project.

BPN presented on EAMU programme. The team has two new members, Adam Doxford and Joanna McTigue. The focus is on getting EAMUs through for different crops and making sure the product that is included will get approved.

There has been an increase in emergency applications. There are around 25 emergency applications per year and each of them involves a high cost in fees (£5K) and time. There is an increasing interest from other crops as other sectors are losing actives rapidly.

The budget for the EAMU programme hasn't changed significantly in recent years. However, it was reported that CRD is reviewing its fees, which may have an impact on the budget in the future.

AGENDA ITEM 13 – AOB

E Board Papers: From January 2020 it was confirmed that Board papers would be paperless and be available via an online portal. To facilitate this, all members will have to give approval for their email addresses to be held by a 3rd party. A better presentation of Finances and Ops report was requested.