

SUMMARY MINUTES OF THE INTERIM MEETING OF THE AHDB PORK BOARD**ON 20th January 2021****TELECONFERENCE**

PRESENT: Mike Sheldon (MS) - Chair, Richard Buckle (RBU), Mark Houghton (MH), Simon Watchorn (SW), Robert Beckett (RBe), Rupinder Ashworth (RA), Robin Thompson (RT), Adam Cheale (ACH), Tim Bradshaw (TB), Robert Mutimer (RM), William De Klein (WDK), Chris Aldersley (ChA)

APOLOGIES: n/a

IN ATTENDANCE:

Jane King (JK) – CEO, Will Jackson (WJ) – Interim Chief Strategy Officer, Angela Christison (AC) - Strategy director – AHDB Pork, Mandy Nevel (MN) - Head of Animal Health & Welfare, Lauren Dimmack (LD) - Animal Health & Welfare Scientist, Christine Watts (CHW) – Chief Communications & Market Development Officer, David Swales (DS) - Head of Strategic Insight, Lenka Rihova (LR) – Minutes

AGENDA ITEM 1 – Apologies for absence

The Chair opened the meeting at 10am and welcomed those in attendance. There were no apologies.

AGENDA ITEM 2 - Declarations of Interest

There were no new declarations of interest.

AGENDA ITEM 3 – Minutes from the meeting on 17th November

The minutes from the meeting held on 17th November were accepted as a true record and signed by the Chair.

AGENDA ITEM 4 – Matters arising

All the matters arising and action points were either completed, on the agenda or in hand.

AGENDA ITEM 5 - Directors Report

The report was taken as read.

AC reported on budgeting. With the new strategy, we are going to move towards a zero based budgeting system. 21/22 year will be a transition year but we will still reflect spend according to strategic shifts already agreed. 22/23 will be zero based budgeting, this process will start in the Autumn of 2021.

The Board expressed concern regarding spend and value for money in relation to the suspension of activities/projects due to coronavirus, especially in the KE team.

AC explained that AHDB have been shifting to digitally based interaction and engagement with levy payers (great success). There is more resource available on our website, the interaction and traffic to the website has increased. AHDB want to continue with this approach once 'life returns to normal'. The aim is to build the quantity and quality of our links with levy payers.

The Board requested clarification on why Isotope Analysis has been curtailed due to coronavirus restrictions. There is a health and safety document about what is designated as essential and what isn't. AHDB has taken the precautionary principle that the work is not essential and therefore will not put anybody in any risk. The Isotope testing should carry on as soon as we can.

A query was raised regarding Red Tractor assurance visit compliance check-ups (lorries getting out of the abattoir without washing) and its monitoring & compliance. The Board discussed AHDB's view, however could not answer on behalf of RT on how it operates. The processors reported on the washing process and its exceptions (if there is a break down in the lorry wash system). This is a question about the number and frequency of derogations given against inadequate lorry washes. The Board will feed back to RT as it was felt that there are some concerns around the current practices.

The Board expressed concern regarding the impact of pig clubs. It was felt that the attendance is quite low from levy payers and producers. It is important to monitor this in relation to delivering value.

AGENDA ITEM 6 – Strategy feedback

The Chair invited the Board to comment on the new strategy and the process by which it has been rolled out and consulted upon.

It is important to secure talent and look after people. There will be some reorganisation required in order to implement the new strategy but it is about strengthening areas, it is not a rebuild. The new structure will fit the delivery in the best possible way.

There are regular CEO briefings in place, a lot of wellbeing work at present including a voice employee forum. AHDB is prepared for the possibility that a formal consultation is necessary should the current ballots trigger the need for structural changes. AHDB is not making redundancies now. There has already been some early thinking around the new strategy and the desire to improve levy payer engagement. Once we get all the feedback, we will produce a final document. The leadership team are heavily involved. The new CEO will drive that.

In principle, the Board was happy with strategic direction and way in which we are consulting. The feedback suggests that AHDB have made good progress.

AGENDA ITEM 7 – Governance

JK provided the Board with an update and clarity on Governance.

The Governance of AHDB is the main Board, sector Boards, Committees, and panel structure. AHDB embarked on a review of the Governance, based on the Request for Views recommendations from ministers and the initial feedback from levy payers. A Governance group was set up to look at options to make it more transparent, accountable, less bureaucratic, and costly. We used an independent consultant who provided a Board Evaluation and a Governance Review. The Board was not serving the organisation and the sectors well enough. Several recommendations were made to change the structure of the Governance to deliver improvement.

We have an agreement on a proposal for the new main Board structure. The other parts of the Governance are to be determined in consultation and co design with levy payers. The main Board agreed the principles of a 'zero based budgeting approach' and to review of how levies are set. This will result in focus on the relationship between programmes and costs to see what levy-payers get for their investment and they will be involved in setting priorities for sectors. It is about listening to levy payers, understanding their priorities, and improving engagement. Regular feedback is important.

JK commented on the new main Board composition which is to move to a skills based Board. In future, in addition to an independent chair, the Board should comprise at least 5 out of 10 non-executive directors who are current or recent levy payers. Members have to have sector knowledge skills and insight. The remaining 5 members of the Board, which could be levy payers too, must be selected to provide key essential skills. Every sector will have to be reflected on that Board. We are waiting for clarity from DEFRA for the new approach and get clearance for the main Board structure from the devolved administrations before we can go ahead with it. There will be a transition arrangement.

It was felt that the balance on the current Board requires a change. The goal of the Governance review is to put a number of those things right.

JK acknowledged that the new CEO is critical as this is about determining how the organisation would work in the future, the culture of the organisation and the relationship with levy payers. The new CEO needs to shape it in order to drive it forward. It is a big change transformation programme.

The Board briefly discussed their concern regarding a five-year Ballot. The current Ballot in Horticulture and Potatoes is based on existing rules. The rules that are currently being employed are not necessarily the rules that are going to be employed in the future.

It was felt that the sequence of changes is right. We have a new Chair who is remodelling the Board and a new CEO to follow. There may be some uncertainty just now, but the advantage is that the sector boards are engaged early in the process.

AGENDA ITEM 8 - Backup of pigs on farm – AHDB role

The purpose was to discuss what AHDB's role should be in the event of a backup of pigs on farm resulting in an urgent need to get the pigs slaughtered. A paper suggesting what the industry might do in the event of a backup of pigs on farm had been distributed to the Board.

A potential solution could be for the government to agree for one of the larger plants, which would otherwise be closed thanks to Covid-19 infection rates amongst staff, to stay open with a skeleton staff, to kill the pigs professionally for render. It would also rely on the processors' agreement to use that plant for that purpose and producers to accept that this service would need to be paid for. It is unrealistic to think that any of these parties would commit to their role in advance of the situation arising.

AHDB's role would be to provide the evidence to help inform government of the need to keep a plant open in that circumstance and to communicate any emerging options to producers.

It was agreed that collecting evidence on supply vs processing capacity was the most important role for AHDB, not to establish a system to mitigate such a crisis. To provide more accurate information, relevant data regarding capacity from processors would be necessary (subject to their agreement). The gathered evidence would inform involved parties of the likely severity and longevity of the problem in order that they could agree action between them at the time. Whilst AHDB can collate such information it would need to be willingly supplied.

The Board discussed how Public Health England might react to a request for a major plant being reopened for slaughtering pigs' in a safe and humane manner for rendering.

The Board have not identified any new actions or roles for AHDB. It was felt that slaughter to render would be far more preferable to slaughter on farm.

AGENDA ITEM 9 - Number plate/transport id on EAML2

LD provided the Board with an update of the work on number plate and transport ID on EAML2. The paper with an update on various issues had been distributed to the Board. The main purpose of this paper was to inform the board of what actions were being taken with stakeholders and the timelines.

The Board discussed the possibility of tracking movements by using a QR code or a barcode. It is important that the lorry/trailers paperwork matches the paperwork that is handed in to the slaughterhouse. The numbers have to be visible, preferably on the side of the vehicle. Consistency across the industry is important.

The Board expressed concern that in the event of a disease outbreak it would be essential to track trucks/trailers to quickly reduce the risk of spread. To do that we need accurate recording of truck/trailer id on EAML2 – whilst the system could be tweaked to add this requirement if the data is to be of any use it must be accurate. This will require tightening practices across the whole industry and so the team are working with all relevant stakeholders to achieve this (it may even need legislation change to enforce it).

The Chair, on behalf of the Board, thanked LD for her work. All players in the chain want this matter to be resolved and improved. The sector is insisting on improvement and all parties are supportive of that.

AGENDA ITEM 10 - Update on free farrowing information gathered from farmers

Following our summary of the research data (last year) there was a request to amalgamate any available commercial data. MN have been liaising with vets and producers. MN reported that the amount of data available is too low to give any meaningful results. At best, it might be possible to produce case studies of those who are willing to share their experience. A robust piece of research may be required. The Board felt a bit disappointed that there is not much data out there at the moment.

It was agreed to explore where else we could obtain results from or commission trials that would inform producers of the practicalities of transitioning to/running a free farrowing system. The board agreed that CIEL should be a candidate for such work.

AGENDA ITEM 12 – Pork Watch

A paper had been distributed to the Board. The purpose of this item was to find out whether the group agreed or not to support the recommendations made in the paper.

RM disclosed his interest being on the Board of NPA. The NPA use the information from Pork Watch when they go to meet retailers.

The group recognised that this is an imperfect set of data and there are some problems in the relationship between the AHDB and the retailers as a result of AHDB generating Pork Watch data. NPA value the piece of work that AHDB is doing on their behalf.

In principle, despite the imperfections, the Board have agreed to continue with Pork Watch for the next year at least as it was the only available method of estimated the proportion of British product on retailer shelves. It was agreed to continue to seek viable alternatives (non are currently suitable).

AGENDA ITEM 13 - AOB & Dates of future meetings

CHW reported on the Eat Balanced campaign, which has gone live. We are getting a barrage from a minority of vegans.

The board requested more understanding of the relationship between CIEL and AHDB. The current status is underdeveloped.

Signed:

Date: