

**SUMMARY OF THE AHDB PORK BOARD**  
**HELD AT THE CHESFORD GRANGE HOTEL,**  
**ON 22<sup>nd</sup> January 2020**

**PRESENT:** Mike Sheldon - Chair, Tim Bradshaw, Richard Buckle , Mark Haighton , Robert Mutimer, Robert Shepherd , Simon Watchorn , Iain Wyllie , Robert Beckett, Adam Cheale , Nick Davies, Chris Aldersley

**APOLOGIES:** N/A

**IN ATTENDANCE:**

Angela Christison - Strategy director – AHDB Pork, Liam Byrne - Head of Marketing Pork Beef and Lamb, Carrie McDermid - Senior Marketing Manager – Pork, Jon Foot – Head of Environment & Resource Management, Tess Howe – Project Manager – External Industry Skills Develop, Sam Crocker - Events Executive – Conferences, Jane Downes – Chair of PHWC, Susannah Bolton – Director of Research , Anna Farrell - UK Marketing & Communications Director, Lenka Rihova – Minutes

**AGENDA ITEM 1 – Apologies for absence**

There were no apologies for absence.

**AGENDA ITEM 2 - Declarations of Interest**

There was no declaration of Interest. Committee members were reminded of their obligation to declare interests before discussion of relevant items.

**AGENDA ITEM 3 – Minutes from the meeting held on 13<sup>th</sup> November**

Clarification was sought regarding 8.4 point (PRRS project). MS confirmed that no invitation to tender had been received as yet therefore no further action had been taken.

The minutes of the last meeting held on 13th November were accepted as a correct record and were signed by the Chairman.

**AGENDA ITEM 4 – Matters arising**

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

Further details will be provided at the next meeting on item 14 (*issue with limited access to information for producers regarding real welfare*).

AC gave a verbal update on the VAT status. Ken Boyns will attend the March meeting in order to provide further information. The current guidance from him is that we don't have to make a separate provision in our budget for 20/21.

The item 5.2 (*SB to provide summary of technical team organisation chart*) was addressed in ACs Board Paper (sector plan). It was announced that Jen Waters has been offered and accepted the head of Pork KE. Jen and Tim Isaac will join the next Pork Board dinner and present an update on the KE team re-structure at the March meeting.

It was confirmed that the direction of travel for the Pork KE team was to have fewer, higher calibre people, delivering fewer, higher quality events, through an account management approach.

MS presented on Item 5.5 (*to provide an analysis of how costs have moved over the last one or two years and why*). A copy of Central Costs Analysis was handed out to the Board members, and the following topics were discussed:

- Overall, central costs are still lower than pre-AHDB
- Costs involved in the disposal of MLCSL were still being absorbed
- There was considerable reallocation of costs between lines
- There had been an increased investment in procurement (majority of research work is procured externally), which was yielding results in improved contracts
- Facilities costs had not yet increased, but would do so from 20/21 thanks to the end of the

discounted rent for the AHDB office

- There had been an increase in headcount over the first 3 years of the period considered, but that trend had now stopped.

#### **AGENDA ITEM 5 – Directors Report / Operational Report**

The report was taken as read.

AC reported on finances (digital & creative costs). Work has been brought in house. A cost saving breakdown will be provided at the next Board meeting.

The Board requested further information on Genetic Export Events expenditure.

#### **AGENDA ITEM 6 – PHWC**

MS welcomed JD who is the Chair of the Pig Health and Welfare Council. JD delivered a presentation on PHWC. The following topics were discussed:

- Disease surveillance and PHWC's influence on DEFRA (ASF)
  - PHWC have provided local notices to farmers for them to post onto roadways and laybys (*'Please do not feed the pigs'*).
- That the move towards Freedom Farrowing was gaining political support, but that this move was not without danger (need to follow the science, higher mortality of piglets vs sows?)
- That there were representatives of animal welfare NGOs on the Council
- That the definition of "**high welfare**" was imprecise, depending on the speaker
- The importance of communication (AHDB, PHWC, NPA, DEFRA), particularly between PHWC and AHDB

JD asserted that the role of PHWC was to establish one voice on pig health and welfare. PHWC is working on behalf of AHDB. The agenda of the various PHWC projects is driven by the members of each group which is led by an independent expert.

It was confirmed that AHDB Pork Sector Board would give priority to establishing the right lines of communication with the PHWC. MS will be asking members of the Board to either continue or to start a new commitment to the four working groups. The objective is that anything that comes out of the PHWC into public domain should already have the support of the AHDB Pork Board.

The Board's position on the draft 2030 PHWC vision is that the council should produce its strategy, what it is for and what it will do, which should fit within the context of the overall industry. The Board does not endorse that the PHWC is producing a vision or strategy for the whole industry. PHWC is not a delivery body but it exists to inform and influence. The distinction between a strategy for the industry and a strategy for the PHWC is important. The Board endorsed the key priorities and objectives identified by PHWC and expressed by JD in her presentation. It was agreed that the Board's issue is with the longer draft vision document.

It was agreed that the MS would redraft the remit of the PHWC and seek the AHDB Pork Board and Council's agreement. The Board was anxious to record that the time, dedication and expertise of the PHWC members was highly regarded and valued. The Board's issue lies not with the members, but with the scope of the council's remit.

#### **AGENDA ITEM 7 – VAT update**

Given the recent fire at the AHDB office, Ken Boyns wasn't able to attend the Board meeting. This subject will be brought back to the Board in the future.

#### **AGENDA ITEM 8 – Pork Sector Plan**

AC presented an update on the Pork Sector Plan.

The Board agreed that the outlined plan is in line with the Board's vision of how AHDB Pork should be supporting the industry. The Board agreed to disband the existing technical committees and replaced them with two task and finish groups, each chaired by a board member.

- Building and Environmental group
- Production Efficiency group

RM had agreed to take-over the chairmanship of the marketing sub group (which will become the pork reputation group) from March. In order to do so, he would need to come off the real welfare committee. RBU volunteered to be a chair for the Production Efficiency Group. A volunteer to chair the Buildings and Environmental group is required. The remit of the groups is to sense check projects in development, to monitor during implementation and to ensure we deliver the intended value for the industry.

The group debated the need for a disaster recovery plan for ASF, and considered whether the level of reserves would be sufficient. There may be a requirement for contingency spend in the event of a significant disruption to the market. Funding such spend would need to come from reserves and repurposed planned spend.

The Board agreed on the financial assumptions and the direction of spend for each AHDB function.

### **AGENDA ITEM 9 – Environmental/buildings plan for 20/21**

JF delivered a presentation on the Environment and Buildings plan for 20/21.

A discussion took place regarding profitability and sustainability. It was felt that sustainability doesn't just mean environmental sustainability. Rather, it embraces financial, environmental and social sustainability, and so the need for profitability should never be relegated.

The group debated the apparent inconsistency across emerging environmental benchmarking tools. The Board agreed that the aim should be to provide all audiences with information that enables them to make an informed choice. It was noted that AHDB was initiating environmental benchmarking work across all sectors.

It was felt that AHDB should take a lead in defining the terms of its preferred environmental performance measuring system, in order to avoid unhelpful competition.

Revised emission factors are released every August. JF recommended that the revised factors should be applied retrospectively, in order to reveal the real improvement in performance.

There was a discussion regarding the Pork Roadmap II. It was agreed that the Roadmap was a very valuable piece of work which should not be discarded, but that it should evolve into a series of documents, each targeted at the appropriate audience.

There was a general agreement on JF's proposed diagram (*What does this look like for the Pork sector*). It was agreed to bring this topic back to the next Board meeting, with a detailed project plan.

### **AGENDA ITEM 10 – Skills**

TH and SC delivered a presentation on Skills. The idea is to establish an independent professional body for primary agriculture and horticulture. The body will define the required skills and competencies, signpost interested parties to training providers, demonstrate structured paths of CPD, provide structured training records for individuals, employers and assurance bodies, offer guidance in HR management to smaller employers, and build the reputation of a career in agriculture and horticulture. The Pork Board supported the work and were impressed by the plan.

### **AGENDA ITEM 11 – Reputation**

LB delivered a presentation on *Reputation*. LB gave an update on January work and planning ahead (2020/21). CM delivered a presentation on *Protecting the reputation of bacon*. It was clarified that *Top tier bacon* is premium bacon.

The outline proposal was not to deliver any health message around bacon, but to focus on enjoyment and putting bacon back onto people's radars as a delicious ingredient.

The Board agreed that the proposal should be developed, and recognised the risks and potential barriers (spending control issues – DEFRA, health connotation of bacon). The Board requested that a plan B, in the event that the developed proposal did not win approval.

CB delivered a presentation on *Pork Midweek Meal update*, demonstrating the excellent results of the Autumn activity.

The Board reiterated its view that the objective was to deliver positive results in influencing consumer attitudes, rather than to promote sales volumes. The Board also reiterated its support for the exploration of social media tools and techniques.

### **AGENDA ITEM 12 – Aujeszky's Fund**

MS reported on the '*Pig Disease Eradication Fund*' (PDEF). The fund was established at the request of industry, funded by levy, with the objective of eradicating Aujeszky's Disease. The disease was successfully eradicated, and levy collection was stopped. The advice at the time was that the money could not be spent on anything other than Aujeszky's Disease eradication. The PDEF Board is chaired by Richard Lister, and the board administers the fund. The agreement with DEFRA was that any interest earned on that fund would go to DEFRA as a contribution to disease surveillance costs. DEFRA have not claimed that money for the last few years. Recent advice from DEFRA lawyers is that the fund is held by PDEF on trust for AHDB, and that AHDB could request that PDEF release the funds to AHDB at any time. DEFRA lawyers also confirmed that DEFRA had no formal interest or part to play in that process. The DEFRA lawyers also advised that the money, once released, could be used for any purpose listed in the AHDB Statutory Instrument. MS advised that a fair proportion of the fund would be passed to QMS and HCC, given that Scottish and Welsh producers contributed to the fund at the time.

The Board agreed that PDEF should be requested to release the funds to AHDB. While it was agreed that it would be unhelpful to ringfence the funds, the Board did agree that its preferred use of the funds would be for the purposes of ASF contingency planning and activity. It was proposed that MS and AC should meet with Richard Lister, chairman of both PDEF and NPA, Zoe Davies, CEO of NPA and Marcus Bates, a board member of PDEF, with a view to reaching an agreement in how to treat the funds. It was noted that, strictly speaking, the PDEF's agreement is not needed, but that such agreement would be preferable. A formal request to release the funds to AHDB would follow. The Board supported the proposal and intent.

### **AGENDA ITEM 13 - Carcase Classification Project**

MS gave a verbal update on this project which was initiated three years ago and re-discussed 18 months ago, when the Board reaffirmed their approval of the project. The Board had been asked to consider the project again. No decision had been reached at the recent conference call, and so the project was brought back to this meeting.

MS summarised the hypothesis of the project, which was that the adoption of modern technology for carcase classification would create value in two ways: it would enable more accurate sorting in the abattoir, and it would enable better market signals to be transmitted to producers, resulting in better average carcasses. The project would encourage all major UK processors to adopt the same approved high tech method of carcase evaluation.

KM provided further information on this project, which is designed to achieve official approval of carcase classification equipment used in the trial.

The Board approved to go ahead, while noting that the project was not without risk (legislative change and no certainty of cost-effectiveness or uptake).

### **AGENDA ITEM 14 – AOB**

The Board approved the proposal to hold a joint session between the Pork Board and the NPA after the Pork Board meeting on 19<sup>th</sup> May. The purpose of the joint meeting is to build better understanding between AHDB and NPA.

The Board approved the proposal to hold the November Board meeting in Yorkshire. Following the Board meeting, there would be an open session with levy payers, aimed at increasing understanding of AHDB's work, and improving AHDB's understanding of levy-payer concerns. If successful, the

Board agreed that such a meeting should be repeated once a year, rotating around pig-producing parts of the country.

The Board requested that presentations should be made available on OnBoard prior to the Board meeting. The Board also requested more clarity in how to annotate papers.

The Board meeting closed at 12:50.