

# SUMMARY MINUTES OF THE BOARD MEETING OF THE AHDB PORK BOARD



ON 15<sup>th</sup> September 2021

## AHDB BOARDROOM

**PRESENT:** Mark Houghton (MH), Robert Beckett (RBe), William De Klein (WDK), Robin Thompson (RT), Simon Watchorn (SW), Adam Cheale (ACH), Robert Mutimer (RM)

**REMOTELY:** Mike Sheldon (MS) - Chair, Tim Bradshaw (TB), Chris Aldersley (ChA)

**APOLOGIES:** Rupinder Ashworth (RA), Richard Buckle (RBu)

### IN ATTENDANCE:

Angela Christison (AC) - Strategy director – AHDB Pork, Mandy Nevel (MN) – Head of Animal Health & Welfare – joined remotely – item 11, Lauren Dimmack (LD) - Animal Health & Welfare Scientist, Animal Health & Welfare – item 10, Jen Waters (JF) – Head of Knowledge Exchange (Pork), Technical – KE – item 10, Naveen Gupta (NG) - Finance Director, Finance – item 8, Ken Boyns (KB) - Divisional Director – Services,, Finance & Operations – item 8, Lenka Rihova (LR) – Personal Assistant (Minutes) – all items

### AGENDA ITEM 1 – Apologies for absence

RM, who chaired the meeting in MS's physical absence, opened the meeting at 8.35am and welcomed those in attendance. The Chair joined the meeting remotely due to being unwell. Prior to the meeting, he suggested that it would be better for a board member to chair the meeting, in his physical absence. This was the best practicable solution.

Apologies were received from RA and RBu.

### AGENDA ITEM 2 – Declarations of Interest

There were no new declarations of interest.

### AGENDA ITEM 3 – Minutes from the meeting held on 14<sup>th</sup> July 2021

The minutes from the meeting held on 14<sup>th</sup> July were accepted as a true record and will be 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.

PRIMO report: AHDB will facilitate a discussion with the industry once feedback received from Defra.

### AGENDA ITEM 5 – Directors Report

The report was taken as read.

### AGENDA ITEM 6 – eAML2 transition to LIP

AC reported on eAML2 transition to LIP. There is no set date for the move yet. We will continue with eAML2 until there is an equivalent or better system available. AHDB are mapping the connections between eAML2 and all our pig hubs. The necessity to replace all the systems with new technology has not changed, however the complexity of delivery has posed some problems. It is key to handle the situation before the pig system completes its transition.

There is a core system, which is usable across all species. It is the user interface, which has not started to be developed yet. The key question is whether an existing system can be economically developed to add that facility.

### AGENDA ITEM 7 – Update on structural changes at AHDB

AC reminded the Board that the meeting was being recorded.

There was no further update on structural changes at AHDB at this stage. There is still an active consultation with staff at AHDB. The process is incomplete. A large number of members of staff are at risk from a formal employment point of view. Matters are extremely sensitive and it is a very difficult time for individuals involved. An update will be provided once the process has been completed.



## **AGENDA ITEM 8 – AHDB's role in current Pork Sector challenges**

There are currently thousands of extra pigs on farms across the UK due to the chronic shortage of labour affecting meat processing plants. With the increasing backlog each week, farmers are running out of space fast.

AC presented options for AHDB to support the industry now/during critical 'adjustment' period prior to an expected decrease in production. A discussion was held in relation to this subject.

There was a request to publish weekly figures for pigs' kills on AHDB website (historically). AHDB pork weekly is an estimate; Defra's kills for GB are actual figures and are only published monthly.

NG reported on the reserves policy and provided an update on how AHDB is resetting our reserves targets going forwards (stimulated by Defra's reaction around Horticultural and Potatoes outcome). AHDB is awaiting an official letter from Defra.

Reserves is the amount of money that is set aside necessary to meet future obligations. A reserve can be a portion of reserves that is cash (not allocated). AHDB's duty is to maintain reserves to the extent that we can meet all our future obligations. The objective for this Board is to agree what to do and how to communicate that to our levy payers.

KB reported on the Horticulture and Potatoes levy. Officially, the ministers have not decided to stop the Potatoes and Horticulture levy. It was AHDB's decision, agreed by the sector Boards and main Board, to start winding down the Horticulture and Potatoes activities.

A breakdown of reserves obligations was requested (people, outstanding contracts, pensions obligations and other costs). The future expectation has to be met by the organisation.

The Board discussed levy holiday, which would need support of the AHDB Board and all the other sectors (and Defra). Communication around reserves is key.

The processors reported on their activities to reduce the backlog. Many problems around workforce, drivers, butchers and hospitality, recruitment. Risk and insecurity ahead. They are looking at bringing skilled workers from outside the EU, no guarantee they will stay. There would be a reduced kill during Christmas period (further backlog of pigs). There are problems with handling larger carcasses (overweight pigs, contamination issues).

The labour issue is a global problem (not just UK). The European market is in the same situation. Welfare issues could be made worse if feed deliveries cannot be made on time.

RM, the Chair of NPA, commented on discussions held with the government in relation to this issue. There are major pig producers that are struggling (financially, physically and mentally). The aim is to explore any options that we can do to help them to overcome the problem.

The Board reported on animal welfare problems and the importance to get the numbers down to a manageable level. Our first duty is the welfare of the animals.

This Board must be supportive in order to solve the pig issue. First step is to find practical solutions and figure out how to pay for it afterwards.

After a lengthy discussion, the Board agreed to progress the following:

- **Cull/Render Service (facility)**

- ⇒ To develop fully costed option to cover fixed set up costs and potentially labour costs.
- ⇒ Benefit to levy payer – ability to avoid welfare cull on farm, particularly appropriate for heavy pigs now that are out of spec/too big for commercial lines
- ⇒ **Incentive to cull younger pigs**
- ⇒ Need to establish if this is possible under SI/legal
- ⇒ Set cap – headcount/time
- ⇒ Audit? – need to establish at plant/on farm (APHA/RT?)
- ⇒ Consider how to fund (increase levy?, stop some work (e.g. marketing))

- **Levy Holiday**

- ⇒ What level could we offer?
- ⇒ How could we fund – future higher levy? / stopping work etc.

- **Provide language training**

It was acknowledged that this was not a short-term solution but could be useful in the longer term.

- **Communications**

- ⇒ Defra
- ⇒ Industry (not via media as could damage reputation, curtail export options)
- ⇒ Pigs tomorrow (need to set out what role AHDB can and cannot play)

## **AGENDA ITEM 9 - Training Support**

A paper had been distributed to the Board.

JW and SB joined the meeting at 11.45am and presented on AHDB training support to the industry and future plans. The proposal, budget and principles were discussed.

A comment was made regarding government schemes for training and whether AHDB can help the industry to access the money. TIAH (The Institute for Agriculture and Horticulture) was acknowledged as the most likely route for this, and AHDB should signpost levy-payers to TIAH.

JW reported on welfare training. There are some internal issues around finances. The content is nearly there, testers are ready to do testing.

The Board thanked JW and SB for their work.

## **AGENDA ITEM 10 – eMB permissions**

AHDB launched the medicine hub for the ruminant sector, which is more complex than the pig sector in terms of recording data. Farmers are more diverse. The retailers/supply chains are heavily involved and will be looking for data. Work on medicine hub for the ruminant side may set a precedent for the pig side. In the future, there will be more pressure on the pig sector to start looking at supply chain data.

## **AGENDA ITEM 11 – Free Farrowing**

MN reported on Free Farrowing and the Rapid Evidence Assessment). Its purpose was to give a single source of all currently available evidence of the different farrowing systems currently available. The report provides pros and cons of different systems and identified the gaps in the evidence.

MN reported on the key messages and progress to date. The stockperson and the quality of the stockperson is key in any system. MN reported on the challenges. The report is out for review. The website has been updated. KE have recruited a student to work on case studies.

A comment was made regarding case studies. It is important to have case studies so farmers can empathise/be more engaged with the process.

## **AGENDA ITEM 12 – AOB**

It was SW's last Board meeting. He expressed his gratitude towards the Board and thanked everyone for their support. He enjoyed being part of this group and wished everyone all the best.

On behalf of the board, MS thanked SW for his contribution and wished him all the best for the future.