

AHDB Horticulture Board meeting
SUMMARY MINUTES OF THE MEETING OF THE
HORTICULTURE BOARD

ON 24th MAY 2022

Teleconference

CONFIDENTIAL

PRESENT: Peter Judge (PJ), Jamie Dewhurst (JD), Rob Saunders (RS), Keston Williams (KW), Robin Squance (RS)

APOLOGIES – Roma Gwynn (RGw), Mark Eves (ME), Michael Barker (MB), Robert Saunders (RS)

IN ATTENDANCE:

Ken Boyns (KB) – Divisional Director – Services
Rob Clayton (RC) - Strategy Director (Potatoes), Strategy r
Debbie Wilson (DW) – Head of Knowledge Exchange (Horticulture)
Jenna Watts (JW) - Head of Crop Health and IPM, Research
Kim Parker (KP) – Crop Health & IPM
Kate Saunders – PA, minute taker

AGENDA ITEM 1 – Welcome & Apologies for absence

- 1.1 The Chair opened the meeting and welcomed those in attendance.
- 1.2 Robin Squance attended as an observer and introduced himself.

AGENDA ITEM 2 – Minutes and Actions of previous meeting

2.1 The minutes of the last meeting were taken as a true record by the members in attendance. An email will be sent as protocol to the absent members to ensure they are in agreement. To be signed off at the next meeting.

AGENDA ITEM 3 – Update on wind down / options for sector surplus monies (Board paper distributed and taken as read).

3.1 The March accounts were not yet available so the financial position from the previous meeting was repeated. The possible surplus reported at the last meeting was just under the control forecast at £1.3 million. The commissioning cycle has now finished, therefore the figure is likely to go to £1.6 million.

3.2 Levy collection position - there are now 330 outstanding accounts with just over £2 million outstanding due for collection. 75% of accounts have paid. The legal chasing arrangements will now commence. The first reminder letter will go out on the 6th June with a follow up 2 weeks after. On the 4th July the legal process will start where necessary. The AHDB Horticulture team will be briefed to ensure a set of answers are covered for the various questions and enquiries that will be asked.

3.4 RC went through the options which will go in a paper to the main AHDB Board in June. 4 options/suggestions in the paper.

1. Return surplus to individual levy payers
2. Hand over the Residual Fund to Defra
3. Create a Grant scheme (a set of criteria detailed in the paper).

4. Retain the surplus to offset future EAMU costs (if AHDB are requested to deliver an EAMU service).

Comments / Note anything else to go to the main Board:

3.5 The consensus of the Board was that either the option of returning the surplus to levy payers or retain offset future EAMU costs.

3.6 PJ came up with a 5th option. He suggested to return it 'not' back to individual members but where there is a recognised industry body prepared to give an indemnity to AHDB (eg to spend on R&D). It could it go back to those bodies on a percentage split of total revenue from different parts of the industry for that recommendation. KB explained there is a legality question about returning the money back to levy payers that will need to be looked into. KP raised concerns that there are obvious organisations that could take on this role but those crop associations are not equivalent to all levy payers. Politics may arise around this. This should be considered as part of the process.

3.7 RC noted the other items in the paper: a review of who is on the panels has taken place and it has been noted there are Chair's missing. The panels are not currently meeting therefore no action will be taken at the moment.

3.9 The user statistics has indicated that 1000 Horticulturist have been using the new website.

3.10 The future of the projects after March 2023 is now being looked at and this will be brought back to the Board.

AGENDA ITEM 4 – 2022 EAMU Programme

4.1 IS joined the meeting and updated the Board on the future of Horticulture from a Defra perspective. Various discussions have taken place with key stakeholders and the message coming through is mainly around the future of EAMUs and the EA service with regard to the wider research and how it will continue. The key element is it is for industry to decide on how the key areas can be funded.

AGENDA ITEM 5 – Future options for EAMU programme (Defra)

5.1 The option of introducing a levy on pesticide manufacturers has been looked into. Defra do already pay a levy to cover the costs of putting pesticides for approval. This would be a very long process and hard to deliver.

5.2 A voluntary levy has been looked into but this would be up to the levy payers, could cause problems with non payers and costly. There is a review ongoing of the EA process by Defra and the application costs are likely to increase significantly. Looking at how most (or even all) of EAs moving over to EMAUs.

5.3 The introduction of a small statutory EAMU charge is being looked into with a flat fee depending on the Band it falls in and will be collected by AHDB.

5.4 The decision needs to be made whether there will be a statutory levy or fee? A fee could be introduced by March next year but the process needs to be started in next couple of months. There is a need for the industry to tell us this is what they want with a clear message though. If AHDB are to continue the planning needs to start immediately. Growers need to have confidence that the service will be provided in the future.

5.5 If the industry want to go down the 'fee' route the process would need to be started in the next couple of months.

5.6 The Chair summarised the agenda item - Defra's view is that we do not want individual crops or a disparate system but one organisation. This organisation is important from a government point of view and a process. The industry needs to make the decision although there may be diverse opinions

on this therefore a degree of clarity is required from Defra. There is still an issue of overcoming the legacy issues. Defra could potentially contract AHDB to provide the service on behalf of them.

5.7 KP will be discussing the 'Prioritisation of EAMUs' with RS offline.

5.8 Defra will be having further discussions on the future options and will keep the sector council updated.

5.9 If the industry are to make decisions on the levy and future of EAMUs then Defra need to outline the 3 to 4 options to each association for a consensual view. It was agreed that Defra would provide an options paper with context around it (not just a yes or no answer) that can go out to industry.

5.10 The legislations went through Parliament last week to end the Horticulture levy which is expected to be signed of in the next few days.

5.11 It was stressed that decisions need to be in place a.s.a.p. to ensure timeline of the emergency authorisations for next year.

DEFRA staff left the meeting

5.12 It was uncertain that the message around timeliness had been heard. It was therefore agreed that AHDB should raise with Defra. Defra need to lead and come up with some solutions. A more formal letter outlining critical timings and the need for action will be sent to Defra at a more senior level to get a decision and to be discussed at the weekly meetings between Defra and AHDB. This will be covered at the main AHDB Board meeting in June.

AGENDA ITEM 6 – AOB

The meeting finished at 11.30

It was agreed that future meetings should go in the diary asap to ensure full attendance.