

AHDB Horticulture Board Meeting

SUMMARY MINUTES OF THE MEETING OF THE HORTICULTURE SECTOR BOARD HELD ON 21 MARCH 2023

PRESENT: Peter Judge (PJ), Michael Barker (MB), Jamie Dewhurst (JD), Mark Eves (ME), Roma Gwynn (RG), Robin Squance (RSq), Keston Williams (KW)

APOLOGIES –Rob Saunders

IN ATTENDANCE:

Ken Boyns (KB) –Divisional Director -Services

Rob Clayton (RC) –Sector Director -Horticulture

Debbie Wilson (DW) –Senior Research & Knowledge Exchange Manager

Alison Thomas (AT) –Executive Assistant, minute taker

AGENDA ITEM 1 – Welcome & Apologies for absence

1.1 The Chair welcomed all in attendance for what would be the sector board's final meeting. He thanked the sector board members for all their efforts over the past two years and paid tribute to the AHDB staff, particularly Ken Boyns and Rob Clayton, whose efforts, determination and commitment had helped secure a positive outcome for the industry. The Chair also recognized the support and contribution provided by the main AHDB board.

1.2 Apologies for absence had been received from Rob Saunders.

1.3 The Chair declared an interest as a director of the British Berry Growers, RG as Vice President of International Biocontrol Manufacturers Association and ME as an NFU Potatoes & Horticulture board member.

AGENDA ITEM 2 – Minutes of the meetings held on 17 January 2023

2.1 The minutes of the meetings held on 17 January were approved.

AGENDA ITEM 3 – Matters arising from the meeting held on 17 January 2023

3.1 All matters arising would be covered by the agenda.

AGENDA ITEM 4 – Update on transfer to HCP and proposals on transfer of royalties

4.1 The Chair invited RC to provide an update on activity and progress on transfer of royalties and discussions with HCP Ltd for the transfer of EAMU and EA services.

Transfer of Royalties

4.2 In accordance with decisions taken by the board at its meeting in January, discussions with the relevant parties for the transfer of AHDB assets relating to strawberries, top fruit root stock and jasmonic acid had taken place.

4.3 Subject to formal approval by Defra, transfer arrangements would be instructed in June 2023, taking the form of:

- A letter of instruction / deed to NIAB detailing change of ownership of shares from AHDB to BBG for strawberries (NIAB to confirm process in June).
- A letter of instruction to NIAB detailing change of ownership of Head Licence from AHDB to BAPL for root stock (NIAB to confirm process in June).
- A letter of instruction to Lancaster University outlining change of ownership of royalties from AHDB to BPOA for 'asmonic acid.

There would be comms activity to make AHDB's intentions clear and transparent to the industry

Update on transfer to HCP Ltd

4.4 Work had progressed well with the two overarching agreements, a transfer agreement and a grant agreement, expected to be signed by 31 March 2023, allowing transfer completion by 14 April 2023. This was two weeks later than originally planned due to a request from HCP for additional time to allow its newly formed board to bed-in and consider key aspects of the agreements carefully.

4.5 The grant agreement set out the tranches and quarterly payments which would be made covering (1) staff and overhead + contingency, (2) liabilities relating to projects that had yet to finish and (3) a fund to enable commissioning of new work and submission fees for the EAMU/EA application process. The potential for a 4th tranche to cover the likelihood of expenditure into a second year if grant funds remain unspent had been introduced but was subject to presentation of a forward-looking procurement plan for 2024/25

4.6 It was estimated that total funds of c£1.4m would be available, reflecting that several projects had now been settled and that funding was reliant on successful collection of outstanding debt in horticulture. Legal proceedings were underway with some levy payers. The AHDB Board would be considering the outstanding debt position at its meeting on 28 March.

4.7 HCP Ltd was understood to have invoiced some crop associations for funding already and it was therefore agreed that their ability to procure future work should be explored.

Action: AHDB to explore HCP Ltd's ability to procure future work

4.8 The board was assured that the issuing of payments would be closely monitored in accordance with the business case approved by Defra and there was a possibility this might be scrutinized by the National Audit Office. The board agreed that it was important that the grower associations and levy payers were reassured that AHDB had appropriate governance and processes in place to ensure a standard of delivery for transferred services which was suitable for audit. Comms to this effect would be drafted and shared with the board prior to publication.

Action: Draft comms confirming the monitoring of grant funding by AHDB to be shared with the board prior to publication

AGENDA ITEM 5 – Any Other Business

5.1 Declaring his interest as a director of The Cut Flower Centre, ME asked if consideration could be given to varying its existing contract with AHDB so that the funding which had been provided could be used to deliver work which would benefit a wider group of growers, rather than peony growers only.

5.2 KB commented that, if the board was supportive, AHDB would endeavour to be flexible and look favourably upon this request, provided the proposal was permissible under the terms of its Statutory Instrument.

5.3 After a brief discussion, the board, with the exception of ME who abstained, agreed unanimously to support the request in principle. It was agreed that The Cut Flower Centre should write to AHDB with a formal proposal for its consideration.

Action: ME to arrange for The Cut Flower Centre to write to AHDB with its proposal for contract variation

5.4 The board was advised that responsibility for overseeing matters relating to the wind down of horticulture would transfer from RC to Guy Attenborough, Director of Corporate Affairs, with effect from 31 March 2023.

5.5 Board members were advised that their terms of office would officially come to an end on 31 March 2023. They were asked to submit any outstanding, final expense claims as soon as possible.

Action: Board members to submit outstanding expense claims

5.5 PJ was thanked by the board for all his efforts and chairmanship during a challenging time and recognised the contribution he had made to achieving a successful outcome for the industry.

The meeting closed at 12.15pm.