



HGCA BOARD MEETING

11 July 2012 at Woodside Conference Centre, Kenilworth
SUMMARY MINUTES

Minutes

The minutes of the meeting held on 30 May 2012 were agreed as a true record and were signed by the Chairman.

Matters Arising

The final accounts for CEL had now been audited by the NAO and had been lodged with Companies House. The Chairman clarified that Ian Crute was the only remaining Director.

Future role and remit of the Finance Committee would be reviewed at the Finance Committee and October Board meetings.

Chairman's report

The Chairman confirmed that, once again, the Cereals event had been extremely successful. He clarified that it would be an extremely sad day if the current restrictions on marketing prevented HGCA from exhibiting at Cereals.

Planning permission had been granted for a building which would house all AHDB staff. It was expected that construction would be completed by August 2013.

The AHDB Chairman, John Godfrey, introduced himself and John gave details of some of his personal background and his plans for a future strategy for AHDB.

Sector Director's report

It was agreed that it would be beneficial to set up a supply chain visit with the new Defra team and the Chairman offered to host a farm visit.

A meeting with FERA and BSPB was planned for 17 July to discuss the National Lists and an update would be given following the meeting.

Four growers meeting had now been held to get input into the electronic grain passport project. Growers had been very honest and realistic with their feedback about the practicalities of any e-system. Further workshops were being organised.

The Board agreed that all charging to levy payers for market information (MI) and events should be removed with the exception of headline conferences. It was also suggested that greater use of the website should be encouraged.

A recommendation had been made by the BCE Committee that access to the two-tier budget access should be requested. Wheat production of 15.5-16m tonnes was predicted but what was less clear was whether the export availability would exceed 3m tonnes. A proposed increase of £30k was approved by the Board.

Finance and Strategy

The latest management accounts showed a levy income variance to budget had been built into the forecast and a slight over spend on supply chain integration which would come back later in the year and was offset by monitor farm non levy income. A slight under spend was showing in terms of communications and MI: no reforecast had yet been done.

An electronic version of the levy form would be available in due course when problems integrating it into the finance system had been resolved.

It was confirmed that an exercise to benchmark differences in levy rates across different sectors had previously been carried out before the levy increase was achieved.

The Board agreed an additional £3M investment over the life of the new corporate plan and a proposal paper would be prepared for review by Board members during July/August.

It was agreed that HGCA was struggling to recruit suitably qualified staff in some areas and that remuneration/retention policies should be reviewed at in an attempt to avoid further loss of a skilled workforce. It was suggested that there was a need to ensure that succession planning was robust enough to cope with this issue. It was felt that the MI field were particularly vulnerable and the MI Director would be invited to suggest options to rectify this situation.

Recommended List and HGCA Cropping Systems Platform

The purpose of the proposal was to distinguish if we could achieve more integration within HGCA: this work would be at the heart of HGCA activities rather than the method formerly adopted by CEL. Aims of the proposal included to provide local agronomy information for the new regional team, provide practical information on managing new varieties on the Recommended List and to provide pest and disease monitoring throughout the UK.

It was confirmed that additional resource would be required to take this work forward as resource currently available was focused on the current RL. It was reported that a year had been spent building a new RL database which could be developed to make the most of data. The Board approved the proposal in principal and the Chairman would seek final approval by email following the details of funding implications and the details of a pilot scheme being circulated.

Regional Team proposal

The purpose of a regional team would be to develop, promote and manage the delivery of business improvement activities through existing HGCA Arable Business Groups (ABG) and the proposed English Monitor Farms. Objectives of the proposal included to improve HGCA's regional communications and focus to reflect emerging specialist markets and to deliver two-way business improvement by providing specific regional intelligence to levy payers and into HGCA.

Monitor Farm operation, currently in Scotland, builds on the ABG model and included RL data gathering analysis and some trials work. The two current monitor farms were facilitated by SAC and SOAS.

A Regional Team would develop cross sector activity, build up abroad knowledge transfer ability, boost supply chain development and enhance data gathering and analysis. The team would consist of five plus support staff and it was estimated that 30% of its time would be spent on grass roots communication, 35% on Arable Business Group activity and 35% looking at more structured high-level learning and Monitor Farm activity. Existing AHDB sector office space had been identified in Edinburgh, Askham Bryan in Yorkshire, Huntingdon, Taunton and Stoneleigh would be the HQ where the team manager would be based.

An implementation plan had been drawn up and would start with a pilot in the North East. Recruitment of regional managers would begin by the end of 2012 with a full complement of staff by April 2013 and Cropbench would be reviewed and the current model would be developed as part of the process.

Approval of Committee expenditure

The Board approved expenditure for the following projects:

- Optimising the use of grain stirrers to enhance on-floor drying
- Improved modelling of Fusarium to aid mycotoxin prediction in UK wheat

- Oilseed rape: Fungicide Performance
- Delivery of improved winter oilseed rape decision support tools – 2012/2013 season
- Designing a better bread: an integrated approach to upper gastrointestinal processing of bread
- Combining insecticide resistance in major UK pests
- Provision of the CropMonitor information service to industry 2012-13
- Preventing a wide scale increase in ALS resistant broad-leaved weeds through effective management in a cereal/oilseed rape rotation, using common poppy as an indicator species
- Added value fallows: the use of customised cover cropping approaches within integrated grass weed management

Any other business

It was suggested that discussions on any future application for an increase in the levy rate might begin at the October Board meeting. Mixed comments were received from Board members on this issue including that it may be a little premature, that an unbiased conversation should be started and that an indexed model for future increases should be developed. It was also suggested that the levy rate should be discussed on an annual basis.

Date of next meeting

An industry visit and the next meeting of the Board would be 30/31 October in Aberdeen, Scotland.