



DairyCo Meeting Minutes

Meeting: DairyCo Board – DSB09/07
Date: 19 November 2009
Venue: Marriott Hotel, Edinburgh

Present: Tim Bennett (Chair)(TB), Kevin Beaty (KB), Kenneth Campbell (KC), Neil Cutler (NC), Richard Davis (RD), Julia Hawley (JH), Trevor Lloyd (TL), Ian Martin (IM), Arthur Reeves (AR), Jonathan Vickers (JV)
In Attendance: Ken Boyns (KJB), Wendy Jackson (WDJ)

Apologies: David Homer

Distribution: As Above plus Kevin Roberts and Sue Walker at AHDB

Description	Action
DSB09/07/01 Welcome and Apologies The Chairman welcomed the Board to the meeting and apologies were received from David Homer.	
DSB09/07/02 Minutes from the Last Meeting The minutes from the meeting held on 21 October 2009 had been circulated with suggested track changes. Changes were accepted together with additional amendments and the minutes approved.	WDJ
DSB09/07/03 Matters Arising KJB reported that Guy Attenborough was drafting an AHDB Confidentiality Policy and once approved, this would be circulated to the Board members.	KJB/GA
DSB09/07/04 Chairman's Report The Chairman reported on the AHDB Board meeting earlier in the week. Planning permission is still outstanding for the new building and it is hoped that this will go through in December. The tender process is at the shortlist stage and a contractor should be selected soon. With regard to the AWM grant, the contract has not yet been signed but it is agreed. TB reported that he had met with Kevin Roberts and some members of the AHDB Audit Committee regarding finances who felt that current controls were adequate. It was noted that from	



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<p>1 January 2010, Ian Martin will become a member of the AHDB Audit Committee.</p>	
<p>AHDB are working on a new format for their risk register and once approved, this will be circulated to the Board. It was reported that the National Audit Office are happy for John Bridge to Chair the Audit Committee until 31 March 2010.</p>	
<p>TB reported that before Kevin Roberts leaves as Chief Executive at the end of March 2010, the key priorities are the building planning permission, AWM grant and ensuring central services run smoothly, hence taking the risk out of transition. Advertisements for a replacement Chief Executive are due to be published shortly.</p>	
<p>TB reminded members of the Sector Board members meeting on 26 March to which all sector Board members had been invited. The AHDB Corporate Plan will be going out for consultation at the end of the week. TB reported that the Potato Council are recommending an increase in levy where all other sectors are remaining static. There is discussion in the red meat sector about levy collection in Wales and Scotland. With regard to the changes requested to the Statutory Instrument on requiring milk purchasers to hold levy in trust for AHDB (DairyCo), Defra are cautious about this as it would be a burden. It was agreed that an approach of suggesting a minimum annual levy collection level before there was a requirement to hold in trust was proposed to Defra.</p>	ALL
<p>TB reported that he had attended the FWAG Silver Lapwing Awards and congratulated Julia Hawley on being one of the finalists.</p>	KJB
<p>TB had been in discussion with AHDB regarding the appointment process of sector Board members. It was agreed that care needed to be taken to stagger the replacement of Board members to avoid the entire Board leaving at the same time. JV suggested and it was agreed to discuss succession planning at a future meeting. TB reported that he would be arranging non-executive training for Board members.</p>	TB
<p>TB ended his report by stating that he felt the DairyCo staff were doing excellent work and encouraged the Board members to congratulate staff members where appropriate.</p>	

DSB09/07/05 Director's Report

KJB reported that the market is continuing to be volatile. A high



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<p>level group has been set up by the Commission to look at the future of the dairy market and the EU Unions and Dairy UK are involved. KJB reported that this will come up at the Dairy Chain Supply Forum.</p>	
<p>An update on Milkbench+ had been included in the report and KJB reported that 100 farmers accounts for last year were now on the system which is on target for the year. Five of the seven positions for Milkbench+ had been recruited. Four Mastitis Plan training courses had been held and there is currently a waiting list of over 70 vets. The Board agreed that additional courses should be held using funds from the underspend in the KT budget.</p>	
<p>KJB reported that the Business Plan would go out for consultation at the end of the week. The senior Executive Team had recently met and agreed that by the end of May, there needs to be a common approach to business planning throughout AHDB. On staffing issues, KJB reported that recruitment was still taking place in MI but the new MI Director had now started and would be dealing with recruitment.</p>	
<p>A draft of the company strategy and performance report will be available shortly and this will be reviewed. Helen Eustace is currently working on this and it should be complete by 31 December. The intention is to publish the report before the end of January. It was agreed that the Board members will see the final version of the report, at least a week prior to publication.</p>	KJB
<p>KJB reported that he had presented the Business Plan to the RABDF Council and they were supportive, and particularly interested in the areas of genetics/breeding, Milkbench+ and R&D.</p>	
<p>The Risk Register had been updated with the Company Strategy and Performance Report added as this is high profile and could be damaging to DairyCo's reputation if not done very well.</p>	
<p>The Customer Relationship Management background paper had been circulated prior to Philippa Stagg attending the January Board meeting to give a more detailed explanation. The CRM system is close to being useable and it is planned to roll it out to staff before the end of the financial year. KJB closed his report by stating that he felt the staff were doing a very good job in difficult circumstances and we are starting to be successful at consolidating the changes made over the past 12 months.</p>	



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<p>DSB09/07/06 Management Accounts and Finance Report</p> <p>The Chairman reported that it had not been practical for Kevin Roberts and Shaun Tillery to attend this meeting but they would be attending the January Board Meeting.</p> <p>The draft service level agreement with the finance team was based on discussions between KJB and ST and will not be in place until an implementation date is agreed. Debtors had been reduced by £300K since the last board meeting due to excellent work done by the new levy collection staff. Steps were being taken to collect long outstanding debts. KJB reported that a review process will take place in December on the November accounts to undertake a thorough year end reforecast, including to go through recharged central income in detail.</p> <p>The October management accounts showed a surplus for the year to date of £771K against a forecast surplus of £0.25 million at the end of the financial year.</p> <p>KJB agreed that he and ST would provide more detail in January, particularly on interest costs and support costs (both central and sector).</p> <p>The Chairman reported that new expense claim forms would be issued shortly and asked Board members to start using the new forms once received.</p>	<p>KJB/ST</p> <p>KJB/ST</p> <p>ALL</p>
<p>DSB09/07/07 Business Plan Update</p> <p>KJB reported that the new KPI sheet would be issued from January and the Business Plan would be provided to Board members for information.</p> <p>The Plan would shortly be updated for next year with input from the Managers and this would be available for the January meeting. It was noted the Genetic Evaluation Service had been changed from green to amber as usage of it is only just around the target. Marco is working with the Comms team on promoting the base change and calving ease evaluation which is coming in to effect in the January proof run.</p> <p>Stewart Jamieson left the meeting at this point.</p>	<p>WDJ</p> <p>MW/Comms</p>
<p>DSB09/07/08 Approval of Projects</p> <p><i>School Milk Top Up</i></p>	



Description	Action
<p>An update paper had been circulated prepared by Amanda Ball. KJB reported that a final proposal will be prepared for the January or March meeting but this was very dependent on Defra's timings.</p> <p>The School Milk Project has always developed since it was taken on and had moved to promoting a balanced diet over recent years. Amanda had commissioned work to look at the best ways of delivering the desired information to schools and children. If the Defra funding is made available, the report will be useful to guide what activities are to be undertaken, as well as helping to decide how to develop the School Milk Project.</p> <p>It was felt there was also a need to raise awareness in schools of the career opportunities in the sector. KJB reported that there was an RABDF initiative in this area and AHDB were involved in the Skills Forum.</p> <p><i>AFS Scheme Funding</i> The Chairman outlined the proposals agreed by the AHDB Sector Board Chairmen for provision of funding to AFS. These are for some interim funding this year but for funding to be time limited.</p> <p>An AHDB update on the funding situation will be circulated to the Board members shortly. It was noted that AFS will be presenting to the next board regarding how the funding will be used.</p>	
DSB09/07/09 Any Other Business	
<ol style="list-style-type: none">1. TL reported on the MDCEL Board Meeting held the previous day. It was agreed to end the Board in its current format with effect from 1 April 2010 and convert it to a Genetic Consultation Group. TL will be standing down as Chairman and other Board members had expressed a wish to stand down. The need to find the right Chairman for the Genetic Consultation Group was stressed and a need for technical experts to be involved either as part of the Group or a separate Group. There will be another meeting of the Board to review the Terms of Reference for the new Group and these will be presented to DairyCo Board members for approval in January. TL reported that the MDCEL Board were pleased with the work DairyCo was doing with regard to genetics and breeding. The Board recorded their thanks to TL and Marco for the excellent work they had undertaken over recent years.	MW



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2. TB commented that there were several events coming up where Board member representation would be useful. It was intended to prepare a template to send to the Board for completion of the events where they would be present to ensure sufficient representation.	WDJ
3. TB referred to the Westminster BBQ which was an AHDB Government facing event rather than a levy payer event and it was discussed by the board. The Board agreed that we should attempt to reduce our costs by having a smaller guest list and DairyCo staff/board member attendance.	KJB
<p>The Date of the Next Meeting was noted as 28 January 2010 at a location close to Stoneleigh (venue TBA). There would be no farm visit on the previous day and the Board Dinner would be the evening of 27 January. It was noted that there was likely to be a late afternoon board session on the 27th, in order to cover all the agenda items for January.</p>	WDJ
<p>The proposed dates for the March Meeting – TB asked RD for a suitable venue for a farm visit in East Anglia. Similarly for the May Meeting, TB asked NC for a venue in the South East.</p>	RD NC
<p>Signed..... Date..... Tim Bennett – Chairman</p>	
<p><u>Details of next meeting:</u></p>	
<p>Board Dinner – 27 January 2010 Venue: TBA – 7:30pm for 8.00 pm</p>	
<p>Board Meeting – 28 November 2010 Venue: TBA – 9.00 am</p>	