

## Growers Better Levy Group Draft Response to AHDB Consultation

This response to the consultation on the future of AHDB has been approved by the Growers Better Levy Group and will be submitted by the deadline on **10<sup>th</sup> January 2022**. It is being distributed to growers to assist them with their own responses. The yellow highlighted text indicates the boxes to be ticked.

The response has been drafted to support the following principles:

1. The future of the research, innovation and development remains very important to the sector and the critical work must continue.
2. The critical work is defined as the horizon scanning for priority pest and disease threats; for appropriate crop protection tools and for the application of on label, emergency and EAMU's.
3. This work is essential for horticultural crops to thrive. The fairest way for this work to be funded is for every grower to pay. This requires a statutory framework in legislation which exists today. We require that DEFRA retain the discretionary power to raise a statutory levy and work with the industry to change the existing statutory instrument to make it fit for today's industry, to define what money is raised and how it is spent in the future.

**Who should do this critical work?** A new body, ideally one that achieves collaboration across all Horticultural crops so that we can achieve economies of scale.

**Why not AHDB?** The organisation needs radical reform and will need a new and meaningful grower governance in place that provides value for money and full cost transparency. If AHDB can achieve this then they may be the right organisation.

**How much should the critical work cost?** We estimate that the costs should be somewhere in the region of 10-15% of the previous statutory levy being raised.

**What about all the other R&D?** We believe that the industry should be allowed to plan out the R&D priorities in a 5 year plan and growers should be provided with the opportunity to vote on the plan. If a majority vote for the plan, the money will be raised by everyone. This emulates the model in New Zealand that funds NZ Plant & Food research. Otherwise this work will be funded on a voluntary levy basis where only those growers that pay will benefit from the work.

**How to make it fairer?** Each sector of Horticulture must be allowed to vote on proposals for the level of levy raised and how their levy will be spent. Each sector is defined in Schedule 3, part 4 of the SI which should be amended to divide the field vegetables' sector further into the following sectors:

- Brassicas
- Carrots and other root vegetables (parsnips, beetroot)
- Salad Crops (leafy, herbs, baby leaf, celery, radish)
- Alliums (leeks, onions, spring onions)
- Vining peas and beans
- Exotics, which includes all other vegetables

It is critical that all growers respond to the AHDB consultation by 10<sup>th</sup> January 2022: <https://consult.defra.gov.uk/ahdb-relationship-team/ahdb-order/> please scroll down to the bottom of the web page and click on the "online survey" in the green box.

**To be read in conjunction with PDF: “AHDB Full Consultation Document”:**

[https://consult.defra.gov.uk/ahdb-relationship-team/ahdb-order/supporting\\_documents/Consultation%20on%20changes%20to%20the%20Agriculture%20and%20Horticulture%20Development%20Board%20AHDB%20Order%202008%20%20Final.pdf](https://consult.defra.gov.uk/ahdb-relationship-team/ahdb-order/supporting_documents/Consultation%20on%20changes%20to%20the%20Agriculture%20and%20Horticulture%20Development%20Board%20AHDB%20Order%202008%20%20Final.pdf)

**Q1: Confidentiality**

**Q2: Name**

**Q3: Email address**

**Q4: Please tell us who you are responding as, selecting from the following (please select all options that are relevant to you):**

- **Agricultural or horticultural business**
- Research Organisation
- Sector trade body or membership organisation
- Individual
- Other  (please specify below)

**Q5: Name of organisation**

**Q6: Location**

**Q7: Are you a levy payer**

**Q8: For which sector do you pay a levy**

**Q9: Future contact**

**Q10: Should the AHDB Order be amended to remove the statutory levy in the horticulture sector in Great Britain?**

- Yes
- **No**
- Not applicable
- Please provide any comments to support your choice

**Suggested text:**

The statutory levy for Horticulture should not be removed from the AHDB order 2008. Critical work must continue and the fairest way for this work to be funded is for everyone within that sector to pay. Critical work is defined as the horizon scanning for priority pest and disease threats; for appropriate crop protection tools and for the applications for on label, emergency and EAMU's (extension of authorisation for minor use). Critical work only will demand a much smaller levy than in the past.

The statutory instrument (SI) should be amended to ensure that Defra retains the discretionary power to raise a statutory levy and work with the industry to amend the SI. Growers wish to see this future statutory levy raised into a new grower governed organisation, not AHDB. Growers have lost confidence in AHDB due to: a) diversion of funds by AHDB to non-relevant projects; b) poor value for money; c) lack of budget and cost transparency. Unless and until it is radically reformed, a new grower governed organisation will be required.

Each sector of Horticulture must be allowed to vote on proposals for the level of levy raised and how their levy will be spent. Each sector is defined in Schedule 3, part 4 of the SI which should be amended to divide the field vegetables' sector further into the following sectors:

- Brassicas
- Carrots and other root vegetables (parsnips, beetroot)
- Salad Crops (leafy, herbs, baby leaf, celery, radish)
- Alliums (leeks, onions, spring onions)
- Vining peas and beans
- Exotics, which includes all other vegetables

The SI should allow for each sector of Horticulture to have a 5 year ballot, like other AHDB sectors, to vote on additional high priority R&D project plans. If a majority of growers within a sector vote for the plan then all growers in that sector should pay through a statutory levy.

**Q11: Should the AHDB Order be amended to remove the statutory levy in the potato sector in Great Britain?**

- Yes
- No
- Not applicable
- Please provide any comments to support your choice

The potato industry has a much higher degree of vertical integration and does not require a statutory levy. Potato growers have lost confidence in AHDB due to: a) diversion of funds by AHDB to non-relevant projects; b) poor value for money; c) lack of budget and cost transparency.

**Q12: Do you want the AHDB's application service for emergency authorisations and extension of authorisation for minor use of pesticides for the horticulture sector in Great Britain to continue (EA/EAMU application service)?**

- Yes
- No
- Not sure
- Not applicable
- Please provide any comments to support your choice

**Suggested text:**

The application service for emergency authorisations (EA) and extension of authorisations for minor use (EAMU) crops is a critical service for horticulture. It must continue but not administered by AHDB. Growers have lost confidence in AHDB due to: a) diversion of funds by AHDB to non-relevant projects; b) poor value for money; c) lack of budget and cost transparency. Unless and until it is radically reformed, a new grower governed organisation will be required to oversee the EA and EAMU service.

**Q13: If you want the AHDB's application service for emergency authorisations and extension of authorisation for minor use of pesticides for the horticulture sector in Great Britain to continue do you have views and suggestions on how it should be funded? Please provide comments below.**

**Suggested text:**

Critical work must continue but not administered by AHDB. The fairest way for this work to be funded is for everyone to pay. Critical work is defined as the horizon scanning for priority pest and disease threats; for appropriate crop protection tools and for the applications for on

label, emergency and EAMU's (extension of authorisation for minor use). Critical work only will demand a much smaller levy than in the past.

The statutory instrument (SI) should be amended to ensure that Defra retains the discretionary power to raise a statutory levy and work with the industry to amend the SI. Growers wish to see this future statutory levy raised into a new grower governed organisation, not AHDB. Growers have lost confidence in AHDB due to: a) diversion of funds by AHDB to non-relevant projects; b) poorly perceived value for money; c) lack of budget and cost transparency. Unless and until it is radically reformed, a new grower governed organisation will be required.

**Q14: Should the AHDB Order be amended to ensure that levy payers can vote on proposals for how the levy will be spent in their sector at least once every five years?**

- Yes
- No
- Not applicable

Yes, each sector of Horticulture must be allowed to vote on proposals for the level of levy raised and how their levy will be spent. Each sector is defined in Schedule 3, part 4 of the SI which should be amended as per response to Q10 above. The SI should allow for each sector of Horticulture to have a 5 year ballot, like other AHDB sectors, to vote on additional high priority R&D project plans. If a majority of growers vote for the plan then all growers should pay through a statutory levy.

**Q15: Should the AHDB Order retain the current provision that a ballot on whether the levy should continue must be held if, within a rolling three-month period, requests for a ballot are received from at least 5% of eligible voters?**

- Yes
- No
- Not applicable
- Please provide any comments to support your choice

Please express your personal preference for questions 16, 17 & 18 or select "Not applicable":

**Q16. Should the scope of the AHDB Order be extended to include other agricultural or related industries in the UK so that the AHDB can offer services to them (where requested by industry)?**

- Yes
- No
- Not sure
- Not applicable

**Q17. Should the AHDB Order be amended to clarify that the AHDB can charge for services delivered to any industry in scope of the Order through a commercial agreement?**

- Yes
- No
- Not sure
- Not applicable
- Please provide any comments to support your choice

**Q18. Should the AHDB Order be amended to increase the maximum levy rates allowed in the English sheep sector by 25% to provide more flexibility for the AHDB to deliver additional services if there is demand for this from the English sheep sector in future?**

- Yes
- No
- Not applicable
- Please provide any comments to support your choice to support your choice

**Q19. What future reforms to the AHDB Order do you want to see delivered? Please provide comments below.**

The statutory instrument (SI) should be amended to ensure that Defra retains the discretionary power to raise a statutory levy for Horticulture and work with that industry to amend the SI. The Potato Industry does not need a Statutory Levy (see response to Q11 above). Horticultural Growers wish to see this future statutory levy raised into a new grower governed organisation, not AHDB. Growers have lost confidence in AHDB due to: a) diversion of funds by AHDB to non-relevant projects; b) poorly perceived value for money; c) lack of budget and cost transparency. Unless and until it is radically reformed, a new grower governed organisation will be required.

Each sector of Horticulture must be allowed to vote on proposals for the level of levy raised and how their levy will be spent. Each sector is defined in Schedule 3, part 4 of the SI but this needs amending as per comments in reply to Q10. The SI should allow each sector of Horticulture to have a 5 year ballot, like other AHDB sectors, to vote on additional high priority R&D project plans. If a majority of growers vote for the plan then all growers should pay through a statutory levy.

Schedule 3, part 4 of the SI needs to be updated to allow the field vegetable sector to be broken down further into the following sectors:

- Brassicas
- Carrots and other root vegetables (parsnips, beetroot)
- Salad Crops (leafy, herbs, baby leaf, celery, radish)
- Alliums (leeks, onions, spring onions)
- Vining peas and beans
- Exotics, which includes all other vegetables