



House of Commons
Environment, Food and Rural
Affairs Committee

**Horticulture Research
International**

Tenth Report of Session 2002–03

Report, together with formal minutes

*Ordered by The House of Commons
to be printed 25 June 2003*

The Environment, Food and Rural Affairs Committee

The Environment, Food and Rural Affairs Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Department for Environment, Food and Rural Affairs and its associated bodies.

Current membership

Mr David Curry (*Conservative, Skipton and Ripon*) (Chairman)
Ms Candy Atherton (*Labour, Falmouth and Camborne*)
Mr David Borrow (*Labour, South Ribble*)
Mr Colin Breed (*Liberal Democrat, South East Cornwall*)
David Burnside (*UUP, South Antrim*)
Mr David Drew (*Labour, Stroud*)
Patrick Hall (*Labour, Bedford*)
Mr Michael Jack (*Conservative, Fylde*)
Mr Mark Lazarowicz (*Labour/Co-op, Edinburgh North and Leith*)
Mr David Lepper (*Labour, Brighton Pavilion*)
Mr Austin Mitchell (*Labour, Great Grimsby*)
Diana Organ (*Labour, Forest of Dean*)
Mrs Gillian Shephard (*Conservative, South West Norfolk*)
Alan Simpson (*Labour, Nottingham South*)
David Taylor (*Labour, North West Leicestershire*)
Paddy Tipping (*Labour, Sherwood*)
Mr Bill Wiggin (*Conservative, Leominster*)

Powers

The Committee is one of the departmental select committees, the powers of which are set out in House of Commons Standing Orders, principally in SO No. 152. These are available on the Internet via www.parliament.uk.

Publications

The Reports and evidence of the Committee are published by The Stationery Office by Order of the House. All publications of the Committee (including press notices) are on the Internet at

www.parliament.uk/parliamentary_committees/environment__food_and_rural_affairs.cfm.

A list of Reports of the Committee in the present Parliament is at the back of this Report.

Committee staff

The current staff of the Committee are Gavin Devine (Clerk), Tim Jarvis (Second Clerk), Richard Kelly and Dr Kate Trumper (Committee Specialists), Mark Oxborough and Darren Hackett (Committee Assistants), and Anne Woolhouse (Secretary).

Contacts

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Horticulture Research International

A brief background

1. Horticulture Research International (HRI) is a non-departmental public body sponsored by the Department for Environment, Food and Rural Affairs (Defra). It undertakes research and development in support of horticulture and other industries. Its funding is derived in part from commission and grants from Defra and the Biotechnology and Biological Sciences Research Council, and in part from commercial research contracts.¹ HRI operates as a private company limited by guarantee and as a registered charity.

2. HRI operates at five sites. Its headquarters are at Wellesbourne, near Warwick. Wellesbourne is by far the largest site, at 473 acres, and employs around 300 people. It specialises in field vegetables and protected crops. East Malling, Kent, is another large site at 434 acres. There are around 150 staff at the site, undertaking research into perennial crops and hardy nursery stock. Efford, Hampshire, consists of 163 acres and employs 39 staff. Kirton, Lincolnshire, has 120 acres and 16 staff, and Wye, Kent, has 30 acres and employs 8 staff.²

3. In 2000 our predecessor Committee conducted a brief inquiry into HRI, in order to fulfil its remit to examine the work of associated public bodies of the Ministry of Agriculture, Fisheries and Food.³ The inquiry highlighted “planned reductions in funding from the public sector and uncertainty over its future”.⁴ Towards the end of 2000 the Committee returned to the matter, following the announcement of a major restructuring of HRI.⁵ The report following the inquiry found that the Government should review its objectives for horticulture research. It also looked forward to the quinquennial review of HRI which was shortly to get underway.⁶

The quinquennial review

4. The quinquennial review was undertaken between December 2001 and August 2002.⁷ The review team concluded that “HRI’s function continues to be required”.⁸ However, it said that HRI was unviable as currently constituted, and that costs should be reduced, sites rationalised, and a new business plan put in place.⁹ In particular it said that the HRI headquarters site at Wellesbourne, together with the sites at Kirton and Efford, should continue as ‘new HRI’; that the site at East Malling should either close or become part of

1 Horticulture Research International: Annual Report and Accounts (2001-02), P.63

2 Defra (2002) Quinquennial review of Horticulture Review International, p.20

3 Agriculture Committee (2000) *Horticulture Research International*, HC (1999-2000) 484

4 *ibid*, para.8

5 Agriculture Committee (2001) *Horticulture Research International*, HC (2000-01) 53

6 *ibid*, para.15

7 Defra (2002) Quinquennial review of Horticulture Review International, hereinafter ‘QR’.

8 QR, p.7

9 QR, p.7

the East Malling Trust for Horticultural Research; and that the site at Wye should be transferred to Imperial College at Wye.¹⁰

5. After the outcome of the quinquennial review was published Defra invited comments.¹¹ That led, in turn, to the publication of an addendum to the review.¹² The most significant points made in the addendum were:

- that the site at Efford should close as part of the restructuring programme; and
- that existing links with the University of Warwick should not be “maintained, with merger being considered in the medium-to-longer term”, as originally called for, but that “discussions [about a merger] are conducted between HRI and Warwick as soon as possible with a view to seeking the best outcome for the future of HRI in the shorter term”.¹³

Defra announced in January 2003 that it broadly accepted these points, and said that it would enter into detailed discussions with HRI and others to take the matter forward.¹⁴

Our inquiry

6. We originally announced in October 2002 that we would undertake an inquiry into HRI.¹⁵ In a significant procedural innovation we had decided that two of our number, Michael Jack MP and Mark Todd MP, would undertake the inquiry as *co-rapporteurs*, acting on our behalf. Mark Todd subsequently left the Committee, and Michael Jack continued his work alone. However, given that consultation about the outcome of the quinquennial review was continuing, it was decided that the inquiry should be held back until Spring 2003.

7. In the Autumn of 2002 we received a number of written submissions about the quinquennial review as it then stood. After the addendum to the review was published we sought the private opinion of a number of stakeholders in horticulture about developments in respect of HRI. Then, on 4 June 2003, Michael Jack, together with the Clerk of the Committee, visited HRI Wellesbourne, to meet the HRI board, as well as other members of staff and representatives of the University of Warwick. We are most grateful to all those who assisted our inquiry in these various ways.

Our findings

8. Whilst there are a number of detailed concerns, support for the findings of the quinquennial review, as modified in the addendum, appears to be strong and widespread. In particular the prospect of a merger between ‘new HRI’ and the University of Warwick

10 QR, p.7

11 Defra publishes report about the future of Horticulture Research International, Defra Press Release 373/02, 23 September 2002.

12 See <http://www.defra.gov.uk/corporate/consult/hrireview/addendum.pdf>

13 Addendum, p.6

14 Lord Whitty responds to report on the future of Horticulture Research International, Defra Press Release 24/03, 20 January 2003.

15 Press Release, 23 October 2002.

presents opportunities for synergies between the expertise of HRI and the established academic and business abilities of the University. For example, opportunities exist to exploit fully the potential of the world class science team based at Wellesbourne and utilise their skills beyond their current areas of work. This would open up other areas for income-earning work. In such synergies the future viability of the 'new HRI' seems most likely to be assured. Certainly there seemed to be considerable excitement amongst those we met at Wellesbourne about the prospect of a merger.

9. It is therefore disappointing that more progress has not yet been made. Such a period of uncertainty is troubling for the staff of HRI who are, after all, its main asset. Whilst much useful work has been done between HRI and Warwick, progress remains slow. As a consequence, uncertainty remains as far as the future of the staff at HRI are concerned. Indeed we heard of a number of staff who had left the organisation in recent months, and those that we talked to were clear that uncertainty about the future was the reason. It is similarly important for the staff at Efford and East Malling that early decisions are reached. **The staff of HRI, as well as the horticulture industry, deserve an end to the uncertainty surrounding the organisation.**

10. The principal stumbling block in the negotiations is the lack of certainty that Defra will provide at least an initial research contract for the first four years of a 'new HRI'. The quinquennial review called for Defra to give such a four-year strategic research contract worth £5 million per year to the project. The contract would provide for a programme of strategic horticultural research and development agreed by the industry and Defra, and it is our understanding that the development of such a programme is well advanced. However, the University of Warwick is keen to see that funding does not end abruptly after four years, although it did not seek indefinite Government support. **When viewed against the importance of the work undertaken by HRI, and the value of its output to the horticulture industry, the amount of money which has become a stumbling block in negotiations is not very large. We strongly urge the Government to award the strategic research contract as soon as possible, and, in particular, not to seek to micro-manage all aspects of the contract. We also strongly urge it to offer support to HRI for a period beyond the four years called for in the quinquennial review.**

11. Although we have focused in this report on the situation at Wellesbourne uncertainty plagues all parts of HRI, not least the site at East Malling. **We call on all those involved in the negotiations over the future of HRI to work towards a conclusion as a matter of urgency. We see no reason why the future of the organisation cannot be resolved within a very few months, and certainly by 1 October 2003. If this deadline cannot be met we expect the Government to report back to us then with an explanation.**

Formal minutes

Wednesday 25 June 2003

Members present:

Mr David Curry, in the Chair

Mr David Burrow	Diana Organ
Mr David Lepper	Alan Simpson
Mr Michael Jack	Paddy Tipping
Mr Austin Mitchell	Mr Bill Wiggin

The Committee deliberated.

Draft Report (Horticulture Research International), proposed by Mr Jack, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Question put, That Paragraph 10 be read a second time.

The Committee divided.

Ayes, 4	Noes, 1
Mr Michael Jack	Alan Simpson
Mr David Lepper	
Mr Austin Mitchell	
Diana Organ	

Paragraph 11 read and agreed to.

Motion made, and Question put, That the Report be the Tenth Report of the Committee to the House.

The Committee divided.

Ayes, 4	Noes, 0
Mr Michael Jack	
Mr David Lepper	
Mr Austin Mitchell	
Diana Organ	

Ordered, That the Chairman do make the Report to the House.

Several Memoranda were ordered to be reported to the House.

The Committee further deliberated.

[Adjourned till Tuesday 1 July at 3.50pm.]

List of unprinted written evidence

Additional papers have been received from the following and have been reported to the House but to save printing costs they have not been printed and copies have been placed in the House of Commons library where they may be inspected by members. Other copies are in the Record Office, House of Lords and are available to the public for inspection. Requests for inspection should be addressed to the Record Office, House of Lords, London SW1. (Tel 020 7219 3074) hours of inspection are from 9:30am to 5:00pm on Mondays to Fridays.

National Hop Association
Professor Sir Colin Spedding CBE
The Horticultural Trades Association
The Apple and Pear Research Council
British Bedding and Pot Plant Association
Mr Robert Montgomery
Snaith Salad Growers
Mr Charles Cadogan
Institute of Horticulture
Dr Lesley Currah
Processors and Growers Research Organisation
Hillier Nurseries
Professor Ian Burns, Horticulture Research International
ADAS
University of Warwick
University of Birmingham
Professor Michael Wilson, Horticulture Research International
Commercial Horticultural Association
Dr Neal Wright
British Tomato Growers' Association
Cucumber Growers' Association
The Royal Horticultural Society
National Farmers' Union
National Horticultural Forum
HRI TUS
Horticultural Development Council
Biotechnology and Biological Sciences Research Council (BBSRC)
Department for Environment, Food and Rural Affairs

Reports from the Committee since 2001

Session 2002–03

Ninth Report	The Delivery of Education in Rural Areas	HC 467
Eighth Report	The Future of Waste Management	HC 385
Seventh Report	Badgers and Bovine TB (<i>Reply HC 831</i>)	HC 432
Sixth Report	Rural Payments Agency (<i>Reply HC 830</i>)	HC 382
Fifth Report	The Countryside and Rights of Way Act 2000 (<i>Reply HC 748</i>)	HC 394
Fourth Report	Water Framework Directive (<i>Reply HC 749</i>)	HC 130
Third Report	The Mid-term Review of the Common Agricultural Policy (<i>Reply, HC 615</i>)	HC 151
Second Report	Annual Report of the Committee 2002	HC 269
First Report	Reform of the Common Fisheries Policy (<i>Reply, HC 478</i>)	HC 110

Session 2001–02

Tenth Report	The Role of Defra (<i>Reply, HC 340, Session 2002-03</i>)	HC 991
Ninth Report	The Future of UK Agriculture in a Changing World (<i>Reply, HC 384, Session 2002-03</i>)	HC 550
Eighth Report	Hazardous Waste (<i>Reply, HC 1225</i>)	HC 919
Seventh Report	Illegal Meat Imports (<i>Reply, HC 1224</i>)	HC 968
Sixth Report	Departmental Annual Report 2002 (<i>Reply, HC 1223</i>)	HC 969
Fifth Report	Genetically Modified Organisms (<i>Reply, HC 1222</i>)	HC 767
Fourth Report	Disposal of Refrigerators (<i>Reply, HC 1226</i>)	HC 673
Third Report	Radioactive Waste: The Government's Consultation Process (<i>Reply, HC 1221</i>)	HC 407
Second Report	The Countryside Agency (<i>Reply, HC 829</i>)	HC 386
First Report	The Impact of Food and Mouth Disease (<i>Reply, HC 856</i>)	HC 323