

Sector Chair – Job Description

November 2024

Context

Red Tractor is a food chain assurance scheme. It requires assessment and certification at every stage of the chain, to ensure food and drink is traceable and produced safely and responsibly.

Red Tractor's success is dependent on the distilled wisdom of the entire food chain. Throughout its governance, Red Tractor strives for 'balanced representation' in its decision-making boards and committees. That is, representation from every stage of the food chain and a balance of interests, to ensure equilibrium in discussions. Red Tractor encourages input from every stakeholder, listens to all viewpoints and draws conclusions based on consensus or majority.

This approach has served the food and farming industry well in the past 24 years. However, a recent governance review has indicated that "although Red Tractor has always needed to balance pressures and forces – the needs of consumers, retailers, processors, farmers, governments and others – that are often in direct conflict with one another, there has probably not been as difficult a set of operating circumstances as at present." These circumstances only serve to increase the difficulty in consensus-based decision making.

So, with that context in mind, it is a requirement that the Sector Chair :

- **AT ALL TIMES ACT COMPLETELY INDEPENDENTLY FROM ANY STAGE OF THE SUPPLY CHAIN**
- **ENSURES EVERY VIEWPOINT IS ENCOURAGED, HEARD AND UNDERSTOOD**
- **ACTS IMPARTIALLY IN DRAWING CONCLUSIONS OR REACHING DECISIONS**
- **ENSURES THAT THE BOARD UNDERSTANDS AND ACCEPTS THE RATIONALE FOR DECISIONS**
EVEN WHEN SOME VIEWPOINTS MAY BE IN DIRECT CONFLICT WITH OTHERS
- **ENGAGES EQUALLY WITH BOARD MEMBERS AND STAKEHOLDERS ACROSS THE SUPPLY CHAIN**
TO ENSURE UNDERSTANDING AND KNOWLEDGE OF ALL POSITIONS IS WELL UNDERSTOOD

The Role

The Sector Chair is appointed as a Director of Assured Food Standards (trading as Red Tractor Assurance) and, therefore, a member of the Main Board. Consequently the role interacts with several other committees in the Red Tractor structure – the Sector Board, the Main AFS Board, the Standards Committee and potentially another sub-committee of the Main Board. The Sector Chair's key responsibilities for each are described below :

THE SECTOR BOARD

Board Purpose : To develop the technical strategy for the sector and to take it forward with the engagement of all stakeholders, such that it contributes to Red Tractor's Vision & Purpose

Sector Chair Responsibilities :

- Chair the Sector Board (3 to 4 meetings p.a.) based on the context above
 - Ensure the Board includes active representation from all relevant stakeholders
 - Ensure that representation is balanced across the food chain
 - Encourage discussion and inputs from all representatives
 - Draw conclusions based on consensus or majority
 - Ensure the Board is clear on conclusions reached and the rationale for them
- Ensure the Board is clear on its purpose, remit and Terms of Reference
- Recommend where additional ad-hoc expertise may be required in the development of strategy
- Develop and maintain effective communication with sector related stakeholders at all stages in the supply chain and its regulation (including Producer Associations and Organisations, Processors, Retailers, Food Service Sector, Food Standards Agency, other Assurance Schemes, Certification Bodies)
- Represent the sector and Red Tractor publicly, to promote the philosophy of Red Tractor Assurance in a manner that is united across sector
- The Sector Chair may sit on the Sector's Technical Advisory Committee as an observer

THE AFS BOARD

Board Purpose : Red Tractor's Owners (NFU, UFU, NFUS, AHDB, Dairy UK, BRC) delegate all responsibility for the management of Red Tractor to the Board Directors, who may exercise all the powers of the Company. The Board develops Red Tractor's Vision, Mission & Purpose and the strategies and business plans that will deliver them.

Sector Chair Responsibilities :

- Represent the Sector on the Main Board (6 meetings p.a.)
- Contribute to the development of Red Tractor's vision, purpose, strategies and business plans
- In line with Director responsibilities under company law, act in the best interests of Red Tractor
- Act as an ambassador for Red Tractor in the public domain
- Exercise collective responsibility for decisions made at meetings

THE STANDARDS COMMITTEE

Committee Purpose : To ensure a harmonised approach to standards and common technical issues, considering the requirements and pressures on all sectors, sharing best practice and understanding the priorities facing Red Tractor.

Sector Chair Responsibilities :

- Attend and participate in the Red Tractor Standards Committee (6 meetings p.a.), to deliver the Standards Committee's purpose
- Provide sector specific expertise to discussions
- Exercise collective responsibility for decisions made at meetings

MAIN BOARD SUB-COMMITTEES

Purpose : The Main Board delegates responsibility for some corporate governance topics to sub-committees, namely :

- Audit & Finance
- Nominations
- Remuneration

Sector Chair responsibilities : In line with the principle of ‘balanced representation’, it is possible that Sector Chairs could be asked to join one of these sub-committees as they are typically populated with a Sector Chair, Industry Director and Independent Director.

Performance Appraisal

The Sector Chair will be appraised on an annual basis every March.

The process has three parts :

- A 360-degree appraisal completed by the Chair and 3 other Board directors, drawn from the categories of industry, independent and other sector chairs
- A 360-degree appraisal completed by Sector Board representatives drawn from farmers, processors and retailers
- A Self-Appraisal giving Sector Chairs the opportunity to consider their own performance, strengths, weaknesses and areas for improvement

In all parts, the requirements of independence, impartiality and balance will be in sharp focus.