

BASIS (Registration) Limited

Annual Report of the Board for 2007

Annual General Meeting 2007

The 28th AGM was held in the Farmers Club, London, on Tuesday 6 March 2007 with Professor John MacLeod in the chair. The Board welcomed Mrs S Melrose and Mr S Derbyshire, the newly elected members to the meeting. The Board also expressed its gratitude to Mr D Heather, who was standing down as the AIC Fertiliser representative, thanked him for all he has done for BASIS over the years and wished him well for the future.

Dr A Buckenham, Mr D Caffall and Mr R Butler were nominated for a further three year period by CPA, AIC and NFU respectively. Mrs S Melrose, Mr S Derbyshire and Mr M Spicer were elected by the distributors for a three year period.

Finance and Administration

2007 has been a challenging year for BASIS both in terms of finance and workloads.

The transfer of central funding, which supported farmers training costs, to the Regional Development Agencies and the significant delays in establishing the new arrangements led to considerable uncertainty in the training market and a fall in the demand for BASIS courses. Due to the timing of BASIS courses it was into the third financial quarter before this trend became clearly apparent. The market for the traditional BASIS courses is now fairly mature and the take up of some new courses has been slower than anticipated due, in part, to the continuing internal delays in some of the organisations which are discussing formal links with BASIS. We must continue to provide courses and training relevant to the changing demands of the industry but must also ensure that this sector of our activities is sustainable and financially viable. The uptake of training and the related fee structure will have to be carefully monitored to ensure this is achieved.

Workload demands have also been challenging. The changing and broadening requirements of the Assurance Schemes have resulted in both a significantly increased demand for 'pointing' of events and access by individuals to their records to check on their personal accrual of CPD points. The process of entering personal CPD points within BASIS is currently labour intensive and has caused major workload peaks. It has also caused some frustration to members of the Professional Register seeking to check their position. Improving this overall procedure is a major target for 2008.

BASIS must be financially viable but it has also appreciated that the industry has faced a harsh and changing economic environment. Fees and budgets have been set to control its cost base, to restrict rises in its fee structure to the level of general inflation and to achieve a small positive financial outcome. Following four years of successful financial outturns it is disappointing to report a deficit of £43,444 for 2007 due primarily to the fall in training income and an over run in computer costs. The computer system is working satisfactorily but has taken more time and greater cost to tailor to our needs than was anticipated. This trend of increased spend on IT is likely to continue as moving to electronic based systems is the most likely way of ironing out some of the labour peaks. The 2007 outcome has triggered a full review of the budgets and forecasts for 2008 and steps have been taken which should result in a positive outcome for the forthcoming year.

None of the foregoing issues diminish, in any way, the hard work, enthusiasm and commitment of all of the staff at Ashbourne. The Board fully appreciates their achievements and the critical importance of their work to the success of BASIS.

Activities

The following sections reflect the main activities of the BASIS Committees and the data and commentaries are largely extracted from the relevant committee reports.

Training and Examination

Education and Training Committee: The last three years have been very difficult for arable farmers and also for those who work in the support and supply sectors. During this time, BASIS has done a wonderful job to maintain its turnover and expand its range of training and examination choices. The membership (of Professional Register members) has increased steadily over this time, however, there are still not enough young people coming into our industry to replace those experienced people who have made this industry a career for life. In 2007 there was a reduction in the number of people taking the BASIS Certificate in Crop Protection.

The substantial increase in grain prices should give farmers the confidence to increase their spending on new inputs and technology. Hopefully it will also encourage more young people to come into an industry which is, once more, vibrant and 'cutting edge'. Confidence in this industry will remain strong if prices continue at current levels. Food is needed once more and every acre is needed to supply demand for food and bio-fuels. GM crops may be accepted and agricultural land prices are rumoured to be on the increase from today's prices of £3,500 per acre to a possible £10,000 in the future. All this may seem a little 'off track' for the Education and Training Chairman's report.

However, if farm incomes increase there will be a knock-on effect on farm spending and we hope a consequent increase in demand for BASIS training.

FACTS Committee: Since its inception in 2000, the numbers of advisers enrolling in the FACTS Annual Scheme has steadily risen from 1534 in 2004, to 1845 in 2005, to 1952 in 2006, reaching 2082 in 2007. The increase in CPD points allocated in 2007 to the FACTS Information Service, which comes as a major benefit of the FACTS Annual Scheme, does not seem to have had much influence on the rising trend in membership. More likely it is the gradual realisation by subscribers over the years of the value of the information provided by ECOPT, which makes it a 'must have' for fertiliser advisors who wish to keep abreast with developments.

The number paying by direct debit is still disappointing at 16% (17% in 2006). To encourage payment by this method, the differential was widened when the FACTS committee set the fee for 2008. Direct debit membership (less VAT) is now £24 (£23, 2007) and non direct debit membership £30 (£27, 2007). If every body elected for direct debit, the Scheme would just meet its costs; on the other hand if 80% do not, there will be approximately £10,000 extra income.

When the FACTS Annual Scheme was launched in 2001, it was agreed that its finances should be run through a separate bank account. The membership has blossomed until the income is now approximately £50,000/annum. Two main issues were addressed by a FACTS subgroup in consultation with BASIS personnel during the summer. The first was the cost of the extra work involved in maintaining a separate account for the FACTS Annual Scheme. The second was the need for statements which gave clarity over the financial position of the Scheme. It was decided that there was no need for separate accounts provided the financial statements were adequate to determine the financial position of the Scheme. This solution should produce a streamlining of costs combined with an improvement in clarity.

FACTS Examinations: During the year, the committee reviewed the FACTS examination syllabus and suggested various amendments and additions. The revised syllabus is available on the new BASIS web site (www.basis-reg.com). There has been no BASIS qualification assuring competence for those giving fertiliser advice in relation to sports turf. This gap has been filled by BASIS staff who have prepared the FACTS Turf Syllabus. This was considered by the FACTS Management Committee during the year and is also on the web site.

FACTS Qualified Adviser: the FACTS committee has been concerned that the profile of the FACTS scheme should remain prominent within the industry. There has been discussion within the committee as to how to refer to those people who have passed the FACTS examination and continued to maintain their professional development via either the BASIS Professional Register or

the FACTS Annual Scheme route. It has been decided to standardise on the term 'FACTS Qualified Adviser'.

Examinations and Outcomes

A total of 103 exams were conducted in 2007 (examining 964 candidates in total) and it is a tribute to the excellent support of the BASIS staff that all ran smoothly.

| Examination | Number Candidates | Number Passed | % Pass Rate |
|---|-------------------|---------------|-------------|
| Certificate in Crop Protection | 171 | 125 | 73% |
| BETA | 75 | 65 | 86% |
| FACTS Certificate | 302 | 214 | 70% |
| Nominated Storekeeper Certificate Of Competence | 163 | 159 | 97% |
| Nominated Storekeeper Refresher Course | 59 | 57 | 97% |
| ADR | 19 | 17 | 89.5% |
| ICM | 33 | 32 | 97% |
| Soil and Water Management | 87 | 80 | 92% |
| Plant Protection Award | 24 | 23 | 94% |
| Conservation Management | 32 | 27 | 84% |
| POWER Ag. | 8 | 6 | 75% |
| POWER Am. | 17 | 12 | 71% |

Audit: The annual Staff Audit returns have again increased in numbers. Details are being compiled to ascertain the numbers of agronomists giving in-field advice to farmers and growers who use pesticides.

Liaison with Distributors and other Organisations: BASIS has maintained regular contact with the industry regarding training and other matters including: AIC, Amenity Forum, AICC, BPCA, BCPC, CPA, Colleges and Universities, DEFRA, Environment Agencies, Farm Training Groups, FWAG, HSE, LANTRA, LEAF, Local Authority Enforcers, Landex, NAAC, NFU, NPTC, Pesticides Forum, PSD, QCA, Trainers and Training Providers.

Continuing Professional Development and the Professional Register

Membership of the Register during the period has been in the order of 3900, an overall increase over the similar period for the previous year. The

proportion of the membership having Fertiliser as their main category is now 827. New members have exceeded those retiring, with a higher proportion of new members coming from the farmer and the farm manager category.

PROMPT: The PROMPT Register is increasing slowly, a situation which should change in the next 12-18 months as changes proposed for this industry sector will increase PROMPT membership following the BPCA decision to recommend membership of PROMPT to all BPCA members. The PROMPT Pilot Scheme run in 2006 and sponsored by BPCA, has successfully demonstrated the benefits of lifelong learning and continuing professional development.

Professional Matters Committee: The 'core' of regular providers of CPD training has continued to grow. During the year, over 5000 activities/events have been submitted and CPD points have been allocated; this is a very substantial activity that has, once again, been handled swiftly and efficiently. Events and activities are currently being entered onto the Professional Register data base and members can now access their CPD record 'on line'. All events and attendance records are recorded and updated and will give a comprehensive and up to date record of individual members' CPD events.

Fees: there has been an increase in fees for 2008 including an above inflation rise to help offset increasing IT costs associated with the new web developments for CPD. Members paying by direct debit and BACS continue to enjoy a discount over payment by other methods and we hope to encourage increasing uptake of these methods of payment in the future

Storage and Distribution

Distribution Committee: Mr D Ward retired as independent chairman of the Distribution Committee in July 2007 having completed the statutory 7 year term. Mr C E Clarke was appointed independent chairman of the Distribution Committee in July 2007.

The Committee focused, as in past years, on the standards of registered premises, the transportation of pesticides and the recruiting of non registered premises. The Committee has continued to liaise closely with relevant authorities in supporting distributors, contractors and transport companies in their compliance with the Regulations and Codes of Practice. Emphasis has also been placed on helping distributors to understand their responsibilities via training courses and simplified check lists.

Registered Premises: The number of registered premises assessed has increased from 600 in 2006 to 622 in 2007; Of these, 96.8% were given a pass or qualified pass and 3.2% failed. The failure rate has increased compared with 2006 (2.3%). This is due, in part, to more uniformity of assessment of compliance with the regulations across all assessors which in

turn is due to training and experience. The Committee has agreed a clear course of action with regard to failing premises. Help will be offered by BASIS to the management of failing premises to improve standards. Non cooperation by the management of failing premises will result in BASIS advising the appropriate authorities.

BACCS Schemes and Amenity Assured: The BACCS Scheme has increased in numbers from 23 to 50 during the year due in part to a large franchise company requiring BACCS membership for its franchisees. The Amenity Assured initiative has received endorsement and support from many organisations including Pesticides Safety Directorate, Crop Protection Association, Environment Agency and Local Government Associations. The first Amenity Assured certificates have been issued to 23 successful BACCS contractors.

Assessors: the improvement in performance of the assessors seen during 2006 continued in 2007 as their numbers and experience increased. A workshop for the assessors was held in May 2007 to provide technical briefings, updates on reporting protocol and create the opportunity to share experiences.

The Future: the focus for the future will be:

- 1) Training and communication to aid distributors in achieving “pass” certification.
- 2) Reducing the number of “fail” premises.
- 3) Encouraging the few remaining non registered distributors to join the BASIS Scheme.
- 4) Close collaboration with relevant authorities.

In addition, PSD intends to revise the Code of Practice for suppliers of Pesticides and the Committee will collaborate on providing revised text for this revision.

Retiring Board Members

I would like to thank all those retiring whose participation in, and contribution to, the work of BASIS has been crucial, as well as welcoming those who have taken on these responsibilities. During the year two chairmen retired: Mr D Ward who had served BASIS for many years in a range of capacities and has made a great contribution to the development and success of the organisation; and Professor Wynne Jones who has contributed greatly to the Professional Matters Committee. The Board thanks both for their valuable service and wishes them well for the future. Their places have been filled by Mr C E Clarke and Professor A Cobb. BASIS has a very wide network of contacts and communications across the relevant industries and the active involvement of their representatives is of great importance and value.

BASIS People

An organisation's reputation is totally dependent on the quality, commitment and hard work of those people involved in all its activities and BASIS is particularly well served at all levels including staff, committees, Board and by those who act as assessors, trainers and examiners. The wealth of expertise and experience available to BASIS is outstanding and provides us with a very strong and flexible framework. This input and support is greatly appreciated and is of major value to the industries we serve.

In particular, on behalf of the Board, I would like to formally thank all the BASIS staff for their hard work, innovative approach, cheerful attitude and willingness, which has been the key element in a challenging but overall successful year. Rob Simpson and the team at Ashbourne have achieved a great deal and BASIS' future depends on their efforts and initiatives.

Composition of the Board and Record of Attendance in 2007

The BASIS (Registration) Board met on three occasions during the year, in March (London), July (Ashbourne) and November (London). The record of attendance was:

Directors:

Professor J MacLeod (Independent Chairman) 3; I Smith (Treasurer) 3; Mr J Allbutt (Chairman Amenity Forum) 1; Dr A Buckenham (CPA) 3; Mr S Bullard (NAAC) 0; Mr D Caffall (AIC) 3; Mr R Butler (NFU) 1; Mr C Clarke (Chairman Distribution Committee, including 1 as Chairman designate) 2; Professor A Cobb (Chairman Professional Matters Committee) 1; Mrs S Cowlrick (AICC) 1; (Mr S Derbyshire (Elected) 3; Mr J Hasler (deputising for R Butler) 2; Mr J Ingram (FACTS Chairman) 2; Professor W Jones (Chairman Professional Matters Committee) 0; Mrs S Melrose (Elected) 3; Mr M Spicer (Elected) 2; Mr D Tate (Chairman Education and Training Committee) 1; Mr D Ward (Chairman Distribution Committee) 2.

Observers: Mrs E Close (deputising for Mr M Oliver – PSD) 2
Mr S McEwan (HSE) 2

In Attendance: Mr R Simpson (Company Secretary) 3
Mrs J Bailey (Minute Secretary) 3

John MacLeod
Chairman, BASIS (Registration) Ltd
22 February 2008