



26 March 2010

Rt Hon Hilary Benn MP  
Secretary of State  
Defra  
Nobel House  
17 Smith Square  
LONDON  
SW1P 3JR

Dear Secretary of State

### **AHDB Chief Executive Appointment**

Your Department wrote to me in January regarding the proposed remuneration package for our new Chief Executive. You requested, on completion of the recruitment exercise and appointment that I should write an open letter to you setting out AHDB's case for the remuneration package offered. You asked that AHDB should pay careful attention to what other NDPBs were paying by way of remuneration and performance reward, but you recognised that it was my responsibility as chair of AHDB to justify the package proposed.

I am pleased to advise you that, following an open recruitment process, AHDB has appointed Tom Taylor as our new Chief Executive. Mr Taylor, who is currently the Chief Executive at Shrewsbury and Telford Hospital Trust, joins us at the beginning of May. This package is less than that enjoyed by the current post holder and in line with the submission made in December 2009 to your Permanent Secretary.

The remuneration package that has been agreed with Mr Taylor:

- is a basic salary of £150,000;
- opportunity for a discretionary, non-consolidated performance related payment, worth up to 10% of basic salary;
- membership of the AHDB group personal pension;
- a car allowance; and
- private medical insurance.

In deciding on this level of remuneration AHDB considered a range of factors:

- A base salary level that would attract the high level candidate needed to effectively manage an organisation of the complexity of AHDB for the benefit of our levy payers.
- A realistic performance bonus element to reflect the target orientated and commercial nature of AHDB.

- A remuneration level that is not out of kilter with other NDPBs or public pay policies. Comparisons were made with organisations in the public sector and to this end the package for the new Chief Executive is on a par with other organisations.

In finalising the arrangements with the new Chief Executive the AHDB Board believes that the arrangements are competitive, but realistic, take account of the need for the wider public sector to demonstrate pay restraint in setting senior staff remuneration and offer good value for money for levy payers.

Kind regards.

Yours sincerely

A handwritten signature in black ink, appearing to read 'J. Bridge', written in a cursive style.

**JOHN BRIDGE**  
Chairman