

16 April 2021

Hon Dr Megan Woods
Minister of Research, Science and Innovation
Parliament Buildings

Dear Minister Woods

LETTER OF EXPECTATIONS FOR 2021/22

Thank you for conveying your strategic and performance expectations of us in your annual Letter of Expectations for 2021/22 and for also endorsing the financial performance and progress AgResearch has made over the last year. The Board is pleased to confirm our organisation is ready to make a significant contribution to the Government's objectives for the research, science and innovation (RSI) system in the new financial year.

In this letter we set out our proposed response to your expectations and our plan to help accelerate New Zealand's economic recovery from the Covid-19 pandemic.

The Board welcomes the guidance and commitment you have shown to the findings of the Te Pae Kahurangi (TPK) Review. TPK has provided our organisation with a clear understanding of the importance of connectedness within the research system and how it will accelerate New Zealand's recovery from the global pandemic. Our response to the review, which we are pleased to report is already well under way, will continue to be an enduring underpinning theme for our strategic direction and business operations.

We've already taken some tangible steps towards working in partnership with our Crown Research Institute partners. An example of this joined-up approach is our approach to the MPI and Primary Sector Council 'Fit for a better world strategy'. A group of CRIs - AgResearch, NIWA, Plant and Food Research, Manaaki Whenua and Scion - are designing a collaborative research programme to deliver science with scale, efficiency and a 'best team' approach that will ultimately benefit the end users of science; New Zealand farmers and food producers who required evidence-based support and advice in regards to regenerative farming.

We also note your call for greater CRI cooperation across all departments of our business. As you will have noted at the official opening of Te Ohu Rangahau Kai, the research sector is co-locating and sharing facilities to enhance collaboration.

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CRIs are also sharing knowledge on approaches to finance and shared systems, human resources, marketing and communications and science vitality. We're also taking a connected approach to our IT infrastructure and systems so there's uniformity to the collection of science data in keeping with the Parliamentary Commissioner for the Environment's call for a more consistent approach to this area of huge importance.

Specific expectations for AgResearch in 2021/22:

In regard to your specific instructions for AgResearch, please note the following:

- *Continue to align AgResearch to its Science Plan and refreshed strategic direction:*

AgResearch's new Science Plan has been socialised with our staff and stakeholders and provided the platform to refresh our strategic direction and rearrange our science teams to better reflect the challenges the sector is grappling with and the huge advances in digital technologies and consumer expectations. We note your specific interest in this important area of our business and look forward to reporting more on the progress we make during the year.

- *Ensure that the Crown's investment in the Lincoln Precinct development delivers the desired outcomes, and that risks and costs are managed effectively to ensure the project comes in on time and within budget:*

AgResearch acknowledges your continued interest and commitment to the investment we are making in the future of land-based science by building a new research centre at Lincoln. We believe we have robust cost control measures in place to ensure we stay within budget and complete the project on time. We are very much looking forward to having a fit-for-future facility completed in late 2023 that will further strengthen our relationship with the tertiary and research sectors.

General and good governance expectations

The Board notes and supports the Carbon Neutral Government Programme. Our staff are committed to providing solutions and leadership to a sector that is highly cognisant to the need to making our future more sustainable. AgResearch is proud of the fact we have an inclusive, diverse workforce with an equal gender balance, including at executive management level. We note your instructions to adopt and implement workplace policies and procedures to enshrine robust health and safety practices to maintain the well-being of our people. We are actively fostering our relationship with Te Tiriti. Our Maori knowledge and expertise are growing. We are recruiting capability and adopting formal policies to lead our science teams to better and more meaningful relationships with iwi. We thank you for your commitment and guidance to Vision Mātauranga.

The Board notes your expectations regarding financial performance are unchanged, and that robust business cases for all significant investments and transactions are required. We will engage with you and officials during the statement of Corporate Intent process to ensure we are aligned on the financial projections for AgResearch and able to manage our resources to ensure we can respond to new areas of growth and demand.

Finally, the world in which we live has been changed dramatically since your last Letter of Expectations. Covid19 has presented many challenges for AgResearch, and our stakeholders. The pandemic has brought into sharper focus the need to provide leadership and evidenced-based science solutions for our country. We look forward to doing that with renewed confidence having navigated a number of challenges to date. We thank you for your support and encouragement and look forward to reporting back to you on the progress we're making on what will be another challenging and busy year for the science sector.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Paul', followed by a long horizontal line extending to the right.

Dr Paul Reynolds
Chair

cc: Michael Bird, General Manager, Entity Performance and Investment, MBIE.
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