



**PCLM AGENDA ITEM 4  
PAPER PCLM/15/03  
AUTHORISED**

**MINUTES OF THE FIFTY THIRD MEETING OF POTATO COUNCIL  
HELD AT STONELEIGH PARK  
ON 3<sup>rd</sup> June 2015, COMMENCING AT 8.30AM**

**PRESENT:** **Chair:** Fiona Fell **Growers:** Anthony Carroll, James Daw, Mark Taylor, Alistair Melrose, Bruce Kerr, Dan Hewitt **Independent members:** Zoë Henderson, Phil Huggon, **Seed Merchants:** Alistair Redpath **Processor representative,** Dave Chelley

**IN ATTENDANCE:** Dr Rob Clayton, PCL Director, Dr Mike Storey, Head of R&D, Adrian Cunnington, Head of SBCSR, Dr Philip Burgess, Head of KT & Comms, Nick White, Head of Marketing, Mrs Rita Hall, Secretary, Giles Blatchford, Head of Farm Economics AHDB MI and Jane King, CEO AHDB

*Note: confidential information in italics*

**15/26 AGENDA ITEM 1 – WELCOME,** Mrs Fell welcomed everyone to the meeting and thanked Jane King, AHDB CEO, for her time in attending the Board.

**15/27 AGENDA ITEM 2 – APOLOGIES**

Apologies had been received from Bill Quan and Ed Lindley.

**15/28 AGENDA ITEM 3 – REGISTER OF MEMBERS INTERESTS (PCLP/15/15)**

An updated register had been prepared by Mrs Hall and members requested to check their entry and sign accordingly. One amendment had been acknowledged from Mr Redpath.

**15/29 AGENDA ITEM 4 – MINUTES OF THE LAST BOARD MEETING HELD ON 8 April 2015 (PCLM/15/02)**

The minutes of the last meeting were approved by the Board and were signed as a true record of the meeting by the Chair.

**15/30 AGENDA ITEM 5 – MATTERS ARISING (PCLP/15/16)**

All of the matters arising were dealt with within the body of the meeting.

**15/31 AGENDA ITEM 6 – CHAIRMAN'S UPDATE (Verbal)**

Mrs Fell thanked the Board for their time both on conference calls and face to face discussions concerning their feedback into AHDB on the proposed restructure plans for the organisation. She also thanked Ms King for the opportunity afforded to the Potato Sector Board to feed in their thoughts and suggestions into the restructure process. She reminded the Board that there would be a further opportunity to discuss future plans for the organisation at the Sector Board Conference to be held at Stoneleigh on the 23<sup>rd</sup> June and urged those who could not attend to speak with another Board member in order for all opinions to be represented at the conference.

At the previous Board dinner the conversations had been centred around future opportunities. She now urged the Council to adopt a more positive language, to move on from using the words "decline in consumption". We had much to be proud of, with initiatives such as waste reduction and increased efficiency in the frozen, chilled, snack and packing sectors playing a part in the changing dynamics of the market. A move away from the word "processed" could

## Post-hoc: PCL has now changed to AHDB Potatoes

be considered, towards using “frozen, chilled and snack” to better reflect the positive attributes of these potato products. Jacket potatoes are now fastest growing midweek supper choice coupled with growth in the salad and chilled areas. With several major initiatives over the next 6 months, such as the EU campaign and BP2015, One Voice and the Strategic Potato Farm, it was timely for the Board to assist staff in developing a refreshed approach, thinking about the words that we use, and the messages that we convey.

The One Voice campaign had been positively received and adopted with high levels of requests for both banners and posters.

Both Mrs Fell and Dr Clayton had recently visited various supply chain businesses who were keen to engage with current initiatives, with very positive outcomes. They had also attended an NFU forum meeting discussing a range of issues including the differentiation between PCL and NFU roles (e.g. on contracts) and ways in which NFU might complement and endorse PCL activity (and vice versa). Particular progress on issues management and e-comms/website which was recognised by NFU.

The Director also advised that he was a member of the NFU Hort and Pot Board and was afforded the opportunity of integrating with their Growth Plan.

The forum wish to hold their next meeting at Strategic Potato Farm; this is being pursued and a “meet and greet” reception at BP2015 had been suggested.

Discussions with NFUS were also underway to investigate if PCL could find synergistic ways of working similar to those now being agreed with NFU and also achieve NFUS endorsement for cost/benefit summaries being developed. Profile (joint with DairyCo) had also been agreed for Highland show. It was also advised that a well organised presence had been established at the Highland Show for PCL with an interactive educational back wall and a strong consumer facing focus. Separately Mrs Fell had met with Guy Poskett NFU Hort and Potatoes Chairman.

**Mr Taylor passed on his thanks on behalf of those recently visited.**

### **15/32 AGENDA ITEM 7 – DISCUSSION WITH JANE KING**

A confidential AHDB document, discussed at the AHDB Board meeting, had been circulated by Ms Fell the previous evening at dinner summarising the proposed changes to support the vision of one organisation. She advised that SET members including Dr Clayton had been part of the development process and the document reflected the internal improvement to achieve better strategic objectives, evaluation of the organisation, improved reporting back to Board, optimising outcomes and best practice. The proposed rewiring would involve reducing the current senior team of 10 to 5 directorates reporting directly to the CEO and would be made up of a Chief Strategy Officer, Chief Technical Officer, Chief Communications and Market Development Officer, Chief Finance Officer and Chief HR Officer. She advised that this would present challenges but the benefits were enormous, strengthening leadership, driving outcomes, having a more focused communication stream with the levy payer. Sector specific specialist would be maintained and developed, with increased external profiles. They would have more time to engage and communicate with the levy payer and feedback more effectively what the customer base issues were and that could be addressed by AHDB. The Potato sector was currently experiencing some shortfall with outstanding vacancies and would benefit from access to expertise within the organisation. Potato Council expertise in Areas such as export, would benefit the whole organisation.

Mr Chelley remarked that good communication to the outside world was key to the delivery of the proposed changes and it appeared that the communication plan was missing from the

documentation. Ms King advised that a comms plan was in place and that she was happy to share this with the Board. Phase 2 would involve sharing more widely, and listening to enable comments to be fed in to inform priorities. Levy payer surveys would be conducted, together with geographical regional road shows, stakeholder meetings and the sector Board conference already mentioned. The implementation of the plan would start from Friday 5<sup>th</sup> June with staff being briefed and the rebranding would be launched at Cereals on the 10<sup>th</sup> June. Mrs Fell commented that she understood the Board considered themselves “foot soldiers” in the process and if they were to communicate the plan to the levy payer then they needed to be fully briefed and informed with a unified message.

A question was raised that under the new proposed management structure delivering the KPIs of 6 sectors, that prioritisation of workload may become an issue. Ms King advised and Mrs Fell reiterated that this risk had been identified and decision making approaches agreed to alleviate this happening. Ms King also commented that if the Board felt that delivery of sector specific activity was in jeopardy then she as CEO would be called before the Board to address and account for any anomalies. Mr Taylor commented that contrary to belief, the PCL were not opposed to change and understood that it was imperative going forward but that the frustration was led by lack of communication. This was a challenging but exciting time and a great opportunity for the organisation if delivered correctly, Ms King confirmed that the sector funds were still ring-fenced. She also advised that more effective delivery cross sector would result in savings and these funds could be used more effectively to deliver projects, negating the need to request an increase in levy but that was a matter for the PCL Board, Mrs Fell commented that she did not expect to be requesting a levy increase in the near future and was confident that the proposed new regime would accommodate PCL activity.

#### **15/33 AGENDA ITEM 8 – COMMITTEES; EFFECTIVENESS AND RELEVANCE**

Board members considered the role and effectiveness of committees. It was agreed that each fulfilled its remit as described in terms of reference and was of a suitable composition but that in each case there were opportunities to consider new approaches, and to utilize the time given by committee members more effectively. Using focus groups, working groups and e-comms to speed up decision making all needed to be considered.

Ms King pointed out that PCL had more committees than some other sectors and cost was a potential issue.

**Committee chairs would sit with staff leads to put ideas forward and that a conversation take place between Ms Fell and the committee chairs and staff leads to pursue the conversation and bring the outcomes back to the next board.**

Mrs Fell thanked Ms King for attending the meeting and welcomed the senior staff to the meeting.

#### **15/34 AGENDA ITEM 9 - PCL OPERATIONAL UPDATE AND COMMITTEE BUSINESS (PCLP/15/18)**

The Director advised that a colour coding approach had been adopted to ensure clarity as this update reflected a year-end review and closure from the previous financial year. These conclusions had been given to Mr Jim Davies to produce portfolio of benefits for levy payers. The senior team were invited to commented on highlights from the previous two months -

#### **KT and Communications**

Dr Burgess highlighted the positive progress of the Strategic Potato Farm initiative hosted by Mr Daw. Various groups had undertaken farm walks and an open day was planned for 25<sup>th</sup> June. The initiative put large scale demonstrations of best practice derived from R&D on

display and was supported by video and blogging activity being undertaken by Hannah Goodwin. A question was raised on the measurement of success of such a site. This would entail a combination of footfall, awareness and change in margin which was expected to develop over time.

Website modifications were continuing with a cleansing operation underway to be made live in 6 week's time.

The next generation programme had started with an inaugural meeting at Stoneleigh, 15 strong members with enthusiastic and energetic views were participating and Dr Burgess urged engagement with the Board as part of the programme. **Mr Kerr requested he was given contact details of any local participating members to him so that he could act as a "mentor"**.

Plans to evaluate waste in the supply chain were still under development by WRAP. Some modifications to their programme had been suggested but these were still considered to be unrepresentative of the supply chain. Dr Burgess would stay close to the project as it had considerable **ramifications for the sector**.

Dr Clayton was asked to update on the latest situation with regard to issues management and corporate affairs and advised that having consultation with key stakeholders a series of processes had been put in place embracing the immediate day to day issues ensuring we acted as a valued and recognised information hub for knowledge in relation to stakeholders and secondly to cover core territories, water irrigation, framework directives ensuring evidence and consultation was undertaken and delivered. The stakeholder family initially consulted comprised; PPA, FPSA, NFU. Current issues such as GM being communicated and ensuring dialogue with NFUS, BPTA also and issue specific items as an example NFFF and British Consortium. Greater visibility and enhanced communication streams had been well received.

### **Market Intelligence**

Mr Blatchford advised that Ms Goodwin who had recently joined the Potato Council team had left a business critical vacancy within MI, which was currently being advertised but envisaged that it would take a little time to fill such a specific role.

Copies of other sector outputs as has been requested at the previous board were available to view over the lunch time period for comparison with the existing potato weekly as an alternative format.

It was reported that the MI team had been working with the Marketing Team on projects, including media concept testing research and Education research collaboratively and successfully.

The Grower Panel development project plan contract had been signed off.

The benchmarking review was still work in progress, lessons being learnt but progressing well. Mr Blatchford requested the Board feedback on the new category report and it was **agreed that a positive response be recorded**.

**Mr Hewitt requested his congratulations to the MI team that it had taken some little time but that they were finally working successfully collaboratively.**

**Mr Kerr requested Mr Blatchford look at the grower dialogue within Potato Weekly which was not a true reflection of current issues.**

### **Research & Development**

Dr Storey updated on the Agri-Tech Innovation Centre bids and advised that feedback had now been received from Innovate UK. The core bid submitted by BBRO had unfortunately been unsuccessful. There had been 10 proposal and submitting bid members had been invited to attend an interview by BIS and Innovate UK to discuss the tender details. Livestock had got through to the next round as had crop health and protection in conjunction with FERA and Newcastle University, which was important as they included the Sutton Bridge Capital Plan. Other bids included the epi-centre (precision farming) bid and a combined oat barley and wheat bid.

He updated on the current GM issue advising that a soft launch approach by BBSRC had been undertaken with further details on their website. Some press articles had been picked up, particularly one from Farmers Guardian but it had been fairly quiet. There was however a Panorama programme scheduled for 8.30 on Monday 8<sup>th</sup> entitled "GM:cultivating fear" but stated that AHDB had no control of the content of the programme.

Dr Storey sought endorsement of the following projects:

Committee members had reviewed and proposed a recommendation for an extension of Grain aphid resistance monitoring. The proposed work which would be carried out by Rothamsted and James Hutton Institute at a cost of £19,780 over 1 year. The committee had expressed their disappointment that HGCA had been unable to facilitate a link with their ongoing Aphid work.

The Committee considered the responses that had been received during 2014 to the AHDB call on slug control. Aspects of one proposal were supported by the Committee and further feedback recommended that priority should be given to the development of integrated management programmes, rather than the direct comparison of products. A pilot study had been commissioned to evaluate different management programmes. The work would be carried out at one site in Scotland and one in England. Contractors (SRUC & Barworth Agriculture) and would use replicated trials to evaluate the efficacy of 6 treatment programmes. The cost being £22,000 over 6 months.

The Committee recommended that a preliminary trial to evaluate a proposed system for the assessment of varietal tolerance to PCN should be commissioned. The results from the trial would be used to understand the potential contribution that could be obtained from breeders and agents towards the cost of a larger programme of tolerance testing. The preliminary trial, involving 4 replicates of 4 varieties, had been commissioned with NIAB. The cost being £20,148 over 9 months. **All three were endorsed.**

Dr Storey also requested endorsement of Denise A'Hara as the Scottish government representative on the R&T committee, **this again was endorsed by the Board.**

An update was requested on endocrine disruptors and Dr Storey advised that the public consultation had received some 23.5k responses of which 22k were from NGO's, these were currently being collated and considered by DG SANCO. The responses would be made public, possibly in the last quarter of this year. Decisions and changes to product availability could start circa mid 2017.

Dr Storey wished it noted of the contribution Alice Sin had made to the recent successful Studentship Forum.

### **Marketing and Corporate Affairs**

Mr White reported on the recent market performance commenting that the sector had received the best positive year on year growth since 2010 of +0.5% this being driven mostly by frozen chips and snacks.

On education he reported that a proposed school canteen competition pilot had received disappointing results. This was now being evaluated and a different approach being adopted to address the apathy of engagement. The challenge of engaging the older student 16+ and engaging catering colleges was being aided in research projects by the appointment of a specialised agency called Chrysalis, who were experts in this particular area, with a scheduled debrief at the end of June. Both Mr Carroll and Mr Kerr endorsed that this was an excellent opportunity to tap into a contact database of chefs and food service individuals and they would be happy to assist in the process. **Mr White would follow this up.**

Mr Hewitt reported slow GYOP website response times. **Mr White to follow up.**

On the EC campaign, six advertising communication routes had been explored, these would now be narrowed down to ensure the right level of engagement. Greenvale had been particularly supportive as had Mr Taylor and **it was agreed that it was imperative to have the right conversations possibly further up the chain of command to ensure retail buy-in was achieved.**

**Mrs Fell thanked Mr Taylor for his support and urged that we learn from the pulled pork campaign currently running for BPEX**

Ms Henderson requested that both Marketing and MI support messaging around new crop and seasonality.

Mrs Fell asked for a breakdown of the One Voice requests for banners and posters stock levels and Mr White advised that 182 banners had gone out, were being tweeted and retweeted with 35 left in stock, 460 posters sent, 500 left, 1900 car stickers sent and some 2,000 left. **As the banners had been so successful she asked the Board if they wished to continue this initiative together with trailer stickers and they agreed that optimisation of such good will engagement was useful and would.** The Director however, urged caution on budgetary constraints and encouraged a sensible approach to the suggestion that every levy payer receiving one as part of their levy. **Both he and Mr White would compile a cost implication and report back to the Board.**

**Mr James Truscott was ratified as a new member of the Marketing Strategy committee.**

### **Seed and Export**

Mr Burns reported that a record 90K tonnage of seed went to Non-Eu export destinations of which round 3K tonnes was from North Yorkshire. Exports to Egypt, our largest market confirmed at 53K tonnes for 14/15 export season an increase of 5% from the previous season with GB seed overtaking the Netherlands. Mr Burns confirmed having initiated new firm relationships with both a Dr Sala and Dr Magdi and advised that GB were the first delegation to meet the new contingent in place resulting in a confirmed commitment to British seed, however Egypt still remained a risk market and alternative markets such as India were being investigated with currently good dialogue.

### **SBCSR**

Mr Cunningham advised that external work funded at SBCSR had exceeded £400k for the first time in the 2014/15 financial year.

Discussions had continued over plans to refit twelve 12 tonne capacity stores over summer 2015 as agreed in the capital development plan. Initial meetings with potential contractors held in February & March had yielded indicative quotes higher than budget. In parallel, it had been confirmed by AHDB's Procurement team that this project would be subject to an open tender process. The timeframes for these activities are such that it had been decided that it was not realistic to expect to carry out the refit and subsequent commissioning and testing in time for store loading in September. An interim solution was therefore being developed. The refit would then be put out to tender over the winter months to enable a fully considered programme of refurbishment to begin as soon as stores become empty in May/June 2016. A comment was raised with regard to the unnecessary delay adhering to the procurement process, but Mr Chelley advised that he wholeheartedly agreed with a professional procurement policy which in turn was good business practice.

SBCSR organised a successful *Sprout Suppression 2020* forum at York Racecourse on 16 April. The event was attended by 67 key industry personnel and featured keynote presentations. The delegates also attended a series of workshops to give their views on how they felt research on sprout suppressants should be developed over the next 5 years, these would then feed into the RKT Committee to develop programmes of work under the new R&I strategy. The event received comprehensive coverage in both *Farmers' Guardian* and *Potato Review*.

Mr Huggon raised the question of underspend on budget for the year and the Director responded that there was still speculation surrounding the Agritech spend and the planting area and he would be able to reassess the situation in approximately two months' time but was happy that all was currently on track.

#### **15/35 AGENDA ITEM 10 – BP2015 (PCLP/15/19)**

Dr Burgess updated the Board on the current arrangements for the BP2015 event to be held at the Harrogate international centre on the 12<sup>th</sup> and 13<sup>th</sup> November with an industry dinner scheduled in the Royal Hall on the 12<sup>th</sup> November.

He advised that the main challenge was a change of venue, which was much bigger and spread over a larger area on differing levels. This would inevitably give a quieter feel to the event which would necessitate more staff on hand to steer visitors to different parts of the event. A main reception stand at the entrance flagged by AHDB signage. A slicker approach to the event with specific specialised zones would be in evidence. It was discussed that it would present an excellent opportunity to invite food service, ministerial and food buyers to the event and dinner with board members playing host. **The dinner event required a break even situation of 550 tickets being sold and suggested that revenue over and above this could be utilised for additional guests and it was agreed that members email with an additional guest list for consideration.**

Mr Kerr advised that he felt the staff should be included in the dinner arrangements.

Dr Burgess urged that Board members and committee members be available to assist the smooth running of the event.

**A first draft of the seminar programme had been handed out to the Board members and a request that they read and digest the first draft and submit suggestions to Dr Burgess for the successful implementation of the programme as soon as possible as this document would be the key to preparing printed matter for the event.**

It was agreed that an informal supper take place on the evening of the 11<sup>th</sup> in preparation for the event. Dinner speaker was discussed and the Director was looking into this element.

**15/36 AGENDA ITEM 11 – WPC AND IPG – (Verbal)**

Mrs Fell advised that 16 attendees from 5 countries UK, NZ, SA, Canada and Australia would be attending IPG and that Mrs Hall had been working collaboratively with the China Britain Business School on logistics for the event. Dr Clayton advised that he was still the secretariat for the group and that he along with Dr Storey and Mr White would be attending.

Attendance at WPC would follow and PCL would host a small exhibition stand promoting GB seed and technology.

**15/37 AGENDA ITEM 12 – PCL FINANCE REPORT INCLUDING LEVY COLLECTION UPDATE (A) (PCLP/15/20)**

Mr Perry had offered his apologies due to ill health and the Director updated on the full year which had achieved slightly better than break even. **Mrs Fell recorded her thanks to the team for their prudent approach during the year.** The crisis which had been alluded to on bad debt had not materialised and there could be a small anomaly when PO's had been closed for the year. The issue of the levy collection process was discussed and the recurring situation of usually regular consistent payers who make their first late payment but then receive what is considered to be a quite harsh response of legal processes, Mr Chelley urged caution that a strict approach was prudent and best practice and would set a precedent resulting in risk, however, the other opinion was that there should be leniency relating to the uplift figure associated with a first late payment. Mrs Fell requested that the Director looked at these cases to ensure that a heavy hand was not being used to chase small amounts of money. Mrs Fell also requested that the option of Direct Debits be looked at, as an option to assist farming businesses with cash flow management. Although DD would have a major implication for reserves that it was a channel that Mrs Fell wished to pursue taking into consideration a common sense approach to providing options for levy payers and would be seeking to continue a conversation with Mr Goodwin. **The Director would pursue the possibility of implementing this option.**

**15/38 AGENDA ITEM 13 – ANY OTHER BUSINESS**

Ms Henderson wished to strengthen the Marketing Strategy committee by approaching Chis Jones from Fuller Foods from the food service sector, **the Board were comfortable with the approach. She also felt the committee were missing sufficient growers and she would pursue this avenue, however, if the Board felt they could recommend they were asked to do so.**

Mr Hewitt also passed on a comment made by a former Board Member Mr Papworth who had commended both Mrs Fell and Dr Clayton for their contribution to the recent NFU Forum.

**DATE OF NEXT MEETING:** 4<sup>th</sup> August 2015 at Stoneleigh with a 10.30 am start to enable a one day meeting.

**INFORMATION PAPERS:** PCL Dates for 2015, Organogram, Media Report (PCLP/15/22)

**TABLED PAPERS:** Market Dynamics Report (PCLP/15/21)

**MINUTES BETWEEN BOARDS:** MI 30 April and MS 20 May

Signed: .....

Dated: .....