

**AHDB POTATOES AGENDA ITEM 2  
PAPER PTM01  
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**MINUTES OF THE SIXTY FOURTH MEETING OF AHDB POTATOES  
ON 24<sup>TH</sup> JANUARY 2018, COMMENCING AT 8.30AM**

**PRESENT:** **Chair:** Sophie Churchill **Growers:** Will Shakeshaft, Michael Welham, Bill Quan, Reuben Collins **Independents:** Phil Huggon **Fresh Supply Chain:** Mark Taylor, Bruce Kerr

**IN ATTENDANCE:** Tom Hind, Chief Strategy Officer, Rebecca Geraghty Chief HR Officer, Paul Temple Cereals & Oilseeds Chairman, Richard Laverick Chief Technical Officer, Christine Watts Chief Communications & Market Development Officer, Matt Catlin Digital Services Director, Chris Gooderham Lead Analyst - Diary (all part only), Dr Rob Clayton SSD Potatoes (RC), Miss Kate Saunders Strategy PA.

**18/01 AGENDA ITEM 1 – WELCOME, APOLOGIES FOR ABSENCE, DECLARATIONS,**

The Chair welcomed everyone to the meeting. There were apologies from Dan Hewitt, Jonathan Papworth, Dan Metheringham, Alistair Redpath and Andrew Skea. There were no declarations of interest.

**18/02 AGENDA ITEM 2 – MINUTES OF THE LAST BOARD MEETING HELD ON 14<sup>TH</sup> NOVEMBER 2017 (PTM/17/04) AND MATTERS ARISING PT01 (I)**

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

TH gave a brief SSD update. He reported to the Board around cost effectiveness and value for money in KE. There is a KE gap in Beef & Lamb in areas such as retail and the supply chain. A consultancy company is being used to assist with these.

Further Farmbench visits to growers are being planned.

The Potato Data Centre (PDC) is now up and running with new dashboards to be presented at lunchtime during the meeting.

PH and RC gave an update on MI and recruitment. There have been 4 younger, post graduate staff members recruited bringing energy and ambition to the team. They are chasing account management work and progressing with the fresh potatoes suppliers association raising a level of engagement across the business.

The MI working group meeting is next Thursday and is moving away from being a committee to being a more regular diarised meeting for these stakeholders to get together. TH reiterated to the Board that the committee was not adding value to the organisation or the Board and the move to a working group was valued. The Chair added that communication about the change, the reasons and the benefits, had not been as clear as it might have been and that care had to be taken about the communication of change, to avoid self-inflicted injuries.

**Action: RC to double check that this group has now succeeded the MI Committee and ensure everyone is aware of this and to set up face to face meetings. TH to be informed of the dates.**

MT gave an update on the future of Sutton Bridge and feedback from the advisory committee. There was little change to report from previous developments. Adrian Barraclough is close to the end of his term writing a development business plan. There has been a number of meetings with NIAB that were positive although there would be significant issues to work through in pursuing this or any other partnership.

There are opportunities for the use of the Sutton Bridge plant for crop storage research, based on potatoes but at the moment the business needs some transformation as there are some empty stores. The need for advice and research on storage is agreed and the question is how this is provided. The Board were content to bring this to the next meeting when it has been scheduled to agree a forward plan.

The Advocacy campaign was discussed. The Board raised concern as to whether the word 'advocacy' was appropriate and instead 'influencing' may be giving out a better message to Levy Payers. This is to be taken forward to the March meeting when Weber Shandwick will have completed the necessary toolkits, message themes and influencer directory for the project. A further piece of work to evaluate collateral from 'Bud The Spud' and build it into future plans has been included in the Activity plan.

### **18/03 AGENDA ITEM 3 – CHAIR'S UPDATE (I) PT02**

The Chair fed back to the Board on recent events she had attended. The Agronomist conference, both Cereals & Potato days were well attended. The CUPGRA conference was thought provoking and BP2017 was delivered by well-equipped and enthused staff.

SC has been involved with AHDB Potato representation at Council of the British Potato Trade Association. The Board agreed there needs to be some speed and clarity on our presence at such industry bodies going forward.

The Chair reported on the future recruitment of the Board. AHDB Potatoes advertised for someone with Consumer Retail experience. Unfortunately, the 4 strong potential candidates the Chair was aware of did not apply despite some encouraging conversations.

Dan Hewitt has handed in his resignation and Bruce Kerr is ending his term in March.

The Board discussed if there may be a reason why the right candidates are not being attracted to apply to be a Board member. TH pointed out that we are unable to offer a more attractive salary as we are a public body and can't change that and the potato industry is a small industry therefore we need to be realistic about how broad advertising can be.

The Board agreed candidates need a breadth of experience, and someone completely independent would be advantageous.

The Chair pointed out that if the Board did not appoint it was not necessarily a reflection on the sector or the Board but the fact that the Board has high standards with a specific expertise to find. The Chair mentioned that helping with recruitment of Board members may be added to Board members' roles in the future.

The Chair reported that there are 2 candidates to interview next week and this will be reviewed after that. The Board agreed on this and the need to continue to work on broadening their base of the membership.

The Chair asked the Board for an update on any meetings of events they have attended. BQ attended the Herefordshire Storage Day which he felt was very positive. There was an excellent technical presentation and the right people attended. The 2 monitor farmers in that area are working well with AHDB.

WS attended Newmarket. His thoughts were that it seemed that time was being filled and some historic information being communicated. The venue was excellent and there was a good turnout although low numbers from growers. A stronger more challenging message would be beneficial and the handouts were too small. RC informed the Board he would inform the events team of this feedback.

The Chair expressed her thanks to colleagues who helped maintain the KE programme 'SPot Farms', there had been positive reporting on this although members felt that more pace and clarity of ambition would be useful in places.

#### **18/04 AGENDA ITEM 4 – SSD UPDATE, PERFORMANCE DASHBOARD**

RC provided details of progress against the annual plan as follows:

**Priority 1. Competitive.** First international comparisons derived through Agribenchmark were delivered to industry at BP2017 confirming that focus areas (PCN, water, cultivation and storage) were the right ones to pursue with management costs for each focus area in GB being 100-200% higher in GB than France or Netherlands. A review of PCN management strategies has been commissioned through SASA and will bring forward new messages for use by KE teams this spring. Farmbench continues to perform well with some groups now into their second cycle of group meetings although participant numbers will not meet this years' KPI.

**Status:** Green **Risks:** delivery of Farmbench remains crucial and to maintain traction, quality of the product and maintaining a presence in the field remains paramount.

**Priority 2. Productive.** Full season analysis demonstrates a good performance for SPot Farms with footfall and intention to adopt new practices exceeding KPIs for 2017. The search for an additional host in N England has been launched and an agreement to include newer retail varieties (to draw in an audience from the Tesco Sustainable Farming Group) has been made with Tesco and its suppliers. Agronomists' Conference has achieved strong scores and work is underway to provide a high-level package for Independent Agronomists who have requested more frequent engagement with the technical team.

**Status:** Amber **Risks:** resources to deliver KE for Sutton Bridge and for agronomists (reported previously) remain slow to emerge.

**Priority 3. Customer.** Both our EU Co-funded campaign and our Influencer (Advocacy) plans were presented to industry at BP2017 and both received strong positive feedback. The final stage of phase 1 for our Influencer activity delivers in March and will capture the definitive list of those who influence consumer attitudes the most. In support, a comprehensive review of all peer reviewed and ongoing nutritional research into potatoes is now published (this will become the core evidence-base as the activity progresses).

**Status:** Green **Risks:** it's always difficult to sell the merits of this type of work when the market is less buoyant. A guide to "dealing with difficult conversations" has been prepared to help staff through this.

**Priority 4. Thought-led.** The new Potato Data Centre was launched at BP2017 with rolling live demonstrations throughout the event. The development has been applauded by some of our more challenging levy payers. New targets for MI team engagement with the industry are being agreed. Further views on Brexit have been garnered from each of our key trade associations and will form the basis for activity in 2018.

**Status:** Green **Risks:** New approaches to analysing opportunities for growth (based on market segments) has been requested from the MI team.

Teams are now reporting more honestly and accurately and the Board welcomed this level of transparency and acknowledged the improvements on reporting.

The Chair thanked RC for the accuracy and transparency of the reporting. Also, colleagues doing such good work should be recognised.

#### **18/05 AGENDA ITEM 7 – AHDB POTATOES FINANCE AND LEVY (D) PT03**

The Board pack included the reconciled November figures. RC reported mainly on the new December accounts that had been since published. These would be sent to members under separate cover. An under spend is now forecast and the £17K variance now rises to £75K due to staff vacancies in the KE team.

There is a variance in Market Development of £97K in November which now rises to £152K in December due to the One Voice Campaign. There is potential for this to be put back into the Bud the Spud campaign.

In Export Development there has been a moderate reduction in forecast. The expenditure of £312k now drops to £285K. The budget that was to put towards product marketing has not yet been spent. Work is being done to establish what is required. This will involve more international business, such as Fruit Logistica and working towards building AHDB's presence in many global events not just the European events.

The Chair felt that originally this sounded like a simple idea and wondered why it had not been possible to progress.

**Action: RC to chase the reasons why this has not been delivered.**

There will be a surplus of £41K against a target deficit of £300K.

**Action: RC to circulate December figures.**

#### **18/06 AGENDA ITEM 8 – HR – CREDIBLE, KNOWLEDGEABLE AND EQUIPPED FOR POTATO DELIVERY (D)**

RL presented on the proposed restructure for the Potato KE team following on from the last meeting. The presentation detailed the proposed structure, its alignment with Cereals and Oilseeds and future recruitment plans.

The Board agreed that Potatoes must still keep their identity. It was agreed that a strong KE Manager is needed with extremely high level Potato experience. There must be chance for career progression and making the roles attractive and advertising them in the right places is extremely important.

There was some queries around the diagram and the way it has been drafted; comments were made that it doesn't appear clear where certain posts lie in the structure and who they are managed by.

**Action: RL to adjust the diagram to reflect the comments made by the Board**

The model presented brought one arable KE team together, providing consistency of approach, a stronger, bigger team and more opportunities for development and progression. However having discussed the proposal fully, the Board was also reassured that potato-

specific skills and capacity would be enhanced and AHDB Potatoes would have a more credible offer on the ground.

General concerns from the Board were around getting the roles filled fast and with the right people. It was mentioned that salary bands may need to be stretched to get the right quality of candidates.

The Chair asked about how this will be presented to industry. A short, positive commentary and message will go out there by the Communications team.

RL informed the Board that delivery between now and April in KE should not be affected and would continue as it has in recent months, with support from other KE colleagues beyond the potato team.

***Action: the Board agreed the new structure. RG to draw up the adverts and then ask the Board for assistance to get it out to industry.***

The plans to build up capacity presented by RL and RG were supported by the Board who gave encouragement to look again at any short term gaps ensuring best use is made of colleagues / consultants.

The Chair expressed the thanks of the Board to RL, RG and their teams for their time on this and the turnaround speed of the work.

#### **18/07 AGENDA ITEM 7 – UPDATE ON STRATEGY AND 18/19 ACTIVITY PLAN (I)**

RC presented on the priorities for 2018. This was a progress report following on from the last meeting showing how the views from the Board had been carried forward. It gave detail of the process including what has been worked on and what is still to be done.

There was a conversation around ensuring the use of Weber Shandwick is kept within budget and the value and impact of their work.

RC informed the Board of the Weber Shandwick process for clarity. The roll out of Weber Shandwick to be brought to the March meeting to plan for the future budget.

RC reported on the Digital and Farm Economics team. There is now larger staffing around Farmbench and there is a small change to the Farm Economics budget to allow developments of integrating between Farmbench and Agribench.

***Action: RC to look into whether land rent is included.***

The Chair emphasised that over-budgeting and underspending is not ideal and asked RC to relay this back to colleagues.

The Board were comfortable that requests had been captured during the activity planning process and recognised the focus of the coming year. The proposal was agreed. The Budget to be brought to the Board meeting in March to be signed off and then presented to the main AHDB Board. RC will also report back in the meantime on the outcomes of completion week.

The Potato Data Centre (PDC) demonstration was done by Amber Cottingham (analyst). The Board were confident with the content and how it can be used.

## **18/08 AGENDA ITEM 08 – UPDATE ON MARCOMMS ACTIVITY**

### **Project Blue**

MC presented on Project Blue – the new AHDB website work. The presentation included an overview, the recent improvements and how it is being managed in-house. A demonstration had previously been given at the Sector Board conference.

The website is due for public release at the end of June and to help going forward a Content Editor is being employed on the 12<sup>th</sup> February. The Board expressed their interest in regular progress reports as the current sector site receives regular criticism from levy payers and encouraged the idea of levy payers testing it and giving feedback.

The Board understood that Farmbench had been the more immediate priority and therefore appreciated the timelines and progress of the project.

### **Market Development Restructure**

CW informed the Board where the current Marketing Development restructure was and the reasons around it taking place. It was explained to the Board how a brand review had taken place and people's roles had been carefully looked at particularly in the Marketing activity where Digital skills are now imperative going forward. There is not going to be a huge head count change, mainly changes in roles, responsibilities, and the ways of working particularly around working from home/office contracts. This restructure is to be in place by the end of March.

The Board raised a concern that certain activities may be delayed as some posts may not get filled quickly. This needs to be anticipated and well managed.

A short discussion took place on the current position with Red Tractor. The Board were supportive of Red Tractor in principle and members would encourage the organisation to concentrate on hygiene issues (delivery of the scheme, relationship with Certifying Bodies etc.) before embarking on expanded marketing activity. However, the magnitude of the ask ( £3 million in 2018/19 and £0.5 million for each of the subsequent years after that) is too large especially considering sector put a large sum of money to Red Tractor 8 years ago. There would appear to be no plan in place to make it sustainable and the Board raised concern over the consistency of the application of the standards and how they compare to others in international markets.

A discussion took place as to whether there is any major risk to AHDB should they not commit. Red Tractor will still operate and therefore the assurance scheme will be in a position to continue.

***Action: The Board confirmed that it would not want the Chair to recommend investment in Red Tractor at the main AHDB Board.***

## **18/09 AGENDA ITEM 09 – DAIRY SYSTEM (ID)**

CG presented on Optimal Dairy Systems. The presentation summarised what it is, why it was done, delivery and KPIs. A discussion around the Board took place on KPIs. He explained that a cross functional working group had been set up. This system was revealed (not launched) in September 2017.

**18/10 AGENDA ITEM 10 – ANY OTHER BUSINESS**

The Chair informed the Board that the Seed and Export committee has lost its Chair due to Dan Hewitt resigning and conversations will take place going forward on who a suitable replacement will be. The Chair added that there were discussions underway about the right format for the committee in the future.

**DATE OF NEXT MEETING:** 20<sup>TH</sup> March 2018.

Signed: .....

Dated: .....