

**MINUTES OF THE FIFTY EIGHTH MEETING OF AHDB POTATOES  
HELD AT STONELEIGH PARK  
ON 6<sup>TH</sup> JULY 2016, COMMENCING AT 8.30AM**

**PRESENT:** **Chair:** Fiona Fell **Growers:** Mark Taylor, Anthony Carroll, Bill Quan, Reuben Collins **Independent members:** Zoë Henderson, Phil Huggon **Seed Merchants:** Alistair Redpath, **Processor representative,** Dave Chelley.

**IN ATTENDANCE:** Tom Hind AHDB Chief Strategy Officer, Nick Allen, AHDB Head of Market Development, (part) Giles Blatchford, AHDB Head of farm Economics Dr Rob Clayton, AHDB Potatoes Director, Mrs Rita Hall, Strategy PA.

*Note: confidential information in italics*

**16/30 AGENDA ITEM 1 – STRATEGY** Mrs Fell welcomed everyone to the meeting. She highlighted the expectations of the strategy session, concentrating on the overarching strategy for the forthcoming 3 years, being bold and clear to enable AHDB Potatoes to focus on the opportunities and challenges ahead for potatoes. Her aim was for all to leave the room with clarity on next steps. Over the summer the Director would discuss the headlines with functional teams to work up plans to bring to the Board.

Mr Hind presented a summary of strategic discussions that had taken place with AHDB Board that had taken a steer from AHDB's activity review, levy payer survey and the recent change programme. The strategy had been focused on three main strands, a **broader vision**, with clear alignment of who we are, **added value** recognising we can't do everything and a **sense of direction to boards and staff** again recognising some limitations imposed by statute. He highlighted a more inspirational pathway to change, the new mission statement wording being adopted; ***"we inspire change, stimulate innovation and identify opportunities for business to become more profitable"***. Detailed sector specific analysis had been provided by the MI team and served to avail board members of key evidence prior to sector discussions.

In shaping the overarching strategy, he had acknowledged the impact of changing consumption, international competition, and changing commodity value and relationships in the supply chain. Renewed innovation e.g. through Agritech strategy would harness this closer to home with emphasis on data availability with more work required to understand this. He outlined the challenge of Brexit with more unknowns than knowns, emphasising that competitiveness would become more important. There would be inevitable changes in routes to market, shorter supply chains and more emphasis on AHDB providing leadership. Questions such as how much influence AHDB could have would be an ongoing discussion as would competitiveness in Europe. Closing the gap on productivity with main competitors, displacement of imports and increase exports was imperative. He highlighted five key strategic objectives:

- **Competitiveness in Europe**
- **Influence of direction of public/private funded R&D**
- **KT/KE pipeline**, fragmented approach exists this needed to be consolidated across the whole of the industry and effect better change,

- **Building and underpinning the reputation of British production.**
- **Providing thought leadership and horizon scanning**

Board members were encouraged by and supported the overarching strategy recognising that careful communications would be required as the strategy took shape.

The Chair led a session focussing on translating AHDB strategy into a bold forward-looking view for the potato sector. Key principles and activities were identified as:-

- Confident and opportunity-focussed thought-leadership
- Programmes that keep apace of forecast changes in consumer behaviour
- Looking after our markets. Key role in issues management and stewardship; making potatoes the carbohydrate of choice.
- Independence and credible role in furnishing stakeholders with evidence to dispel myths
- More complete and rounded role in Export
- Analysing long term sustainable profit in all parts of the supply chain, allowing businesses the confidence to reinvest.
- Identifying ways/techniques to grow at the competitive price point.

Board members then debated 8 activity areas where the Director felt that a change in focus raised through committees or previous meetings would achieve speedy alignment to overarching objectives and aims whilst furnishing sector specific needs:-

- Advocacy and generic marketing
- Focus on trade relationships for export
- Deeper technical dive into Europe
- Agronomists and supply chain – their role in communications
- Segmentation and more targeted communications
- Blend of thought leadership and MI products
- Divestiture of projects that no longer achieve market failure criteria
- Technologies for area monitoring and data collection.

It was agreed that sufficient steer had been achieved to allow the director to brief functional teams to work up more detailed plans in each of these areas. **The director would share this briefing with board members.**

**16/31 AGENDA ITEM 2 – APOLOGIES AND DECLARATIONS** Apologies had been received from Messrs Kerr, Hewitt, Daw and Melrose. There were no declarations.

**16/32 AGENDA ITEM 3 – MINUTES OF THE LAST BOARD MEETING HELD ON 24<sup>th</sup> MAY 2016 (PTM/16/02)**

The minutes of the last meeting were approved by the Board and were signed as a true record of the meeting by the Chair with the caveat that a duplication of word be amended on page 1 and a change of action ownership from Chair to Director on matters arising.

**16/33 AGENDA ITEM 4 – MATTERS ARISING AHDBPT014**

16/15 Agreed additional cost for Sutton Bridge capex and update on progress report for next board and possible future visit to the facility – **Updated in the operational report AHDBPT16 on the agenda.**

16/19 Conference call to explore the skills strategy for the sector – **The Director to organise a time slot.**

16/19 Levy payer's satisfaction figures - Confidential document to be circulated by the director – **this had now been posted to Board members.**

16/19 Relevance of fertiliser report – **comments in the appropriate section of the operational report AHDBPT16.**

16/20 Contact sheet for the sector – **included in the board pack and would be included in a future edition of tuber talk, reflecting the new structure.**

16/22 Retention of staff connections – **Schedule for meeting staff – technical focus in October, marcoms in spring, corporate functions particularly levy in view of recent activity with satellite projects and DD activity they would also be included in spring.**

The autumn board meeting will be held at Sutton Bridge. A new AHDB “ways of working” will pull together core key team on a fortnightly basis, sector coordinators will include Mike Storey, Jim Davies and Nick White.

16/23 Implementation of the Investment and Impact process – **the test is to be included in the benchmarking process and Mr Blatchford had the task in hand.**

16/24 Finance - Wording in report to reflect easier interpretation – **the Director advised that this work in progress – the Chair advised that a new working group on finance and hypothecation with a commitment of a day every 3 months was to be set up and she requested a member of her board to volunteer to sit on the group.**

#### **16/34 AGENDA ITEM 5 – Sector board support for RKT Committee recommendations.**

The Board supported recommendations in relation to disease monitoring in pre-basic stocks (£10K over 9 months), disease monitoring in export containers (£81K over 2.5years), growing media for mini-tuber production (£78K over 2.5 years) and AHDB's Soil Health and Biology partnership (£250K over 5 years) requesting that **appropriate communications plans be developed and investment testing undertaken.**

#### **16/35 AGENDA ITEM 6 – DIRECTOR UPDATE (Verbal)**

The Director advised that his time had been split between the strategy project, participating in the Agritech working group (chaired by Richard Laverick, AHDB Chief Technical Officer), and managing AHDB's commitments around waste with retailers moving to an open book tell and show approach to waste. He had also been involved in interviewing for head of education, marketing, and marcomms posts. He had attended both the Sutton Bridge and R&KT committee and had visited QV Foods and had met with PPA, NFU, and FPSA. He had participated in the management training and attended the SPot farm.

#### **16/36 AGENDA ITEM 7 – CHAIRMAN'S UPDATE (Verbal)**

The Chair advised that she had met with NFU Scotland Potato Group, Angus Armstrong at Greenvale, Northumberland growers and Herefordshire growers. She had attended an AHDB Board strategy meeting and visited Sutton Bridge where the new store units were in construction. She drew attention to a savings and efficiency plan being prepared by Ken Boyns. It was currently still in draft format but when completed this would be shared with the board.

#### **16/37 AGENDA ITEM 8 – AHDB POTATOES FINANCE REPORT INCLUDING LEVY COLLECTION UPDATE (A) AHDBPT015**

The Director asked that the paper be taken as read. Board members noted that additional expenditure in relation to the build at Sutton Bridge had been recognised and

forecast year end position adjusted downwards. A readjustment following publication of planted area (up 4%) would follow. Some duplicate budgets that appeared during restructuring had been removed.

**16/38 AGENDA ITEM 9 – AHDB POTATOES OPERATIONAL UPDATE AND COMMITTEE BUSINESS (IA) AHDBPT016**

Board members noted progress against KPI's were largely in line with plans. Exceptions were discussed:-

CRD don't recognise the scalability of work undertaken at Sutton Bridge with approval holders for sprout suppressant being asked for additional data on a commercial scale.

A delay on the Investment test for benchmarking had occurred and this was now scheduled for September.

Coverage of EU project – the results of a more thorough analysis would be available circa 18 July, this would then be signed off and sent out to board.

A delay had also been experienced on the B2B focus campaign on nutritional fish and chips research being provided by Camden, this was now likely in September.

Diquat – outcomes of a stakeholder meeting with George Eustace would be communicated when available (AHDB had provided stakeholders with evidence prior to the meeting)

Sutton Bridge update – a dashboard on both financial and schedule of work was in place and a service agreement between two legal teams was in progress.

**16/39 AGENDA ITEM 10 – ANY OTHER BUSINESS**

The Director requested members diarise forthcoming events, such as SIE, SPot farm visits and PIP and attend where possible.

Board members would be provided with short lines that summarise AHDB's role with regard to Brexit.

One Voices banners were available which were extremely eye catching together with lorry and trailer stickers linking to the EU funded promotional campaign.

The need for complete confidentiality of the strategy discussion was emphasised.

**DATE OF NEXT MEETING:** 25<sup>TH</sup> October at Sutton Bridge

**INFORMATION PAPERS:** AHDB Potato Dates for 2016, Market Dynamics Report AHDBPT17, Contact sheet.

**MINUTES BETWEEN BOARDS:** R&KT 14<sup>th</sup> June 2016, SBCSR 10<sup>th</sup> June 2016 – papers to be sent separately.

Signed: .....

Dated: .....