

**AHDB POTATOES AGENDA ITEM 2
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AUTHORISED**

**MINUTES OF THE SIXTY FIFTH MEETING OF AHDB POTATOES
ON 20TH MARCH 2018, COMMENCING AT 8.30AM**

PRESENT: Chair: Sophie Churchill **Growers:** Will Shakeshaft (WS), Michael Welham (MW), Bill Quan (BQ) by Skype, Dan Hewitt (DH), Jonathan Papworth (JP), Bruce Kerr (BK) **Independents:** Phil Huggon (PH) **Fresh Supply Chain:** Mark Taylor (MT) **Seed:** Alistair Redpath (AR), Andrew Skea (AS).

IN ATTENDANCE: Tom Hind Chief Strategy Officer (TH), Richard Laverick Chief Technical Officer (RL), Jon Knight Head of Crop Health and Protection (JK), Mike Storey Head of Resource Management (MS), Anna Farrell UK Marketing and Communications Director (AF), Rebecca Miah Senior Communications Marcoms Manager (RM), Stu Baker Consumer Marcoms Manager (SB) (all part only), Dr Rob Clayton SSD Potatoes (RC), Mrs Rita Hall Strategy PA.

18/11 AGENDA ITEM 1 – WELCOME, APOLOGIES FOR ABSENCE, DECLARATIONS,

The Chair welcomed everyone to the meeting. There were apologies from Reuben Collins (RCo) and Dan Metheringham (DM). There were no declarations of interest.

Board members were invited to update the room on the various events they had attended or participated in. These included SPot Farm results days, presentations to Whole Crop marketing and others. RC had visited Romania and updated on challenges faced by Romanian farmers.

18/12 AGENDA ITEM 2 – MINUTES OF THE LAST BOARD MEETING HELD ON 24TH JANUARY 2018 (PTM/18/01)

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

18/13 AGENDA ITEM 3 – MATTERS ARISING PT04 (I)

RC advised that this coming Friday would be the first anniversary of the change from an MI committee to a working group. To assist engagement with members, Amber Cottingham would circulate a note summarising activity during the period to the group and consult on any face to face activity required to ensure that all relevant people were fully up to speed about the change and how the group worked. Board members enquired about registration to the Potato Data Centre. RC would seek data from the MI team and report back.

ACTION: MI team to provide Data Centre registration figures.

Clarification on product export plans had been sought, where a budget allocation had been made, and RC stated that no clear match in the international events calendar had been found to exploit trade interest in 2017 which had resulted in no activity against this objective.

KE restructure plans had now been signed off and the relevant staff consulted. Advertisement of new roles was imminent.

Members had sought details of specific components of Farmbench. RC confirmed that various options were available to enter field rents and a help menu was available.

18/15 AGENDA ITEM 5 – CHAIRS UPDATE (D) PT06

The Chair confirmed that the Levy Payer Survey would be presented at the away day in May. With regard to her recent visits, she advised that a recurring observation was a focus on automation in response to labour challenges.

She had recently participated in interviews for new Board members and had concluded that although quality of candidates was good, none filled the particular niches identified previously. She would discuss with Board members at a later date to decide whether new criteria for recruitment should be set including diversity (gender, age), geography, specific skills and links to other stakeholder organisations.

She thanked the Board members for undergoing the Board appraisals where she had allocated various areas of expertise to individuals –

RCo: SPot Farm SW, Marketing Strategy Committee

PH: Chair, Marketing Strategy Committee

DM: processing, commercial input into SPot Farms and Farmbench, education

JP: SPot Farm North, Sutton Bridge

BQ: Chair, Marketing Intelligence group, Finance and Hypothecation, SPot Farm West

AR: Chair, Research and Knowledge Exchange (NB retiring next year)

AS: Brexit watching brief, Export and Seed

WS: Sutton Bridge, agronomists watching brief

MT: Chair, Sutton Bridge, R and KE

MW: SPot Farm East, R and KE

SC (temporary, to provide independence whilst new approach agreed) Chair, Export and Seed.

Members were invited to read Government's consultation on future farming policy and feedback any comment to Phil Bicknell.

18/16 AGENDA ITEM 6 – TECHNICAL CROP PROTECTION (I)

JK delivered a presentation on crop protection, horizon scanning and future research needs. Likely programmes of research had been through AHDB's investment test process and programmes worth £3.5m for Diseases, £3.4m for Pests and £2m for Weeds across the sectors had been passed. The most progressive work was already underway in Horticulture through their SCEPTRE programme and work had started on a new Gap Analysis for potatoes which would complete in the summer.

18/17 AGENDA ITEM 7 – TECHNICAL RESOURCES (I)

MS delivered a presentation on the aspects of resource management, nutrient management RB209, management of soils, water resources, precision agriculture, and energy use, with the integration of the farming and eco systems very much linked with crop protection. He highlighted the cross sector GREAT Soils initiative, commissioning rotation soils partnerships, involving four programmes with NIAB CUF, and described how different components of soils management interacted to provide cross-sector benefit. Additional funding from BBRO was noted and SPot Farms referenced as an example of where economic gains from the programme were now being realised. More information can be found at

www.ahdb.org.uk/greatsoils. MS advised that the programme had not undergone an investment test but was part of the full evaluation test.

In responding to questions from the Board, he confirmed that the programme was addressing Brexit implications and the programme had received accolade and endorsement at the CUPGRA AGM.

Two committee recommendations for extensions to R&D projects were ratified by the Board:

- One year extension to an existing research and KE project GB late blight populations at a cost of £59,244 over one year.
- One year extension to an existing research project monitoring and managing insecticide resistance in UK pests at a cost of £16k over one year, a contribution to a bigger aphids resistance programme.

In response to questions from industry and agronomists, JK discussed likely approaches to providing industry with a more complete analysis of fungicide resistance within the blight population.

ACTION: JK to evaluate the potential of extending fungicide resistance work. MS to work with AHDB comms and KE to ensure soils research and its benefit to levy payers was expressed better under the GREAT Soils banner.

The Board were asked to consider KPI suggestion during coffee and lunch that could be measured giving a national picture of the industry or supply chain. The results would be analysed and reported back to the Board.

18/18 AGENDA ITEM 8 – AHDB POTATOES FINANCE AND LEVY (I)

RC reported on February management accounts and asked members to note that a full year outturn was likely to be c£400K better than budget. Most variances had been reported in previous meetings. These included less delivery from a depleted KE team, expenditure lower than planned for Influencer work, savings in MI in relation to recruitment along with increased levy revenue. He flagged some concerns around the Export budget and reported that the budget for Fruit Logistica had seriously overrun. An investigation was underway which included fully understanding the chain of events, reviewing financial controls for the project and making recommendations on managing future events. Details would be shared with Board members shortly.

Members also sought clarity on other elements of the finance report including allocation of budgets for the Edinburgh office, costs for consultancies in relation to SBCSR and utilities at SBCSR.

ACTION: RC to share information in relation to Fruit Logistica, Edinburgh Office and SBCSR.

Post meeting note: Board continued to seek more clarity on responsibility for budget setting and control amongst the different functions. Outcomes to be noted at next Board meeting.

18/19 AGENDA ITEM 9 – OPERATIONAL REPORT AND HEAT MAP PT07 (I)

RC provided an update on delivery of the AHDB Potatoes strategy.

Priority 1. Competitive. In this period, key meetings have taken place with trade associations and the opportunity has been used to work on industry-KPIs. The initial reaction to these discussions is that we have the right analyses (around PCN, soil, water and store management costs) within our strategy and the common ground established between Farmbench and Agribenchmark is allowing better industry KPIs and international comparisons to be worked up. Colleagues in Farm Economics and KE are now working these into stronger proposals. Future modifications to Farmbench have been discussed with industry and are incorporated into the Farmbench project.

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

Priority 2. Productive. SPot Farms are in good shape for the year ahead; 2017 results days have been delivered successfully alongside a suite of storage advice days and plans for 2018 incorporating a new northern site have been publicised. Delivery for agronomists (raised as a risk in the last report) has attracted some criticism from agronomy businesses and their trade association. The SSD is now relationship managing some key accounts until a more substantial offer is developed by our new KE team. Other elements of KE (mostly in relation to PCN management) are running behind and RC is now supporting the KE team to improve delivery. The advisory sector is also quite exercised by potato blight as a consequence of new, harder to control strains of the fungus being detected over the autumn and winter. We have increased communications in this area providing timely updates and advice for the season ahead.

Status: Amber **Risks:** achieving KPIs across this area will remain a challenge while the KE team is rebuilt.

Priority 3. Customer. Analysis of our EU Co-funded campaign analysis (yr 2) has been shared with industry and indicates positive changes in consumer buying habits. Phase 1 of our Influencer (Advocacy) work is on track and should yield solid plans for the year ahead by the end of this financial year. During the reporting period, emphasis has been placed on establishing more meaningful discussions with our exporting community whose input will be crucial ahead of overseas events next year.

Status: Green **Risks:** appetite for some of our export work (and whether it qualifies as market failure) is being discussed with key exporters.

Priority 4. Thought-led. A key part of our strategy was to make sure levy payers have better access to Consumer Insight and Brexit Horizon analysis for the benefit of their businesses. Analysis of key relationships by our Partnership Managers in MI have revealed some gaps in the current approach (where businesses are less aware of Brexit related analysis and Consumer Insight than they are about price reporting) and we've been plugging these with the help of trade associations, signing up a high level of new recipients across the potato supply chain. Brexit analysis continues and the seed sector have been identified as a target for a deeper dive.

Status: Amber **Risks:** Delivery of information in the seed sector remains complex.

Board members were pleased with the clarity of the report but noted that some inconsistency in reporting (inaccurate use of the percentage completed column of the report) was causing confusion.

ACTION: RC to resolve reporting inconsistencies with functional directors.

**18/20 AGENDA ITEM 10 – BUSINESS PLAN AND BUDGET PT08 (ID) incorporating
18/21 AGENDA ITEM 11 – BUSINESS PLAN AND BUDGET PART II PT08 (ID)**

RC presented a plan and budget proposal for 2018/19 that captured big priorities discussed in the previous meeting.

These include a focus on delivery of Farmbench (including potato-specific modifications to the programme), a technical focus on Crop Protection and Plant Health related R&D and KE, more detailed sector specific analysis around Brexit and development of Influencer plans.

Board members debated the proposal, taking stock of functional budget changes and proposed changes in headcount, mostly relating to KE. Proposals were approved subject to the proposed increase in Export expenditure to deliver a showcase at Fruit Logistica Asia being removed from the plan. This was considered to be outside of the main priorities that required increased focus (with plant health having been prioritised in recent discussion with the committee) and market failure status was uncertain.

ACTION: RC to share budget changes with finance team.

18/22 AGENDA ITEM 12 – INFLUENCER PLANS (I)

RM and SB introduced themselves, describing their new roles within Marcomms' arable and dairy marketing team. They had a proven track record within various marketing roles and had achieved success in both dairy and potato campaigns. They provided background on current work (our EU co-funded project delivered in partnership with Bord-Bia) noting its completion was due in July 2018. They had negotiated extended promotional windows in various publications so the campaign would remain visible until at least September. SB was now part of a steering group working on next steps for collaborative work with Seafish and Camden BRI. This group was working on next steps for nutritional messaging within Fish and Chip Shops. The new team had recently inherited collateral from a previous influencer project and this included guidance on health messaging along with an influencer directory. On evaluating the collateral they encouraged the Board to take a fresh look at next steps and proposed that more impact might be achieved by working up plans for a "matrix team" of AHDB staff to deliver influencer messages whilst providing more resource to reuse relevant content from the EU co-funded activity. They also proposed new work around developing a Food Advisory Panel (a group of independent experts who could be used to put evidence behind any positive or negative news headlines about consumption and health) and shared newly available "nutritional claims" guidance from other sectors, suggesting a version for potatoes would provide impactful and useful to stakeholders.

Board members welcomed the fresh approach and invited RM and SB to develop plans further and present at the next meeting.

ACTION: Ms Miah and Mr Baker to report progress at next Board.

18/23 AGENDA ITEM 13 – ANY OTHER BUSINESS

RC notified that AHDB had been invited to partner with BP2019 under terms similar to BP2017. A decision was required quickly to ensure plans could be put in place. The Board supported the partnership approach.

ACTION: The Board expressed their approval to have a presence at BP2019 along the same lines as BP2017. It applauded the early preparation.

MT requested clarity on the tonnage levy collection, citing ambiguity regarding first purchaser and multiple payments.

ACTION: RC to provide guidance on tonnage levy collection.

Mrs Hall was asked to send a Doodle poll for the May visit to the John Innes Centre in Norwich for the Board away day.

DATE OF NEXT MEETING: Away Day in May, date tbc, followed by the formal Board on the 25TH July 2018.

Signed:

Dated:

After the formal business of the Board, Bruce Kerr and Dan Hewitt were thanked warmly by All for their contribution to the Board, with Jane King, Chief Executive, and various members of staff in attendance.