

**MINUTES OF THE FIFTY NINTH MEETING OF AHDB POTATOES
HELD AT SBCSR
ON 25TH OCTOBER 2016, COMMENCING AT 8.00AM**

PRESENT: **Chair:** Fiona Fell **Growers:** Anthony Carroll, Bill Quan, **Seed Merchants:** Alistair Redpath, Alistair Melrose **Fresh Supply Chain,** Mark Taylor, **Processor representative,** Dave Chelley.

IN ATTENDANCE: Jane King AHDB Chief Executive Officer, (part only) Tom Hind AHDB Chief Strategy Officer, Dr Mike Storey, Head of Resource Management, (part only) Phil Burgess, Head of Potatoes Knowledge Exchange, (part only) Adrian Cunnington, Head of crop Storage Research, (part only) Dr Rob Clayton, AHDB Potatoes Director, Mrs Rita Hall, Strategy PA.

Note: confidential information in italics

Tour of new assets at Sutton Bridge followed by Q&A with Adrian Cunnington

16/40 AGENDA ITEM 1 – WELCOME, APOLOGIES FOR ABSENCE, DECLARATIONS

Mrs Fell welcomed everyone and in particular Jane King for taking the time to view the new and refurbished facilities at SBCSR. Apologies for absence were received from Phil Huggon, Zoe Henderson, Reuben Collins, Bruce Kerr and James Daw. There were no declarations.

The main focus of the meeting would be to finalise the Sector Strategy. She highlighted the efficiency savings; over £75k this year, £150k next year, allowing delivery of an improved service, particular examples were investment within an in house digital team and the capital investment viewed this morning at SBCSR.

16/41 AGENDA ITEM 2 – UPDATE ON AHDB CHANGE PROGRAMME followed by Q&A with Jane King

Ms King thanked the Sector Board for their input and reported that good progress had been made with the new vision, corporate and sector strategy. She advised that organisational changes had resulted in a stronger and clearer vision for the organisation, especially when entering a defining time for the industry with Brexit on the horizon. A savings and efficiency plan target of £1m for 2016/17 had been implemented. Changes in the digital space and rationalisation of agencies, bringing the function in house would ensure much more agility. There would be smarter working with one Events team. The Comms team were creating pools of expertise specialisms resulting in better media coverage. All of which would be beneficial for the levy payer. The Sector board conference coming up on 29th November would be the starting point for communicating the wave of change. Work was currently being undertaken on a launch programme for a refreshed AHDB. A change of language to be more accessible with more inter active engagement was being implemented. Working much closer with the supply chain, together with a skills agenda, particularly, business skills, focusing more effort on the progressive end of the sectors. She recognised to develop the profile of the Sutton Bridge facility focusing on business development. Ms King reported interaction with the new minister, ensuring the AHDB capability was clear.

Mrs Fell thanked Ms King for her time and her comprehensive update. In his absence, Mr Collins had asked that the language used in communicating AHDB's ambition was made as farmer-friendly as possible. Ms King advised that this was being addressed by the comms team and sound bites would be available for key potato events eg. CUPGRA.

A number of questions followed regarding stakeholder engagement. Mr Hind advised that the corporate affairs team were responsible for that contact and knew who to approach. He also advised that an internal working Brexit group had been introduced. Mr Carroll questioned the language around thought leadership, pointing out that AHDB did not hold a monopoly on good ideas. Mr Hind agreed and recognised that this was an area that required ambition and resource. Mr Taylor felt the strategy documents were more cohesive but questioned who were we trying to communicate with? Farmers and growers don't read large documents. Impactful messages to broader business communities and agronomists were needed.

Mrs Fell requested that priority be given to additional support for Rob Burns to enable a presence at all meetings be implemented.

Horizon scanning was also discussed; anticipating what government was expecting from AHDB going forward required clarity and for the industry to contribute to the discussion. It was anticipated that conversations with government would result in a much more proactive approach around British food, both for domestic and overseas markets. Ms King commented that she had recently attended a Bord BIA event and that she had found the Irish team highly efficient and purposeful. It was felt that the long awaited food and farming plan would come to fruition and would include AHDB. Ms King advised that the organisation should focus on productivity and exports. Mrs Fell reminded the board of a mantra having been adopted by the Potato Sector Board of AHDB aspiring to be a speedboat not a super tanker and eliminating historic rhetoric.

16/42 AGENDA ITEM 3 – MINUTES OF THE LAST BOARD MEETING HELD ON 6th JULY 2016 (PTM/16/03)

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

16/43 AGENDA ITEM 4 – MATTERS ARISING AHDBPT19

16/30 the original strategy document had been shared with the board members and ongoing dialogue included in this meeting.

16/33 a conference call to explore the skills strategy with Tess Howe was still outstanding, **Strategy Director to orchestrate.**

16/33 Volunteers requested at the previous board to sit on the new finance working group on hypothecation had been received from Zoe Henderson and Bill Quan.

16/34 Recommendation from the R&KT committee which had been approved at the previous board with the proviso that they were subject to the investment testing process, two had gone through the process successfully, the third on TRV would be resubmitted.

16/44 AGENDA ITEM 5 – DEVELOPMENT OF AHDB VISION AHDBPT20

Mrs Fell introduced the agenda item, pointing out that the umbrella vision needed to be in tune with the sector interest and asked members to share views with Mr Hind.

Mr Hind presented an overview of the development of AHDB's vision, due for publication 1 December for a six-week consultation. After discussion, the vision was supported positively by the sector board who suggested that "our industry" be included in the statement "Inspiring farmers and growers to succeed in this rapidly changing world".

16/45 AGENDA ITEM 6 – POTATO STRATEGY AHDBPT21 AND PRESENTATION

The director initiated discussions by sharing functional responses to strategic questions posed in the July 2016 strategy meeting. Functional teams had sought to highlight ambitious but achievable activities in response whilst folding-in any positive ideas developed since the July round of meetings. He then described how operational budgets might be aligned to the activities and described likely impact of total revenue and overall budget. Specifically, a small increase in levy-revenue was expected in response to a strong market but its impact would be offset to meet a new, higher reserves target within AHDB.

Turning to the draft sector strategy, members agreed that the new planned activity had aligned well to overarching AHDB priorities and that the three priority areas for the sector “working with agronomists”, “International Comparisons” and “Advocating GB-grown potatoes” were the right ones to highlight.

Board members approved the sector strategy and budget assumptions. Comments were collected on the language used and the **strategy director would circulate an updated version later in the week for any final comments.**

16/46 AGENDA ITEM 7 – UPDATE ON KEY STRATEGIC PROJECTS TO INCLUDE A GYOP PAPER AND A PRESENTATION ON THE ADVOCACY MODEL AHDBPT22

During the July strategy meeting, two areas of activity were identified as requiring further discussion. These were (1) future approaches to education and (2) development of an advocacy model for potatoes.

Under (1), the director made a comparison between approaches taken in Dairy and potatoes. Acknowledging that the Dairy sector could muster more “farmer power” in supporting education activity, they noted that high levels of engagement with schools, more measurable change in attitude to the sector was being achieved through the delivery of farmer packs and online teaching aids when compared to GYOP. Notably, the budget was much lower in Dairy.

Action:

- **To look for an alternative to GYOP, and to explore options for a third party GYOP deliverer. The board felt passionately about the value of education and providing an opportunity for the industry to engage. They requested proposals on a broad education provision from the AHDB Market Development team.**
- **To pursue and ensure a meeting date for the marketing strategy committee be confirmed to fold-in views on education**
- **To contact Mr Kerr to explain developments**

Under (2), the strategy director described the workings of a new AHDB advocacy working group that drew down experiences across all sectors and were developing plans to deliver a campaign to promote positive attributes for potatoes and potato-products to key influencers. The group had sought assistance in developing a definition for advocacy and had developed a set of provisional KPIs for the board to consider. A shorter, more concise definition was proposed and an additional KPI (around measuring rebuttals against unfounded negative press stories) was requested.

Action: to share with the advocacy working group and continue developing plans.

16/47 AGENDA ITEM 8 – AHDB POTATOES FINANCE REPORT INCLUDING LEVY COLLECTION UPDATE (A) AHDBPT23

The director advised that the budget had not changed and was largely on track, the biggest variance being in the R&D relating to the SBCSR budget, this had been discussed at a previous meeting. Budgets had been forecast downwards within market development and this reflected a duplication of One Voice budgets that were now picked up under communications.

Mrs Fell highlighted that support costs for AHDB Potatoes as a percentage were lower than in previous years.

The next report would reflect the results of a piece of work being undertaken by the HR team and Ken Boyns (AHDB Chief Finance and Operations Officer) concerning realised savings within the sector.

A question was posed around any negative implications of the levy switch to Direct Debit. Current effect was negligible but this may rise under high interest rate scenarios.

Board members noted that some longstanding planting return defaulters were now eligible for legal proceedings and sought more information on this issue.

Action: to update on the approach taken in progressing to legal

16/48 AGENDA ITEM 9 – AHDB POTATOES OPERATIONAL UPDATE AND KPI'S (I) AHDBPT25

The director asked if receiving KPI tables on a monthly basis was useful and the board agreed.

He asked that the paper be taken as read and focussed only on exceptions against agreed KPIs. These were:-

- A delay in starting the AHDB-BBRO soil biology and soil health research
- Reporting delays to some R&D projects as a result of lateness of season
- Cessation of winter storage survey (new metrics being sought)
- No investment test for International Benchmarking (project is below financial threshold)
- GYOP modestly below recruitment target
- Trade dashboard for export not completed

Mrs Fell asked the committee Chairs for highlights on their recent meetings –

Seed and Export – Alistair Melrose highlighted that industry had expressed concerns about how 3rd inspections had been enacted by SASA with little direct grower communication. This, along with other industry concerns about English and overseas seed entering Scotland, would be addressed at the Seed Industry Event. A Competition Law issue had occurred and a statement should be read out at the beginning of each meeting. The Kenyan trade situation was progressing although dates for signing an agreement had changed and an Egyptian mission was imminent. **Dan Hewitt to be appointed to Chair of the committee, ratified by this board. Mrs Fell asked consideration be given to a change of name to Export and Seed Committee.**

R&KT – Alistair Redpath - updates on projects covered in main body of pack. He reported that a member of the team, Jenny Bashford had done a good job with the water

management survey. Blackleg meeting at JHI prior to publication at SIE. £300k project over 3 years. The terms of reference for the R&KT committee should be changed to reflect the wording that the group “makes recommendations only” not decisions. **KT in the name to be changed to KE in-line with standard wording. The director was requested to approach Michael Whelan to join the committee.**

SBCSR – Dave Chelley –Interactions with CRD were the main concern and Bill Parker had developed an action plan for this. **Mark Taylor nominated as Chair of the committee and ratified by this board.**

Marketing Strategy committee; in Ms Henderson’s absence Mrs Fell advised that both Mr Kerr and Mr Collins had been approached to join the committee and a new Chair would be nominated in due course. **Their appointments were ratified.**

Mr Hind was also asked to clarify the position with regard to processes for appointing AHDB sector board chairs and advised that they were appointments recommended by the AHDB Chair and ratified by the minister. Advertisements would go out at the end of the year for the outstanding vacancies.

16/49 AGENDA ITEM 10 – UPDATE ON KE ACTIVITY AND PLANS – PRESENTATION BY PHIL BURGESS

Dr Burgess was invited to update the board on a revitalised approach to KE. He highlighted the key attributes being a strong sense of purpose, embracing a genuine exchange, an accelerated uptake of innovation and best practice working in partnership nationally and regionally.

A new model for KE delivery had been introduced. He highlighted regional SPot farms, Scotland, Elveden and one in the West, the first two being match funded by government, advising that circa 40% attendees were agronomists. It was asked if a model to partner with other groups be considered to scale up more rapidly to replicate the SPot model, however he advised that this might risk diluting the research rigour. **He was asked if a case study demonstrating uptake of innovation from social media interaction with SPot could be found, which he would pursue as part of a feedback review for SPot.**

He concluded that the key KE Potatoes team ambition included: dedicated agronomy manager, benchmarking, including technical and international, dedicated storage KE based at SBCSR, cross sector specialism in soils and water.

16/50 AGENDA ITEM 11 – UPDATE ON R&D ACITIVITY AND PLANS – PRESENTATION BY DR MIKE STOREY

Dr Storey delivered a presentation on how the research teams were going to operate. The function was theme-driven process which would deliver greater value for money by clustering staff together. He used his own cluster, (resource management) as an example of where expertise could be drawn together to deliver a better result for the potato sector and engage appropriately with sector-specific colleagues in KE, explaining that approaches were similar in other clusters for storage, plant health and genetics. Each cluster had their own capacity to contribute the horizon scanning and were taking advantage of developments in other functions like digital.

Mrs Fell thanked both Dr Burgess and Dr Storey for their presentations and reiterated that knowing how to contact the specialists was important and drew the board attention to the contacts sheet within the pack.

16/51 AGENDA ITEM 12 – ANY OTHER BUSINESS

Grower awards promoted on behalf of Horticulture Week would take place on 23 February 2017 in London and Mrs Fell drew attention to the awards for possible nominations.

She highlighted dates in the diary of note: the Seed Industry Event 2/3 November, and NFU forum she had been invited to attend on 10th November, the Agronomists conference 7/8 December and a proposed visit to NIAB CUF for the board on 13th June. **She requested Mrs Hall update the board calendar to include key events next year together with committee dates and courted the board’s opinion on a back to back meeting prior to Harrogate. The board were happy to continue with this process.**

DATE OF NEXT MEETING: 17TH January 2017 (all future board meetings to be held at Woodside).

INFORMATION PAPERS: AHDB Potato Dates for 2017, Market Dynamics Report AHDBPT26.

MINUTES BETWEEN BOARDS: R&KT 14th June 2016 and 12th October 2016, SBCSR 10th June 2016 and 8th September, MI 14th July 2016, S&E 25th August 2016 – (R&KT 12th October - papers to be sent separately).

Signed:

Dated: