

Authorised



**MINUTES OF THE FORTY SEVENTH MEETING OF POTATO  
COUNCIL  
HELD AT SUTTON BRIDGE CROP STORAGE RESEARCH  
(SBCSR)  
ON 4<sup>TH</sup> JUNE 2014, COMMENCING AT 8.30 AM**



Board Members Attending	<b>Growers:</b> James Daw, Anthony Carroll, Mark Taylor, Dan Hewitt, Bruce Kerr, Bill Quan <b>Independent members:</b> Phil Huggon, Zoë Henderson
Staff Attending	<b>Seed Merchants:</b> Alistair Redpath, Alistair Melrose Fiona Fell, Chair, Dr Rob Clayton, PCL Director, Dr Mike Storey, Head of R&D, Adrian Cunnington, Head of SBCSR, Caroline Evans, Head of Marketing and Corporate Affairs, Rebecca Room, minutes, Mary Bosley, HIP (part)

**ACTIONS****14/24 WELCOME AND APOLOGIES FOR ABSENCE**

The Chair welcomed everyone to the meeting and to SBCSR, particularly new Board Members Mr Daw, Mr Taylor, Mr Quan and Mr Huggon. Following the meeting, members would tour the facilities at SBCSR. She noted that the meeting would have a focus on R&D Strategy planning for 2015-2020.

Apologies were received from David Chelley, Edward Lindley, Robert Burns and Rita Hall.

**14/25 DECLARATIONS OF INTERESTS (PCLP/14/17)**

A Declaration of Interests form was signed by those Members present, and Members were asked to inform Mrs Hall of any future changes to their Interests.

**14/26 MINUTES OF THE BOARD MEETING HELD ON 26<sup>th</sup> MARCH 2014 (PCLM/14/02)**

The minutes were confirmed as a true record of the meeting, and were signed by the Chair.

**14/27 MATTERS ARISING (PCLP/14/11)****14/14 Matters arising**

Health Claim: Dr Storey had met with the team at IFR to discuss their sampling process and results concerning new and baked potatoes. They had agreed to undertake further sampling and testing, and consider comparative data. Although too late to amend the current edition of McCance & Widdowson's, any changes would be included on their online database, so would be available as evidence for health claims. Until the additional work was completed, the wording 'fat free' could not be used, and Ms Evans confirmed advice to this effect would be issued to packagers. The cost to PCL would be approximately £10,000 and **this expenditure was approved by the Board.**

Ms Evans  
Dr Storey

It was noted a letter sent to the Department of Health on this issue had not been passed to IFR, and the Chair would follow this up via the AHDB Chairman.

Chair

Margin Analysis: Dr Clayton had met with FPSA to discuss risks and margins in the supply chain. Messages were around dangers of growers planting speculatively, and a need to understand cost of production. It was agreed PCL should help growers understand the market and their own costs, although risks in publishing margin information were acknowledged. Dr Clayton would continue to liaise with David Walker of FPSA to address issues as they arose. **This approach was approved by the Board.**

Benchmarking had also been discussed with FPSA. RDPE funding was being sought to develop benchmarking and training, including a possible European study tour.

County Shows: This topic was currently under discussion with AHDB with a further meeting to take place shortly.

Job Evaluation: Dr Clayton noted main concerns of staff were around how this had been rolled out within AHDB. Any decisions on changes to staff grades or roles would now be ratified by the Senior Executive Team, to help develop a shared process and policy.

CIPC Store upgrades: DEFRA had invited a proposal from PCL on how to help those storing potatoes to upgrade their stores in line with best practice. This could also attract AgriTech Strategy match-funding. Mr Hewitt offered use of his stores as a test case. Dr Clayton would lead, and would also consult FPSA and PPA.

Director

#### **14/17 Operational update**

KT: It was confirmed Phil Burgess would be joining Potato Council as Head of Communications on 4<sup>th</sup> August 2014.

MI: Interim plans were in place, and Dr Clayton and the Head of MI continued to discuss longer term expectations. Mr Hewitt was now Chair of the MI Committee. Mr Daw requested background to the issue and Dr Clayton agreed to send this to all new Members.

Director

S&E: Noted the Chair would attend the Committee meeting and Yorkshire seed event.

#### **14/28 CHAIRMAN'S UPDATE (Verbal)**

Mrs Fell noted this would be her first meeting as confirmed Chair, having served on the Board as an Independent Member for 6 years. Timings of Board meetings would change to allow easier travel, with a later start time of 10.30am, probably from the next meeting in August. The meeting in October would be held in Dundee and include a visit to JHI, and it was anticipated that each year one meeting would be held at SBCSR, one other at a research institute or other relevant venue, and the rest at the AHDB Stoneleigh site. Staff would be given the option to attend all or part of the meeting, to make best use of their time. Sub-committee meeting minutes would all have a cover page of the key bullet points. She invited Members to send her any proposed agenda items. She suggested to Chairs of Sub-Committees that phone conferences could be used to discuss topics or issues between Board meetings.

The Chair's main activities since the last meeting had been: Meeting with the Head of MI, Dr Clayton and Mr Hewitt regarding the interim MI plan; meeting with Dr Storey, Dr Clayton, Mr Redpath and the CUF/NIAB team regarding future engagement; meeting with the NFU potato team and separately with the NFU Scotland team, both of which groups were supportive of PCL and the potato industry. While in Scotland she had also

met with SASA and Scottish Government representatives.

The first AHDB Board with new Chairman Peter Kendall had taken place. He had outlined his clear vision for the future and was very optimistic about GB agriculture. Mrs Fell and Dr Clayton would ensure he is provided with facts and messages on behalf of the potato industry. The AgriTech Catalyst fund and Horizon 2020 had been discussed, there was AHDB Board support to maximize opportunities for the Sectors from these funding streams. Dr Storey was leading on this for PCL, while Dr Clayton and Mr Cunnington were also involved in identifying possible bids and collaborations.

AHDB Chief Scientist Dr Ian Crute would continue in post on a part time basis until September, with some changes to the future role expected. A new Communications role will be introduced to develop an overall plan for communications with levy payers and other stakeholders. Neil Bragg and Lorraine Clinton will step down from AHDB Board in September and will be replaced. Other discussions confirmed accommodation plans were on target, and that IT and communications facilities would be aligned for SBCSR and the Scottish office.

The Chair was invited to visit Wales by Mr Quan, and a meeting would be arranged. Mrs Fell confirmed she would also attend the AHDB Board meeting in Wales in September. Mr Taylor offered to discuss possible arrangements with Puffin. Chair  
Mr Quan

#### **14/29 PCL FINANCE REPORT INCLUDING LEVY COLLECTION UPDATE (PCLP/14/12)**

Dr Clayton introduced the Year End report dated March 2014. Outturn for AHDB was very close to budget although there were variances between divisions. The reserve policy was largely on track.

The PCL position was slightly better than forecast, partly due to early closure of the property lease at Oxford and a re-evaluation at SBCSR. Costs were close to budget and reduction in 2013 levy income had been matched by savings across PCL. RDPE funds had increased income levels slightly, but this was balanced by expenditure on training. Reserves were slightly ahead of the targeted timeframe to rebuild. Overall PCL was in a good position financially.

In response to a question from the Chair, Mr Cunnington advised time recording at SBCSR was now clearer but there were still improvements to be made to the records system, and external advice may be sought.

Mr Taylor requested more detail on bad debt, and Dr Clayton noted the debt collection function continued to improve year on year, with legal action becoming rarer.

There had been IT issues around online submissions and payment. The levy team had set up a helpdesk to advise levy payers experiencing problems. Around 40% of levy payers now submitted online. Mr Daw noted the online forms were easier and quicker than on paper, and his comments may be used to publicise the service.

#### **14/30 RISK MANAGEMENT (PCLP/14/13)**

In Mr Burns' absence his paper on Risk Management was introduced by Dr Clayton. The issue was currently high on the agenda for AHDB Board and the Senior Executive Team. The paper was discussed and the following key risks highlighted:

### **Loss of pesticides**

In response to a query from Mr Carroll, Dr Storey advised the AHDB Crop Protection Group had been tasked with understanding the likelihood of EU withdrawal of pesticides approvals, and the resulting risks of crop losses. A document had been produced identifying a range of products and categorising the likelihood of these being withdrawn. Dr Storey was now working with industry bodies and other stakeholders including the EU Crop Protection Group, to quantify how loss of these products could impact on potato crops. Other crop groups and sectors are using the same format, and submissions will be compiled into a body of evidence for consideration by MEPs and other decision makers. It was intended to have this ready in the autumn. Mr Carroll noted the importance of balancing risks to businesses of losing products, with risks presented by the products themselves.

### **Loss of levy**

Mr Redpath raised comments recently made by the Scottish Government Cabinet Secretary for Rural Affairs and Environment, calling for Scottish levy payments to remain in that country. This was a risk in the event of Scotland voting for independence or implementation of devolution plus. Dr Clayton advised the risk is highlighted on the AHDB risk register, and noted it could cost PCL between £1.4m and £1.8m in levy.

## **14/31 MARKET DYNAMICS REPORT (PCLP/14/14, tabled)**

The Board found the report useful, factual and neutral in tone. Dr Clayton noted the coverage of ample supplies being reflected in prices and undertook to renew key messages to the team. Following discussion it was agreed to be important that MI continue to release evidence-based information on crop development and market trends, and the report met this need.

## **14/32 PCL OPERATIONAL UPDATE AND COMMITTEE BUSINESS (PCLP/14/15)**

The front page showed a continuing anomaly in MI costs which was being addressed by Mr Hewitt and Dr Clayton. It was clarified that staff costs were not included in these figures.

### **KT and Communications**

Dr Clayton noted the summer events programme had got underway with a successful event in Cornwall. The team had risen to the challenge of a full summer programme with a depleted team, and Jim Davies was praised for his work in leading the team. Dr Clayton had been in discussions about RDPE funding for storage, soil pest management and benchmarking. He would be fronting the One-Voice campaign at events through the summer.

Board Members were asked to nominate themselves to attend events where they could. Dr Clayton to ensure all Members have name badges.

All  
Director

The events programme was received and Mr Cunnington updated on plans for the Sutton Bridge 50 years of storage research day.

Dr Clayton advised the application to replace Gary Collins was still with DEFRA. He intended the recruitment process to be led by Phil Burgess.

### **Research & Development**

Dr Storey noted a recent CIPC exceedance in store. He and Mr Cunnington were liaising with CRD and the stewardship group and had arranged to visit the store.

Approval was requested to continue work with HGCA on cereal aphids and resistance at a cost of £22,565. **This was approved by the Board.**

**An AHDB tender for slug research had been issued and proposals were currently being evaluated by the three crop divisions.**

New work on PCN populations and variety resistance was underway by SASA and Scottish Agronomy which could add value to current PCL-funded work. Cost to PCL would be under £10,000, and a proposal to part-fund would be taken to the RKT committee.

The student symposium in April had been successful with PhD students from both PCL and HGCA and their supervisors. Graham Finn and Michael Bubb had been speakers.

A Europe-wide Horizon 2020 bid regarding integrated management of nematodes, involving Harper Adams, was being developed into a full proposal.

### **Marketing**

Ms Evans introduced the Potato Volume Research document and outlined main findings. Various drivers of decline were found, but a key finding was that people buying fewer potatoes were often not conscious that they were doing so. The researchers recommended stressing the health messages of fibre and vitamins, and increasing use of photos at point of sale to maintain an emotional connection. A leaflet would be produced for all growers outlining recommendations, and Board Members were asked to review a draft to ensure this was appropriately worded. The Board agreed this approach and thanked Ms Evans for this very useful piece of work. Dr Clayton and Mrs Fell to discuss how to involve AHDB.

Ms Evans  
Director &  
Chair

It was clear that retailers need to be engaged in how best to market the crop, and Ms Evans noted that interest for joint-working was high among the large retailers.

Ms Evans tabled several papers. Mrs Hall would circulate electronic versions to the Board.

Mrs Hall

It was proposed that Mr Huggon join the Marketing Committee, and that Dr Sharon Hall join both the Marketing and MI Committees. **These appointments were approved.**

This was to be Ms Evans' last Board meeting. Ms Henderson and the rest of the Board thanked her for all her work at PCL and praised her enthusiasm and introduction of new products and approaches. She was wished very good luck for the future.

### **Seed & Export**

There had been reports of some chip shop owners receiving unmarked bags of differing quality from suppliers. Shop owners would be reminded via NFFF that they could reject potatoes if not properly labelled. Dr Clayton and Mr Burns to follow up.

Director  
Mr Burns

There was work going on at SASA on Blackleg, and a studentship working at Rowett Institute on delivery of innovation in food supply chains. It was planned to put this student in touch with the Warwick University student working on similar issues.

### **SBCSR**

Strategic links with CUF/NIAB had been strengthened following a visit in March.

CIPC best practice messages from the commercial box stores project were being compiled and meetings will be planned to disseminate these. Dates will be sent to the Board Members when confirmed.

Health and Safety issues were being addressed, with plans in place to action remaining issues over the summer.

Following a visit by BPEX, joint work was planned on thermal imaging and analysing airflows. Possibly linking to the AgriTech strategy.

Plans for the 50 Years of Storage event were well underway, and Mr Cunnington outlined the agenda.

Mr Cunnington confirmed Capital plan proposals would be presented to the August Board meeting.

Mr  
Cunnington

### **Market Intelligence**

Dr Clayton advised the team was currently focussing on WAPS, with new contributor data being tested and a review of the balance sheet. Mr Hewitt advised he would be spending time with the team to understand priorities and sense check data before the next MI Committee meeting.

## **14/33 RESEARCH & DEVELOPMENT STRATEGY 2015-2020 DEVELOPMENT (PCLP/14/16)**

Dr Storey outlined progress and sought Board input to framing the strategy.

The 2012-2015 strategy had looked at integration with other sectors, improving marketable yield and future developments to improve the industry. Research had been commissioned in the priority areas, managed by the RKT Committee. Challenges remained around consumer determinants research, and Fellowships were yet to be delivered.

Dr Storey outlined the research programme currently underway, and existing forward commitments, and discussed the additional funding which contractors were attracting from other funders to add value. It was noted that the writing of proposals was a specific skill.

In planning for the 2015-2020 strategy, information on priorities and needs had been collected from growers, industry bodies and key industry contacts.

The Heads of R&D from each AHDB sector were now working on an overall AHDB R&D strategy. As a first step all sector strategies would be aligned to run from 2015-2020.

The changing landscape for R&D funding was outlined. Horizon 2020 was a major new network throughout Europe working on agriculture research. This was led by the EU, and AHDB had allocated funds totalling £200,000.

An open tender on Greening was planned, and it was important to make best use of expertise available at CUF/NIAB and SBCSR. Discussion took place on consumer determinants: Issues around dry matter, crisping and acrylamide were important; the challenge was to develop agronomy to meet the needs of the end market. There were opportunities for PCL to broker relationships between industry and researchers to encourage development of projects which could directly benefit the industry.

Mr Daw noted water use was a key priority in view of new Environment Agency rules. Dr Storey confirmed PCL was working with Professor Tim Benton and others on an impact document to provide information to Government.

Mr Quan noted that practical solutions to getting mud off wheels on-farm would be very valuable to growers, and Dr Storey would follow up this suggestion. The Chair asked that any further ideas or priorities be discussed directly with Dr Storey.

Dr Storey

On RKT Committee business, it was noted Andy Goodwin had resigned from the Committee, Phil Burgess would be attending in his new capacity as a member of staff, and Richard Harris was expected to retire. New members would be sought to replace all three.

Mary Bosley, Chairman of the Horticulture Innovation Partnership (HIP) joined the meeting.

Ms Bosley had provided an overview to Members of the work of HIP the evening before the Board meeting, and was thanked by the Chair. The current round of funding for HIP was until March 2015 and Ms Bosley outlined the funding partners who had already committed funding beyond that time. Support from PCL was requested.

A Knowledge Exchange Fellowship for Horticulture and Potatoes was planned at a likely total cost of £20,000 annually, with HDC funding already committed. It was agreed to support this Fellowship, and Dr Clayton would discuss funding levels with the Director of HDC.

Director

An Innovation Centre bid would be led by HIP, and nominal funding from PCL was requested. The Chair noted that PCL had historically commissioned research in the relevant areas and topics, and was likely to continue to do so. PCL therefore agreed to support the HIP bid, and some funding was agreed in principle, with the potential level of spend to be confirmed.

Ms Bosley was thanked for attending and left the meeting.

Dr Storey summed up the R&D plans, noting opportunities offered by new government funding initiatives. He confirmed plans to commission work on end markets, consumer determinants and consistency, also to initiate Fellowships in 2014/15. It was noted that Acrylamide research could provide opportunities to strengthen links with the crisping sector, and FPSA would be involved.

#### **14/34 ANY OTHER BUSINESS**

##### **RB209 proposal**

Dr Clayton advised that a proposal led by HGCA was to be presented to the Senior Management Team and AHDB Board, which was that AHDB take ownership of RB209, the fertiliser guide previously produced by DEFRA, who now wish to use NVZs to provide guidance. This could provide an opportunity to drive crop nutrition issues. Costs to AHDB would include administration and equipment. It was not yet clear what role DEFRA would wish to take but the guide would be an AHDB product.

Mr Kerr wished to understand why DEFRA was dropping this work, and asked if it may lead to conflicts of priority. Mr Carroll noted that much historical research and data was included, much of which may need updating. Mr Daw noted re-writing RB209 had

always been a long and contentious process. Legislative and financial consequences of providing this sort of guidance should also be considered.

Costs for the start-up year would be £25,000 to £30,000 for a literature review, excluding the staff resource. Following that there would be costs of administering and owning Manner and PLANET, likely to be approximately £8,000 annually.

The business case acknowledged a high degree of consensus in the potato industry and the cost to PCL would reflect this. Dr Clayton and Mrs Fell would be grateful to receive any further comments from Board Members.

### **Governance**

Mr Taylor requested an overview of Board governance. The Chair advised that she was tasked with evaluating Board Members formally on an annual basis, and was herself evaluated by the AHDB Board. Mr Huggon suggested that an annual meeting take place of Board Members without staff, to informally review their performance as a Board. As a new Member he noted a positive and business-like group, with Members able to contribute and challenge where needed.

### **Head of Marketing**

Dr Clayton advised the Marketing team had plans in place for the next few months, and he would be meeting with the team to discuss these. Ms Evans had advised of risks and possible challenges in the interim. The skills set for her replacement was being discussed. The Board expressed their thanks to Ms Evans for all her work at PCL, on new products and building a strong team and robust marketing strategy. Ms Evans responded that she had very much enjoyed her time at PCL and thanked the Board for their support. She asked that they continue to support the team, particularly in the interim period.

### **Student attendance**

Mr Hewitt requested permission for an agricultural student currently working with him, to attend the MI Committee to gain valuable knowledge and experience, and **this was agreed by the Board.**

### **TOUR OF SBCSR**

The Board were joined by Neil Bragg, Chairman of HDC, Jon Knight, Head of R&D at HDC, and Mary Bosley, Chair of HIP. The group were led on a tour of SBCSR facilities and given an overview of their current work by Mr Cunningham and members of his team. They were encouraged to take stock of the current status and future potential of the facility as this would be discussed at the next meeting.

### **DATE OF NEXT MEETING**

6<sup>th</sup> August 2014 at Stoneleigh

### **INFORMATION PAPERS**

PCL Dates for 2014 update  
Organogram  
Agenda Items covered in 2014 Board meetings  
Schedule of Works

**TABLED PAPERS**

Finance Minutes 26<sup>th</sup> March  
Marketing Strategy Minutes 21<sup>st</sup> May  
Seed and Export Minutes 6<sup>th</sup> March previously tabled  
Summary of Marketing Strategy Minutes 21<sup>st</sup> May  
BNF Potatoes D Day landings flyer  
PCL research and promotion summary paper  
GYOP 10 years flyer  
One-Voice campaign information and poster

Signed: ..... Dated: .....