



Agriculture & Horticulture
DEVELOPMENT BOARD



**PCLM AGENDA ITEM 4
PAPER PCLM/14/05
AUTHORISED**

**MINUTES OF THE FORTYNINTH MEETING OF POTATO COUNCIL
HELD AT JHI
ON 1ST OCTOBER 2014, COMMENCING AT 8.30AM**

PRESENT: **Chair:** Fiona Fell **Growers:** James Daw, Dan Hewitt, Bruce Kerr, Ed Lindley, Anthony Carroll **Independent members:** Zoë Henderson, Phil Huggon **Seed Merchants:** Alistair Redpath, Alistair Melrose **Processor representative,** Dave Chelley

IN ATTENDANCE: Dr Rob Clayton, PCL Director, Dr Mike Storey, Head of R&D, Adrian Cunnington, Head of SBCSR, Rob Burns Head of Seed and Export, Dr Philip Burgess, Head of KT & Comms, Nick White, Head of Marketing, Mrs Margaret Skinner, Minutes, Michael Archer, Head of Market Specialists AHDB MI.

Note: confidential information in italics

Welcome to James Hutton Institute

Dr Nigel Kerby MBE, Managing Director of Mylnefield Research Services (MRS), a commercial affiliate of the James Hutton Institute (JHI) welcomed Potato Council to the James Hutton Institute stating it was a pleasure to have PCL, a valued client, visit. Dr Kerby gave an overview of the Institute and the work it carries out for and with Potato Council. Dr Kerby advised that the work carried out with the Potato Council was very important to JHI and MRS as were the overseas events which were always excellently executed by PCL and for the benefit of the attendees. The Chair thanked Dr Kerby adding that it demonstrated how the two organisations worked well together.

14/47 AGENDA ITEM 1 – WELCOME, APOLOGIES AND DECLARATIONS

The Chair welcomed members to the meeting stating it was valuable to have a meeting in Scotland. The Chair welcomed Nick White who started as the Head of Marketing at the beginning of this week.

Apologies have been received from Bill Quan, Mark Taylor and Mrs Hall. There were no declarations of interest.

14/48 AGENDA ITEM 2 – MINUTES OF THE LAST BOARD MEETING HELD ON 6th AUGUST 2014 (PCLM/14/04)

Dr Philip Burgess advised that he attended the previous meeting. The minutes would be amended to show that Dr Burgess attended the meeting and would then be signed as a true record of the meeting by the Chair.

14/49 AGENDA ITEM 3 – MATTERS ARISING (PCLP/14/25)

14/32 County shows and education – no action since last meeting **keep on the agenda**

14/40 SBCSR plan – on agenda

14/41 Agenda Item 7 - Skills Update (PCLP/14/23) The Chair advised that Tess Howe has received feedback from some Board members and asked members who had not fed back to Tess Howe to do so this week. **Members were asked to feedback to either Tess Howe or Philip Burgess as it was important to utilise this resource.**

14/42 PCN regulation, update on differences in transposed legislation - Investigations were delayed in line with purdah instructions affecting all NDPBs. This issue will be picked up now that purdah is no longer in place.

An update on benchmarking will be provided under item 8.

14/43 Business plan development – a draft is included on the agenda

CIPC Strategy 42/7 – The Director advised that a formal response indicated that the proposed capital project for store upgrades in industry did not fit with ATS requirements but he had been invited to discuss the proposal further with DEFRA's RDP team.

The Chair advised that Mark Taylor and Bill Quan will arrange the details for her visit to Wales.

The Director reported that HIP fellowship had been postponed to collate a realistic pitch and to further understand how the funding would be utilised. The AHDB bid with KT as the hub would in effect bring levy organisations, government, industry, supply chains and end users together to drive its activities.

Discussions on Committee quorum was discussed as at the Seed and Export Committee Ms Henderson had attended to make the quorum and whilst she found it interesting it was an additional expense when Mrs Fell was there as an ex officio. **It was agreed that the Director would look at the terms of reference for all committees with a view to amending them.**

14/50 AGENDA ITEM 4 – CHAIRMAN'S UPDATE (Verbal) Mrs Fell reported preparations were advanced for the move to the new building and would commence in October adding it would be good to have all staff in the one building. It had been announced that Tom Taylor would be leaving AHDB this post would be advertised soon. Mrs Fell had had discussions with Elaine Hayes, of Seafish, identifying areas of joint interest to both levy boards. **Mrs Fell will take this forward.**

The Government has appointed three new members to join the AHDB board with effect from 1 October 2014. They replace Tim Bennett (dairy) who finished on 30 March 2014; Neil Bragg (horticulture) and Lorraine Clinton (independent) who had completed their terms of appointment. (It was announced the following day that the appointments were **Gwyn Jones** and **Gary Taylor**, who in addition to their corporate Board role, will also Chair the DairyCo sector board and HDC sector board respectively. **Professor Ian Crute** has been appointed as an independent with science expertise to help inform the Board's decisions on research and knowledge exchange).

Points of interest from the recent AHDB Board meeting were: the proposed Beijing post has been given full diplomatic status. Peter Kendall is working to strengthen working relations with Department of Health. The issue of health and safety at the entrance to Stoneleigh had been raised at the AHDB Board meeting by the Mrs Fell as traffic volume was creating an on-going risk to staff. Potato Council had been given a new and lower reserves target of

£1,860 K as required reserves across AHDB were being revised, in the light of improved levels of financial control.

At the AHDB Board Peter Kendall had outlined challenges ahead for AHDB with low prices in all sectors.

14/51 AGENDA ITEM 5 - MARKET DYNAMICS REPORT (PCLP/14/26) The Director noted that a combination of low consumption in the fresh sector and forecast ample yields across Europe were influencing the market. Board members were keen that PCL should articulate empathetic messages about this situation, combined with a clear vision of Potato Council's role and areas of influence. . **The Chair and Director would develop a set of positive messages through the press.** It was suggested that a marketing column would have value in farming press (as in Potato Weekly) and increased engagement with NFU and NFUS would be important to assist in getting the right messages out and ensure a coordinated approach addressing growers concerns. Talking about the bid for EU funding, which Ms Henderson had been working on along with Kate Cox and Stu Baker, would demonstrate PCL's positive action. The Chair thanked Ms Henderson and her team for all their hard work on the EU bid. **Robert Burns would speak to NFUS on the various functions and projects PCL were undertaking. Nick White would consider the merits of producing lorry stickers to promote potatoes.**

14/52 AGENDA ITEM 6 - PCL OPERATIONAL UPDATE AND COMMITTEE BUSINESS (PCLP/14/27)

The Director reported that HIP had provided a comprehensive set of KPI's so previous uncertainties about why PCL should engage with HIP had been resolved.

KT and Communications

Dr Burgess reported that the tablet-enabled PCL website was now up and running it was easier to use on smart phones and tablets. The North West potato day had been successful the day had been a good example of a technically focused day. The south west potato day had been postponed until January this was due to Tesco requiring Puffin Produce for the majority of that week. With BP2015 potentially drawing resource later in 2015 it had been decided to do smaller more focused meetings during 2015. **Dr Burgess will email members the dates of the Winter Forums.**

The Director outlined the background to the Benchmark Model and advised that Phil Bradshaw had spoken with colleagues regarding a cross-sector based Benchmark model but this proved unsuccessful due to the criteria required by different sectors. The new PCL Benchmark model was easy to modify as it's excel based which suits the needs of our levy payers whereas the HGCA model had a broader strategic "data gathering" function. **It would be made clear on roll out that this model was not the cost of production model but would be a comparator for growers.**

Research & Development

Dr Storey sought endorsement on the following projects and tenders:- Independent Variety Trials at cost of £162,000 for four years which would again be led by SASA. A two year extension to the co funded project on combating resistance to aphicides in the UK with PCL contribution of £16,000 to the total costs of £390,000. PCL co sponsorship of £31,000 towards a project optimised detection and control of potato blight the value of this project is £1m, PCL funding for an AHDB project on integrated slug management at a cost of up to £50,000 over three years. **Funding was supported for these projects and Dr Storey would add benefit statements in support of future proposals.**

The Board endorsed Mr Matt Smallwood as a new member of the R&KT Committee.

Dr Storey advised that Alice Sin and Rebecca Room had worked very hard with other sectors to embed AHDB's new project management systems. There had been a good response in the search for PHD students.

Michael Archer joined the meeting.

Marketing

The Director thanked everyone involved in the induction of Nick White, Head of Marketing adding it was important that Nick got a rounded view of the industry. The EU bid project headed by Ms Henderson had been an important focus of activity for the team. In relation to the forthcoming Potato Week, there had been good print coverage in OK, Hello; Heat, New, Grazia as well as other popular magazines. Jo Pratt had created six potato recipes, it was hoped this would be a busy week for potatoes in the press. Ms Henderson commented that a student from Harper Adams had joined the Marketing team, for their placement year, which should provide a great opportunity. **Members should contact Kate Cox if they required any promotional stickers for Potato Week.**

Seed & Export

Robert Burns advised that there had been a lot of activity regarding the Russian ban. There remained opportunities to increase export of seed in future years. Ware export was a potential opportunity that could follow in time. Exporters will have to nominate stocks, farms, etc. to allow pre-export inspection. There was an outward mission to Indonesia next week to discuss pre and post shipment procedures. Followed by a Cuban inward mission later this month involving SASA and FERA officials, it was hoped that a sign off on exports to Cuba would occur. Two replacement members were required for the S&E committee including one appointment from the Board to achieve quorum. **The Director would bring back ToRs for all committees with a proposal to relax Board member quorum requirements whilst maintaining adequate governance.**

SBCSR

Adrian Cunnington reported that meetings had been held at the Technology Research Centre to progress outline project proposals for Agri-Tech and or H2020. Proposals had also been submitted for a PCL studentship in conjunction with Harper Adams University. The store audits were flagged up as only 34 stores have been completed this was due to the original target being over ambitious. They would be standing down the audits from October to December, this would give time to iron out issues with the database and be ready to resume in January 2015. This item would be discussed at a meeting in November at SBCSR **The issue of costs and barriers to audits would be reviewed and be an agenda item at the next Board meeting.**

Market Intelligence

Michael Archer gave an extended update which included a summary of the year so far. A second recruitment drive for WAPS candidates was being carried out with three companies declaring they would enter into discussions about joining the WAPS sample. Continuing to audit the contributors will maintain the robustness of the prices reported. With regard to Grower Panel, Mr Archer advised that they had received 50 responses to their electronic survey it appeared that the customer base was willing to change payment schedules in return for bespoke reports. **This would be discussed at the next MI meeting to ensure that the required number of growers is maintained and that a valued bespoke report template is developed to replace payment. Mr Hewitt and Mr Kerr would work with the Director to see what was required and bring back to Board.**

To conclude the operational report, the Director advised that a review of issues management processes had revealed some areas that could be improved. These focussed on speed of

communication and account management with stakeholder trade bodies. A new system of account management would be introduced to enhance the current issues management process. **Members were encouraged to feedback any relevant trade body dialogue to the Director who will cascade down to HoDs.**

14/53 AGENDA ITEM 7 – JHI PRESENTATIONS

Members were given interesting presentations on aspects of potato research from Dr Jonathan Snape, potato trait research from Mark Taylor, an update on late blight research from David Cook, potato pathology at JHI from Dr Ian Toth and platforms to test & demonstrate sustainable soil management from Tim Daniel and Blair McKenzie. The Chair thanked everyone for their informative presentations. **A copy of the presentations will be sent out with the minutes.**

14/54 AGENDA ITEM 8 – PROGRESS SBCSR CAPITAL PLAN (PCLP/14/28)

The Director gave an update on progress with the Capital Plan. Dr Stuart Wale had conducted a short review of global storage research facilities. The Chair advised that a date had been arranged for Peter Kendall to visit SBCSR. **Members asked if the front of the report could be finessed.**

14/55 AGENDA ITEM 9 – PCL BUSINESS PLAN DEVELOPMENT (PCLP/14/29)

The Director advised that a “cost saving” review of the draft plan had been conducted and savings identified within support costs. Further, the draft plan had been modified based on discussions at the previous meeting. Members were content with the direction of travel. One or two members had specific comments regarding the draft and Mr Huggon reminded the Board that a review of sector representation through functions, committees and board had been discussed previously but omitted from the draft. This would be rectified.

Prior to the meeting, the AHDB Board had agreed a modified reserves target for PCL of £1.83M. The Director advised that this, taken in conjunction with identified savings meant that a levy rate increase proposed at the previous meeting could be revised downwards to 1.96% for each of three years to achieve a break-even budget. Board members agreed that this approach would demonstrate a prudent response to inflation and agreed with the revised proposal. **The Chair requested that members feed back to the Director on tone and content of the draft to allow a final document to be produced.**

14/56 AGENDA ITEM 10 - PCL FINANCE REPORT INCLUDING LEVY COLLECTION UPDATE (A) (PCLP/14/30)

The Director stated he would take the report as read. He advised that a revised forecast would be available in October and anticipated that this would include a downwards revision in levy revenue offset by small savings achieved functionally with little impact on overall position.

14/57 AGENDA ITEM 11 - ANY OTHER BUSINESS

County Shows.

Dates for meetings in 2015 were in the process of being organised.

BP2015 – The Director advised that the booking process for BP2015 was now live. The format would be different as the venue had been changed there would be no outside equipment as the new venue was able to host it all within the complex. Potato Council would have a simpler stand with the team split into themed areas.

DATE OF NEXT MEETING: 3rd December 2014 at Stoneleigh this would incur travel the night before with an early start.

INFORMATION PAPERS: PCL Dates for 2014, Organogram, Agenda items covered in 2014 Board meetings.

TABLED PAPERS: Market Dynamics Report.

MINUTES BETWEEN BOARDS: Marketing Information Minutes 17th July, Seed and Export Minutes 31st July, R&KT 20th August.

Signed:

Dated: