

## SUMMARY OF AHDB POTATO BOARD HELD ON 21<sup>st</sup> JULY 2020 Teleconference

### CLOSED SESSION

**PRESENT:** Sophie Churchill (Chair), Jim Cargill, Alison Levett, Phil Huggon, Dan Metherringham, Jonathan Papworth, Andrew Skea, Will Shakeshaft, Mark Willcox, Chris Wilson

**APOLOGIES:** Michael Welham (MWe)

**IN ATTENDANCE:** Rob Clayton, Sue Cleaver (SCI) (minutes), Rebecca Geraghty, Tom Hind, Nick Skinner

### WELCOME AND APOLOGIES FOR ABSENCE, AND DECLARATIONS OF BUSINESS INTERESTS

The Chair opened the meeting at 8:30 am and welcomed those in attendance to the teleconference. The Closed session was followed by an Open Board run as a webinar session.

### MINUTES FROM THE MEETING HELD ON 6<sup>TH</sup> MAY 2020

The minutes from the meeting held on 6<sup>th</sup> May 2020 and the summary notes from the strategy call on 25<sup>th</sup> May were agreed and accepted as a true record.

### MATTERS ARISING

RC went through the matters arising from the meeting held on the 6<sup>th</sup> May.

Further board calls would take place once the main strategy implementation/consultation timeline was confirmed.

### CHAIR'S REPORT

RC updated the Board regarding CIPC and DMN. AHDB was now in receipt of European proposals that recommend how to monitor CIPC.

The Article 53 Emergency use DMN application had come back from CRD requiring more information on usage, varieties, stewardship and animal restriction. NFU, Dormfresh, FPSA, and PPA were all contributing to the submission. There would be a further meeting of the advisory committee of pesticides to make the final decision.

The Board were disappointed with the restricted use for DMN but understood that there were risks submitting for a larger volume that wouldn't have been agreed. MW was keen that CRD understood that MH and ethylene were not viable alternatives. More alternatives were required for all areas of the industry.

The horticulture/potato petition was discussed. The AHDB KE, MI and Sutton Bridge teams had been updated as they were most likely to handle enquiries from levy payers.

Reports of virus in the field had come in, and the virus group had done a review of the actions set up for the group.

The recruitment freeze meant that the KE team was short staffed. At the moment the team were managing key accounts via telephone, until a solution was put in place.

### OPERATIONAL REPORT

RC updated the Board on the trading portal which had now been repurposed to take AD and stock feed.

AHDB had purchased additional YouGov data looking at out of home consumption, which included fresh chips. The first two weeks of lockdown were up 20% and 40% compared to last year, now at 130%. There had been a shift in consumer behaviour, with a lot of people using delivery as well as lining up outside the chip shop. It was better than originally anticipated back in April. JP requested to meet colleagues at National Fish Fryers Federation (NFFF) to encourage dialogue between farmers, growers and producers via NFU, AHDB and NFFF.

#### **FINANCE MANAGEMENT ACCOUNTS AND LEVY**

RC presented the management accounts. A few adjustments were required, including a potential increase in levy forecast, the effect of the recruitment freeze, and Export changes as a result of the cancellation of Potato Europe. This would account for the surplus deficit. The Board were keen to see the updated forecast and were encouraged that costs had come down.

#### **FUTURE OF STORAGE – NICK SKINNER**

RG and NS presented on work done over the last six months and the future timeline and critical success factors for the project.

JP, WS and SC met regularly with the AHDB project team. AL would take over from SC. JP thanked NS and RG for the work that had taken place on the project, which had been progressed in a logical and methodical fashion. It was noted that the project was done for the long term good of growers, storers and industry. It was not about saving money, but about how to go forward to maximise the capacity to do work in the best way possible. The CIPC transition programme would not be jeopardised.

#### **AOB AND CLOSE**

the Chair ended the Closed session at 10:00.

## **OPEN SESSION**

**PRESENT:** Sophie Churchill (Chair), Jim Cargill, Alison Levett, Phil Huggon, Dan Metherringham, Jonathan Papworth (JP), Andrew Skea, Will Shakeshaft, Mark Willcox (MWi), Chris Wilson

**APOLOGIES:** Michael Welham (MWe)

**IN ATTENDANCE:** Rob Clayton, Sue Cleaver (SCI) (minutes), Rebecca Geraghty, Christian Goodall (Events lead), Tom Hind, Nick Skinner, Jimmy Phillips (JPh)

#### **WEBINAR ATTENDEES:**

David Armstrong, Nick Badger, Tony Bambridge, Graham Bannister, Amber Barton, David Bell, Gerard Bishop, Andrew Branton, John Bratley, Marie Breban, Adrian Briddon, Philip Burgess, Michael Chennells, James Clarke, Mark Colmer, Maria Covlea, Sue Cowgill, Robin Cropper, Adrian Cunnington, Colin Davey, Daisie Elliott, David Eudall, Andrew Francis, Will Gagg, Alex Godfrey, Lucy Grewar, Glyn Harper, Ajay Jina, Tim Kitson, Alison Lees, Darren Mackie, Chris Marshall, Richard

Meredith, Tim Papworth, Gordon Rennie, Ken Roesner, Tim Rooke, Elise Scully, Mat Smith, Derek Stewart, Mark Taylor, Oscar Thacker, Richard Thompson, Caroline Williams, David Wilson, Nick Winmill, Ray Andrews, Anne Stone, Jim Wilson

## **WELCOME, BOARD INTRODUCTIONS**

The Chair opened the Open Board Session at 10:30am and welcomed attendees to the webinar. The Chair confirmed that the session would be minuted and names of attendees would be recorded in the minutes, however questions would remain anonymous. The Open Board webinar was to replace the Open Board that had been due to take place in York on 19<sup>th</sup> March 2020 but had been cancelled due to coronavirus.

The Chair introduced the AHDB staff members who were on the call. The Board members introduced themselves to the audience. The Chair was finishing at AHDB on the 22<sup>nd</sup> July, and was pleased to announce that AL would be acting as interim Chair until March 31<sup>st</sup> 2021.

## **LEVY COLLECTION (INTRO, PRESENTATION, BOARD DISCUSSION, Q&A)**

RC presented on the levy collection method review outlining the reasons for the review, the various proposals and the pros and cons of each method. The proposal to the Board was to keep the current area calculation, but make various changes including removing the word “criminality” from the statutory instrument, introducing a clawback mechanism for genuinely unharvestable crop (e.g. due to flooding), and looking at a softer approach to debt collection from the levy team. This might include a ramped set of modest charges (eg £100, £200, £300) before applying the 10% charge.

The Board presented a variety of viewpoints. There was broad support to sticking with area planted. There were mixed views around fine and imposing penalties because it is an obligation that AHDB collect levy and there is a need to know what the budget will be. There was a potential debate on force majeure clawback idea with the Board keeping an open mind at this stage. Further discussions would be held with stakeholders.

The Open Board members added comments and questions to the webinar, which were answered and discussed by the board. There were generally positive comments around keeping the area levy and using a clawback mechanism for crop loss. There was a broad theme that a tonnage based levy would be unfair, and there was debate about the fining system. The overall message of many of the comments was that it was not the collection method that is the issue, but there was far more concern about getting value for the levy. The Board agreed that value for money on levy collected was first and foremost in all Board discussions.

The Chair highlighted that this was a critical time for AHDB to look at communication with levy payers, value for money and being less bureaucratic. As a result of the Defra consultation, and with the new Chair of AHDB Nicholas Saphir in place, there was a collective focus and effort to push this through. There was a proposal to put in place an automatic five year ballot of levy payers. A new era was coming which would be welcomed by everyone on the potato board.

## **STORAGE (INTRO, PRESENTATION, BOARD RESPONSE, Q&A)**

The Chair introduced the topic of crop storage research and the need for AHDB potatoes to be relevant and fit for the future. It was a board judgement and direction that this conversation should be opened up to ensure world class relevant crop storage work in the future.

JP highlighted the changes taking place in the industry with loss of chemicals and constant challenges to the industry. He encouraged the attendees to look to the future, and envisage where the industry would be in 5 or 10 years' time with future challenges of climate change and genomics. JP thanked Adrian Cunnington and the team at Sutton Bridge for carrying on with the

trials work during lockdown, and the difficulties that they had worked through. He asked everyone to remember that we are all here for the good of the potato industry.

RG covered some of the background to the project, and summarised some of the conclusions that had been reached. There was still an absolute commitment from AHDB to fund potato storage in the future and levels of investment would not be changing. The market engagement exercise was looking at what resources and facilities would be needed in the future, recognising the need to be adaptable to change, looking at issues such as succession and new technology, delivering research more in a partnership, and making a change in the commissioning of that research to guarantee storage in the future.

RC talked through some of challenges, rationale and principals behind the thought process, touching on carbon footprint, refrigerant use, opportunities around genome, climate change, CIPC, understanding dormancy within varieties, store management and decontamination work, and issues around data logging the transit journey for seed. He noted the need for AHDB to remain independent, and also discussed the ability to capture more research money when part of a research partnership which was not currently possible with the Sutton Bridge set up.

WS summarised the feelings of the Board, who had been passionate about Sutton Bridge but recognised that the site was getting old and that there were issues around succession. The Board had looked at how do we deliver research to levy payers over the next 20 years. It made sense to see what expertise was available, improve what we are doing, get access, and get more research for our pound. WS highlighted it was a tough area to consider, but important to keep moving forward.

There were many questions and comments from webinar attendees on this topic, varying from Sutton Bridge is the “jewel in the crown of AHDB Potatoes” to “SBCSR is blatantly failing to do the work for which it is paid”. There was discussion regarding where else storage work can be carried out, who will handle day to day enquiries when Sutton Bridge is gone, market failure if there are no other storage complexes, and issues surrounding accessing research money. A note of all the questions and comments was made and they would feed into the Sutton Bridge review exercise. The Chair thanked the attendees for their insights, and encouraged continued dialogue.

## MISCELLANEOUS Q&A

The current petition for a ballot was discussed. AHDB was unable to release individual details due to GDPR, but it was still possible for individuals to contact the petition organisers directly. AHDB welcomed the results of the petition.

There was a discussion about potatoes going green on supermarket shelves and the balancing of factors that supermarkets had to consider e.g. better lighting sold more product, but could result in potatoes going green more quickly. It was noted that there was a job for packers and growers to develop varieties and ways of packing to help prevent potatoes from going green so quickly.

There was debate around the benefits of including potatoes as part of the 5-a-day campaign, and discussion of the role of marketing. Once the current campaign was completed it would be evaluated for results and return on investment.

The timing of the webinar was queried, as farmers would be combining during July. The Chair apologised for the timing of the meeting, which had been delayed due to the coronavirus pandemic, and would have originally taken place in March. The Chair noted the collaborative nature of the industry, and how hard all the organisations work (NFU, FPSA, BPTA etc) for the good of the industry. She welcomed a continued dialogue with all parties.

The attendees asked that RC share the presentation slides

## CLOSING REMARKS

The Chair handed over to AL who would be taking over as Interim Potato Chair until March 31<sup>st</sup> 2021. AL thanked SC on behalf of the potato board and staff of AHDB, for her hard work, passion for potatoes, determination and mantra to always put levy payers at the heart of everything. AL noted that she was disappointed so many levy payers didn't think they were getting value for money, and was committed to finding ways to get better connected, be on the same side meeting levy payer needs, being transparent and engaging, and working hard to ensure the long term future of the potato industry. Under the leadership of the new AHDB Chair there would be plenty of change ahead.

AL thanked the open participants for making the time to attend and give feedback, and for being open in questions and challenges. All the feedback would be logged and taken on board. Any specific questions that had not been answered would be followed up.

AL closed the meeting at 12:20pm.