

**AUTHORISED MINUTES
FOR CIRCULATION**



**MINUTES OF THE SIXTY-FIRST MEETING OF THE BRITISH
POTATO COUNCIL HELD AT THE HARRINGTON HALL
HOTEL, HARRINGTON GARDENS, LONDON ON
TUESDAY 4 DECEMBER 2007**

- * Mr David Walker - Independent Member (Chairman)
 - * Prof Janet Bainbridge - Second Independent Member
 - * Mr Colin Bradley)
 - * Mr Douglas Harley)
 - * Mr James Harrison)
 - * Mr Kevin Littleboy) Representing the Interests of Growers
 - * Mr Richard Maddocks)
 - * Mr John Rix)
 - Mr Fraser Scott)
 - * Mr Alex Stephens)
 - * Mr Duncan Worth)
 - * Mr Barry Leathwood - Representing the Interests of Employees
in the Industry
 - Mr Robert Doig) Representing the Industry Subsequent
 - * Mr Richard Harris) to Production
 - * Mr Nick Twell)
 - * Mr Nick Vermont - Member with Special Marketing and
Distribution Knowledge
 - * Present
- In attendance: Mrs Inga Martin, Secretary
Dr Mike Storey, R&D Director
Mrs Kathryn Race, Marketing Director
Dr Rob Clayton, KT Manager (Item 07/80)
Dr Denis Alder, Head of Statistics & Market Information (Item 07/82)

07/70 CHAIRMAN'S OPENING REMARKS

The Chairman welcomed Members to the penultimate meeting of the British Potato Council. He said that, whilst responsibility for strategic issues had now largely transferred to the successor body, the BPC continued its activities aimed at shaping the future of the potato industry; this included helping to ensure a smooth transition. The Chairman went on to say that success depended to a considerable degree on the resilience and skills of BPC staff, as demonstrated by the previous week's BP2007 event which, Members agreed, had been the best one ever.

07/71 APOLOGIES FOR ABSENCE

Apologies for absence were received from Messrs Doig and Scott.

07/72 MINUTES OF THE COUNCIL MEETING HELD ON 11 SEPTEMBER 2007 (BPCM/07/03)

The Minutes of the meeting held on 11 September 2007 were approved and signed as a true record.

07/73 MATTERS ARISING (BPCP/07/36)

Review of Grower Panel (Minute 07/50)

The review had been carried out and a report produced for the Council; see Minute 07/82.

Crop Loss (Minute 07/52)

As expected, the decision not to re-introduce a facility for levy relief had caused disappointment amongst affected producers and there had been some media reports. However, by and large, the rationale for the decision appeared to have been accepted.

Collection of Variety Data (Minute 07/54)

The final version of the Statutory Instrument, which had now been laid before Parliament, contained no power to collect such data. Efforts to seek to have that decision reversed had not proved successful.

Store Energy efficiency: Reviewing contractor status of FEC (Minute 07/55)

This had been done.

Draft Annual Accounts 2006/07 (Minute 07/57)

The auditors had completed their work and the final draft version of the 2006/07

Accounts had been completed; see Minute 07/84.

Supply Chain Communications Model (Minute 07/60)

Mr Littleboy's suggestion to produce a report for non-attendees had been taken up. The Council received a copy of a document which had been sent out.

07/74 LEVY RATE RECOMMENDATIONS FOR 2008/09

The Chairman advised Members that responsibility for determining levy rates had now transferred to AHDB.

The Secretary reported that the Potatoes Shadow Sector Company had considered the matter at its meeting on 27 November. The Board had agreed that it would not be politically acceptable to request an increase in levy rates, nor would it be financially prudent to go for a reduction. It had, therefore, been agreed to recommend that the current rates be retained, namely:

Area levy -

- £39 per hectare for payments received by the due date;
- £44 per hectare for payments received after the due date.

Tonnage levy -

- 17 pence per tonne for payments received by the due date;
- 19 pence per tonne for payments received after the due date.

The recommendation would be presented to the AHDB meeting on 10 December 2007.

07/75 LEVY BOARD REFORM: PROGRESS REPORT

At the Chairman's invitation Professor Bainbridge presented a report on the work of the Shadow Board, which had now met four times. The Board's principal duty was to produce a corporate plan for the period ending 2011, and to submit this to AHDB. That had been achieved the day before the meeting. The plan, along with those of all the other sector companies, would be considered by AHDB at its meeting on 10 December. The timetable thereafter was a little uncertain but as soon as the plan had been adopted it would be circulated to BPC staff and Council Members. In the meantime, there would be 'business as usual'.

Professor Bainbridge said the BPC's CEO had been instrumental in preparing the corporate plan, though other members of staff, especially the Head of Finance, had also been involved. She paid tribute to their contributions and their helpfulness.

The Board had carried out a risk analysis and identified loss of key staff as one of the major risks. Members had agreed that it was essential to involve people at an early stage, and Messrs Vermont and Tapp would meet staff on 11 December, which was the earliest possible opportunity. Professor Bainbridge was unable to be

there but would visit the Oxford office in early January 2008.

AHDB was currently consulting staff and their representatives on the business case and on proposals for co- and re-location. The final stage in that process was a meeting on 19 December, and a decision would then be taken and announced. Mr Littleboy said he hoped the decision makers would address these issues with a totally open mind, so that the eventual outcome was the best solution for the industry.

Mr Littleboy asked who would pay for AHDB after the statutory transfer on 1 April 2008, bearing in mind assurances which had been given about ring-fencing of potato generated assets and levy income. Mr Harris added that such questions were frequently posed by levy payers. The Chairman accepted that these were matters of interest but said that it was too early to expect firm answers yet. The costs of AHDB and its subsidiaries would be borne by the industry, but details of how that would work in practice were not available at this stage.

07/76 BRITISH POTATO 2007

The Chairman said that he had received a huge amount of positive comments about BP2007, which had been held at Harrogate on 28 and 29 November. All agreed that this had been an excellent event. He asked the Marketing Director to give an update on relevant issues.

Mrs Race reported that there had been 5,300 attendees, including exhibitors, with visitors from 19 countries. An electronic ticketing and badging system had been used for the first time. There had been some teething problems and the system was relatively costly. However, as intended, it would produce very useful information about attendees, so it had proved worthwhile. The seminars had been attended by 550 people, above expectations, and the Wall of Knowledge had been a great success.

In financial terms, the event had met its targets. The only aspect where views were not uniform related to the conference on the afternoon of the first day. Some felt that this had been an excellent part of the event; others that it did not leave sufficient time for seeing the rest of the show. Numbers had not been up to expectations. The industry dinner, which was held at the Majestic Hotel in Harrogate and attended by over 420 guests, had been excellent. There had been a good level of media cover, particularly after the event.

There were a couple of learning points, which would be borne in mind when planning future events: the BPC promotional vehicle had been located in an unsuitable place; and the space for the pre-dinner drinks had been too restrictive, preventing 'mingling' and networking.

Mr Littleboy, having acknowledged that he had a bias in favour of Harrogate, said that in his view the venue was eminently suitable for the event, and for the audience. He had been amazed by the number of foreign visitors. Mr Littleboy congratulated staff on the success of the event; he was very appreciative of the contributions of the support staff, particularly those who manned the promotional

vehicle, and asked that this be recorded. Mrs Martin promised to pass this on to the team. Secretary

The Chairman said that the Yorkshire Show Ground at Harrogate was a very popular venue which tended to be booked up a very long time in advance. He suggested that it would be appropriate to book it for November 2009, on behalf of the potato industry, and recommend to the Potato Sector Company that the BP format continue. The Council agreed. Marketing Director

Professor Bainbridge said that her Board would be very happy to receive that recommendation. She saw co-ordinating industry activities as one of the Sector Company's roles, and BP events were suited to that. Other organisations might wish to run such activities but it was unlikely that they would have the same impact as an industry levy body.

The Chairman concluded the discussion of this item by thanking Council Members for their participation in BP2007.

07/77 R&D AND KT ISSUES

Acrylamide: Draft Code of Practice (BPCP/07/37)

The British Potato Council had been invited to respond to the draft Codex Committee on Contaminants in Food (CCCF) code of practice for the reduction of Acrylamide in food. The BPC's formal response was set out in the Paper, together with a copy of the Chairman's letter to the Minister, expressing concerns over some of the proposals. Amongst the points raised was a plea that the proposals, which would entail far-reaching restrictions on the industry, should not be imposed before the results of important, ongoing studies on carcinogenicity and neurotoxicity had been properly considered and understood; that the differences between fresh and processed potatoes were such that recommendations for each sector had to be distinguished, based on scientific evidence; and the need for industry interaction and consultation, nationally and internationally, to ensure that practical and commercially sensible recommendations could be developed, so as to provide protection for consumers. A Ministerial response was awaited.

The R&D Director said that, over the last 24 hours, there had been renewed media interest in the subject of Acrylamide, following a report purporting to link it to increased risks of womb and ovarian cancer, based on studies of dietary intake in the Netherlands between 1986 and 1997. Dr Storey said it was important look at the issue in context of cancer incidence rather than headline risks, which the press did not. The results had been given a robust response on the BBC Today programme, which appeared to have quietened down the issue. Acrylamide had also been raised at the BP2007 conference when Sir Colin Berry of University of London, former Chairman of the Approvals Committee for Pesticides (ACP), had stated, in response to a question from the floor, that "there isn't a risk benefit analysis to be made as there isn't a risk".

Mr Stephens commented that whereas a statement made by sir Colin would be based on scientific evidence, sadly, the press were not constrained by such

considerations if they found a good story.

The Chairman said that this was an issue which would run on for the foreseeable future and it would remain a priority for the R&D Director. The matter would be discussed at a forthcoming meeting with the US Potato Board.

Chairman

07/78 CIPC: RESPONSE TO CONSULTATION (BPCP/07/38)

The BPC Chairman and members of the scientific staff had been involved in discussions on the future of CIPC, following proposals which might have resulted in the loss of the chemical; this would have had potentially disastrous implications for the industry. A letter from the R&D Director to PSD was reproduced in the Paper.

Dr Storey said that the main recommendation from ACP to Ministers was that only potatoes to be used for processing may be treated with CIPC rates above 36g/tonne per season. This meant that crops for the fresh market would be limited to 36g/t. The plan was to produce an industry stewardship package covering requirements, gaps, monitoring and training, with regular reports to ACP. A meeting with interested parties was scheduled for 11 December to discuss the matter further and a stewardship document would be produced for ACP in early January 2008. It was vital to gain total industry commitment. PSD would step up their monitoring for residues and it was entirely up to the industry to demonstrate that it had put its house in order and was managing the issue properly. Product Label changes must be agreed with PSD.

Mr Harris said he recognised that the industry had come perilously close to losing the use of CIPC. The BPC had been absolutely the right body to address this issue and had done so in a most effective and professional manner. He thanked Dr Storey for the way he had handled this.

The Chairman, supporting the R&D Director's comments about the need for absolute industry commitment, said that there would be no second chance. Applicators would be key and there had to be onerous training provision for them. Evaluation of stores was another critical issue. There would be some who were unable to comply with the stringent requirements in future and that had to be accepted. The industry must be seen to be serious about this important matter.

Dr Storey said that potatoes for processing could exceed 36g/t but 'processing' had yet to be defined, and this would be discussed at the meeting on 11 December. He asked for Members' views as to whether potatoes for chip shops should be *included*. They unanimously agreed that they should.

Mr Harley, looking to the future, asked what R&D activity was in place to secure a replacement product, in the event that CIPC should be lost. Mr Harris said that, to his knowledge, there had been talk of alternatives for the last 40 years, so far without any tangible results. Mr Harley felt that a genetic solution might be more acceptable than a chemical one and suggested that this should be a focus for the R&D budget.

R&D
Chair

07/79 OTHER R&D ISSUES

Professor Bainbridge reported on the meeting of the R&D Committee held on 8 November, at Peterborough.

Project proposals

The Committee received a number of proposals and made the following decisions:

A PhD studentship at **Cranfield University** to model impacts of climate change, especially on water availability on production within catchments. **Cost - £79k over two years**

The 3yr **Independent Variety Trials** programme was due to complete at the end of March 2008, and following a successful industry review, a proposal was received to consider its continuation, with SASA continuing to take the lead and integrate the IVT tests with statutory National List. Approval was given to a continuation for a further three years. **Cost - £92k**

A LINK concept note was considered on producing **low acrylamide** potatoes. This was a £1.05m study at Reading University, Rothamsted and SCRI with potentially wide industry partnership for delivery. The Committee agreed that BPC needed to be involved at a watching level on this study and, if it progressed through LINK, our involvement would be “in kind” and associated with information dissemination.

The **Cambridge University Farm** proposals were also progressing. Following consideration of proposals at previous meetings a Committee sub-group had met CUF and finalised the programme for work on tuber numbers, to ensure that it met industry requirements and project work would start in January 2008. A further meeting was scheduled for 18th December to take forward discussion on nutrients, water and bruising, with a view to work commencing on 1 April 2008.

Professor Bainbridge said that the R&D Director had formally sought approval from AHDB to ensure continued support under Potato Council Ltd.

Mr Stephens reiterated that the sub-group was keeping a close watch on the development and progress of the work at CUF.

KT and Grower collaborations

The R&D meeting had received an update on the grower collaboration project with CUF from Dr Clayton. (See also Minute 07/80) This was progressing well and the Committed had agreed continuation for the next crop season at a cost of **£39.4k**.

Delivery of other R&D information was ongoing – especially via BP2007 and there were plans for a number of industry forums in the Spring of 2008.

The Council ratified the decisions taken by the Committee.

07/80 PROGRESS ON PROJECTS TO SPEED KT (BPCP/07/39)

The KT Manager, Dr Rob Clayton, had reported to the Council on two activities at the June 2007 meeting and he now provided a progress report on this work.

BPC Grower Collaboration with CUF

This project was based on the premise that a closer working relationship between growers and researchers would lead to gains for both parties. Five producers (of whom one – who supplied the fresh sector - had subsequently dropped out) had agreed to take part. CUF had provided a preliminary report of results and a separate survey had been carried out to ensure that the communication aspects of the work were progressing.

There had been recommendations for reductions in planting density (ranging from 8% to 30%) and in nitrogen application (40 to 80kg/ha). Average input costs savings of £220/ha had been achieved which, if not a world beater, were nevertheless quite respectable. Dr Clayton said that the degree of precision in stem population control which had been demonstrated, was very interesting.

The results of the communication survey indicated that there had been on average some 20 exchanges of information, advice and so forth. All collaborators felt themselves fully familiar with the project objectives, the monitoring protocols and the purpose of data collection. All had found the collection burdensome, and some felt that the amount of data required was excessive. Everyone had confirmed that they wished to take part in 2008 and a volunteer had been found to replace the producer who dropped out of the project. All in all, this was deemed a successful outcome, particularly in view of the difficult harvesting conditions in 2007. A meeting had been scheduled to fine-tune the arrangements.

Mr Littleboy pointed out that the results would have to be proven statistically. However, he recognised that the project had been started in a very difficult season and that it was too early to make any conclusive assessments; he agreed with Dr Clayton's assessment of "so far, so good".

Information Flow in supply chains

At the previous presentation, the Council noted that a number of hurdles had been identified, which blocked the uptake of KT. Dr Clayton said that, in the intervening period, the work had concentrated on two aspects: discussions with CEOs and technical managers within the supply chains, and a review of training provision specifically for potatoes.

The talks with industry players demonstrated that there was recognition of the need to change and improve the technical knowhow and skills within companies, though no consensus had been reached as to who would be responsible for driving the change.

The review of training providers and courses had revealed that a great deal of outdated material and information was still being used; for instance, some still

referred to the BPC's predecessor, 10 years after its demise.

A number of action points had been proposed, to help remedy the situation:

- Communications with supply chains, to aid better understanding of available opportunities for improvement;
- Formation of working groups to help define the BPC's role in course design and development;
- Discussion with Regional Development Agencies regarding funding opportunities.

Dr Clayton said that the project need not be confined to agronomy, but could include other aspects too, such as crop protection. Two RDAs had been contacted so far and the response had been positive.

The Chairman said this work had demonstrated that there was some substance to the premise that agronomists could act as blockers to knowledge transfer, if they did not have the requisite experience, skills or information. The BPC's KT activities had tended to be based around supply chains but that might no longer be the most appropriate model. Those who had taken part in the project so far tended to be in the top echelon of farmers, but it was important to consider the needs of others too. Training was crucial.

Mr Bradley believed that an incremental, modular training system would lead to a more attractive career structure which, in turn, would attract better candidates into the industry. He was delighted to know that the BPC was now starting to tackle the matter in such a practical way, and he fully supported the proposed action plan.

Professor Bainbridge commented that training and information flow were critical issues for all industry sectors. She complimented Dr Clayton on his project which addressed an area where there appeared to be little, if any, other work currently undertaken.

The Chairman thanked Dr Clayton for his presentation and he left the meeting.

07/81 MARKETING AND COMMUNICATIONS ISSUES

Marketing Strategy Committee

Mr Vermont reported that the first meeting of the reconstituted Committee had been held on 1 October 2007. He complimented the Chairman and CEO on having developed a membership which provided strategic inputs from a broad base comprising major industry companies. The Committee had reviewed and endorsed the BPC's marketing work, both at strategic and activity level. The next meeting would be held on 26 February 2008.

International Year of the Potato (IYP) (BPCP/07/40)

The Marketing Director presented the Paper which gave details of this global campaign, which had been initiated by the Government of Peru and supported by the UN. The BPC would act as the press office on behalf of the GB potato industry, to ensure that the UK media had a recognised and authoritative point of contact. It had been confirmed that the official IYP logo could be used by the BPC and the industry for promotional and marketing activities, with the caveat that this must not include promotion of deep-fried potato products. The latter statement was unclear and required clarification.

Marketing
Director

Mrs Race said that, in order to fulfil the role of contact point, it was essential to keep abreast of plans and proposals. The Paper contained a list of known activities and she asked Members to let her team have any other relevant information that they may be aware of.

Members

The Chairman said that this was a major campaign, the details of which were still emerging. He believed it would provide a real opportunity for promoting the benefits of potatoes.

National Chip Week 2008 (BPCP/07/41)

The Paper outlined the plans for the 2008 NCW, which would run from 11 to 17 February. These included trade and consumer PR, and fish & chip shop promotions, as well as opportunities for industry involvement. Around 300 fish fryers had already signed up to participate; the target was 800.

The Chairman said that NCW had a long and proud tradition. It went wider than fish fryers, and was aimed at promoting and defending a major industry product, to which the BPC had always been very committed. One of the objectives of the campaign was to achieve a £2.75m AEV (advertising equivalent value), against a budget outlay of £160K which, the Chairman thought, was phenomenal.

Another objective was to raise awareness of NCW and chips by 8%. In response to a question from Mr Stephens, Mrs Race said that surveys had been carried out after the NCW events and these demonstrated that the increased awareness lasted for at least 4 – 5 weeks; no subsequent post-campaign surveys were normally undertaken. Mr Bradley said that NCW acted as a catalyst to reverse the ‘flat’ market trend, which tended to develop after Christmas. It helped to restore sales at that crucial point in the year and was, therefore, an extremely valuable activity for the sector.

07/82 REVIEW OF GROWER PANEL (BPCP/07/42)

As requested at an earlier Council meeting, the Grower Panel had been subjected to a thorough review by the panel which originally was instrumental in developing it, under the auspices of the Market Information Committee. Dr Denis Alder, the BPC’s Head of Statistics & Market Information, attended and reported on the deliberations and the recommendations of the panel.

Dr Alder said that the Grower Panel website had now been in place for two years

and a substantial amount of data had been amassed, which could be analysed according to various criteria – variety, yield, location and so forth. Just under 340 producers had signed up to take part in 2007, the number of nominated fields being around 800. Yield forms had been circulated in early December and forms for recording storage, sales and seed use would go out during the following week. The fee for returning both forms, properly completed, was £100 per eligible field; payments would be made in January 2008 and, based on the response to date, it was expected that the total amount would be close on the budgeted figure of £65K.

Most of the participants provided their data on paper. So far, only 10% of the properly completed forms were on-line submissions. One of the BPC's Supply Chain Executives, Gary Collins, had been charged with actively promoting the Grower Panel within the industry supply chains.

Dr Alder reported that the review group had made a number of recommendations:

Harvested yield and Production. The level of accuracy was considered to be acceptable. However, it was agreed that a clearer picture was needed on the amount of wastage, particularly into store. A note about the importance of wastage would be included in Potato Weekly.

Seed information. It had been debated whether this should be kept at the same level or reduced. SSG would be consulted.

Storage systems and management. It has been suggested that the section on the form relating to storage, including chemical use, might be extended. This would be put to the R&D Committee for guidance at its meeting in February 2008.

Agronomy data. The group had noted that it was time-consuming to record, collect, input and analyse such data. The team did not have the staff resources to analyse the data properly, and taking on an additional person could not be justified, in view of current uncertainties. Selling information to the agrichemical industry had been an aspiration but, despite several meetings and protracted discussions, this had not come to fruition. After much deliberation, the group had, therefore, agreed to suspend collection of agronomy data.

The Council debated the latter issue in some detail. Some Members thought it regrettable to discontinue collecting the data after two years of doing so, when a use may be found for it at a later date, particularly as a majority (over 75%) of respondents did provide it. Others pointed out that collecting and recording were onerous and being asked to provide the data might put some panel members off. Dr Storey said that the information had been used by the R&D team for one off projects. It was useful but not crucial.

After careful consideration, noting in particular that the hopes of selling information to the agchem industry had been dashed, the Council accepted the review group's recommendation and agreed that agronomy data should no longer be collected.

Dr Alder was thanked for his presentation and he left the meeting.

07/83 SEED & EXPORT ISSUES

Mr Harley gave a report on a couple of matters related to the seed and export function.

Staff Vacancy

The resignation of Mr Iain Dykes had created a vacancy for a Seed & Export Supply Chain Manager. Interviews would be held in Edinburgh on the morning of 6 December, preceding the meeting of the SSG.

Mr Charles Greenslade

Mr Greenslade was due to retire from his post with the Scottish Government. He had worked closely with the seed industry for many years and had been very helpful to the SSG. A dinner on the evening of 6 December would provide an opportunity for members to thank both Mr Greenslade and Mr Dykes for their work on behalf of the sector.

Brown Rot: suspected infection

Mr Harley advised the Council that there had been a suspected outbreak of brown rot in seed potatoes imported from the Irish Republic. The consignment was currently undergoing large scale testing and it was to be hoped that the results would prove negative, as the alternative would have enormous consequences for the Scottish seed industry.

The Chairman said that this was a timely reminder of how vulnerable the industry was and how essential it was to follow proper procedures. Everyone involved had a duty to do so and they must be aware of their role in helping to safeguard the industry from harm.

*It was subsequently confirmed that the results of the testing was negative; the potatoes were **not** infected with brown rot.*

07/84 FINANCE ISSUES

Mr Littleboy, the Audit Committee Chairman, reported on the meeting held by the Committee the previous evening.

Financial Report to 31 October 2007 (BPCP/07/43)

Mr Littleboy presented the financial report and pointed out that, despite the problems with flooding and associated issues, the rate of payment was on par with the situation a year before. Some 77% of area levy had been received by the due date, 1 December.

Annual Report & Accounts 2006/07 (BPCP/07/44)

It had been hoped to be able to present the final version of the AR&A for the year ended 30 June 2007, but, unfortunately, that had not proved possible. The auditors had decided that they needed to do some more testing and that had resulted in certain minor adjustments. The draft Report was tabled at the meeting, together with a list of amendments. Mr Littleboy invited Members to go through the documents at their leisure.

The Council noted that the accounts would now be passed to DEFRA for a final review and they would be placed before the Parliaments in the New Year; this was in accordance with the agreed timetable.

Mr Vermont pointed out that the photographs in the tabled copies were of poor quality. He assumed that this was because they had been photocopied rather than printed, but suggested that it was sensible to check the final version carefully, to avoid embarrassment.

Marketing
Director

Audit Committee Meeting

Mr Littleboy reported that both the internal and external auditors had attended the meeting, as had a representative from the National Audit Office. They had presented reports on their activities over the past year, as well as plans for the following period. The Committee had also received reports on some risk management issues.

The Chairman thanked Mr Littleboy for his report.

07/85 REGISTRATION AND LEVY COLLECTION ISSUES: UPDATE (BPCP/07/45)

The Council received the following report concerning issues related to registration and levy collection

Planting Returns: Review

Period pre-2002

All matters relating to previous years had been resolved. In a number of cases it was necessary to mount prosecutions (England & Wales) or make reports to the Procurator Fiscal (Scotland); in some instances this led to Court Hearings and convictions, but most producers decided to make returns before matters went that far.

Returns: 2002 - 2004 (England, Scotland & Wales – Prosecutions)

Cases relating to levy payers in England and Wales were handled through the BPC's in-house prosecution system. Our determination to pursue all defaulters, through the Courts if necessary, was now quite well understood. Some producers and purchasers went to the wire before deciding to comply, but few let it go as far

as a Court hearing. Our objective was to use other forms of persuasion (e.g. phone calls) and to reduce the number of reports to the Magistrates; this had been effective.

A total of 1,169 cases (123 purchasers and the rest producers) had been referred to the Legal team for action. Offences included failure to make returns and alleged false returns. 213 producers and 18 purchasers (including two 'continuing offences') had been summonsed by Oxford Magistrates Court. The great majority had provided the outstanding returns in response to this; 25 (20 producers and 5 purchasers) had been convicted, fined and ordered to pay costs.

Returns: 2005 (England, Scotland & Wales – Prosecutions)

The number of overdue returns which had to be referred to Legal was 230 (137 in the previous year). Twenty-nine producers had been prosecuted; 22 had complied but, unfortunately, seven had not and they had been convicted by the Court, fined and ordered to pay costs.

Returns: 2006 (England, Scotland & Wales – Prosecutions)

The total numbers passed to Legal were: 196 non-returns, 60 false information and 30 non-registration. Thirty-six producers had been prosecuted; all but three had complied and they had been convicted by the Court, fined and ordered to pay costs.

All but a small number of cases had been resolved and they were being followed up in conjunction with the 2007 returns.

Returns: 2007 (England, Scotland & Wales – Prosecutions)

Initially, the rate of return had been very good. However, there were still 177 (161 in 2006) producers who had not submitted their returns though the statutory date for doing so was 1 June 2007. Legal action had started; 7 summonses had been issued so far and three cases had been referred to the BPC's solicitors in Scotland for action. The next Hearing at Oxford Magistrates Court had been set down for 17 December 2007.

Purchasers: Outstanding Tonnage Returns

On the purchaser side, good progress continued and there were currently less than ten outstanding matters.

Levy Debt: Rates of Collection

2002 area levy	99+ %
2003 area levy	99+ %
2004 area levy	99+%

2005 area levy	99+%
2006 area levy	99%
2001/2002 tonnage levy	99+%
2002/2003 tonnage levy	99+%
2003/2004 tonnage levy	99+%
2004/2005 tonnage levy	99+%
2005/2006 tonnage levy	99+%
2006/2007 tonnage levy	Quarter 1 - 99+%; Quarter 2 - 99+%; Quarter 3 - 99+%; Quarter 4 - 96%.

Legal Debt Collection

To date, the number of cases passed to the legal debt collection team for action, covering the last seven years was 3,811 (2,934 producers and 877 purchasers). Of these, 3,786 (2,921 and 865 respectively) had been cleared. Area levy wise, £4,319.3K had been collected, leaving £32.1K outstanding. The relative tonnage levy figures were £390.7K and £6.8K respectively.

Crop Loss

As reported earlier, the rate of payment of 2007 area levies was satisfactory. Producers had been advised of the Council's decision not to re-introduce a facility for crop loss levy relief. Many had expressed disappointment with this, though most appeared to have accepted the rationale for the decision. A number of producers in this situation had withheld levy in respect of lost area and these would be dealt with through the normal process, within the Council's policy.

Planting Returns for 2008

Development of the e-submission system was progressing according to plan. A number of producer levy payers had agreed to take part in the initial system testing and much useful feedback had been received.

The Secretary said that the system would be introduced by way of a pilot in 2008, and producers would be selected for participation. Those members of the Grower Panel who were submitting their forms on-line would be included.

Co-op Issue

The Council received a report on the issue whereby some producers/groups who were engaged in collaborative activities had declined to register as purchasers. Mrs Martin said that she was in the process of meeting a number of companies in this connection. Preparation for pursuing matters through the Courts was continuing in

parallel, though she hoped such a step would not prove necessary.

07/86 APPLICATION OF THE COUNCIL'S SEAL (BPCP/07/46)

On the proposal of Mr Littleboy, seconded by Mr Worth, the Council retrospectively approved the application of the Council's Seal to a document which was authenticated by Mr David Walker on 20 September and by Mr Richard Harris on 21 September 2007. This concerned an extension of the Sub-Lease, in respect of part of the first floor of 4300 Nash Court, John Smith Drive, Oxford Business Park South, Oxford. The Sub-Tenants were CSW Group Ltd.

07/87 INFORMATION PAPERS

The Council received the following information papers:

Minutes of the 12 th meeting of the Market Information Committee held on 22 November 2007	MICM/07/03
Minutes of the 2 nd meeting of the Grower Panel Working Group held on 14 November 2007	GPWG/07/01
Minutes of the 25 th meeting of the Audit Committee held on 10 September 2007	ACM/07/03
Minutes of the 52 nd meetings of the R&D Committee held on 8 November 2007	RDCM/07/04
Minutes of the Marketing Strategy Committee meeting held on 1 October 2007	MSCM/07/02

07/88 ANY OTHER BUSINESS

Potato Council Ltd

Professor Bainbridge, referring to her earlier statement (Minute 07/75) that there would be 'business as usual', said that there were plans to continue the practice of functional committees. Members would be invited formally to serve on these committees, in due course. It was envisaged that there would also be ad hoc working groups to deal with specific issues.

07/89 DATE OF NEXT MEETING

It was agreed that the next meeting of the Council would be held in Oxford on Thursday 27 March 2008. This would include a lunch, to which BPC staff as well as current and past Council Members would be invited.