

**AUTHORISED**



**MINUTES OF THE TWELFTH MEETING OF POTATO COUNCIL LTD HELD AT NASH COURT, OXFORD ON WEDNESDAY 3 SEPTEMBER 2008**

- \* Mr Allan Stevenson - Chair
- \* Mr Tony Bambridge ) - Growers
- Mr Colin Bradley )
- \* Mr Jim Cruickshank )
- \* Mr Robert Doig )
- \* Mr Graham Nichols )
- \* Mr Tim Papworth )
- \* Mr Fraser Scott )
- \* Mr Alex Stephens )
- \* Mr Duncan Worth )
- \* Mr David Rankin ) - Grower/packers
- \* Mr Nick Tapp )
- Mr Nick Vermont - Processor representative
- Mrs Fiona Fell ) - Independent members
- \* Mr Dennis Heywood )
- \* Present

In attendance: Mrs Helen Priestley, CEO  
 Mrs Inga Martin, Company Secretary  
 Dr Mike Storey, R&D Director

**ACTIONS**

**08/149 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Mrs Fell, Mr Bradley and Mr Vermont.

**08/150 DECLARATIONS OF INTERESTS**

There were no declarations of interests.

**08/151 MINUTES OF THE BOARD MEETING HELD ON 6 AUGUST 2008 (PCLM/08/07)**

The Minutes of the meeting held on 6 August 2008 were approved and signed as a true record.

**08/152 MATTERS ARISING (PCLP/08/80)**

**AHDB Organisational Structure: Relocation (Minute 08/133)**

The CEO of AHDB had confirmed that the temporary accommodation, which had been secured at Stoneleigh, was of suitable quality to house staff for a limited period. However, being spread over two or three buildings – single skin and single glazed – it was not of the standard required for permanent occupation.

Members had noted that AHDB were concerned that the continuing uncertainty would be detrimental to staff and had therefore decided to speed up the re-location, rather than wait until the new build was complete. (See also Minutes 08/153 & 154)

**Opportunity to Change the Statutory Instrument (Minute 08/133)**

It had been confirmed that there would be a submission for a Parliamentary Amendment Order. This was a lengthy process and the earliest possible implementation would be April 2009. Staff would make representation for re-introduction of a statutory register.

**Definition of the term “Co-operative” (Minute 08/139)**

The Board noted that PCL’s Solicitors had been instructed to advise on a suitable, more strictly worded, legal definition, to be submitted for inclusion in an Amendment Order. Staff had been told at the last PCL meeting that the Board would prefer a stronger definition. Some suggestions had been received from Members explaining what they would like to see and these had been forwarded to the legal advisers.

**Levy Payer Dialogue (Minute 08/141)**

The Board noted that production of an executive summary was work in progress.

CEO

**08/153 OPERATIONAL SUMMARY: REPORT FROM THE CEO  
(PCLP/08/85)**

The Chief Executive's presentation included a report on the work of the Project Board (sector company CEOs and the AHDB interim team), which had met in August; an update on some AHDB issues which had been raised in previous Board meetings; and PCL departmental highlights.

**AHDB Relocation Project**

As reported previously, the move to Stoneleigh would be carried out in two stages, first into temporary accommodation and then into the new, custom-built office. It had been confirmed that the overall savings would outweigh the additional costs of the double-move. Some issues relating to planning regulations had necessitated a change to the building design, but these had been overcome, additional funding had been secured from Advantage West Midlands, and the project was back on target.

The target date for completing stage one of the relocation - September 2009 - was ambitious and would require good planning and co-ordination. Robust IT and finance systems were an essential prerequisite for a successful transition, and work in that area was a priority.

**Organisational Design**

The Project Board was involved in developing proposals for the staffing structure in the functions which would be centralised: Finance, IT, HR & Corporate services, Market Intelligence and Communications. One challenge was to determine staff numbers at a level which was realistic, in terms of providing sufficient resource for the work in hand, while achieving the projected cost savings.

At the previous PCL meeting there had been some concerns that there was not enough resource earmarked for levy collection in the potato sector. This had been taken on board and the CEO of AHDB had visited Oxford to look at the systems first hand.

The sector companies were required to produce proposals for sector specific staff complements, post transfer, as a matter of some urgency. Details for the potato sector would be presented to the Board at its meeting on 1 October.

CEO

**Working Groups disbanded**

Shortly after it was established, PCL had set up a number of working groups, whose principal function had been to facilitate

preparations for the first corporate plan; they has also been involved in developing the Dialogue project.

The Board agreed that these Groups could now be disbanded.

It was confirmed that the four functional Committees, comprising both Board Members and industry representatives, would continue:

- Research & Knowledge Transfer Committee (chaired by Fiona Fell)
- Marketing Strategy Committee (chaired by Nick Vermont)
- Market Information Committee (jointly chaired by Fraser Scott)
- Seed & Export Committee (chaired by Robert Doig)

### **Departmental Highlights**

The CEO's summary contained reports on activities and issues from each of the PCL functions, many of which were augmented by reports from Committee Chairs and staff later in the meeting.

The Board noted the report.

## **08/154 CHAIRMAN'S REPORT FROM AHDB BOARD MEETING: 1 SEPTEMBER 2008**

### **Relocation issues**

The Chairman presented a report on matters discussed at the AHDB Board meeting on Monday 1 September. The meeting had been held at Stoneleigh Park, which enabled the members to look at the intended site for the new construction, as well as the buildings which would house staff temporarily. He confirmed that these were serviceable but definitely not suitable for permanent occupation.

The site which had been selected for the new building was in an excellent location on the Park, close to the NFU head quarters. It had now been agreed that the Accenture business case in 2007 had overstated the requirement for space, as a result of which a more compact, two-storey building would be acquired. The relocation process would be carried out in stages, over a period of time, which made for good planning and risk management. Each sector company would have a strong voice in determining the timing of its own move, so could ensure that particular needs were met. The Chairman said he was encouraged by the way the relocation process was being handled. He had met the project manager, who was well experienced, having successfully managed the NFU move from London some years previously, and who inspired confidence.

### **Staff-related Aspects**

Mr Scott, referring to the two stage move, suggested that it was particularly important to keep staff informed and to give them clear explanations of the intentions, as well as the rationale for these. All agreed. The Secretary mentioned that a Stoneleigh reconnaissance trip would be arranged as soon as possible for those who were interested in seeing the site.

The Chairman said that Bernadette Garvey, the AHDB interim HR Manager, had given a presentation to the Board, clearly explaining the legal requirements which applied to staff transfers. He now had a good understanding of the process which had to be followed, the complexities, and the need for care.

The CEO said that, in practical terms, there would be some variations between sector companies in how consultation was handled. For PCL, she intended to deal with this herself, working with the Personnel Director, leaving the other Directors and managers to focus on the business. Delivering best value to levy payers had to remain the main external driver, throughout the transition.

Looking ahead to the organisational structure, post transition, Members asked about progress on developing the Head of Sector role. The Chairman said that he had taken this up with AHDB and stressed that there was a need for PCL to be actively involved in the process. This had been positively received and the Chairman would discuss the matter further with the AHDB HR Manager; details would be circulated to Members.

Chairman

At the previous Board meeting, Members had agreed that the CEO of AHDB would be a key appointment and that selecting a candidate of the right calibre was a matter where PCL would have a strong interest. The Chairman confirmed that he had raised this matter with AHDB and that he was reassured by the response.

### **Risk Management**

Some months earlier the Board had carried out a risk assessment for the AHDB transition, following the PCL's established model. This had identified a number of risks with high scores. The CEO suggested that, now that the project was well underway, it would be sensible to revisit the issue. The Board agreed to repeat the process, to test the scores and review the controls/remedies. This would be an agenda item for the meeting on 1 October.

Secretary

### **Corporate Edge Presentation**

At its meeting in July the PCL Board had noted that AHDB had engaged a brand consultancy to explore the issue of a common quality assurance brand for GB agriculture. Mr Marcus Mitchell of Corporate Edge had subsequently presented to a number of Members prior to the August meeting. Their feedback, in summary, was that, whilst any collaborative marketing activities of benefit to the sector would be welcomed, they did not see that a common quality marque would help achieve that.

The Chairman said that the AHDB Board had received a presentation from Corporate Edge. The outcome of the AHDB discussion was that the Firm had been commissioned to consult industry bodies, including retailers, before the matter was discussed further. The Chairman said that this would entail some cost, to which PCL would be required to contribute, but he did not believe that the project would otherwise impact on the company. It seemed likely that recruitment for the role of Functional Lead for Marketing would be put on hold, until the review had been concluded.

### **Matters of Finance & Governance**

The Chairman reported that he had accepted an invitation to become a member of the AHDB Remuneration Committee. One of the matters to be discussed in that forum was the level of remuneration paid to Board members which, in the Chairman's view, was not adequate to compensate the office holders for their time and effort, nor to reflect the skills and experience which the role demanded.

The Delegation Agreement between AHDB and PCL had been approved, ready for execution. The document would be copied to Members once signed.

Secretary

The Secretary reported that the process of adopting the revised memorandum & articles of association and of appointing the Board Members as Directors of the company was progressing.

### **Spending Decisions**

Mr Tapp pointed out that one of the issues raised at previous Board meetings was that AHDB had decided on certain expenditure which PCL had not been able to influence, though it impacted on the company's budget. The Chairman said that he was aware of these concerns and understood the issues in principle. However, he needed to increase his practical understanding of how central services and cross-sectoral

activities and projects would be funded within the agreed organisational structure, so that he could help manage the process. There was a risk, real or perceived, that control and accountability would be lost. He was confident, from what he had seen so far, that the senior AHDB team had taken these concerns on board, but he recognised that the matter had to be kept under review. The CEO commented that this issue was probably more acute for the smaller sector companies, like PCL, as their resources were relatively limited.

Mr Bambridge suggested that there had to be a matrix of decision making, based on rational criteria, which would determine budgets and drive the detailed planning. He pointed out that the Board was accountable to its levy payers, who were well aware of the promise that their funds were ring-fenced for the benefit of their sector.

The Board agreed -

- that there had to be proper structures for considering - in a timely fashion - and determining what cross-cutting activities should be engaged in and how these should be funded by the sector companies.
- that any spending decisions should be informed by previously agreed criteria and should only happen if in line with agreed strategy and policies.
- that once the re-organisation and re-location process was complete and adequate resources were available to AHDB, it should be possible to avoid the need for having to make decisions based on late or incomplete information.

The Chairman, recapping the discussion, said that the matter was of concern to all. It was recognised that, during the transitional period, there may be occasions where information was late, and decisions had to be taken swiftly, without full consultation with the Board. He would do his best to manage the process constructively, promised to keep Members informed, and appreciated their willingness to allow him some leeway in the interim.

Chairman

The Board welcomed the proposal. Members commented that the Smith Institute was highly regarded and agreed that this would be a good use of funds.

**08/155 PCL QUARTERLY REPORT (PCLP/08/84)**

PCL, along with other sector companies, was required to produce a quarterly report for AHDB, covering a range of topics including market and sector overviews, financial statements, and a report on activities against objectives and targets. The report for Quarter

1 (April to June 2008) was presented to the Board.

Members noted that the information was very comprehensive, and had no ancillary questions; the report was accepted.

## **08/156 PCL CORPORATE PLAN: 2009/12**

### **Introduction**

At its previous meeting, the Board had agreed a plan and timetable for developing a high quality Corporate Plan which met the needs of the potato sector.

The CEO reminded the meeting that the tasks which the Board needed to address were: to consider whether the overarching objectives – increasing potato consumption, and maximising the proportion of home grown supply – were still relevant; to review the SWOT analysis carried out in the previous year; and to consider what particular factors should be included in the process. All functional Committees had either met or would meet shortly and the Corporate Plan was an agenda item for each of these meetings, to help ensure that the process was inclusive and that the final Plan was fully representative of all sector needs.

The Strategy Sub-group had met on 2 September, to review the SWOT analysis, in the light of recent changes in agriculture and the economy generally. The group had agreed that the outcome of the recent Dialogue and Benchmark projects provided a mandate. In terms of activities and direction, with the exception of those who were wholly negative towards PCL, people were largely satisfied with the status quo, and suggestions for change tended to be either very general or tactical, rather than strategic. However, the group felt that the Plan was not currently framed in the most appropriate way for the future. There was a need to change the emphasis.

### **Review of SWOT Analysis**

Imports were still an important factor, in particular high value ware potatoes, though lower value imports of processing potatoes were of less relevance. The relationship with the retail sector remained critical, as did the relationship with Government; there was an ongoing need to inform and influence.

Emphasising the positive health profile of potatoes remained important but, as this message gained ground, there should be less need for 'fire-fighting', i.e. responding to negative reports based on false and misleading information. Mr Doig suggested that the growing reports of financial decline and austerity should provide an excellent opportunity for promoting potatoes, as a

healthy alternative to more costly products.

The group had identified a number of grower challenges – legislation, rotations and alternative controls/GM – which re-emphasised the importance of close links to Government. The matter of input costs was critical.

Having reviewed these factors, the group had agreed that a key factor was economic and environmental sustainability. Mr Bambridge, elaborating on this, said that what was envisaged was a move towards a business based approach, where profitability was a factor. There was no intention of seeking to influence prices or doing anything else which might be seen as distorting the market. Rather, it was a question of restoring some balance by providing levy payers with the tools to help them improve their understanding of market dynamics, and the importance of taking a longer term view, all underpinned by good science. This was a subtle but real change in emphasis.

Mr Papworth noted that the concept of ‘sustainability’ was in line with the overall remit of AHDB and its subsidiaries, but sought an assurance that this would not denote a lack of ambition. The Board agreed that its objectives should be challenging, aimed at improvements, rather than merely retaining the status quo.

One of the issues in the PCL SWOT analysis was that of skills, such as the rapidly reducing skilled science base and the fact that agriculture was failing to attract new entrants at all levels. The CEO suggested that this was something that should be addressed at AHDB level, rather than tackled piecemeal by each sector company. The Chairman asked whether there was a forum for discussing such issues and Members suggested that the AHRF and the Nutrition Group might be suitable mechanisms for drawing this together. Mr Cruickshank felt that this would be further enhanced once the Chief Scientist had been recruited.

It was agreed that skills should be included in the Corporate Plan as an area where there might be scope for a collaborative approach, so as to develop better cross-cutting and more holistic methods.

CEO

Another such issue was that of developing a powerful and compelling industry voice. The Chairman felt that, provided we got the message right, there was scope for AHDB, working with stakeholder bodies, to develop real synergies and improve its effectiveness.

Mr Doig, referring to the Dialogue and Benchmark projects, said that it was important to bring the results to the table and include them in the Plan.

CEO

## **Budget figures**

The meeting received draft annual budget projections for the period up to and including 2011/12. These provided for levy rate increases of 3% per annum, with effect from 2010/11, once the levy body reform had been fully completed. The feedback from the Dialogue and Benchmark projects indicated that the industry would be happier to accept smaller levy increases on a regular basis, rather than larger ones at longer intervals.

Another feature of the budget was a saving of £450K, with effect from 2011/12, as a result of the reform process. This entailed some risk and, to safeguard against that, a 'buffer' had been built into the reserves.

The Chairman said that there was a need to articulate a financial strategy and this was the first draft. The aim was to reduce the annual deficits, so as to reach the optimum reserve level by 2012/13, and then maintain a balance of income and expenditure through prudent financial management. The Chairman suggested that, at a later stage, it may be possible to develop a facility whereby levy payers could influence more directly how their investment was utilised, including a link between additional activities and higher levy rates. This was one of the points raised by respondents to Dialogue.

He asked Members to take the figures away with them and give the matter some thought.

Members

## **Next Steps**

The Chairman pointed out that the Corporate Plan was being developed in a very inclusive manner, with activities at staff and committee level.

The CEO would now produce the final draft and circulate it to the members of the Strategy Sub-group, who were asked to give feedback by email. It would then be presented to the PCL Board at its meeting on 1 October, before being submitted to AHDB on the 6<sup>th</sup>. The Ministerial industry consultation (November – December) would encompass both the Plan and levy rates for the following year.

CEO

## **Levy rate proposals**

A formal recommendation to AHDB would be agreed at the next Board meeting.

**08/157 STAFF MATTERS**

The CEO said that proposals for potato sector specific jobs would be presented at the Board meeting on 1 October.

As reported previously, all new AHDB employees starting after 1 April 2008 were able to join a new defined contribution pension scheme. The BPC's scheme – a group personal pension plan, the providers being AXA - would continue for existing AHDB employees assigned to PCL, though it was closed to new members. The scheme was managed by Mazars and supervised by a small group of three.

The death-in-service and dependants' pension arrangement was separate from the pension scheme and was covered by a policy with UNUM.

The members of the supervisory group and the trustees were:

- Inga Martin, Personnel Director
- David Green, the PCL's trade auditor (staff representative) – appointment approved by the Board on 5 March 2008
- One vacancy

It was customary – and appropriate - for a Board Member to be a Trustee, and a member of the supervisory group.

The Board approved a nomination for Mr Dennis Heywood, independent Member, to fill the vacancy.

**08/158 FINANCE REPORT TO 30 JUNE 2008 (PCLP/08/81)**

The Board received a financial report for the four months ended 31 July 2008. This included a detailed commentary from the Head of Finance & IT. In summary, the income forecast was increased by £38K; the forecast spend was increased by £15K; and the overall position remained unchanged: after taking into account the effects of taxation, the forecast showed a draw down from reserves of £181K, which was an improvement of £26K compared to the original budget. This would leave the general reserve at £2,977K at the end of the year.

The Board noted the report.

**08/159 LEVY PAYER RECORDS & COLLECTION REPORT (PCLP/08/82)**

The Board received a report showing matters dealt with and matters still to be resolved, in terms of levy collection and chasing defaulters. *Details are at Annex 1.*

**08/160 REVIEW OF SUTTON BRIDGE EXPERIMENTAL UNIT –  
DRAFT REPORT (PCLP/08/86: NOT ON AGENDA)**

At the Board meeting in March 2008, staff had been requested to carry out the following actions:

- Review the suitability of SBEU as the location for project work vis-à-vis other potential sites/suppliers.
- Carry out an investigation of opportunities for grant funding, through RDAs or other possible providers.
- Establish a clear view of the industry need for storage work, in respect of potatoes and other products.
- Engage an external consultant to contribute to these activities as appropriate.
- Report back to the Board by September 2008.

NIAB had been commissioned to carry out the review and their draft report had recently come to hand. The CEO explained that it had been decided to submit this to Members in draft form, prior to the meeting, as it was hoped to have a decision for inclusion in the Corporate Plan. Also, there had been a prolonged period of uncertainty for the local staff and management hoped that this could now be resolved.

Dr Storey was asked to present a summary of the findings and recommendations to the Board.

In the course of the debate which followed, it became evident that it was not possible to reach a clear consensus. The Board accepted that there was an industry requirement for storage research – primarily for potatoes and to a lesser extent other crops. It was further agreed that there should be an appropriate facility/capability to satisfy that demand.

However, Members were not able to make a decision on where such work should be carried out. The researchers had questioned whether it was appropriate for a levy body to own a research facility. They had also made the point that the level of investment required for the existing accommodation constituted a long-term commitment and recommended that, in view of this, PCL needed to be convinced that it was the most suitable location.

Members agreed that the review had not so far come up with sufficient information for them to make an informed decision on how storage research should be handled in future. The subject

had been under review for a very long time and it was regrettable that there would now be a further period of uncertainty, but it was essential to reach the right decision. Whatever that decision was, it had to be implemented in a well managed way and, in the meantime, it was important to safeguard key skills and expertise.

The Board decided that the next stage should be exploring opportunities for commissioning work at one or more research institutes as an alternative to carrying out work in house, as well as opportunities for joint ventures or other collaborative activities with one or more potential partners.

It was agreed that consultants should be engaged to take the matter forward. The CEO was asked to prepare costed proposals for this phase of the review, for presentation to the Board.

CEO

## **08/161 RESEARCH & KT ISSUES**

Dr Storey presented a brief progress report on current issues.

### **Plant Protection Products Review**

Since the August meeting there had been a great deal of information gathering and lobbying activity in this area. PCL was developing two case studies, one concerning PCN/FLN controls and the other herbicides. This was a forward looking approach to help assess the impact of possible future losses and to give a sound basis for decision making on research planning and KT needs.

### **CIPC Stewardship**

There had been a very encouraging liaison meeting with PSD the previous week, with positive comments about PCL/industry activities. A full report to ACP on progress would be presented in April/May 2009 following the storage season.

Dr Storey and Mrs Race were prepared for any press enquiries which may be received when the report on MRL exceedence was published in September.

### **Acrylamide**

An FSA survey on acrylamide in food groups was also due to be published in September and potatoes would again feature alongside other foods. Press interest was already high and staff had prepared appropriate position statements.

## **Project Proposal**

Investigating chemical application methods to seed and the development and validation of new skin-spot diagnostic tests. Work to be carried out by CSL and SAC, at a cost of £42K over two years.

The Board approved the recommendation.

## **08/162 MARKETING ISSUES**

The Board agreed to invite the Marketing Director to give a presentation on current activities and relevant issues at the pre-meeting gathering on 30 September.

Marketing  
Director

## **08/163 SEED & EXPORT ISSUES**

### **Recent activities**

Mr Doig reported that the first meeting of the Seed & Export Committee had been held on 28 August. The meeting had been well attended.

The Seed & Export team were busy and productive. Recent activities included a very successful inward mission from Egypt.

Potatoes in Practice on 7 August had also been deemed a great success. The event had attracted over 700 visitors – the highest ever number.

### **Seed Potato Exports**

The Committee had been very pleased to receive a report which showed that 90,000 tonnes of seed had been exported; this was a record.

### **Forthcoming events**

Mr Doig reminded the meeting that the Seed Industry Conference would be held on 30 October at Crieff. This was a highly recommended one day event. The Committee was looking for a sponsor, either for the whole of part of the event, e.g. the industry dinner.

Potato Europe would be held during the week commencing 8 September, in France.

The Chairman said that, at recent visits to the Scottish Government and SASA, he had received a ringing endorsement for the work of the Seed & Export team. It was clear from the

comments he received that the PCL office in Scotland was well supported. There had also been strong expressions of support for the Seed & Export and Research & KT Committees.

**08/164 MARKET INFORMATION ISSUES**

Mr Scott highlighted some issues which had been discussed by the Market Information Committee at its meeting on 24 July.

**Grower Panel** – This project remained successful, with an adequate supply of participants.

**Marketing Presentation** – The Committee had received a presentation on the subject “Potatoes in an Economic Downturn”, which engendered a lively discussion.

**Benchmarking** – Mr Bradshaw had given an update on the benchmarking project, now re-named “Business Improvement”, and the Committee had noted that this was now gaining ground.

The next Committee meeting was scheduled for November, when a report on the outcome of Dialogue would be on the agenda.

**Presentation from Statistician**

It was agreed that Dr Alder should be invited to present his report on climate change to the Board at the pre-meeting gathering in November. Statistician

**08/165 PCL: CRITICAL TIMINGS (PCLP/08/83)**

The Board received the updated reference document, and agreed a small number of amendments – disbanding the working groups and agreeing the staff complement. See *Annex 2 to these minutes*.

**08/166 ANY OTHER BUSINESS**

**Appointment of Vice-Chairman**

The Board was pleased to learn that Mr Dennis Heywood had accepted a nomination to become Vice-Chairman of Potato Council Ltd. This would now be referred to AHDB for approval. Chairman

**08/167 DATE OF NEXT MEETING**

It was agreed that the next Board meeting of Potato Council Ltd would be held in Oxford, at 8.30 AM on Wednesday 1 October 2008.



## LEVY PAYER RECORDS AND COLLECTION REPORT

### Civil Matters

This relates to levy collection/ pursuing overdue debts

### Historical

During the BPC's tenure, a total of 6,225 overdue debts were collected, amounting to £6.25m

### Current

The outstanding debts total ca £51.4K (growers) and £8.7K (buyers). It is possible that some of these matters will result in Court hearings, as a few growers have indicated that they will seek to defend our claims.

### Criminal Matters

This covers failure to register, failure to make returns or provide information, making false statements

### Historical

During the period from 2001, when such matters were brought in-house:

- 2,200 cases have been dealt with
- 307 levy payers have been summonsed
- 37 have been convicted \*\*

### Current

There are 355 outstanding planting returns for 2008; the statutory return date was 1 June. All but 4 planting returns for 2007 have been received.

There are some 30 Buyer businesses with one or more outstanding tonnage returns

\*\* Fines totalling £20,845 have been applied; and the Courts have ordered costs totalling £8,540 to be paid.

Under the previous legislation the maximum fine for most offences was £1000. Under the new Order, all offences carry a maximum fine of £5,000.



## Potato Council Limited Critical Timings

This timetable was adopted by the Board at its meeting on 9 January 2008. It will be reviewed at subsequent meetings, to check progress against plans, and to add items as the process develops.

*Levy Payer Dialogue* refers to the process of consulting the industry on the PCL Corporate Plan.

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| January 08  | <ul style="list-style-type: none"> <li>▪ Working Groups set up – Agree terms of reference and set out plans. ✓</li> <li>▪ PCL makes decision regarding formal committees on R&amp;D, Marketing, MI, SSG and audit. ✓</li> </ul> |
| February 08 | <ul style="list-style-type: none"> <li>▪ Working Groups report back to PCL Board. ✓</li> <li>▪ PCL Branding is agreed. ✓</li> </ul>   |
| March 08    | <ul style="list-style-type: none"> <li>▪ Working Groups submit final inputs regarding Levy Payer Dialogue to Board. ✓</li> <li>▪ Dialogue plan documentation finalised. ✓</li> </ul>  |
| April 08    | <ul style="list-style-type: none"> <li>▪ Statutory transfer to AHDB and start of PCL. ✓</li> <li>▪ PCL Business Plan 08/09 starts. ✓</li> <li>▪ Levy Payer communication regarding PCL can begin. ✓</li> </ul>                  |
| May 08      | <ul style="list-style-type: none"> <li>▪ PCL Levy Payer Dialogue commences. ✓</li> <li>▪ PCL Board members take active role in Levy Payer Dialogue (May to July). ✓</li> </ul>  |
| Jul 08      | <ul style="list-style-type: none"> <li>▪ PCL Levy Payer Dialogue ends. ✓</li> </ul>   |
| Aug 08      | <ul style="list-style-type: none"> <li>▪ PCL considers results of the project. ✓</li> </ul>   |

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| September 08          | <ul style="list-style-type: none"> <li>▪ Outcome of the Dialogue project. ✓</li> <li>▪ Publish results: Executive Summary</li> <li>▪ Marketing / MI Working Groups fold. ✓ (April 08)</li> <li>▪ R&amp;D Working Group folds. ✓</li> <li>▪ The other Working Groups (Finance &amp; General Purpose, Staff and Communications) fold ✓</li> <li>▪ Corporate plan for 09/12 prepared</li> </ul> |
| 1 October 2008        | <ul style="list-style-type: none"> <li>▪ Corporate plan (draft) presented to AHDB sub-group</li> <li>▪ Consider levy rate proposals</li> <li>▪ Agree proposals for sector specific staff complement</li> </ul>   |
| 17 November 2008      | <ul style="list-style-type: none"> <li>▪ Corporate plan cleared by AHDB Board</li> </ul>   |
| 18 Nov to 22 Dec 2008 | <ul style="list-style-type: none"> <li>▪ Industry Consultation on Corporate plan</li> </ul>  |
| December 08           | <ul style="list-style-type: none"> <li>▪ PCL submits levy rate proposals to AHDB.</li> </ul>   |
| January 2009          | <ul style="list-style-type: none"> <li>▪ Corporate Plan submitted to Ministers</li> </ul>  |
| February 2009         | <ul style="list-style-type: none"> <li>▪ Plan cleared by Ministers</li> </ul>  |
| March 2009            | <ul style="list-style-type: none"> <li>▪ Levy rates confirmed</li> </ul>   |
| 1 April 2009          | <ul style="list-style-type: none"> <li>▪ Effective date of levy rates for 2009/10</li> </ul>   |
| April 09              | <ul style="list-style-type: none"> <li>▪ Some functions may co-locate.</li> <li>▪ Business Plan for 09/10 commences.</li> </ul>  |

September 2008