

*Draft Order laid before Parliament under section 1(6) of the Industrial Organisation and
Development Act 1947, for approval by resolution of each House of Parliament.*

DRAFT STATUTORY INSTRUMENTS

2002 No.

**INDUSTRIAL ORGANISATION
AND DEVELOPMENT**

**The Potato Industry Development
Council (Amendment) Order 2002**

Made - - - - 2002
Coming into force - - 1st January 2003

The Secretary of State and the National Assembly for Wales, acting concurrently, in exercise of the powers conferred by sections 1, 3, 4 and 8 of the Industrial Organisation and Development Act 1947(1), and now vested in them(2), and with the consent of the Scottish Ministers(3), and after consultation, in accordance with sections 1(3) and 8(1) of the said Act, with the British Potato Council, with organisations appearing to them to be representative of substantial numbers of persons carrying on business in the potato industry and with such organisations representative of persons employed in that industry as appear to them to be appropriate, and having satisfied themselves (as required by section 4(3) of the said Act) that the incidence of the charges as between different classes of undertakings in the potato industry will be in accordance with a fair principle, hereby make the following Order, a draft of which has been laid before and approved by a resolution of each House of Parliament:

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- (1) 1947 c. 40; section 4 was modified, in the case of any development council order relating to agriculture, by section 60 of the Agriculture Act 1993 (c. 37).
- (2) In respect of the Secretary of State, by virtue of S.I. 1955/554, 1978/272, 1999/672, 3141 and 2002/794; in respect of the National Assembly for Wales, by virtue of the National Assembly for Wales (Transfer of Functions) Order 1999 (S.I. 1999/672) (“the 1999 Order”), in so far as they are exercisable in relation to Wales. The British Potato Council is a cross-border body as defined in Schedule 3, paragraph 3(2), to the Government of Wales Act 1998 (c. 38). By virtue of article 2(c) of the 1999 Order, functions under the Industrial Organisation and Development Act 1947 which are exercisable in relation to a cross-border body, and which cannot be specifically exercised in relation to Wales, are exercisable by the National Assembly for Wales in relation to that body concurrently with the specified Minister of the Crown.
- (3) By the Scotland Act 1998 (Cross-Border Public Authorities) (Specification) Order 1999 (S.I. 1999/1319), made under section 88(5) of the Scotland Act 1998 (c. 46), the British Potato Council was specified as a cross-border public authority for the purposes of that Act. By article 3 of, and paragraph 3 of Schedule 4 to, the Scotland Act 1998 (Cross-Border Public Authorities) (Adaptation of Functions etc.) Order 1999 (S.I. 1999/1747) it was provided, in respect of any function exercisable by a Minister of the Crown under the Industrial Organisation and Development Act 1947 to modify the Potato Industry Development Council Order 1997 (S.I. 1997/266), that the Secretary of State for Scotland should cease to be such a Minister of the Crown, and that any such function should now be exercisable only with the consent of the Scottish Ministers.

Title, commencement and interpretation

1.—(1) This Order may be cited as the Potato Industry Development Council (Amendment) Order 2002 and shall come into force on 1st January 2003.

(2) In this Order “the principal Order” means the Potato Industry Development Council Order 1997(4).

Amendment of the principal Order

2. The principal Order shall be amended in accordance with the following provisions of this Order.

3. In article 2 (interpretation), in paragraph (1)—

- (a) in the definition of “first purchaser”, there shall be substituted for the number “100” the number “1000”;
- (b) in the definition of “producer”, there shall be substituted for the words “one hectare” the words “three hectares”.

4. In article 6 (register of producers and first purchasers), for paragraph (6) there shall be substituted the following paragraph—

“(6) The Council may enter on the register, in addition to the name and address of any registered person—

- (a) any business name under which and the address of any place at which he carries on business in the industry, and the names of his partners in any such business, and
- (b) where the registered person is a company, the names and addresses of any directors of the company,

but no other information.”

5. In article 8 (returns and information)—

- (a) in paragraph (1), there shall be substituted for the words “15th May” the words “1st June”;
- (b) in paragraph (4)(b), there shall be substituted for the words “the Potato Marketing Board’s previous records,” the words “the Council’s previous records and any other information which is available to the Council,”;
- (c) there shall be substituted for sub-paragraph (c) of paragraph (4) the following sub-paragraph—

“(c) the Council shall then give the producer notice—

- (i) that it has made such an estimate and the amount of it, and
- (ii) that the amount of the estimate increased by up to 10% may, if the producer fails to make a return within 28 days of the date of the notice, be treated as his return for the relevant year;”;

- (d) in paragraph (4)(e), there shall be substituted for the words “the estimate” the words “the amount of the estimate increased by up to 10%”;
- (e) in paragraph (4)(f)(ii), there shall be substituted for the words “that estimate” the words “the amount of the estimate increased by up to 10%”;
- (f) in paragraph (5)(c), there shall be substituted for the words “the Potato Marketing Board” the words “the Council”;

(4) S.I. 1997/266 as amended by S.I. 1999/1413.

- (g) there shall be substituted for sub-paragraph (d) of paragraph (5) the following sub-paragraph—
- “(d) the Council shall then give the first purchaser or, as the case may be, subsequent purchaser notice—
- (i) that it has made such an estimate and the amount of it, and
- (ii) that the amount of the estimate increased by up to 10% may, if the first purchaser or, as the case may be, subsequent purchaser fails to make a return within 28 days of the date of the notice, be treated as his return for the relevant year.”;
- (h) in paragraph (5)(f), there shall be substituted for the words “the estimate” the words “the amount of the estimate increased by up to 10%”;
- (i) in paragraph (5)(g)(ii), there shall be substituted for the words “that estimate” the words “the amount of the estimate increased by up to 10%”.
6. In article 9 (charges for expenses)—
- (a) there shall be substituted for paragraph (3) the following paragraph—
- “(3) Any charge imposed under this article shall not exceed—
- (a) in the case of producers, £50 per hectare of land used to grow potatoes, and
- (b) in the case of a first purchaser who buys or takes delivery of potatoes or any subsequent purchaser who buys or takes delivery of raw potatoes, in either case for human consumption, 25p per tonne at the point of sale.”;
- (b) paragraph (4) shall be deleted;
- (c) in paragraph (5), there shall be substituted for the words “Payment of the charges referred to in this article” the words “Payment of any charge imposed under paragraph (1)”, and in sub-paragraph (a) there shall be substituted for the word “November” the word “December”;
- (d) there shall be substituted for paragraph (8) the following paragraph—
- “(8) A producer/merchant shall be regarded for the purposes of this article—
- (a) as a producer, in respect of potatoes which he has grown himself, (and the next person who buys or takes delivery from him shall be regarded for these purposes as the first purchaser of those potatoes); and
- (b) as a first purchaser or subsequent purchaser, in respect of potatoes which he has acquired as such.”;
- (e) there shall be substituted for paragraph (9) the following paragraph—
- “(9) Where seed potatoes are sold to a producer for the purposes of planting, the producer shall be regarded for the purposes of this article as a producer in respect of those potatoes, and, subject to paragraph (9A), no other charge shall be paid on seed potatoes at any stage.”;
- (f) after paragraph (9) there shall be inserted the following paragraphs—
- “(9A) The Council may, for the purposes referred to in paragraph (1) and with the approval of the Ministers, impose on any person who has failed to pay a charge or any part of a charge imposed under paragraph (1) (“the former charge”) by the date or dates on which payment is due in accordance with paragraph (5) (“the original due date”), a new higher charge in substitution for the former charge, at such rate as the Council considers from time to time to be appropriate.
- (9B) Any new charge imposed under paragraph (9A) shall become due on the day immediately following the original due date.”.

Saving

7. Notwithstanding the provisions of this Order, the provisions of the principal Order in force prior to the coming into force of this Order shall continue to apply in relation to—

- (a) in the case of producers, any charge payable in respect of any period ending on or before 31st December 2002, and
- (b) in the case of first purchasers and subsequent purchasers, any charge payable in respect of any period ending on or before 30th June 2003.

2002

Parliamentary Under Secretary of State
Department for Environment, Food and Rural
Affairs

Signed on behalf of the National Assembly for Wales

2002

Presiding Officer

We consent

2002

A member of the Scottish Executive

EXPLANATORY NOTE

(This note is not part of the Order)

This Order, which comes into force on 1st January 2003, further amends the Potato Industry Development Council Order 1997 (S.I. [1997/266](#)). This Order increases the thresholds of production and purchasing above which producers and purchasers must register with the British Potato Council and pay a levy (article 3). It provides for additional details to be entered on the register of producers and purchasers in the case of companies (article 4). It allows for estimates based on the previous year's figures, which are used in cases where returns are not provided as required, to be increased by up to 10% (article 5). The Order increases the maximum levy payable by producers from £40 to £50 per hectare and enables a higher charge (subject to the specified maximum rates) to be imposed on producers and purchasers who fail to pay by the due date for the purpose of recouping additional costs incurred as a result (article 6).

A Regulatory Impact Assessment has been prepared and placed in the Library of each House of Parliament and of the National Assembly for Wales. Copies may be obtained from the Horticulture and Potatoes Division of the Department for Environment, Food and Rural Affairs, Room 907, Eastbury House, Albert Embankment, London SE1 7TL, and the Agriculture and Fisheries Policy Division, National Assembly for Wales, Cathays Park, Cardiff CF10 3NQ.