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## EXPLANATORY NOTE

*(This note is not part of the Order)*

This Order dissolves—

- (a) the British Potato Council;
- (b) the Home-Grown Cereals Authority;
- (c) the Horticultural Development Council;
- (d) the Meat and Livestock Commission;
- (e) the Milk Development Council.

and replaces them with a new body, the Agriculture and Horticulture Development Board.

The Agriculture and Horticulture Development Board has functions and duties relating to the following industries: beef, lamb and pigs, cereals and oilseeds, horticulture, milk and potatoes. It operates for each industry in the part of the United Kingdom specified in article 2. The Order contains provisions for the constitution and proceedings of the Board.

Under article 5 the Board may establish a subsidiary company for each of the industries covered by the Order.

The Board must raise levies relating to each industry (article 6). Details of payment of the levies, and the maximum permitted levy, are set out in Schedule 3. Under that Schedule, failure to make a return relating to a levy is an offence.

If demanded by a set number of levy payers in any given sector, the Board must hold a ballot on whether or not the levy system should continue in that sector (articles 11 and 12).

There are offences relating to the provision of information and record-keeping (article 15).

The penalty for breach of the Order is a fine not exceeding level 5 on the standard scale (currently £5,000).

An impact assessment of the effect that this instrument will have on the costs of business and the voluntary sector is available at [www.defra.gov.uk/farm/policy/levy-bodies/index.htm](http://www.defra.gov.uk/farm/policy/levy-bodies/index.htm)<http://www.defra.gov.uk/farm/policy/levy-bodies/index.htm>.