

Title: Code of Practice for the Welfare of Gamebirds Reared for Sporting Purposes Lead department or agency: Defra Other departments or agencies:	Impact Assessment (IA)
	IA No: DEFRA1014
	Date: 19/05/2010
	Stage: Final
	Source of intervention: Domestic
	Type of measure: Other
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Summary: Intervention and Options

What is the problem under consideration? Why is government intervention necessary?

There is growing concern about the welfare of gamebirds during breeding and rearing. This has focused mainly on certain management practices such as the use of cages for breeding pheasants and partridges and bits and spectacles. Some of these practices have been the subject of research and informed opinion. Given the rise in the use of cage rearing systems it is not considered that the industry alone can address these concerns. The government therefore considers that a parliamentary approved code of practice would complement the Animal Welfare Act 2006 (the "2006 Act") without incurring disproportionate costs on game farmers.

What are the policy objectives and the intended effects?

The main objective is to improve animal welfare on game rearing farms by providing farmers with a code of practice that enables them to meet their duty to provide for the welfare needs of the birds, in accordance with the 2006 Act. Such a code could also be used in court in cases of poor welfare to gamebirds.

What policy options have been considered? Please justify preferred option (further details in Evidence Base)

It was decided to introduce a statutory code of practice, made under the Animal Welfare Act 2006, and to include a recommendation that any cages used for breeding birds should be enriched. A code is light touch on the industry by explaining how game farmers can best meet their duty to provide for the welfare needs of their animals and will need to be approved by Parliament. A regulation is not favoured because farmers would not have been given the opportunity to self-regulate against a set of standards based on the requirements under the 2006 Act. Enriched cages for breeding birds will be permitted as there is no scientific evidence to suggest that they should not be used.

When will the policy be reviewed to establish its impact and the extent to which the policy objectives have been achieved?	It will be reviewed 10/2015
Are there arrangements in place that will allow a systematic collection of monitoring information for future policy review?	Yes/No

SELECT SIGNATORY Sign-off For final proposal stage Impact Assessments:

I have read the Impact Assessment and I am satisfied that (a) it represents a fair and reasonable view of the expected costs, benefits and impact of the policy, and (b) the benefits justify the costs.

Signed by the responsible Minister:..... Date:.....

Summary: Analysis and Evidence

Policy Option 1

Description:

Price Base Year 2009	PV Base Year 2009	Time Period Years 5	Net Benefit (Present Value (PV)) (£m)		
			Low: -4.38	High: -1.96	Best Estimate: -3.17

COSTS (£m)	Total Transition (Constant Price)	Years	Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low	0.5	1	0.331	1.99
High	1.15		0.717	4.39
Best Estimate	0.826		0.524	3.19

Description and scale of key monetised costs by 'main affected groups'

(i) Game keeping establishments – a) enrichment of small barren cages £0 - £152k (transition), £0 - £48.3k (annual); b) development of a flock health and welfare plan £500k - £1,000k (transition); c) record keeping £330k - £660k (annual); d) benefit foregone from no longer using spectacles £850 - £8,500 (annual)

Other key non-monetised costs by 'main affected groups'

Wider implications for the gamebirds industry in terms of proportion of cost increases passed on.

BENEFITS (£m)	Total Transition (Constant Price)	Years	Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low			0.0009	0.0038
High			0.0085	0.0383
Best Estimate	0		0.0047	0.0211

Description and scale of key monetised benefits by 'main affected groups'

i) Game keeping establishments – a) cost saving from reduced purchases of spectacles £850 - £8,500 (annual)

Other key non-monetised benefits by 'main affected groups'

Improved welfare of gamebirds reared for sporting purposes which is seen as a public good. Given the 40k birds annually kept in small barren cages, the annual benefit would need to be £1.02 per bird for the policy to be worthwhile

Key assumptions/sensitivities/risks

5,000 gamebird premises with 50 or more gamebirds raised per year; time period of 5 years; all recommendations acted upon by gamebird establishments.

Discount rate (%)

3.50

Impact on admin burden (AB) (£m):		Impact on policy cost savings (£m):		In scope
New AB: 0.495	AB savings: 0	Policy cost savings: -0.52	Net: -0.49	Yes

Enforcement, Implementation and Wider Impacts

What is the geographic coverage of the policy/option?	England				
From what date will the policy be implemented?	01/10/2010				
Which organisation(s) will enforce the policy?	N/A				
What is the annual change in enforcement cost (£m)?	N/A				
Does enforcement comply with Hampton principles?	Yes				
Does implementation go beyond minimum EU requirements?	Yes				
What is the CO ₂ equivalent change in greenhouse gas emissions? (Million tonnes CO ₂ equivalent)	Traded: n/a		Non-traded: n/a		
Does the proposal have an impact on competition?	Yes				
What proportion (%) of Total PV costs/benefits is directly attributable to primary legislation, if applicable?	Costs:		Benefits:		
Annual cost (£m) per organisation (excl. Transition) (Constant Price)	Micro 0.005	< 20 0.005	Small 0.005	Medium n/a	Large n/a
Are any of these organisations exempt?	No	No	No	No	No

Specific Impact Tests: Checklist

Set out in the table below where information on any SITs undertaken as part of the analysis of the policy options can be found in the evidence base. For guidance on how to complete each test, double-click on the link for the guidance provided by the relevant department.

Please note this checklist is not intended to list each and every statutory consideration that departments should take into account when deciding which policy option to follow. It is the responsibility of departments to make sure that their duties are complied with.

Does your policy option/proposal have an impact on...?	Impact	Page ref within IA
Statutory equality duties¹ Statutory Equality Duties Impact Test guidance	No	
Economic impacts		
Competition Competition Assessment Impact Test guidance	Yes	18
Small firms Small Firms Impact Test guidance	Yes	19
Environmental impacts		
Greenhouse gas assessment Greenhouse Gas Assessment Impact Test guidance	No	
Wider environmental issues Wider Environmental Issues Impact Test guidance	No	
Social impacts		
Health and well-being Health and Well-being Impact Test guidance	No	
Human rights Human Rights Impact Test guidance	No	
Justice system Justice Impact Test guidance	No	
Rural proofing Rural Proofing Impact Test guidance	No	
Sustainable development Sustainable Development Impact Test guidance	No	

¹ Race, disability and gender Impact assessments are statutory requirements for relevant policies. Equality statutory requirements will be expanded 2011, once the Equality Bill comes into force. Statutory equality duties part of the Equality Bill apply to GB only. The Toolkit provides advice on statutory equality duties for public authorities with a remit in Northern Ireland.

Evidence Base (for summary sheets) – Notes

Use this space to set out the relevant references, evidence, analysis and detailed narrative from which you have generated your policy options or proposal. Please fill in **References** section.

References

Include the links to relevant legislation and publications, such as public impact assessment of earlier stages (e.g. Consultation, Final, Enactment).

No.	Legislation or publication
1	Animal Welfare Act 2006
2	Consultation stage impact assessment
3	Responses to consultation
4	Previous final stage impact assessment when code was laid on 15 March 2010

+ Add another row

Evidence Base

Ensure that the information in this section provides clear evidence of the information provided in the summary pages of this form (recommended maximum of 30 pages). Complete the **Annual profile of monetised costs and benefits** (transition and recurring) below over the life of the preferred policy (use the spreadsheet attached if the period is longer than 10 years).

The spreadsheet also contains an emission changes table that you will need to fill in if your measure has an impact on greenhouse gas emissions.

Annual profile of monetised costs and benefits* - (£m) constant prices

	Y ₀	Y ₁	Y ₂	Y ₃	Y ₄	Y ₅	Y ₆	Y ₇	Y ₈	Y ₉
Transition costs		0.826								
Annual recurring cost		0.524	0.524	0.524	0.524	0.524				
Total annual costs		1.35	0.524	0.524	0.524	0.524				
Transition benefits										
Annual recurring benefits		0.0047	0.0047	0.0047	0.0047	0.0047				
Total annual benefits		0.0047	0.0047	0.0047	0.0047	0.0047				

* For non-monetised benefits please see summary pages and main evidence base section



Microsoft Office
Excel Worksheet

Evidence Base (for summary sheets)

There is discretion for departments and regulators as to how to set out the evidence base. However, it is desirable that the following points are covered:

- Problem under consideration;
- Rationale for intervention;
- Policy objective;
- Description of options considered (including do nothing);
- Costs and benefits of each option;
- Risks and assumptions;
- Administrative burden and policy savings calculations;
- Wider impacts;
- Summary and preferred option with description of implementation plan.

Inserting text for this section:

Select the notes here and either type section text, or use **Paste Without Format** toolbar button to paste in the standard EBBodyPara Style. Format text by applying EB styles from the toolbar.

Annexes

Annex 1 should be used to set out the Post Implementation Review Plan as detailed below. Further annexes may be added where the Specific Impact Tests yield information relevant to an overall understanding of policy options.

Annex 1: Post Implementation Review (PIR) Plan

A PIR should be undertaken, usually three to five years after implementation of the policy, but exceptionally a longer period may be more appropriate. A PIR should examine the extent to which the implemented regulations have achieved their objectives, assess their costs and benefits and identify whether they are having any unintended consequences. Please set out the PIR Plan as detailed below. If there is no plan to do a PIR please provide reasons below.

<p>Basis of the review: [The basis of the review could be statutory (forming part of the legislation), it could be to review existing policy or there could be a political commitment to review]; To review effectiveness of the code.</p>
<p>Review objective: [Is it intended as a proportionate check that regulation is operating as expected to tackle the problem of concern?; or as a wider exploration of the policy approach taken?; or as a link from policy objective to outcome?] To review whether code is operating as intended to improve the welfare of gamebirds and whether it is useful in court in cases of poor welfare involving gamebirds.</p>
<p>Review approach and rationale: [e.g. describe here the review approach (in-depth evaluation, scope review of monitoring data, scan of stakeholder views, etc.) and the rationale that made choosing such an approach] To ask industry, Animal Health and other interest groups to provide feedback on the effectiveness of the code in improving the welfare of the birds, to compare data available on different welfare aspects (for example use of the code in cases of poor welfare) with equivalent information now available and to take account of the results of future research. We will also seek feedback on compliance costs and administrative costs to the industry.</p>
<p>Baseline: [The current (baseline) position against which the change introduced by the legislation can be measured] A report was completed by ADAS in 2009 to assess the likely costs to the game industry of complying with the code, with particular relevance to the housing of breeding gamebirds and the competition aspects of importation of chicks from other countries.</p>
<p>Success criteria: [Criteria showing achievement of the policy objectives as set out in the final impact assessment; criteria for modifying or replacing the policy if it does not achieve its objectives] A continued improvement in the welfare of gamebirds</p>
<p>Monitoring information arrangements: [Provide further details of the planned/existing arrangements in place that will allow a systematic collection of monitoring information for future policy review] Propose asking selective game farms to provide details of records kept (mortality rates, disease, injuries), as required under the code.</p>
<p>Reasons for not planning a PIR: [If there is no plan to do a PIR please provide reasons here]</p>

Summary

Concerns were raised, by animal welfare organisations, the British Association of Shooting & Conservation and by Members of Parliament and peers in 2006, over certain management techniques used in the rearing of gamebirds for sport shooting. Such concerns are mainly around cage rearing systems, which many consider compromise the welfare of the birds.

Ministers gave assurances that the government would address the problem.

Unlike poultry, there is no specific legislation that applies to the welfare of the rearing of gamebirds for sport shooting.

The only animal welfare legislation that relates to the rearing of gamebirds is the Animal Welfare Act 2006 (the 2006 Act). This makes it an offence to cause any unnecessary suffering to an animal; or to fail to provide for its welfare needs.

Options considered were:

- 1 - do nothing;
- 2 - a ban on the use of small barren cages:-
 - (i) through a code of practice made under the 2006 Act,
 - (ii) through regulations made under the 2006 Act;
- 3 – a ban on all cages:-
 - (i) through a code of practice made under the 2006 Act,
 - (ii) through regulations made under the 2006 Act.

The net impact of each option was estimated as follows:

Option		Net cost range (PV for 5 years) (£)
1		no net impact
2(i)		3.38m – 7.83m
2(ii)		8.80m – 19.5m
3(i) ^a	Case A	9.53m – 69.6m
	Case B	26.4m – 32.5m
3(ii) ^a	Case A	15.0m – 82.9m
	Case B	31.4m – 41.3m

^aTwo cases were considered for Option 3, due to our uncertainty about the response of industry to the proposed cage ban: Case A – the case where no firms will go out of business; and Case B – the case where a large number of firms leave the industry.

A full analysis of these options is provided in the Consultation Stage Impact Assessment.

Consultation responses

The consultation resulted in over 2,000 responses. 18 were from organisations with an interest in the rearing of gamebirds and the rest were from members of the public, including about 100 game rearers. About 1,900 were responses generated by a campaign that called for a complete ban on cages but “in line with the recommendations of the Farm Animal Welfare Council” (FAWC). However, FAWC recommended that barren cages should not be used rather than all cages (allowing enriched cages).

Of the 18 organisations who responded none supported Option 1; 12 supported Option 2; 5 supported Option 3; and one considered more research was needed.

58 respondees considered that a code was more preferable than regulations. Two respondees favoured regulations.

A summary of the responses to the consultation exercise is available on the Defra website at: <http://www.defra.gov.uk/corporate/consult/gamebirds/100330-response-summary.pdf>

Following the consultation, the government decided that a code of practice be made under the 2006 Act to address the welfare concerns connected with the rearing of gamebirds for sporting purposes and that, on the basis of available evidence and taking into account the responses to the consultation, the wording on housing of breeding birds should reflect Option 2 (that barren cages should not be used).

The code of practice is made under the 2006 Act and provides both game farmers and the courts with advice as to what was required, under the 2006 Act, to meet the welfare needs of gamebirds. A Defra working group of interested parties, including representatives from the industry, shooting interest, welfare groups and veterinarians drafted the code.

Regulations would enable regular checks to be made to game farms. However the burdens it would impose on small businesses would be disproportionate to the problem and would not be consistent with the Government policy on the use of self-regulatory mechanisms under the Better Regulation Agenda.

Summary costs table

During the consultation exercise, and referred to in Annex A to the Consultation Stage Impact Assessment, Defra commissioned ADAS (an independent environmental consultancy) to conduct a comparative analysis (including comparing margins of current suppliers with and without cages, and other management practices). In addition further information was sought on the likelihood of firms going out of business and the potential number taking that route. ADAS supplied an independent report reflecting the effects of the code of practice on the gamebird rearing industry. The estimated costs and benefits in this Final Stage Impact Assessment are therefore based on the ADAS report.

The overall costs relating to the introduction of the Code of Practice are summarised in the following table:

Cost type	Item	Cost estimates (£)
Transition	Recommendation of a ban of small barren cages for breeding pheasants and partridges	0 – 152k
	Production of flock health and welfare plan	500k – 1,000k
	Total one-off	0.5m – 1.15m
Annual	Maintaining enriched cages for breeding pheasants and partridges	0 – 48.3k
	Benefit foregone from no longer using spectacles*	850 – 8,500
	Record keeping cost	330k – 660k
	Total annual	0.331m – 0.717m
Total costs (5 years from implementation)		1.99m – 4.39m

* Note that we have assumed that the benefit foregone by game farmers from no longer using spectacles is exactly offset by the cost saving to game farmers from reduced purchases of spectacles.

Note that monetised costs are calculated in relation to current status quo costs to the industry and Government.

Summary benefits

It is difficult to put a precise monetary value on the welfare benefit to the birds from the introduction of a code. However under the 2006 Act owners of animals (including gamebirds reared for sporting purposes) must provide for the welfare needs of their animals. One of the needs includes being able to exhibit normal behaviour patterns. There is therefore potential for improvement in the welfare of adult breeding pheasants and partridges by removing small barren cages and providing enrichment such as scratch pads and nest areas to housing systems. The code therefore recommends that all laying systems for the housing of breeding birds should be designed and managed to ensure the welfare of the birds. This applies both to game rearers who use pen systems and to those using cages with recognition and recognises that environmental enrichment is required. This position reflects the findings of FAWC's 2008 *Opinion on the Welfare of Gamebirds* which recommended that barren raised cages for pheasants and small barren cages for breeding partridges should not be used.

As discussed above, the cost to manufacturers in terms of reduced sales of spectacles represents a cost saving to industry. Hence industry effectively gains £850 - £8,500 per annum (a transfer).

Game rearing industry

1. There are approximately 5,000 premises rearing 50 or more gamebirds per year in England (estimated from ADAS assumptions and those registered on poultry register). This figure also includes those establishments that obtain birds for release only.
2. The gamebird shooting industry is said to be worth an estimated £1.6 billion and sustains the equivalent of 70,000 full-time jobs².
3. There are approximately 40 million gamebirds (30 to 35 million pheasants and 5 to 10 million partridges) released each year in Great Britain for sport shooting³.
4. About 50% of the pheasants reared and up to 90% of partridges are imported into GB. These are mostly as hatching eggs, with a lesser number of day-old chicks from France. Some birds or hatching eggs may be imported from outwith Europe⁴.
5. There are about 400 game farms in GB. In addition, there are up to 2,500 smaller premises with gamekeepers reared birds for their own estates⁵.
6. There are about 7,000 shoots registered to release pheasants; and up to 1,500 premises rearing partridges and 3,000 releasing them⁶.
7. Cage farms vary in the numbers of cages they have and can range between 200 and 1,200. Some of these larger cage rearing farms can produce up to 3 million eggs a year.

² Public & Corporate Economics Consultants (PACEC), Cambridge, 2006; www.shootingfacts.co.uk

³ Farm Animal Welfare Council Opinion on the Welfare of Farmed Gamebirds, November 2008

⁴ Farm Animal Welfare Council Opinion on the Welfare of Farmed Gamebirds, November 2008

⁵ Farm Animal Welfare Council Opinion on the Welfare of Farmed Gamebirds, November 2008

⁶ Farm Animal Welfare Council Opinion on the Welfare of Farmed Gamebirds, November 2008
www.fawc.org.uk/pdf/farmed-gamebirds.pdf

Nature of problem

8. In recent times, there have been campaigns alleging poor welfare at some game farms. Some of these campaigns have been aimed at cage rearing systems and others at certain management practices (eg the use of bits and spectacles - devices that clip onto the birds nasal septum/mandibles that may prevent egg eating, bird-on-bird pecking and feather pecking). Although there are few farms that use spectacles or cages for breeding pheasants, many farms use bits.

9. The campaigns have alleged that such rearing systems and management practices compromise the animals' welfare by either restricting the ability of the birds to exhibit normal behaviour patterns or causing damage to the birds' nasal area.

10. There are relatively few pheasant cage housing systems in England (about ten) but because they are more intensive, collectively they are responsible for a sizeable proportion of the birds raised. Such systems are more common in France where many of the hatchings are imported into this country for shoots here. The majority of breeding partridges are housed in cages or boxes. Moreover, these produce only 10% of the birds shot, with over 90% imported from France. Although there has been considerable criticism of the use of cages, drawing parallels with battery cages for laying hens, there is no strong evidence to show that using cages for breeding gamebirds in itself compromises their welfare.

11. Between 2005 and 2007, the use of bits and spectacles was the subject of Defra funded research carried out by the Game Conservancy Trust (now the Game & Wildlife Conservancy Trust) *The Effects of the Application of Bits and Spectacles in Gamebirds, 2005-2007*, published March 2009. It concluded that whilst the use of bits and spectacles could benefit the welfare of birds, this may be undone by the damage they can cause to the nares and nasal septum of hen birds. The report added that the industry should consider re-designing spectacles to prevent the problem occurring.

12. The Defra funded research also concluded that bits could have benefits for the welfare of the birds but could damage the nostrils and crossed mandibles, particularly after seven weeks of age. The report recommended that this could be minimised by regularly checking birds and ensuring there is no disparity between the size of the bird and bit.

13. In 2008, in their *Opinion on the Welfare of Gamebirds*, the Farm Animal Welfare Council (FAWC) recommended that barren raised cages for pheasants and small, barren cages for breeding partridges should not be used. They also recommended that current designs of spectacles should not be used because they caused more welfare problems than they solved. FAWC accepted the use of bits in birds of 3 to 7 weeks of age to avoid injurious behaviour as long as the use was closely monitored on an enterprise-by-enterprise basis.

14. The industry has its own code on the rearing of gamebirds – produced by the Game Farmers Association. However, unlike a code made under the 2006 Act, it does not clearly set out how a game farmer can comply with their requirements under the 2006 Act. It is also not clear whether the GFA code could be used effectively in court in cases of poor welfare brought under the 2006 Act. The proposed statutory Code of Practice provides the opportunity for the industry to self-regulate against a set of standards based on the requirements under the 2006 Act. The guidance contained in the statutory code makes a direct link to the statutory requirements under the 2006 Act and therefore carries more weight than the industry equivalent. The statutory code could therefore expect a higher rate of compliance from game rearers.

Relevant legislation

15. There is no specific legislation relating to the welfare of gamebirds reared for sport shooting. This situation is unlike poultry which is defined as livestock at section 8(1) of the *Agriculture (Miscellaneous Provisions) Act 1968, ch34*, and has specific legislation aimed at securing its welfare. Such legislation is European Union driven (*EU Directive 98/58/EC* which at Article 1(2)(b) also exempts “animals intended for use in competitions, shows, cultural or sporting events”). The EU Directive is implemented in England by the *Welfare of Farmed Animals (England) Regulations 2007, SI 2007 No2078* and is made under the 2006 Act.

16. Although the “on-farm” welfare legislation does not apply to gamebirds reared for sporting purposes, the welfare at transport legislation does. *The Welfare of Animals (Transport) (England) Order 2006* implements *Council Regulation (EC) No 1/2005* on the protection of animals during transport and related operations. The Regulation applies to all those involved with the transport of live vertebrate animals in connection with an economic activity, including the business of rearing gamebirds for sporting purposes.

17. The only primary welfare legislation that relates to gamebirds reared for sport shooting is the 2006 Act which requires that all owners and keepers provide for the welfare needs of their animals. Under the 2006 Act, local authorities, Animal Health officers and police have powers to enter and investigate allegations of cruelty or poor welfare. However, anyone can take forward a prosecution under the 2006 Act if they consider they have the necessary evidence of cruelty or poor welfare.

Government commitment on gamebird welfare

18. During the passage of the Animal Welfare Bill through Parliament (2005-2006), there were concerns raised about the welfare of gamebirds raised for sporting purposes. The concerns mainly centred on the emerging practice of housing breeding birds in cages rather than the more traditional method of larger open pens.

19. Ministers acknowledged that unlike some other poultry, there were no specific welfare regulations relating to the rearing of gamebirds for sport shooting and gave assurances that the issue would be addressed.

Extract from Hansard, 17th January 2006

20. Mr Drew: “As my hon Friend will know, the Select Committee told the Government that the farming of gamebirds had not been taken terribly seriously and urged them to consult more widely on the issue. Do the Government have the matter in hand? Will there be a proper and comprehensive consultation before potential changes are introduced in secondary legislation or elsewhere?”

21. Mr. Bradshaw (the then Minister for Animal Welfare): “Yes, I am happy to give my hon. Friend that reassurance. It is absolutely right to say that the issue has gone unregulated. As we discussed on Second Reading, pheasants do not come under farmed animal regulations and they are being regulated for the first time in the Bill. My hon. Friend the Member for Sherwood raised the issue of intensive rearing using raised cages, and we have given assurances in the past that we shall address it.”

22. The Government considers that a code of practice will benefit the welfare of gamebirds reared for sporting purposes, the keepers and the courts when dealing with cases of poor welfare in relation to gamebirds.

Cage systems and spectacles

23. The government considers that, since strong concerns have been expressed by FAWC, and shooting and welfare organisations, the issue of cages needs to be addressed.

24. Advising game farmers not to use spectacles is in line with the research *The Effects of the Application of Bits and Spectacles in Gamebirds, 2005-2007*, which concluded that such devices should be redesigned before being used.

25. Such devices are not widely/commonly used and are unlikely to be re-designed unless a considerable amount of investment was made to ensure that they did not cause any unnecessary suffering to the birds. As the use of spectacles is based on the perceived welfare benefits rather than any productive benefit per se, it is estimated that their phasing out will lead to no further costs to industry as maintaining bird welfare levels will occur without the use of the spectacles.

26. What the code will say over and above what many game farmers already do:

(i) Research suggests that spectacles may have some welfare benefits in some circumstances but that these are largely undone by the damage they can cause to the nares and nasal septum of hens – research concludes that the industry should consider re-designing spectacles. So, the code says that spectacles should not be used.

(ii) A recommendation that barren cages for breeding pheasants and partridges should not be used (Option 2).

27. The code advises farmers not to use spectacles nor to use bits as routine because, although there are certain benefits to their use (eg reduce bird-on-bird pecking), both of these devices can compromise the welfare of the birds (eg nostril damage). This information was identified in Defra's funded research *The Effects of the Application of Bits and Spectacles in Gamebirds, 2005-2007*, published March 2009.

28. The code says that small barren cages for pheasants and small barren cages for breeding partridges should not be used. This means that any such cages should be enriched (eg by the use of scratching pads, perches).

Consideration of each option

29. Three options were considered:

1 - do nothing;

2 - a ban on the use of barren cages:-

(i) through a code of practice made under the 2006 Act,

(ii) through regulations made under the 2006 Act;

3 – a ban on all cages:-

(i) through a code of practice made under the 2006 Act,

(ii) through regulations made under the 2006 Act.

30. Details of the costs and benefits associated with each option are set out in the Consultation Stage Impact Assessment.

Option 2(i) – Ban on barren cages - code of practice

31. Following the consultation it was decided that the section in the code relating to the housing of breeding pheasants and partridges should recommend that barren cages should not be used (Option 2i in the Consultation Stage Impact Assessment). This is based on a recommendation made by FAWC in their 2008 publication *Opinion on the Welfare of Gamebirds*, which recommended that barren raised cages for pheasants and small, barren cages for breeding partridges should not be used. FAWC considered that such housing systems compromised the birds' welfare.

32. This would allow enriched cages to be used. The majority of the Defra working group (representatives drawn from industry, welfare groups and shooting interests who drafted the code of practice) considered that there was not enough evidence to support a recommendation

that all cages should not be used. It acknowledged that there were concerns about the use of barren cages and followed the recommendation in the FAWC Opinion.

33. By using a code of practice, rather than regulations, it allows the industry to enrich any barren cages and not be subject to a regulatory regime. .

34. A parliamentary approved code of practice would be light touch on game farmers and should not, in itself, impose undue costs/burdens. The code would inform game farmers how to meet the welfare needs of their animals as well as be used in courts in cases of poor welfare in relation to the rearing of gamebirds. It is expected that the code will have a positive effect on the welfare of the birds because it will apply to all game rearing establishments in England and will make a direct link to the requirements of the 2006 Act.

35. The recent research on certain management practices provides an opportunity for the government to inform game farmers of how they can meet the welfare needs of their animals without imposing unrealistic burdens. The code provides the opportunity to self-regulate against a set of standards based on the requirements under the 2006 Act.

36. The draft code states that each establishment should keep records of mortality and post mortem reports for a period of three years to inform future management. This was recommended by FAWC in their Opinion (see paragraph 13) and was supported by the Game Farmers Association.

37. The draft code also states that it is good practice for each establishment to have a flock health and welfare plan, made in conjunction with a veterinary surgeon. This again was recommended by FAWC in their Opinion (see paragraph 13) and was welcomed by the Game Farmers Association.

38. Both industry and welfare groups agree that game farmers should already be keeping records and have a flock health and welfare plan in place for the purposes of maintaining good welfare and being able to reduce disease outbreaks.

39. The costs and benefits of implementing the code have been calculated in relation to the current industry status quo (Option 1 in the Consultation Stage Impact Assessment, the do nothing approach).

Costs

40. The costs of implementing the code can be broken down into transition costs and annual recurring costs. In all cases it has been assumed that producers will adhere to the recommendations of the code.

41. Transition costs based on the recommendations include:

- i. Cage enrichment – producers currently using small barren cages are expected to move to alternative production methods, with associated one-off costs. The alternative methods would involve enriching cages with for example, matting; abrasive material for claw smothering; concealed laying areas; and perches in pheasant cages.
- ii. Other standards, such as spectacles use – those producers currently using spectacles are expected to move to alternative management techniques (for example, an increase in time spent on bird inspection following removal of the option of spectacles), with the associated one-off costs.
- iii. Requirement to devise a flock health and welfare plan in conjunction with a veterinary surgeon – applicable to producers without such plans in place.

42. Annual costs based on the recommendations include:

- i. Cage enrichment – as above, it has been assumed that there will be a cost to maintaining enriched cages. This may involve replacing matting and abrasive material on an annual basis.
- ii. Spectacles use – impact on the sales of manufacturers of spectacles.
- iii. Keeping records of mortality and post mortem reports – applicable to producers not currently keeping such records.

As a result of the public consultation and the Defra commissioned report by ADAS assessing the likely costs and financial impacts of these requirements, there have been several other changes to the unit costs and number of producers affected. These changes are noted in the relevant cost sections.

Transition costs

43. *Cage enrichment*

43.1. We assume that 80% of GFA members already have enriched cages. This has been assumed because although the GFA code of practice requires it; as stated in paragraph 14, the guidance in the GFA code of practice is unclear as to how game farmers can comply and it is not clear whether this code could be used effectively in court in cases of poor welfare under the 2006 Act.

43.2. We estimate that 6 out of 10 pheasant cage farmers and 16 out of 20 partridge cage farmers are members of the GFA. The number of producers estimated to be directly affected by the recommendation in the code regarding the use of small barren cages is as follows:

Partridges: 7 establishments with small barren cages (based on 3 non-compliant GFA members and 4 rearers who are not members of the GFA).

Pheasants: 5 establishments using small barren cages (based on 1 non-compliant GFA member and 4 rearers who are not members of the GFA).

43.3. The one off costs to these producers refers to the requirement to purchase and install equipment to enrich small barren cages.

43.4. Following advice in the ADAS report, the estimated cost of enriching small barren pheasant cages is between £0 and £31.50 per cage. This is higher than the initial cost estimate used in the Consultation Stage Impact Assessment, £5-£15 per cage. Therefore, the costs of this requirement have been updated to reflect this.

43.5. Pheasant keepers currently using cage systems are estimated to have approximately 300 cages on average. This has been reduced from the consultation impact assessment following the advice in the ADAS report. The estimated cost per pheasant keeper is £0 - £9,450,000. For the pheasant industry as a whole, this translates to a cost of £0 - £47,200.

43.6. On recommendation from industry and confirmed by the ADAS report, partridge cages do not need to be enriched with perches and house fewer birds than pheasant cages so the associated cost of enrichment is less than pheasant cages. The estimated cost of enriching small barren pheasant cages is between £0 and £7.50 per cage. This is slightly lower than the initial estimate used in the Consultation Stage Impact Assessment, and the costs of this requirement have been updated to reflect this.

43.7. Partridge keepers currently using cage systems are estimated to have approximately 2,000 cages on average. The estimated cost per partridge keeper is £0 - £15,000. For the partridge industry as a whole, this translates to a cost of £0 - £105,000.

43.8. Overall the transition costs relating to the cage recommendation is estimated by industry to cost the industry £0 - £152k.

44. *Flock health and welfare plan*

44.1. The code requires game farmers to devise a flock health and welfare plan in conjunction with a veterinary surgeon. There will be a transition cost to producing such a plan both in terms of veterinary support and to the time of the game farmer.

44.2. We estimate that this costs on average £200 per establishment. This cost is lower than the industry estimate used in the consultation impact assessment (£300); and reflects discussions held within government during the consultation process, which suggested that the initial cost used was disproportionate. The previous estimate of £300 was considered high based on veterinary costs and time taken to draft the plan. It is accepted that such costs are estimated but it was considered that a figure of £200 was more realistic.

44.3. It is difficult to assess what proportion of the industry already have equivalent plans in place. We estimate that, at a minimum, around half of premises will need to introduce such plans; whereas, at a maximum, all game keeping establishments will need to introduce such plans. Based on 5,000 establishments remaining in the industry as a whole, this translates to a transition cost to industry of £500k - £1,000k.

44.4. As shown in the following table, the total transition costs of the code are between £0.5 million and £1.15 million.

44.5. Total transition costs

Change regarding:	Cost per establishment (£)	Total industry cost (£)
Cage enrichment (12 establishments)	0 – 15k (Partridge) 0 – 9.5k (Pheasant)	0 – 152k
Flock health and welfare plan (2500 – 5000 establishments)	£200	500k – 1,000k
	Total	500k – 1,150k

Annual costs

45. *Cage Enrichment*

45.1. The recommendation that small barren cages should not be used would result in a cost to rearers of maintaining enriched cages. This cost would involve replacing worn matting and abrasive material. It is assumed to be an annual cost.

45.2. Following advice in the ADAS report, we estimate that this will be a small annual cost between £0 and £3 per cage. This represents the cost of replacing litter and nesting material. This is lower than the initial cost estimate of £0-£10 per cage used in the Consultation Stage Impact Assessment, where it was assumed that the required maintenance was similar to the one-off changes associated with enriching a partridge cage. The cost calculations have been updated to reflect this.

45.3. Partridge keepers currently using cage systems are estimated to have approximately 2,000 cages on average. The estimated cost per keeper is therefore estimated to be between £0k and £6,000. For the partridge industry as a whole, this translates to a cost of £0 - £42,000.

45.4. Pheasant keepers currently using cage systems are estimated to have approximately 300 cages on average. The estimated cost per keeper is therefore estimated to be between £0 and £900. For the pheasant industry as a whole, this translates to a cost of £0 - £6,300.

45.5. This implies a total cost to industry of £0 - £48,300 per annum to maintain enriched cages.

45.6. The average turnover for the 7 Partridge keeping establishments affected is estimated by industry to be around £100k per annum. Costs are estimated by industry to be around £50k per annum, suggesting a net margin of £50k per annum per establishment.

45.7. The average turnover for the 5 Pheasant keeping establishments affected is estimated by industry to be around £200k per annum. Costs are estimated by industry to be around £100k per annum, suggesting a net margin of £100k per annum per establishment.

45.8. Whilst these cage recommendations impose additional costs on certain producers, we believe that these costs are not large enough to cause any pheasant or partridge establishments to leave the industry.

46. *Spectacles manufacturers*

46.1. The Code advises game farmers not to use spectacles. Spectacles are not widely used by the industry but it is not clear how many are sold each year. There will be a benefit foregone for game farmers that currently use pheasant spectacles.

46.2. We are unable to determine the exact value of the benefit to game farmers of using spectacles. However, their willingness to pay for this benefit must be at least equal to the cost of purchasing spectacles, as otherwise it would not be worthwhile for farmers to use them. Therefore we have estimated that the annual benefit foregone is equal to the cost to game farmers of purchasing spectacles.

46.3. We have identified a cost of 100 spectacles at £8.50. We estimate that sales of spectacles could be between 10,000 and 100,000 per year. This would mean an annual benefit foregone to game farmers of £850 - £8,500.

47. *Records of mortality and post mortem reports*

47.1. The code also requires game farmers to keep records of mortality and post mortem reports for a period of three years to inform future management. This is an administrative burden on the industry.

47.2. Estimates for the cost of this requirement are based on time requirements and time costs for the individual carrying out the record keeping. Given an average farmer wage of £11 per hour (which includes 30% overheads) and an annual time requirement of 12 hours (1 hour per month), annual costs are estimated to be £132 per establishment.

47.3. As with the recommendation to have a flock health and welfare plan discussed above, it is difficult to assess how many establishments would already have such procedures in place for record keeping. We have estimated that between 50% and 100% of game keeping establishments would need to additionally fulfil this requirement.

47.4. Therefore based on 5,000 establishments in the industry, between 2,500 and 5,000 of these would need to additionally fulfil this requirement to keep records of mortality and post mortem reports. The overall costs for the industry are estimated to be £330,000 - £660,000 per annum.

47.5. Total annual costs:

Change regarding:	Cost per establishment (£)	Total industry cost (£)
Cages (12 establishments)	0 – 6,000 (Partridge) 0 – 900 (Pheasant)	0 – 48.3k
Spectacles users	N/A	850 - 8,500
Additional record keeping (3750 – 7500 establishments)	£132	330k – 660k
	Total	331k – 717k

Benefits

48. A code of practice will improve animal welfare by imparting good practice without imposing unrealistic burdens/costs on most game farmers. The code would be proportionate and therefore meet the requirements of the government's better regulation agenda. It would also assist the courts in cases of poor welfare relating to gamebirds reared for sporting purposes.

49. *Spectacles*

49.1. Whilst the recommendation in the Code not to use spectacles will lead to game farmers foregoing the benefit from no longer being able to use them, there will also be a cost saving to game farmers from no longer purchasing spectacles. As we have not been able to measure this benefit foregone, we have assumed it will be exactly offset by the cost saving.

49.2. As before, we have identified a cost of 100 spectacles at £8.50. We estimate that sales of spectacles could be between 10,000 and 100,000 per year. This would mean an annual cost saving for game farmers of £850 - £8,500 from the reduced purchase of spectacles.

50. "Break even" benefit

50.1. The welfare of gamebirds is of public concern as demonstrated by regular correspondence and questions addressed to Ministers and specific questions debated through the passage of the Animal Welfare Bill through Parliament. The improvements in bird welfare as a result of the code will address societal expectations. We know that improvements in the welfare of these birds provide a value to some members of the public, and these individuals would be prepared to pay for these improvements.

50.2. Although we have not been able to monetise this benefit, it is possible to broadly estimate the magnitude of benefit per bird required for the Code to be cost-benefit neutral.

50.3. At this stage it is necessary to separate the birds into two different groups by their expected welfare improvement. This is because, from various studies considering how much the general public would be willing to pay for improvements in animal welfare, individuals are prepared to pay more for larger improvements in welfare. The group of birds that are expected to benefit most in welfare terms are pheasants and partridges currently kept in small barren cages whose keepers will enrich the cages under the Code. The other group of birds are the remaining home produced gamebirds who are not currently kept in small barren cages (kept either in larger boxes or pen systems) – these birds are expected to have a smaller welfare improvement.

50.4. To calculate the annual benefit per bird required, we have separated the costs for the different recommendations by which group of birds they affect. We have then used the simplified assumption that the one-off costs are spread evenly over the 5 year period under

consideration, and by adding this to the annual costs, we can calculate the annual “break even” benefits required to make the Code worthwhile. To calculate the benefit required per bird, we have divided this total annualised cost by the number of birds affected by the welfare improvement.

50.5. The table below sets out the “break even” benefits per bird required for the different recommendations in order to make the Code worthwhile:

Recommendation	Gamebirds affected	Annual number of birds affected	Total Annualised cost	“Break even” benefit per bird required
Barren cages not used	Gamebirds currently kept in small barren cages	40,000 gamebirds Of which: 28,000 partridges (2 birds per cage * 2000 cages * 7 producers) and 12,800 pheasants (8 birds per cage * 300 cages * 5 producers)	£39.4k	£0.98 (£39.4k/40,000)
Flock health and welfare plans	All home produced gamebirds	20,600,000 gamebirds Of which: 1.6m partridges and 19.0m pheasants	£150k	£0.01 (£150k/20.6m)
Record Keeping	All home produced gamebirds	20,600,000 gamebirds Estimated as above	£495k	£0.02 (£495k / 20.6m)

50.6. So considering all the recommendations suggested by the Code, the total annual “break even” benefit per bird required to make the policy worthwhile is:

- £1.02 for 40k gamebirds currently kept in small barren cages;
- £0.03 for 20.56m home produced gamebirds who are not currently kept in small barren cages.

51. *Drawbacks*

51.1. A code would impose certain burdens on game farmers although it would only underline their responsibilities under the 2006 Act. It would add significantly to the cost of operating a game farm through the payment of an annual fee to cover the cost of the regulatory regime. There is no evidence to suggest that this would improve welfare over a code and so a regulatory regime would be disproportionate.

Administrative Burden and Policy Cost Savings

52. *Administrative Burden*

52.1. As detailed in the costs section of the IA, The Code also required game farmers to keep records of mortality and post mortem reports for a period of three years to inform future management. We estimate that this will be an annual time requirement of 12 hours (1 hour per month) for keepers that do not already comply with this requirement. Based on an average farmer wage of £11 per hours (which includes 30% overheads, the annual admin burden is estimated to be £132 per establishment. The total industry admin burden is estimated to be between £0.33 million and 0.66 million.

53. *Policy cost savings*

53.1. As seen in the costs section of the IA, this policy increases annual costs for businesses rather than introduces any policy cost savings for businesses affected. The net annual increase in business costs is between £0.330 million and £0.708 million.

Competition Assessment

54. In assessing the competition aspects of the code of practice, four key questions need to be addressed: whether the proposals directly limit the number or range of suppliers, whether they indirectly limit the number or range of suppliers, whether they limit the ability of suppliers to compete, and whether they limit suppliers' incentives to compete vigorously. The four tests of the competition assessment have been considered.

55. Limits the number or range of suppliers; or indirectly limits the number or range of suppliers

55.1. The proposals recommended by the Code would not directly or indirectly restrict the number and range of suppliers.

56. Limits the ability of suppliers to compete; or limits suppliers' incentives to compete vigorously

56.1. Suppliers of gamebirds in England could be affected by suppliers of gamebirds from non-enriched cages systems based outside England (eg France). Non-cage based suppliers in England may be under-cut by cheaper cage based suppliers. However, the industry will be encouraged to use welfare friendly sources.

Small firms impact test

57. The proposals recommended by Option 2 will have an impact on the estimated 12 game farmers who use small barren cages. The costs are reflected above.

Legal aid

58. These proposals will have no appreciable impact on the courts, tribunals or judges. The code will assist courts should anyone be brought before them for failing to provide for the welfare needs of gamebirds reared for sporting purposes (as contained in the 2006 Act), so they may help the court reach a suitable verdict in a shorter time. However, the code will not result in more people being brought before the courts.

Sustainable Development

59. The Defra tool identifying the impacts on sustainability "stretching the web" indicated a neutral effect of these proposals on sustainable development.
<http://stretchingtheweb.defra.gov.uk/Answers.aspx>

Carbon Impact Assessment

60. The proposals do not affect an activity or sector that may have a significant impact on emissions of greenhouse gases, and therefore a full carbon impact assessment has not been completed.

Other Environmental Issues

61. No other environmental issues have been identified.

Health impact assessment

62. As this proposal will not have any significant impact on human health, related lifestyle variables or demand on health and social care services a health impact assessment is not required (Department of Health – Screening Questions for health impact assessment).

Race, Gender and Disability equality assessments

63. A screening of the proposals against a checklist of questions as part of the Equality Impact Assessment has revealed that there is no impact on equality issues.

Human Rights

64. There are no human rights issues raised by these proposals.

Rural Proofing

65. These proposals are unlikely to have a different or disproportionate impact in rural areas due to particular rural circumstances or needs.