



Department  
for Environment  
Food & Rural Affairs

# Consultation Report

## Proposed introduction of fees for statutory services delivered by the Animal and Plant Health Agency (APHA)

10 April 2018



Llywodraeth Cymru  
Welsh Government



The Scottish  
Government



Animal &  
Plant Health  
Agency



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# Summary

Between 26 October 2015 and 14 December 2015 the Animal and Plant Health Agency (APHA) conducted an open public consultation on proposals to introduce charges for three statutory services delivered by the Agency.

The consultation was held on behalf of UK government, Scottish government and Welsh government with the proposals being common to all, except for Animal Gatherings which applies in England and Wales only.

Over 370 organisations were contacted by email to alert them to the consultation. A total of 61 responses were received: 51 consultation questionnaire responses and 10 by email or letter.

This is a report on the outcomes of the consultation, the publication of which has been delayed.

Where the consultation document referred to options for implementation of new fees from 2015/16, this should now be regarded as 2018/19. Some comments submitted by respondents that are quoted below include references to the original planned timeline and are included here verbatim.

# Background

The principal purpose of the consultation was to seek views on proposals for introducing new fees to achieve Full Cost Recovery (FCR) for some services which are currently provided free of charge and to seek further information on the impact of these proposed new fees on businesses, including small businesses (11-49 employees) and micro businesses (1-10 employees).

The statutory services where the Agency is considering introducing fees with this consultation are:

- Animal By-Products
- Animal Gatherings (England and Wales only)
- Pet Passports

In line with government principles, end users who benefit directly from a service should bear the cost for delivery of these services.

For the purposes of the consultation, three options for delivering the government's policy of FCR were under consideration:

- **Option 0: No intervention.** Under this option no new fees would be charged. This was not considered a realistic option, but provided a baseline against which other options could be assessed.
- **Option 1: Introduce fees at FCR during 2015/16.** Under this option the new fees would be introduced at FCR from the outset. (Note: Shown as 2015/16 in the Consultation Document but now planned for 2018/19).
- **Option 2: Introduce fees with phased fee increases to achieve FCR.** Under this option fees would be increased in incremental steps to reach FCR in the second year (Note: FCR shown as to be achieved in 2016/17 in the Consultation Document but now planned for 2019/20).

This option applies to Animal By-Products and Animal Gatherings only, although fees associated with travel time would be introduced at 100% from the outset. Pet Passports would be charged at 100% FCR from the outset due to their relative low value.

For Animal Gatherings, the consultation responses helped the Agency understand the potential impact of the FCR approach under both Options 1 and 2 on local small scale shows, particularly those organised by registered charities.

The consultation included a questionnaire which set out specific questions to help us make informed assessments of the risks associated with the options for each of the services. Responses to each of the individual questionnaires together with the government response are shown at sections 1-4 of this document.

Over 370 interested trade organisations and businesses were directly invited to respond to the consultation, which was also advertised and open to the general public on [www.gov.uk](http://www.gov.uk).

## Body responsible for consultation

The consultation was undertaken by APHA in partnership with Defra, the Scottish government and the Welsh government.

## Duration

The consultation started on 26 October 2015 and lasted seven weeks until 14 December 2015. In response to a stakeholder request, the consultation was extended from six to seven weeks.

## Summary of responses

Sixty one responses to the consultation were received. They were submitted by a range of businesses, trade associations and industry groups, farming unions, charities and individuals. Fifty one questionnaires were received which addressed the specific questions posed. The remaining ten responses were made by letter or email.

We are grateful to everyone who took the time and effort to respond. This summary seeks to reflect the views offered but, inevitably, it is not possible to describe all of the responses in detail. Every response has been read and considered in developing the final impact assessments.

The majority of respondents expressed a preference of having a phased introduction of new fees.

A list of respondents can be found at **Annex A**. For reasons of confidentiality, only organisation and business names are shown in this list.

# Section 1: Animal By-Products (ABPs) questionnaire

## Number of responses

Twenty one questionnaires were received in relation to the proposed introduction of fees for ABPs.

In addition, four letter/email correspondences and two generic responses that focused on all three statutory services covered in the consultation were received.

## Breakdown of questionnaire responses

### About you

#### **Question: How many people do you employ in relation to Animal By-Products?**

Two respondents did not answer this question. Of those who did, thirteen employ up to 10 people (micro-businesses), one employs between 11 and 49 people (small business) and another employs between 50 and 249 people (medium business). Three respondents employ more than 250 people and are categorised as large businesses.

#### **Question: What type of processes do you undertake?**

The respondents operate across a range of ABP processes including:

- Collection centres
- Approving health certificates
- OV (Official Veterinarian) inspections for products for export
- Waste and recycling facilities for international catering waste
- Incineration plants
- Knacker-yard
- TSE (Transmissible spongiform encephalopathies) sampling site
- Composting and Anaerobic digestion plants
- Complementary feeds

- Pet food manufacturer
- Storage plants
- Rendering plants

Five respondents were trade associations/organisations and industry promotion and development organisations.

**Question: Which parts of Great Britain do you operate in?**

One respondent did not answer this question. Of those who did, the respondents operate in Great Britain as follows:

- Nine operate in England only
- Two operate in Scotland only
- One operates in Wales only
- Three operate in England and Wales
- Four operate across Great Britain (England, Scotland and Wales)

**Our proposals**

**Question: What is your preference for achieving full cost recovery between Option 1 (straight to full cost recovery) and Option 2 (phased introduction of fees) and why?**

One respondent indicated a preference for Option 1 to introduce new fees at FCR from the outset, explaining that they “would pass on the proposed costs to tenants who are the airlines and other airport customers”.

Nineteen respondents indicated a preference for Option 2, to introduce new fees with a phased increase over two years to achieve FCR in the second year. The respondents’ views are summarised as follows:

“It’s fair to all concerned. There may be some negative impacts on business and trade”

“We should not bear any direct costs; we are not highly profitable at all due to the publicised difficulties by dairy and beef farmers. The industry is already suffering from reduced incomes due to the collapse of hide and skin prices and at the same time our disposal costs have seen a massive increase in recent months”

“Any increases in fees will be difficult to absorb”



“Budget planning/constraints – a phased approach will have a lower impact on compliance budgets already projected for 2015/16. Budgets for 2016/17 onwards can be adjusted to allow for the new charges in reasonable time”

One respondent commented that the biogas and composting sectors are:

“...highly regulated sector[s], which are not highly profitable”

They would prefer to see a charging scheme:

“...that rewards compliant operators and charges non-compliant sites. Any implementation needs to be done over a 12-18 months period of time”

A number of respondents stated that they would have preferred another option with one stating they would have liked:

“...an Option 3 – no recovery of fees, so opted for Option 2” adding that these services are “...offered for the enforcement of legislation and as such should be provided by the Treasury”

One respondent said they did not agree with the overall assumption of the consultation that all the benefits [of the service] fall to the industry. They feel that:

“...providing only two options, both of which result in FCR, is disingenuous and could result in the costs of checks which benefit wider society falling on a disproportionate few. Of the available options, a phased introduction is preferable as it allows the affected businesses to adjust their practices and operating structures to ensure they can operate as efficiently and cost effectively as possible”

A small number of respondents questioned the need for charging for ABP work and suggest that the current taxpayer funded arrangement should be maintained as:

“...this sector provides a public service, in terms of disposing of animal by-products in a bio-secure and/or environmentally friendly way”

**Question: What do you see as the key risks surrounding the implementation of options 1 and 2, their likelihood and their impact?**

Six respondents did not answer this question. Fourteen respondents identified risks, summarised as follows:

“Businesses already operating on a small profit margin would find it very difficult to be able to afford the additional cost of fees and to pass the cost on to an already burdened farming industry would not be feasible. Negative impact on business growth/employment in the sector and international trade as may not be cost effective. Some small operators may decide to leave the industry”

“Businesses’ expectations of APHA to deliver the service that has been paid for i.e. APHA’s resource implications. Disagreements between Operators and APHA on their risk profiles and compliance performance likely and will add to APHA's resource to address matters as scheme beds in”

“Cattle farmers in the UK are already suffering from increased costs and lower sale prices for the products they produce. In our opinion the UK is already too reliant on imported meat and dairy products as home-grown produce is undercut on price. If the UK is to remain at least partially self-sufficient then we would urge you to consider applying this levy industry wide and throughout the supply chain”

“Increased costs to breed societies; Potential to impair the export of UK genetics to the rest of the world; Impact on the numbers of Guernsey cows”

“Difficulty in demonstrating value for money to customers and assessing fair cost, which may potentially impact on food process for the consumer”

“Reduced fallen stock collection capacity in some areas. Disease control is best managed by dead carcasses being dealt with locally. Alternatively customers may use ‘less scrupulous’ operators, for instance van and trailer collectors, or to decide to bury dead animals”

“There needs to be clarity on the fee structure when it has been agreed with industry and also the frequency of visits. It is unclear if it is proposed to charge for time on site plus travel or per visit whatever the duration. The level of costs imposed will therefore determine the impact this has on the sector. If the costs are significant this will act as a further barrier or disincentive to sites becoming established particularly on a smaller scale where profit margins are small. If there is an incentive for APHA staff to spend longer on site in order that they recover a greater cost then this will do little to build trust and co-operation between the two parties”

“Validation of new plants, especially those seeking approval to treat ABP to the alternative process/treatment parameters under the ABPR (EC) No.1069/2009, would be significantly higher (even unaffordable) when added to the cost of the additional microbial testing required. Smaller plants become uneconomical”

“We would like to stress that all of these risks are serious and could have a cumulative destructive effect on rural farming communities and farm businesses”

“The act of introducing charging may act as a disincentive for farmers to establish small scale on farm fallen stock disposal systems. On farm solutions, e.g. incinerators, should be considered best practice as they negate the need for knacker wagons to visit farms (a potential biosecurity risk) and allows the farmer to dispose of small deadstock such as poultry, lambs, piglets, etc., promptly and

safely. Most on-farm incinerators have a limited capacity (~25kg per hour) so could not cope with large whole carcasses”

**Question: What other options would you suggest that could transfer the cost burden of providing this service away from the general taxpayer?**

Three respondents did not respond to this question and one respondent commented that they were happy with the proposals. The remaining respondents’ suggestions are summarised as follows:

“The costs should be covered by the general tax payer i.e. the industry/person generating the waste. Cost burden will always be transferred to the customer in a commercial context, which in some cases could be the public. It would appear to be in-direct charging and some may see this as a 'stealth tax”

“Allowing the industry to self-regulate with only instruction and checks from a governing body, following a risk based approach. There needs to be an opportunity for scoring to reflect improvements in risk management made by companies and especially of any externally verified improvements in systems. The imposition of a charging scheme not dissimilar to the EA OPRA scoring system which charges according to your ability to comply with the necessary permit requirements. This is fairer and does not penalise compliant sites”

“An industry wide levy to include producers, abattoirs, slaughterhouses; hauliers and retailers should be brought in as opposed to charging slaughterhouses only”

“Introducing a nominal tax/levy to the consumer on beef/dairy”

“Defra, Trading Standards and Local Authority Environmental Health working together”

“Introduce a levy on sales at cattle markets and abattoirs”

“Reduce the frequency of visits by Defra staff”

## **Impacts on you**

**Question: What would you expect the impact of introducing new fees to have on your profit margins and would you expect to absorb this cost or transfer it to your customers?**

Four respondents did not answer this question. Three respondents expect it could reduce profit margins. Two respondents felt it was an

“additional overhead so would decrease margins to some extent”.

Two respondents said that:

“for a new site it would have a large impact, profit margins would be cut”.

Other responses were given as follows:

“Impacts difficult to assess”

“Could have a serious impact on profits/gross margin, so would need to transfer costs. Customers likely to look for alternatives”

“Proposed levy would impact further on profit margins. Would be difficult to pass on this cost to customers”

“Charges would not affect their current fees, may have to consider reducing fees to enable them to be cost effective”

“Impact on exports”

One respondent considered that there wouldn't be any impact.

In relation to absorbing or transferring costs, seven respondents would absorb this cost and six respondents would transfer this cost. Three respondents said they would both transfer and absorb where possible and one respondent found the question difficult to answer.

**Question: How do you think the introduction of fees will affect the demand for your goods and services?**

Nine respondents consider that the new fees will not have a difference on the demand for goods and services. Nine respondents felt that it would decrease demand. Two respondents did not answer this question.

**Question: As a result of the introduction of fees would you expect to reduce the numbers of exports or domestic trade you make each year and/or reduce the volume you trade in?**

Two respondents did not answer this question. Eleven respondents considered that the new fees will not have a difference on the volumes or trade. Of those respondents who answered this question, the following reasons were provided:

“Operators may need to increase plant capacity/process throughput to compensate for APHA charges”

“Trade would not change as we want to achieve maximum capacity. Would impact on profit margins and penalise us taking ABP material”

“Individual members may see decreases in volume if other businesses were to absorb the cost and offer cheaper services”

“Costs would be factored into routine operation and passed on through higher gate fees”

Seven respondents consider the new fees would decrease volumes. Of those respondents who answered this question the following reasons were provided:

“Costs would have to be met somewhere other than out of the meagre profits”

“Less business”

“Competing with Third countries who may have cheaper charging/overheads”

“Cost increase likely to put pressure on the GB meat industry with potential for meat to be sourced from abroad”

“Would decrease volume if other businesses were to absorb the cost and offer cheaper service”

“Reduced demand”

“Any cost increase is likely to put pressure on the GB meat industry”

## **Other impacts**

**Question: Do you consider the introduction of fees will encourage compliance with the Animal By-Product regulations as a way to reduce the number of risk based visits?**

Two respondents did not answer this question. Three respondents considered that the new fees would discourage compliance. Comments were:

“Firms which comply currently will continue to comply whereas those who operate without premises to run will reap the benefits”

“Competent operators will continue to comply; incompetent operators will continue to not comply”

Five respondents considered that the new fees would encourage compliance with the following comment made:

“To reduce costs getting it right in terms of good compliance resulting in less inspections makes sense”

Ten respondents felt the new fees would not make a difference and included the following comments:

“We already take compliance with ABP seriously. Complying with regulations is key to our success”

“Spot checks combined with plants own systems provide a high degree of compliance currently”

“Business comply regardless of the number of audits received – already in compliance”

“Aviation and transport industry already heavily regulated. These businesses and their suppliers are transparent, clear and have reputations to hold. It would not be in their best interest to actively be non-compliant”

“Competent operators will continue to comply; incompetent operators will continue to not comply”

“It is in our members interests as responsible businesses to comply”

“Expect it would make little difference, it could increase hostility towards the site visits, as in effect you are paying someone to come and critique long running businesses”

**Question: Are there any other impacts, not currently identified, that we need to consider?**

Thirteen respondents did not answer this question. Seven respondents said there would be other impacts and have identified those shown below:

“Routine site inspections may be more efficient however charging for travel is unreasonable as it is not the operator’s fault the APHA office is miles away. This could lead to unforeseen costs”

“Frequency of Defra visits”

“Van and trailer collectors because they are not on Defra’s radar as they have no premises”

“Position with Maggot farms”

“Two respondents said there needs to be coordination with other government bodies charging for services”

“Export of Semen from rare breeds”

“over auditing of businesses could detract from operational policies”

**Question: Are there any cumulative impacts arising from these new fees against other current statutory charges?**

Fifteen respondents did not answer this question. Five respondents commented as follows:

“Implementing Duty of Care requirements and the quality management systems to ensure production of a safe end product are time consuming and costly”

“More pressure on smaller numbered breeds”

“Increase the regulatory burden; businesses should be encouraged along the route of earned recognition to reduce audit frequency”

**Question: What are the impacts likely to be on micro (fewer than 10 employees) and small businesses (11-49 employees)?**

Twelve respondents did not answer this question. Eight respondents provided the following impacts:

“Would have more of an impact % wise as compared to a larger business”

“End users would not be willing to meet any additional costs”

“Would expect a downturn in business/profits”

“Increased costs” – suggested merging visits from government bodies”

“Depends on costs”

“May struggle to compete against foreign companies. Industry may become dominated by larger companies”

“Reduced profit margins”

**Question: Do you have any evidence of this and numbers likely to be impacted?**

One respondent felt that “the economies of scale always favour larger enterprises”. Nineteen respondents did not comment.

**Additional comments**

**Question: Do you have any other comments that you wish to make that have not been covered by the previous question?**

One respondent expressed that they:

“...are fundamentally opposed to all but the specific fee that is charged. Salary costs, non-pay running costs and indirect costs should not be borne by individual businesses. Any opportunity for earned recognition should be explored before charging is introduced. Farms, markets or collection centres which are ‘Red Tractor’ assured/approved should be exempt”

Another respondent recognises that:

“...businesses in the Red Meat supply chain are working at minimal margins and increased cost would be impossible to recover. These charges should be minimal and there is a need to maximise the time to implement the charges. Charges to travel time should also be limited”

There were concerns expressed around a potential increase in illegal activities whereby it is likely to increase non-compliance amongst farmers, illegal burial and disposal via other illegal means.

Further clarity and explanation was requested over ports of entry, airports, ABP approved plants, as the explanations given in the consultation document is vague.

Another commented:

“...charges could discourage innovation in new technologies and process techniques that would require the more complex validation procedures which will in turn be more costly to validate”

Customer relationships were also highlighted whereby charging for statutory services may cause:

“a breakdown in communication between officers and operators. The services of APHA officers are well regarded for their advice and support and this should not be put in jeopardy”. Although one respondent explained “we have always had a reasonable relationship with Defra until a new Vet took responsibility for my site. The vet has little or no experience and increased my visit frequency. If these visits continue monthly then the costs would be more crippling”

One organisation confirmed that their members are unopposed to paying for regulatory compliance work and some would even support more rigorous inspections, even so far as to pay for a full time APHA officer on site in a similar manner to slaughterhouses:

“Implementation will require a consistent approach over the devolved organisations for fair treatment. Members prefer option 2 – phased charging approach to adjust their budgets accordingly. Current assessment is on throughput and complexity - it should have more emphasis on traceability and identification”. They added “The



option of phased costings is more acceptable than 100% in year 1. Earned recognition should be used to reduce the risk category and hence the frequency of visits, reduce the complexity of the visit and hence reduce the fee. The costs are additional overheads and likely to be passed on through the supply chain rather than be absorbed”.

## Government response

### Option 0

No respondent expressed a preference for this option. Some questioned the need for charging for ABP work and suggested that the current, taxpayer funded, service should be maintained as the ABP sector “*provides a public service in terms of disposing of animal by-products in a bio-secure and/or environmentally sustainable way*”. This is not an option for delivering government’s objective of transferring the cost burden to users but provides a baseline against which the other options can be assessed.

### Option 1

One respondent expressed a preference for this option, to introduce fees at FCR during year one, explaining that any additional costs would be transferred to the customer. The risk of a move to full cost recovery in the short term is high by not giving businesses the opportunity to adjust their business practices to mitigate against the impacts.

### Option 2

**This is the policy option to be implemented.**

Nineteen of the twenty respondents expressed a preference for this option. This option will give businesses time to adjust their business practices.

APHA believes responses indicate a preference for Option 2 in terms of minimising the impacts on stakeholders (particularly small and micro businesses) whilst ensuring progress towards full cost recovery and, therefore, proposes to move to FCR in year 2.

### Specific issues raised through consultation.

APHA acknowledges a number of issues raised by the respondents, as set out below.

#### ***Issue: Fees being proportionate to time spent on site by APHA staff***

**Government response:** The ABP fee structure set out in the consultation banded activities into “simple” and “complex” so that service users could understand how the material risk, scale and complexity of their ABP operation would influence the fees they

would pay. The intention was to illustrate the potential scale of fees the service user might pay. It is recognised that this over-simplified the approach and, if carried through, might bring about cross-subsidisation of services or over-recovery of fees in some instances.

APHA will amend the fee structure by removing references to “simple” and “complex”. Fees will be set out on the basis of the type of activity being undertaken by the operator and will be shown as the minimum payable, including a minimum visit time.

Provision will be made for additional activity time to be charged in quarter hour (including part-quarter hour) bandings. This will apply to administrative, technical (Animal Health Officer) and veterinary (Veterinary Officer) staff time or any combination thereof, as required by individual circumstances. This enables the removal of the “Additional Visit” fee shown in the consultation proposal as costs arising from additional visits would be recovered through the additional activity time fee.

The revised proposed table of fees for Animal By-Products is shown at **Annex B**.

***Issue: APHA’s capacity to deal with a potential increase of approval applications***

**Government response:** Application for ABP approvals are usually received by APHA, when the site has been built and immediately before it is ready to undergo validation or to operation under a conditional approval. Applications received in advance of this are usually returned to the operator or held in pending prior to the on-site construction work being completed. If multiple applications are received immediately prior to introduction of charging then these will be prioritised and dealt with in the usual manner.

***Issue: Use of the frequency risk matrix to determine visit numbers***

**Government response:** The ‘ABP visit frequency risk matrix’ is used by APHA to group premises based on five risk criteria. Risk questions are used to rank individual businesses based on their risk score and this risk score is then used to group the individual operators. Each group is assigned a visit frequency.

The risk questions are:

1. What is the highest category of the material being handled?
2. What is the volume of material being handled in tonnes per week?
3. What is the risk of raw material or finished product entering livestock premises?
4. Is a Hazard Analysis and Critical Control Points (HACCP) plan complete and effectively implemented?
5. What is the Operators historical compliance?

Questions 1, 2 and 3, deal with the 'business' element of the premises i.e. large or small scale, category and outputs. These elements are largely outside of operator control. Questions 4 and 5 focus on the 'operational' element of the premises and reflect management control and degree of compliance with the ABP regulations. These are within the control of the operator. A business with a good degree of control over ABP risks and showing a good compliance will receive a lower risk score.

Charging will apply to all ABP premises that are approved and/or inspected by APHA. This will include ABP inspections carried out at ports and airports. Visit costs will be based on the time spent by the inspector during each inspection visit multiplied by the number of visits (as determined by the defined visit frequency risk matrix).

This matrix has been used by APHA to determine visit frequency since 2011. Unless there is a change in the activities carried out by given site or there is a change in compliance status then it would be anticipated that a site's current visit frequency will remain the same following the introduction of charges. The maximum visit frequency will be one visit every month.

Non-compliance is one of the criteria considered in the APHA visit frequency risk matrix. APHA do not have scope to add additional direct charges resulting from non-compliance.

The APHA visit frequency risk matrix is applied after every visit and any negative change in compliance status would be reflected in the risk score. As compliance is one of the questions built into the matrix then this could result in an increased number of visits.

Premises handling high risk material in bulk with poor management control and poor compliance would be expected to be visited on a monthly basis. It is important to remember that the purpose of the matrix is purely to determine the frequency with which premises are visited.

Reference to HACCP in the APHA visit frequency risk matrix reflects the degree of documented management control on site. Some sites will operate a formal HACCP approach where others may operate to HACCP principles through standard operating procedures or management quality system. This risk question aims to capture this aspect of the sites own controls.

***Issue: Allow the industry to self-regulate***

**Government response:** Government is committed to supporting industry in its efforts to move towards a self-regulated "earned recognition" approach to maintaining compliance with the regulations. Where operators sign up to independently accredited schemes that cover all, or part of the requirements of the ABP regulations, APHA may in turn reduce regulatory burden by either reducing visit frequency and/or time spent on site during inspection.

By reducing visit frequency or time spent on site the business will benefit through reduced inspection costs and at the same time be able to demonstrate to suppliers and customers that they can have confidence in its procedures. APHA are keen to engage with any sector wishing to establish such a scheme.

## Section 2: Animal Gatherings questionnaire (England and Wales only)

### Number of responses

Seventeen questionnaires were received in relation to the Animal Gatherings proposed introduction of fees. In addition two letter/email correspondences and two generic responses that focused on all three statutory services covered in the consultation were received.

### Breakdown of questionnaire responses

#### About you

##### **Question: How many people do you employ in relation to Animal Gatherings?**

Fifteen of the respondents each employ between 0 – 10 people, so are regarded as a micro businesses. Two respondents each employ between 11 – 49 people, so are regarded as a small business.

##### **Question: On average how many times does your organisation use the service(s) the agency provide(s) each year, in relation to Animal Gatherings?**

Respondents said they use the service(s) the agency provides on the following basis and all responded on the basis of “shows”:

- Five respondents use the Agency’s services once a year
- One respondent uses services twice a year
- Two respondents use services three times a year
- One respondent uses services eight times a year
- Two respondents use services ten times a year
- One respondent uses services fifteen times a year
- One respondent uses services more than two hundred times a year
- One respondent does not use the Agency’s services

##### **Question: Which parts of Great Britain do you operate in?**

The respondents operate throughout England and Wales as follows:

- Eleven respondents operate in England only
- Six respondents operate in England and Wales

## Our proposals

**Question: What is your preference for achieving full cost recovery between option 1 (straight to full cost recovery) and option 2 (phased introduction of fees) and why?**

Three respondents preferred Option 0 (no intervention), stating that “neither option was acceptable and that both would force local agricultural shows to close down”

One respondent preferred Option 1 (straight full cost recovery) but did not provide any reasons for this.

Thirteen respondents preferred Option 2 (phased introduction of fees) as it would allow businesses to adapt to the increases. The following comments were raised by respondents who had selected Option 2:

“Fairer to the competitors”

“Changes would have a big impact on farmers and older farmers would struggle to embrace a sudden change”

“Introduction of fees, on an already tight margin for livestock markets is a further burden on their companies”

“Phased introduction would be the better option as this would allow time to raise funds”

“Phased introduction would assist all sizes of businesses to cope with this extra change”

“Proposed costs would affect non-profit making hobby farmers. Charges will be too costly to incur and may cause some organisations to close”

“Small shows are not in a position to afford increased fees. May result in the reduction of small rural shows”

“This is dependent on the level of charging and the frequency”

“Shows will already be finalising 2016 budgets so a phased approach is encouraged”

“To allow smaller businesses to plan for the cost”

“Licensing of individual poultry shows is unnecessary”

“Any extra costs would have to be passed onto the exhibitors who will then enter fewer birds”

**Question: What do you see as the key risks surrounding the implementation of Options 1 and 2?**

Four respondents did not provide any key risks. Thirteen respondents identified a number of risks and are summarised below:

“Increased running costs and increase entry fees for shows”

“Licensing of individual poultry shows is unnecessary and will lead to the demise of smaller shows”

“Severely impact local events, feed merchants, sundries suppliers, pet shops and breeders”

“Less likely to show”

“For Option 1 we would not be able to prepare for the additional costs”

“With a loss of agricultural shows there will be a loss to the next generation of enthusiasts who won’t be able to get started with exhibition”

“Farmers leaving the sector”

“Increased pressure on those supervising the gatherings i.e. to not comply”

“Loss of jobs in auction trade”

**Question: What other options would you suggest that could transfer the cost burden of providing this service away from the general taxpayer?**

Six respondents did not provide a response. Eleven respondents provided a response with the following options:

“Sponsorship”

“One single general license”

“None – those who attend are general tax payers so are already paying for the services”

“Review present rules”

“Should stay with the general tax payer”

“Exhibitions and poultry/pigeon shows should be exempt”

“Levy on UK sourced food/imports to subsidise gatherings”

**Question: Might there be certain types of event that should be considered for exemption from charges – for example, shows below a certain size or duration, or of charity or voluntary status? If so, why?**

Seventeen respondents thought that exemptions should apply. The following reasons were provided by respondents:

“Gatherings of hobbyists with no commercial activity”

“One and two day shows run by non-profit organisations and charities”

“Why should small poultry shows pay for sending an email?”

“One day shows”

“Small sales and shows”

“For exhibition shows”

“Within Country/radius for shows with < 300 animals entered”

“< 400 entries at a show”

“Registered charity events”

## **Impacts on you**

**Question: What would you expect the impact of introducing new fees to have on your activities and would you expect to absorb this cost or transfer it to your customers?**

Fifteen respondents stated that the introduction of new fees would have an impact on the following activities which are summarised below.

Six respondents commented that “shows may cease to trade” and two respondents said “there would be far less people breeding/showing pure bred poultry”. Three respondents suggested they would have to increase entrance charges. Others commented as follows:

“Depends on cost”



“Shows run on a voluntary basis but exhibitors pay an entry fee, would have to be recouped in some way”

“Cost implications would greatly affect small voluntary run events”

“Costs would require sponsorship”

Eleven respondents said that costs would need to be absorbed or transferred. Some small businesses suggested transferring costs onto the attendees. However, others would be willing to absorb the costs.

Two respondents felt the show would have to absorb the cost as typical show attendees would be unwilling to pay a higher entrance fee. Four respondents would transfer the cost. Others commented as follows:

“Small shows would be unable to absorb the cost”

“Increase entry fee”

“Costs would have to be absorbed”

“Would try to absorb as would not want to transfer the costs onto attendees”

“Both (transfer and absorb)”

## **Other impacts**

**Question: Do you think that there is a risk of non-compliance or illegal activity as a result of the introduction of fees?**

Eleven respondents thought that there would be a risk of non-compliance and illegal activity and gave the following reasons:

“People won’t pay and won’t register with APHA”

“Showing is a hobby not a commercial activity”

“Unfair on smaller numerical breeds”

“Some areas may see more ‘unofficial’ collections return or increase”

“Increase in fees in unreasonable”

“Who will police these events?”

“Exhibitions will come from one holding which does not require an AGO”

Six respondents didn't think there was a risk of non-compliance or illegal activity and gave the following reasons:

"Visits will still take place regardless"

"Some would not participate in any non-compliant or illegal activity"

**Question: Are there any other impacts, not currently identified, that we need to consider?**

Thirteen respondents did not respond to this question. Four respondents provided these other impacts for consideration:

"There are no other statutory fees as a poultry show"

"Doubling up of costs with FABBL being a very similar inspection"

"Impacts on social cohesion in isolated rural communities. Small non-commercial gatherings are vital for some isolated communities providing people with the opportunity to meet and exchange knowledge"

"Fees cannot be justified as it is an industry shop window"

**Question: Are there any cumulative impacts arising from these revised fees against other current statutory charges?**

Fourteen respondents did not answer this question. Three respondents could see these cumulative impacts arising:

"Shows stopping and less people keeping poultry"

"Loss of traditional shows"

"Inconsistencies of interpretation leading to higher fees which can lead to discontent within the industry"

**Question: What are the impacts likely to be on micro (10 or fewer employees), small (11 – 49 employees), medium (40 – 249 employees) and large (more than 250 employees) businesses?**

Eleven respondents did not provide a response. Those that did envisaged the following impacts on micro/small businesses:

"Three companies provide pens for shows, if some shows ceased to exist there could be an impact on their business"

"Will make tight margins worse"

“Not many poultry keepers do it as a business”

“No employees’ only unpaid volunteers”

“Reduction/loss of participation in shows”

“Moderate – most businesses in the veterinary sector involved in shows employ < 30 people”

“Voluntary organisation – more cost for no benefit”

### **Question: Evidence and numbers effected:**

Fifteen respondents did not answer this question. The following was provided by one respondent as a “small sale”:

“500 sheep = £600 commission less staff costs say £150, admin costs £100, leaves £350 to cover risk of bad debt, cost of hurdles and fee to APHA for this once a year event”

### **Additional comments**

#### **Question: Do you have any other comments that you wish to make that have not been covered by the previous questions?**

Twelve respondents did not supply any additional comments. The following comments were raised by the other respondents:

“Why is there a need to charge for a licence?”

“As a non-profit making organisation involved with a livestock hobby many of these questions were irrelevant to us”

“There are currently a high number of costs involved with running a show, another expense would be unjustified for a show of this nature”

## **Government Response**

### **Option 0**

Three respondents expressed a preference for this option. This is not considered an acceptable option for delivering the government’s objective of transferring the cost burden to users but provides a baseline against which the other options can be assessed.

## **Option 1**

One respondent expressed a preference for this option. The risk of a move to full cost recovery in the short term is high, not giving businesses the opportunity to adjust their business practices to mitigate against the impacts.

## **Option 2**

**This is the policy option to be implemented.**

Thirteen of the seventeen respondents expressed a preference for this option. This option would give businesses time to adjust their business practices.

APHA believes Option 2 is preferred in terms of minimising the impacts on stakeholders (particularly small and micro businesses) whilst ensuring progress towards full cost recovery. We therefore propose to move to FCR in year two.

There were some queries received regarding which species were covered under the legislation. Clarity was provided during the consultation, which guided respondents to review the advice that confirmed the species covered by The Animal Gatherings Order 2012 and The Animal Gatherings (Wales) Order 2010. The species included are:

- cattle (excluding bison and yak)
- sheep
- pigs
- deer
- goats

In accordance with the legislation, gatherings are licenced to mitigate the risk of the spread of undetected animal disease. A different regulatory approach applies in Scotland and therefore the fees proposed only apply to the licences issued to gatherings located in England and Wales.

The HM Treasury guidance “Managing Public Money” explains that it is UK government policy to charge for many publicly provided goods and services. Charging for services relieves the general taxpayer of costs, so that they are properly borne by users who benefit from a service. This allows for a more equitable distribution of public resources and enables lower public expenditure and borrowing. This has resulted in a subsidy for users and a financial cost to the general taxpayer. It is necessary to remove the public subsidy and relieve the burden on the general taxpayer.

APHA recognises concerns around small, local and charitable shows and is proposing an exemption for the first year of charging. Broadly, the exemption from charges would apply

to shows and exhibitions that are open to the public for not more than one day, and at which there is no auction involved for the sale of animals. This would be one day per show, not one day per year, so where a number of one day shows are held by local or charitable bodies, the exemption would apply to each show open to the public for not more than day. Private sales struck at shows and exhibitions would also fall within the exemption.

The exemption criteria will be reviewed during the first year of charging, ahead of the planned fee revision to 100% Full Cost Recovery at first anniversary. APHA will work with show and exhibition representative bodies, including the Association of Show and Agricultural Organisations, Livestock Auctioneers Association, Road Haulage Association and NFU, to identify opportunities to either scale back or extend the exemption criteria. APHA would also consider maintaining this criteria unchanged beyond year one.

## Section 3: Pet Passports questionnaire

### Number of responses

Eighteen questionnaires were received in relation to the Pet Passports proposed introduction of fees. In addition two letter/email correspondences and two generic responses that focused on all three statutory services covered in the consultation were received.

### Breakdown of questionnaire responses

#### About you

##### **Question: How many people do you employ in relation to pet passports?**

Thirteen of the respondents each employs between 0 – 10 people, so regarded as a micro businesses. Five respondents each employs between 11 – 49 people, so regarded as a small businesses.

##### **Question: On average how many times and how many pet passports does your organisation order from the Agency each year?**

One respondent did not use the Agency's services for pet passports.

Seven respondents use the pet passports service between 0 and 10 times a year. Two respondents use the passports service between 11 and 20 times a year. Four respondents use the passports service between 21 and 30 times a year.

Order levels varied between 50 – 120 passports per request.

**Question: Which parts of Great Britain do you operate in?**

The respondents operate throughout Great Britain. Thirteen respondents operate in England only and four respondents operate in Scotland only. One respondent operates in England and Wales.

**Question: Do you agree with the agency's preferred option of achieving 100% FCR for issuing Pet Passports?**

Thirteen respondents agreed with this proposal. They gave the following comments:

“Agree with the need for fees however these should be capped”

“It is fair that the pet owner should cover some of the costs”

Five respondents disagreed with this proposal and gave the following comments:

“Could not afford it”

“Charities should be exempt”

“Only if cost recovery is per passport rather than size of industry. Would be unfair to smaller practices”

**Question: What other options would you suggest that could transfer the cost burden of providing this service away from the general taxpayer?**

Nine respondents did not provide another option for this service. Nine respondents felt the following suggestions could be options to transfer the cost burden:

“Tax people who purchase the passports”

“Give the responsibility for distributing the passports to a private company and then they can charge for issuing the passports”

“Full retrieval of incurred costs including those by all stakeholders should be sought from those that breach control orders”

“Charities should be exempt”

“Clients should pay for the benefit of taking their pets abroad”

“Transport companies could also carry some costs”

“Subsidised payments. Assistance dog clients should not have to pay”

“Increase cost of passport”

“Dog licensing”

**Question: What would you expect the impact of introducing new fees to have on your profit margins and would you expect to absorb this cost or transfer it to your customers?**

One respondent did not answer this question. Seventeen respondents provided an answer to the impact expectations. Of these, eight respondents felt there would be a minimal impact to their profit margins and three respondents did not have profit margins. Two respondents felt their profit margins would reduce. The following comments were raised by individual respondents:

“Loss of clients”

“Depends on cost of passport”

“Small cost impact on vets”

“Unable to tell at this time”

Sixteen respondents would transfer the cost and one respondent, who is a charity, would absorb it.

**Question: What proportion of your profit is directly related to trade facilitated by the service the agency provides?**

One respondent was unsure of figures. Fifteen respondents felt that between 0 and 10% of their profit margins is directly related to trade facilitated by the service the agency provides.

One respondent felt that 25% of their profit margins are directly related to trade facilitated by the service the agency provides.

One respondent felt that 50% of their profit margins are directly related to trade facilitated by the service the agency provides.

**Question: Do you think that there is a risk of illegal trade as a result of the introduction of fees?**

Eight respondents felt that the introduction of fees could cause a risk of illegal trade. However some also felt that that illegal trade was happening already. Ten respondents did not consider that this would cause a risk. The following comments were raised:

“There is already illegal trade in dogs and the system is failing”

“Human nature to avoid costs”

“Assuming costs of passport production is small then will not add significantly to the cost of legal passport documentation”

“There is always a risk with cost increases”

“Already fairly easy to get in/out of country without a passport”

**Question: Are there any other impacts, not currently identified, that we need to consider?**

Twelve respondents did not answer this question. Six respondents provided the following other impacts:

“Loss of revenue from those travelling to and from shows/events”

“Fees should not be charged to stakeholders”

“Welfare/biosecurity”

“Will make people less likely to travel which could affect the transport industry”

“More illegal imports”

“Potential for fraud”

**Question: Are there any cumulative impacts arising from these new fees against other current statutory charges?**

Fifteen respondents did not answer this question. The three respondents who did answer the question commented:

“Increase in numbers of illegal landings”

“Fewer vets providing services”

“Only cumulative effect is the progressive slide towards APHA not funding anything but still expecting everything where it suits them”

**Question: What are the impacts likely to be on micro (fewer than 10 employees) and small (11 – 49 employees) businesses?**

Seven respondents did not answer this part of the question. Eleven did. The general feeling was that there would be little or no impacts - comments included “Minimal”, “None” “Negligible” and “Moderate”. Two responded as follows:

“Most likely to stop providing the service”



“Greater on small businesses which rely on passport fees”

## Government Response

### Option 0

Five respondents expressed a preference for this option. However, this is not a considered option for delivering government’s objective of transferring the cost burden from the general taxpayer to users but provides a baseline against which the other options can be assessed.

### Option 1

**This is the policy option to be implemented.** Thirteen respondents expressed a preference for this option, whereby the introduction of fees at FCR in the first year. This option supports the government’s policy of achieving FCR and aligns with the approach.

Although the respondents cited a potential impact on profit margins, they indicated their intention to pass on the costs to individual customers, so a minimal impact in real terms to their businesses.

## Section 4: General comments

General comments relevant to all of the services under consideration were received from a number of respondents. These comments included:

**Costs for travel time** – some respondents expressed their views about being charged for travel time i.e. the distance from APHA offices to businesses.

**Government response** - The HM Treasury guidance “Managing Public Money” explains that it is UK government policy to charge for many publicly provided goods and services. Charging for services relieves the general taxpayer of costs, so that they are properly borne by users who benefit from a service. This allows for a more equitable distribution of public resources and enables lower public expenditure and borrowing. This has resulted in a subsidy for users and a financial cost to the general taxpayer. It is necessary to remove the public subsidy and relieve the burden on the general taxpayer. The proposal therefore is to charge fees to those using the services set out in the consultation document to achieve full recovery of costs, in line with UK government policy.

Furthermore, HM Treasury have agreed to APHA’s FCR model and the approach on charging for travel time, up to the capped ceiling. This includes:

- Capping the total travel time charge at 1½ hours which APHA believes brings the charge more in line with visit fees charged by private veterinary surgeons, to ensure that industry is not being unfairly penalised.
- APHA approach of capping travel will mitigate the impacts of charging on micro/small businesses and will not disadvantage businesses located at a distance from APHA Field Offices or in remote rural areas.
- Total travel time will be charged from the nearest APHA Field Office to the premises and return.

APHA recognises that introducing new charges for statutory services increases costs to businesses and must ensure services are delivered as efficiently as possible and at the lowest cost. Through its ongoing programme of process improvements and efficiency savings which include estate reduction, streamlining back office functions and rationalising and leaning service delivery functions, APHA has already delivered significant cost reductions and has been able to reduce costs associated with the delivery of statutory services.

Looking forward, the Agency will continue to consider ways of streamlining and securing improvements to the services it delivers. In support of this APHA, Defra, the Welsh government and Scottish government remain committed to working with representative trade associations and other key stakeholders to identify areas where processes can be further streamlined and efficiencies made. Work will be progressed as quickly as possible

so that any savings can be incorporated into fees ahead of a move to 100% FCR for ABPs and Animal Gatherings in year 2 (noting that travel costs would at 100% FCR from the outset but capped at 90 minutes for a return journey).

**Inspection visits should be combined** – a number of respondents considered that inspection visits should be combined in order to reduce cost and avoid duplication of effort.

**Data sharing and coordination with other regulators** – a number of respondents considered that there should be greater co-ordination with other regulators to reduce the number of visits and time on site.

**Government Response** – Comments concerning the viability of combining visits will be considered as part of Defra's Transformation programme. The remit includes reviewing all potential efficiencies in operation which will be reflected in the fee structures in due course. Defra's delivery body landscape is being reviewed as part of the Arm's Length Bodies project, as part of Defra's Transformation programme. The remit includes reviewing the delivery landscape to ensure it operates in a more effective, consistent, joined up and customer focused way.

These projects are part of an ongoing programme of process improvement and efficiency savings across Defra. In conjunction with Scottish and Welsh government officials, Defra will consider ways of streamlining the services provided and charged for, with the aim of further reducing costs and limiting where possible any future increases and ensuring best value for service users.

## The way forward

APHA understands some stakeholders would prefer not to see fees introduced at this time. Any delay carries significant risk to the overall animal health and welfare programme. The funding for APHA as a result of the UK government's Spending Review will continue to decrease over the period to 2020. Delay in moving to FCR could impact of the current level of service APHA provides both in relation to these statutory services and also other activities and subsequently lead to reduced animal and human health protection.

On this basis, APHA will continue to work towards introducing fees through legislation. In line with the preferred option, fees for services delivered in relation to Animal By-Products and Animal Gatherings would be introduced at 50% FCR with an incremental increase to 100% FCR in the second year of charging. This incremental increase will be included within the legislation, reducing the need to introduce additional legislation for the increase to 100% FCR. Travel time would be chargeable at 100% FCR rate from the outset.

For Animal Gatherings, an exemption from charges would initially apply to shows and exhibitions that are open to the public for not more than one day, and at which there is no

auction involved for the sale of animals. APHA would review this exemption at the end of first year.

Pet Passports will be charged at 100%FCR from the outset due to their relative low value and the likelihood that these costs will be transferred to customers.

The legislation will be regularly reviewed in the future to ensure the charges and exemptions are appropriate and any future efficiencies made by APHA are passed onto customers wherever possible.

# Annex A: Consultation respondents

ADBA

Acorn House Veterinary Surgery

A. Hughes and Sons, JG Pears

AIMS

A.J.M Robson Veterinary Surgeon

Amivet Ltd OV Export Services

Association for Organics Recycling (Part of the Renewable Energy Association)

Association of Show and Agricultural Organisations

British Meat Processors Association (BMPA)

British Poultry Council

British Veterinary Association

Croad Langshan Club Secretary

Dairy UK Ltd

Dogs Trust

Downland Veterinary Group

Egremont Fur and Feather Society

Exmoor Farmers Livestock Auctions Ltd

Green Brothers

G W Lord (Gainsborough) - Member of LASSA

FABRA UK

Hay Veterinary Group

Heathrow Airport Holdings Limited

Hednesford Rabbit Club

Heron Veterinary Surgery

Land Network International Limited (Willen Biogas Ltd)

Lowestoft & Great Yarmouth Poultry Club

Loweswater & Brackenthwaite Show Limited

Loweswater Show

Mackie and Brechin Ltd Veterinary Surgeons

Martlands

Moorland Veterinary Centre

National Animal Health & Welfare Panel  
National Farmers Union  
New Hampshire Red Poultry Club  
Oswestry and District Poultry Society  
Old English Game Bantam Club  
PCGB  
Petair UK  
Pet Food Manufacturers' Association (PFMA)  
Poultry Club of Great Britain  
Probiotics International Ltd  
Provost Vet Group  
Quality Meat Scotland  
Recycling of Organics Technical Support (ROOTS) responding on behalf of East London  
Biogas Ltd  
Sheep Breed Society  
Sheffield Vets4Pets Ltd  
St. Anne's Veterinary Group  
Summerleaze Veterinary Hospital  
Tavistock Livestock Centre  
Tom Goddard & Sons  
The English Guernsey Cattle Society  
The Leo Group  
The Livestock Auctioneers Association Limited  
The Pet Healthcare Centre  
Trinity Veterinary Surgery  
West Dunbartonshire Council

## Annex B: Animal By-Products – Revised Presentation of Fees

The Agency's preferred option is 50% of Full Cost Recovery (FCR) for Actual Unit Fees in first year and 100% in second year. Travel time would be charged at 100% from the outset, capped at a total of 90 minutes for a return journey.

Description of Service	Comments	Preferred Option Year 1 Unit Fee	Preferred Option Year 2 (FCR) Unit Fee
<b>Official control / Routine Inspection visit fees</b>			
Official control visit where either an annual or biennial inspection of an approved establishment or plant is required	Fee includes the first 30 minutes of the visit	£78	£157
Official control visits to inspect an approved establishment or plant four times a year where quarterly inspections are required	Annual fee which includes the first 30 minutes of each visit	£281	£561
Official control visits of an approved establishment or plant twelve times a year where monthly inspections are required	Annual fee which includes the first 30 minutes of each visit	£829	£1658
<b>Official Control / Routine inspection visits: Additional time fees</b>			
Additional time spent by a Veterinary Officer for the purpose of official control visits that last longer than 30 minutes		£8 (per 15 mins)*	£16 (per 15 mins)*
Additional time spent by a person employed by the Secretary of State other than as a Veterinary Officer for the purpose of official control visits that last longer than 30 minutes		£4 (per 15 mins)*	£8 (per 15 mins)*
Additional time spent by an administrative officer in organising official control visits and dealing with any action points arising from the visit		£3 (per 15 mins)*	£6 (per 15 mins)*

**New Application Fees (for approval of an establishment or plant under Articles 23, 24 and 44 of the EU Control Regulation)**

Rendering Plant - application for approval	Consideration of application and includes visit time of up to 60 minutes	£892	£1785
Establishment or plant carrying out the transformation of animal by-products and/or derived products into compost – application for approval		£475	£951
Establishment or plant carrying out the transformation of animal by-products and/or derived products into biogas – application for approval		£475	£951
Establishment or plant carrying out the handling of animal by-products after their collection, by way of operations such as sorting, cutting, chilling, freezing, salting, removal of hides and skins, or removal of specified risk material – application for approval		£242	£485
Establishment or plant carrying out the storage of animal by-products or derived products – application for approval		£242	£485
Incinerator plant – application for approval		£198	£395
Establishment or plant manufacturing pet food – application for approval		£198	£395
<b>Additional Time for new applications</b>			
Time spent by a veterinary officer for the purpose of activities after the first 60 minutes of a visit to assess suitability for approval		£8 (per 15 mins)*	£16 (per 15 mins)*
Time spent by a person employed by the Secretary of State as an administrative officer for the purpose of administration of additional visits and connected activities		£3 (per 15 mins)*	£6 (per 15 mins)*
Additional administrative fee for production of invoices for additional visits or connected activities		£7 (per invoice)	£13 (per invoice)



**Travel time fees**

Authorised Veterinarian Travel Time	Charged based on the journey time. A maximum ceiling of 90 minutes applies.	£21 (per 15 mins)*	£21 (per 15 mins)*
Authorised Technician Travel Time	Charged based on the journey time. A maximum ceiling of 90 minutes applies.	£14 (per 15 mins)*	£14 (per 15 mins)*

\* The fee applies to each completed 15 minutes, or part thereof.

## Annex C: Animal Gatherings – Revised Presentation of Fees

The Agency's preferred option is 50% of FCR for Actual Unit Fees in first year and 100% in second year. Travel time would be charged at 100% from the outset capped at a total of 90 minutes for a return journey.

Service	Description	Preferred Option Year 1 Unit Fee	Preferred Option Year 2 (FCR) Unit Fee
Fixed Fees for Markets			
Market application – low risk	Application for the issue or (where the premises have been radically changed) amendment of a licence for sale premises or a collection centre where such premises are assessed by a veterinary inspector as presenting a low risk of disease and only requiring one inspection visit	£128	£256
Market application – not low risk	Application for the issue or (where the premises have been radically changed) amendment of a licence for sale premises or for use as a collection centre, where such premises are assessed by a veterinary inspector as presenting more than a low risk of disease, and therefore requiring two visits	£207	£414
Market re-approval - low risk	Annual licence renewal fee for premises used for animal sales or for use as a collection centre, where such premises are assessed by a veterinary inspector as presenting a low disease risk requiring only one inspection visit for the determination of the renewal	£108	£217

Market re-approval – not low risk	Annual licence renewal fee for premises used for animal sales or for use as a collection centre, where such premises are assessed by a veterinary inspector as presenting more than a low disease risk, and therefore requiring two inspection visits for the determination of the renewal	£171	£342
Fixed Fees for Shows ( not subject to the exemption)			
Show application – low risk	Application for a licence to organise shows or exhibitions on premises assessed by a veterinary inspector as presenting a low disease risk	£57	£114
Show application – not low risk	Application for a licence to organise shows or exhibitions on premises assessed by a veterinary inspector as not presenting a low disease risk	£123	£245
Show renewal – (no visit)	Annual licence renewal of show or exhibition premises where no inspection visit is assessed by a veterinary inspector to be required	£45	£91
Show renewal – basic inspection	Annual licence renewal of a show or exhibition premises where a basic inspection visit is assessed by a veterinary inspector to be required	£55	£110
Show renewal – more than basic inspection	Annual licence renewal of show or exhibition premises where more than a basic inspection visit is assessed by a veterinary inspector to be required	£79	£157

Variable Add-on Fees (Charged in addition to the fixed fees above)			
Extra visit	Extra veterinary visit for the purpose of an application for a licence, annual renewal of a licence or follow-up non-compliance visit, that includes up to 125 minutes of veterinary inspector time for such visit	£87	£173
Additional in-year market visit <sup>1</sup>	A veterinary visit to consider a request for an in-year operational change that includes up to 125 minutes of veterinary inspector time for such visit	£87	£173
Additional Time on any visit	Additional quarterly hour charge after 125 minutes on any visit	£8 per quarter hour or part quarter hour	£16 per quarter hour or part quarter hour
Travel Time	Time spent by a veterinary inspector travelling to and from the licensed premises, or premises proposed to be licensed, for the purpose of licensing activities that are not exempt from fees under article 4(4) and (5)	£21 per quarter hour or part quarter hour	£21 per quarter hour or part quarter hour

<sup>1</sup> If the type of animals that the market processes changes, then an additional visit may be required and this fee will apply where necessary.

## Annex D: Pet Passports – Revised Presentation of Fees

Description of item	Number of items	Cost
Passport document	per 20 passports	£56