

Co-ordination of sheep and goat inspections

Animal and Plant Health Agency

RPC rating: validated

Description of proposal

The measure combined sheep and goat inspections conducted by the Rural Payments Agency (RPA) with disease surveillance surveys from the Animal and Plant Health Agency (APHA), to reduce the number of regulatory farm visits by Defra agencies.

Impacts of proposal

The business impact target (BIT) assessment explains that, in 2015, a total of 2,310 farm visits were completed by the two agencies; this is expected to reduce to 1,810 a year from 2017/18 onwards, as a result of combining APHA's 500 annual disease surveillance visits with RPA's sheep and goat identification checks.

The regulator has identified a benefit to farm businesses that previously underwent standalone identification checks from the RPA and would, under the proposal, have these combined with APHA visits. These farmers now need to gather their animals, and host the inspections, only once a year. Based on a time saving of eight hours, and assuming that 500 standalone visits from the RPA are averted annually, an on-going total benefit to business of £43,000 is estimated from 2017/2018 onwards. The BIT assessment also identifies a cost to farmers who previously experienced only disease surveys by APHA, but now face a combined visit. On the basis that visits last for an additional three hours, and that an average farmer's hourly wage is £10.64, a further 500 APHA visits a year is estimated to cost £16,000 annually from 2017/18 onwards.

Combining these impacts, the equivalent annual net direct cost to business (EANDCB) is estimated to be a small net benefit, which rounds to zero to the nearest £0.1 million.

Quality of submission

The regulator has provided a sufficient level of evidence for the RPC to be able to validate a rounded EANDCB of zero. The regulator has set out its calculations clearly, with effective use of tables for each of the identified costs and savings to farm businesses. However, there are areas where the BIT assessment could be improved.

As the measure represents a change in regulatory requirements for farmers, the assessment would benefit from considering the time it would have taken for them to become familiar with the streamlined inspection programme. In estimating the time costs to farmers, the regulator should also, as set out in the better regulation framework manual, have grossed up the average hourly farmers' wage rate to take account of non-wage labour costs (or if they do not consider this to be appropriate in this case, explain clearly why). The RPC is satisfied that these issues would not alter the EANDCB of the measure, when rounded to the nearest £0.1 million.

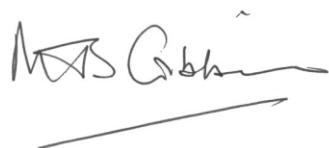
The regulator has provided statistics indicating the length of time required for standalone and combined farm visits conducted by RPA and APHA. The assessment would benefit from making reference to the source used for this evidence, in order to support its cost and benefit estimates.

Departmental assessment

Classification	Qualifying regulatory provision
Equivalent annual net direct cost to business (EANDCB)	Zero
Business net present value	£0.2 million

RPC assessmentⁱ

Classification	Qualifying regulatory provision
EANDCB – RPC validated	Zero
Business impact target score	Zero



Michael Gibbons CBE, Chairman

ⁱ For reporting purposes, the RPC validates EANCb and BIT score figures to the nearest £100,000