

Title: Amendments to the poultry registration requirements Date: 10 November 2023 BRU No: N/A Lead department or agency: Defra Other departments or agencies: Click here to enter text.		De Minimis Assessment (DMA)	
		Stage: Final	
		Source of intervention: Domestic	
		Type of measure: Secondary	
Summary: Rationale and Options		Contact for enquiries:	
Total Net Present Social Value (2019 prices, 2020 present value) -£0.7m	Business Net Present Value (2019 prices, 2020 present value) -£0.3m	Net cost to business per year (2019 prices, 2020 present value) £0.04m	

Rationale for intervention and intended outcomes

All bird keepers in Great Britain (GB) are currently encouraged to record the details of their flock with the Animal and Plant Health Agency (APHA) poultry register. However, only keepers with 50 or more poultry are required by law to do so. Keepers with less than 50 poultry birds or keepers of other captive birds are not required to provide their details. Those legally required to register are also obliged to inform APHA of $\pm 20\%$ changes in flock size, but there is no requirement for keepers to update their information annually.

The poultry register is important in the prevention and control of outbreaks of exotic notifiable avian diseases (such as Highly Pathogenic Avian Influenza (HPAI) and Newcastle disease). Up to date information on the location of all birds increases the effectiveness of activities carried out by the Animal and Plant Health Agency (APHA) such as risk assessments, tracing investigations and surveillance visits. However, information on all birds (regardless of flock size or whether the birds are poultry) is needed in order for the government to communicate with keepers¹ and to carry out outbreak-related activities effectively.

Government intervention is required to resolve this information failure, as previous efforts have shown that it cannot be resolved by the market alone. Currently, there are communications programmes led by Government to encourage all poultry keepers to provide their information to the poultry register. Despite this, there are many keepers who have not registered their details.

¹ Where “keeper” refers to means the person with day to day responsibility for poultry or other captive birds at any premises

Describe the policy options considered

- 1) **Option 0 (Do Nothing):** In the Do Nothing scenario, the current poultry registration requirements would continue:
 - Keepers in GB with 50 or more poultry are legally required to register the details of their flock on the poultry register and to notify relevant Ministers within one month of $\pm 20\%$ changes in the number of each species of poultry (unless it is due to management fluctuations).
 - Keepers with less than 50 poultry or keepers of other captive birds will not be legally required to provide information on the register but will continue to be encouraged to voluntarily register using the simplified version of the registration form that has been in use for the last 18 months.
 - There is no requirement for keepers to update their information annually.
- 2) **Option 1 (Preferred option):** This option would entail making the following changes to the poultry registration requirements in GB:
 - Extending the registration requirement to cover all bird keepers² (both poultry³ and other captive birds⁴). Therefore, keepers with birds⁵ at any single premises will be required to register their flock details, this would result in a reduction in the registration threshold for all bird keepers from 50 to 1.
 - Mandatory requirement for keepers to review their information and make an annual inventory of the number of birds at any single premises (for keepers with 50 or more birds, this would be in addition to the existing requirement to notify of any change in flock size of more than $\pm 20\%$).
- 3) **Option 2:** This option would entail making the following changes to the poultry registration requirements in GB:
 - Extending the registration requirement to cover the keepers of all types of bird⁵ (both poultry⁶ and other captive birds⁷) and reducing the registration threshold from 50 to 10 birds at a single premises.
 - Mandatory requirement for keepers to review their information and make an annual inventory of the number of birds at any single premises (for keepers with 50 or more birds, this would be in addition to the existing requirement to notify of any change of more than $\pm 20\%$).

A non-regulatory option has also been considered. This option would involve continuing with the current approach of encouraging the voluntary registration of keeper with less than 50 poultry and captive birds, which has been in place for nine years. However, previous experience suggests that this would not be enough to meet the policy objectives. A non-regulatory approach was therefore rejected on the grounds that it would not be able to comprehensively address policy objectives.

² With the exception of pet birds kept within a domestic dwelling for non-commercial purposes. For the purpose of the consultation only, a "pet bird" is a specimen of avian species other than: chickens, turkeys, guinea fowl, ducks, geese, quail, pigeons and doves, game birds, ostrich, rheas and emus, and swans, and kept exclusively within a domestic dwelling for non-commercial purposes.

³ Where "poultry" refers to birds that are reared or kept in captivity for the production of meat or eggs for consumption, the production of other commercial products, for restocking supplies of game or for the purposes of any breeding programme for the production of these categories of birds.

⁴ Where "other captive birds" refers in England and Wales to any bird kept in captivity which is not poultry and includes a pet bird and any bird kept for shows, races, exhibitions, competitions, breeding or for sale; or
In Scotland "other captive bird" refers to any bird, other than poultry, kept in captivity including any bird kept for shows, races, exhibitions and competitions (such as ornamental birds and racing pigeons).

⁵ With the exception of pet birds such as psittacines and passerines that are exclusively kept indoors in either a dwelling or a dedicated 'bird house' without access to the outside area.

Rationale for DMA rating

Estimates indicate that the highest cost that businesses would incur, would take place in the first year of the policy coming into effect, given the transitional nature of familiarisation costs. In the first year, it is estimated businesses will face a cost of £381,000 under Option 1 and £230,000 under Option 2. For both options, this accounts for the labour costs as a result of needing to read and understand the new requirements and guidance, as well as the cost of registering flock details on the GB poultry register. Registering flock details includes both the cost of the time required to provide information to the register (i.e., filling in the required forms) and the cost of inputs (i.e., paper and ink).

The monetised annual cost to businesses is estimated to be £1,600 in subsequent years under Option 1 and £1,000 under Option 2 (undiscounted), which includes the cost of new entrants registering for the first time. There is also an unmonetised cost of the time taken for businesses to perform annual updates; however, this requirement would only be introduced alongside the development of an online portal, where costs are likely to be less significant i.e., compared to the cost of registering through the physical form system. The proposed measures are therefore unlikely to exceed £5m in any given year and an DMA is the most appropriate way to assess the impacts of the policy.

Changes made from the consultation stage DMA

Following consultation, the main changes made to the DMA are:

- A reduction in the assumed time it takes keepers to register the details of their flock on the poultry register, from 30 to 14 minutes. Most respondents stated that it would take 1-14 minutes; we apply the upper end of the scale to be conservative. This has decreased the estimated cost of Option 1 and Option 2.
- The cost of notifying APHA of +/-20% changes in flock size is no longer an unmonetised cost, as this will now not apply for keepers with 50 or less birds. Keepers with 50 or more birds already have to notify APHA of +/-20% changes in flock size, so there is no additional impact.
- The scenario analysis has been updated to reflect current evidence on the cost of past HPAI outbreaks. The internal model used to estimate the cost of the 2021/22 outbreak has been updated and now includes the cost to industry. Therefore, the scenario analysis now uses the estimated cost to the UK economy rather than the estimated cost to Government.
- The scenario analysis has been updated to better reflect current assumptions on future HPAI outbreaks. Previously, the analysis assumed there would be an outbreak each year with a bigger outbreak occurring in Year 10, which was an arbitrary assumption. The analysis now assumes that in Year 1 there's an outbreak similar to 2021/22, but in future years there are no outbreaks due to vaccination. There is uncertainty on this assumption, but it better reflects current thinking and is more conservative (i.e., less likely to overestimate how likely Option 1 and Option 2 are to break even with cost).
- The assumed hourly wage of farmers has been updated to use ASHE 2022 data⁸.

Will the policy be reviewed? Yes

If applicable, set review date:

⁶ Where "poultry" refers to birds that are reared or kept in captivity for the production of meat or eggs for consumption, the production of other commercial products, for restocking supplies of game or for the purposes of any breeding programme for the production of these categories of birds.

⁷ Where "other captive birds" in England and Wales to any bird kept in captivity which is not poultry and includes a pet bird and any bird kept for shows, races, exhibitions, competitions, breeding or for sale; or In Scotland "other captive bird" refers to any bird, other than poultry, kept in captivity including any bird kept for shows, races, exhibitions and competitions (such as ornamental birds and racing pigeons).

⁸ [ASHE 2022 data](#), Gross Hourly pay for the raising of poultry (4-digit SIC code 147).

Are these organisations in scope?	Micro Yes	Small Yes	Medium No	Large No
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Senior Policy Sign-off: ✓ Date: 23/10/2023

Peer Review Sign-off: ✓ Date: 09/11/2023

Better Regulation Unit Sign-off: ✓ Date: 10/11/2023

1.0 Policy Rationale

Policy background

1. All poultry keepers in Great Britain (GB) are currently encouraged to record the details of their flock with the Animal and Plant Health Agency (APHA) poultry register, but only keepers with 50 or more poultry are required by law to do so and to notify relevant Ministers within one month of $\pm 20\%$ changes in the flock size. Poultry keepers with under 50 birds are currently only encouraged to record their details voluntarily using a simplified version of the mandatory registration form. There is currently no requirement for keepers to provide annual updates.
2. The Avian Influenza (Preventive Measures) (England) Regulations 2006 in England⁹; The Avian Influenza (Preventive Measures) (Wales) Regulations 2006¹⁰, in Wales, and The Avian Influenza (Preventive Measures) (Scotland) Order 2007¹¹ in Scotland (hereafter referred to as “the legislation”), sets out the requirements for identification of poultry premises in Great Britain (GB). Non-compliance with the poultry registration requirements is currently a criminal offence under the Animal Health Act 1981¹² (as amended). Non-compliance can lead to enforcement action by the local authority. A person can either be convicted to imprisonment (for a term not exceeding six months), fined, or both.
3. The poultry registration requirement was last amended in 2006 in England¹³, to address the confusion amongst certain categories of poultry keepers about whether they were commercial or not. The 2006 amendment simplified the registration process by extending the requirement to any person with 50 or more poultry to notify the relevant Ministers of specified information relating to those poultry in GB. The current poultry registration process involves the keeper completing a form and submitting it by post or email to APHA.
4. The information on the poultry register is important in the prevention and control of notifiable avian disease outbreaks (such as Newcastle Disease and Highly Pathogenic Avian Influenza (HPAI), a highly contagious virus that affects poultry and other birds and can be deadly, especially in domestic poultry). These outbreaks can have significant costs to government, industry, and the taxpayer. Having up to date information on the location of bird premises increases the effectiveness of activities carried out by APHA such as risk assessments, tracing investigations and sharing communications with keepers on how to protect their birds. It is therefore vital that accurate and up to date information on the location of bird premises is captured on the register. This becomes increasingly important as large HPAI outbreaks become increasingly common. In 2021/22, the UK experienced its largest and longest ever outbreak with 158 infected premises and over 3.3 million birds either found dead or culled as a result of HPAI¹⁴.
5. The information on the poultry register is also used in the delivery of the statutory annual UK serological surveillance for HPAI viruses in domestic poultry. This helps to predict transmission patterns, to support surveillance in the disease control zones following an outbreak to disease, to support the annual GB targeted serological surveillance for AI viruses in domestic poultry, and to support statutory demographic returns.

⁹ [Avian Influenza \(Preventive measures\) \(England\) Regulations 2006](#)

¹⁰ [Avian Influenza \(Preventive measures\) \(Wales\) Regulations 2006](#)

¹¹ [The Avian Influenza \(Preventive Measures\) \(Scotland\) Order 2007](#)

¹² [Animal Health Act 1981, as amended](#)

¹³ [Avian Influenza \(Preventive measures\) \(England\) Regulations 2006, Avian Influenza \(Preventive measures\) \(Wales\) Regulations 2006](#)

¹⁴ The 2021/22 HPAI outbreak refers to the time period between 26 October 2021 to 30 September 2022.

6. Additionally, following EU exit, the new requirement to undertake active surveillance of the total 'at-risk bird population', throughout the whole of the 10km restricted area has further increased the requirement for accurate data. Without mandatory registration, the only way to obtain this information is to write to all households asking them to self-register their birds.
7. The different ways in which the poultry register information on the location of bird premises is used by APHA is outlined in Table 1 below. Overall, these activities contribute towards preventing notifiable avian disease outbreaks such as HPAI, as well as reducing the risk of further spread and helping to prove disease freedom in the event of an outbreak.
8. The need for a review of the poultry registration processes, including a reduction in the required minimum threshold for registration, was identified during the 2021/2022 HPAI outbreak and from previous HPAI outbreaks. The 2018 Dame Glenys Stacey Review¹⁵ also recommended removing the lower threshold limit given the risks of notifiable avian disease outbreaks and the need to reach all bird keepers when an outbreak occurs.
9. Therefore, Defra, Scottish Government and Wales Government are working closely together to ensure adequate information on all bird premises across Great Britain. To note that in Northern Ireland it is already a mandatory requirement for all bird keepers to register with DAERA.

Table 1: Use of Poultry register data by APHA before and during a notifiable avian disease outbreak.

Time of use	Use of the poultry register by APHA	Rationale for needing up to date information on the location of all bird premises
Pre-outbreak	Communication and awareness: the contact information on the register is used to communicate with poultry keepers during periods where there is heightened risk of notifiable avian disease incursion. Communication includes information on mandatory biosecurity measures that keepers need to take to protect the health of their birds and to prevent disease spread.	Including all bird premises ensures that holdings will not miss out on communications that reduce the risk of there being an outbreak.
	Risk assessments: the data on the register is used to predict the likelihood of notifiable avian disease incursion from wild birds and the areas where outbreaks are likely to occur. These risk assessments can be used to determine higher risk areas.	Including up to date information on the location of all bird premises improves APHA's ability to predict where outbreaks are likely to occur.
During an outbreak	Preventative disease control measures: Following confirmation of disease, legislation requires the government to declare disease control zones to reduce the risk of the spread of disease to other birds in the vicinity of the infected premises. APHA uses the contact	Including all bird premises ensures that holdings will not miss out on communications that reduce the risk of further disease spread.

¹⁵ Final report from the independent Farm Inspection and Regulation Review

Time of use	Use of the poultry register by APHA	Rationale for needing up to date information on the location of all bird premises
	information on the register to inform poultry premises in the zones of the disease control measures and to raise awareness of disease spread.	
	Disease transmission modelling: In house and external modellers use the data on the register as the basis for transmission models, which help to predict the likely spread of disease and impact of control measures such as vaccination strategies	Including up to date information on the location of all bird premises improves the predictive abilities of transmission modelling, by capturing all potential transmission pathways. This will help to reduce the risk of further disease spread.
	<p>Surveillance visits: Following confirmation of disease, legislation requires the government to declare disease control zones to reduce the risk of the spread of disease to other birds in the vicinity of the infected premises. For HPAI, surveillance visits are required to be carried out in the 3km Protection Zone (PZ) to detect any spread from Infected Premises (IPs) and to prove before zones can be lifted.</p> <p>According to the requirement under Commission Delegated Regulation (EU) 2020/692¹⁶ to undertake enhanced surveillance of the populations at risk in the 10 km surveillance zone, to regain disease freedom status (for trade purposes). The results of the surveillance visits are also used as evidence in declaring World Organisation for Animal Health (WOAH)¹⁷ country disease-freedom following an outbreak.</p> <p>The data on the register is used to ensure that APHA can quickly identify the location of poultry premises and include them within surveillance visits.</p>	<p>Holding up to date information on the location of all bird premises ensures that veterinary investigation undertaken by APHA of both poultry and other captive birds required in the 3 km protection zone is undertaken promptly following confirmation of notifiable avian diseases.</p> <p>Extending the registration requirement to all birds will ensure that APHA are effectively able to quickly identify the bird population at risk and complete the required enhanced surveillance of population at risk within the 10 km surveillance zone, to regain zonal disease freedom and trade with the European Union.</p> <p>During the 2021/22 HPAI outbreak, not having information on all bird premises led to a delay in declaring disease freedom, thereby increasing Government costs.</p>
	Tracing investigations on IPs: APHA contact all poultry premises for which there is a possible link to an IP, to detect any spread of disease and to inform	Having up to date information on the location of all bird premises will reduce the Government time spent on activities to identify premises not on the register (such as foot

¹⁶ Commission Delegated Regulation (EU) 2020/692

¹⁷ WOAH were formerly known as the Office International des Epizooties (OIE).

Time of use	Use of the poultry register by APHA	Rationale for needing up to date information on the location of all bird premises
	<p>premises of their requirements to comply with disease restrictions.</p> <p>The data on the register is used to ensure that all potential linked premises are identified.</p>	<p>patrols), meaning that tracing investigations can be carried out more efficiently and effectively.</p>
Other uses	<p>Annual serological surveillance programme: The data on the register is used in the delivery of the annual UK serological surveillance for AI viruses in domestic poultry, by helping APHA to identify the location of poultry premises. The survey is intended to detect infection with low pathogenicity H5 and H7 virus subtypes. These viruses can mutate into the highly pathogenic form that causes serious disease in poultry.</p>	<p>Accurate information on the location of all poultry premises will help in delivery of the annual surveillance programme leading to early detection of AI viruses in domestic poultry and reduce APHA resources in identifying other suitable premises due to inaccurate data.</p>
	<p>Annual reporting: The poultry register data is also used to produce the livestock demographic data. These reports rely on accurate data.</p>	<p>Having information on all premises where poultry are kept will ensure government has reliable data on whether flocks are free-range or housed or the presence of on-farm hatcheries or seasonal slaughter facilities, including accurate GB poultry density maps.</p>

10. Overall, it is expected that the proposed changes will help to:

- Reduce the risk of notifiable avian disease outbreaks;
- Reduce the risk of further disease spread in the event of an outbreak; and
- Increase the efficiency of APHA activities and therefore reduce Government cost.

Problem under consideration

11. Currently, only keepers with 50 or more poultry are required to register their flock on the poultry register. However, up to date information on all birds (regardless of flock size or whether the birds are poultry) is needed in order for the government to communicate with poultry keepers and to carry out outbreak-related activities effectively. The rationale for the proposed changes is explained for each APHA activity in Table 1 above.

12. As well as reducing the effectiveness of these activities, the current missing information on GB poultry register creates a large amount of administrative burden. For example, as the information on the register does not provide up to date information on all poultry premises, during an HPAI outbreak all premises are identified by foot patrols and then manually added to the Notifiable Disease Outbreak Management System (NDOMSs), before the information is transferred to the poultry register. By ensuring that the information on the poultry register is up to date, this inefficient use of time would be removed.

Rationale for intervention

13. The economic rationale for intervention is due to the presence of information failure. The information failure occurs because Government does not have sufficient and up to date information on the location of bird premises. In the event of a notifiable avian disease outbreak, this restricts the ability of APHA to effectively carry out the activities outlined in Table 1.
14. Ensuring the poultry register covers all bird premises will increase the effectiveness of these activities, preventing notifiable avian disease outbreaks as well as reducing further disease spread in the event of an outbreak. Therefore, as a result of this proposal, there will be an indirect benefit of reducing the economic and social cost of outbreaks, which can be significant.
15. Government intervention is needed to resolve this information failure, as previous efforts have shown that it cannot be resolved by the market alone. A voluntary approach to registration has been carried out for the past nine years, with communications programmes led by Government alongside industry and a simplified version of the mandatory registration form to encourage all poultry keepers to provide information on the number of birds at any single premises to APHA. Despite this, there are many keepers who have not registered their details. For example, in the first nine months of the 2021/22 HPAI outbreak, as a result of foot patrols and communications to households within 10km of infected premises, APHA identified 12,272 premises with less than 50 birds who had not registered their details¹⁸.

Policy objective

16. The policy objectives are to:
 - Improve the information available on the poultry register, by including up to date information on the location of all bird premises.
 - Prevent and control of outbreaks of avian influenza and other notifiable avian diseases by improving the effectiveness of APHA activities through improved information, thereby protecting animal health and reducing the cost of future outbreaks.
 - Improve the efficiency of APHA activities through improved information, thereby reducing Government costs.

Options considered

17. The following options have been considered:

Option 0 (Do Nothing)

18. This option would involve making no changes to the existing legislation. The proposed changes to the poultry register thresholds to ensure that information on all bird keepers is included would not be introduced into the legislation. Poultry keepers with less than 50 birds or keepers of other captive birds will be encouraged to voluntarily register their birds using the simplified version of the mandatory registration form but will not be mandated by law to do so. Keepers with 50 or more poultry will continue to be legally required to notify relevant Ministers within one month of $\pm 20\%$ changes in the flock size, but there is no legal requirement for keepers to update their information annually.

¹⁸ Premises in the Protection Zones (3km) and Surveillance Zones (3-10km) around the infected premises which were identified between October 2021 and June 2022. Premises were identified through foot patrols or households within the zones being contacted by letter and asked to register their birds.

19. The 'Do Nothing' option will fail to address issues identified by industry from the 2021/22 HPAI outbreak and previous HPAI outbreaks. It will also not address the recommendation from the 2018 Dame Glenys Stacey Review¹⁵, which advocated the removal of the lower bird number limit for registration of poultry, due to the risk of exotic disease and the operational need to reach all poultry owners when an outbreak occurs. There will be a risk that APHA activities before and during a notifiable avian disease outbreak will be less effective. For example, by not being able to inform all bird keepers immediately following the confirmation of disease outbreak on how to protect their bird and limit disease spread. Additionally, these activities will be less efficient, increasing the Government cost of an exotic notifiable avian disease outbreak such as HPAI.

Option 1 (Preferred option): Amend existing legislation with reduction in registration threshold from 50 birds to 1

20. Option 1 would entail amending the poultry registration requirements. Implementation would be through amendments to the Regulations. A phased approach to implementation is considered in delivery of the mandatory annual update proposal. The following amendments are proposed:

Extending the registration requirement to cover all bird keepers¹⁹ (both poultry²⁰ and other captive birds²¹)

21. Option 1 includes extending the registration requirement to all birds i.e., including other captive birds such as racing pigeons and birds of prey (but not pet birds kept within a domestic dwelling). All birds are affected by notifiable avian diseases, such as HPAI. Therefore, ensuring that information on all bird flocks (regardless of species) is available will help APHA to carry out disease control measures effectively (as outlined in Table 1), ultimately helping to reduce the likelihood and impact of notifiable avian disease outbreaks.

Mandatory annual updates to the register

22. Option 1 includes the option to require keepers to review their information annually and make an inventory of the number of birds at any single premises by a specified date and within an agreed time frame.
23. Currently, keepers are unable to easily access their data on the poultry register, as the current process involves the keeper completing a form and submitting it by post or email to APHA. Therefore, this requirement will not be implemented until keepers are able to access their data through an online portal. The first phase in 2023 will allow online registration, subsequent phases will allow all animal keepers to update the personal records and stock numbers. The cost of annual updates has not been monetised at this stage as the online portal is still in development. However, costs are likely to be less significant than the cost of registering through the current paper based system.

¹⁹ With the exception of pet birds kept within a domestic dwelling for non-commercial purposes. A "pet bird" is a specimen of avian species other than: chickens, turkeys, guinea fowl, ducks, geese, quail, pigeons and doves, game birds, ostrich, rheas and emus, and swans, and kept exclusively within a domestic dwelling for non-commercial purposes.

²⁰ Where "poultry" refers birds that are reared or kept in captivity for the production of meat or eggs for consumption, the production of other commercial products, for restocking supplies of game or for the purposes of any breeding programme for the production of these categories of birds.

²¹ Where "other captive birds" refers in England and Wales to any bird kept in captivity which is not poultry and includes a pet bird and any bird kept for shows, races, exhibitions, competitions, breeding or for sale; or In Scotland "other captive bird" refers to any bird, other than poultry, kept in captivity including any bird kept for shows, races, exhibitions and competitions (such as ornamental birds and racing pigeons).

24. Annual updates will improve the accuracy of the data on the location of bird premises, improving the efficiency and effectiveness of activities carried out by APHA before and during an outbreak (as outlined in Table 1).

Reduction in the registration threshold for all bird keepers from 50 to 1

25. The preferred option includes reducing the threshold for registration from 50 or more to one bird. This will ensure that information on all bird keepers is included on the register. Activities carried out by APHA before and during an outbreak would benefit from this by having information on all bird premises, as outlined in Table 1.
26. Note that the requirement to inform APHA of $\pm 20\%$ changes in flock size would still only apply to keepers with 50 or more birds.
27. Reducing the threshold to 10 or 25 was considered earlier in option development through discussion with the Devolved Administrations and APHA. However, as the ultimate policy objective of the proposal is to help reduce the likelihood and impact of notifiable avian disease outbreaks; given the importance of having information on all bird flocks in order to carry out disease control measures effectively, it was decided that the policy objectives could only be met with a threshold of one.

Option 2: Amend existing legislation with reduction in registration threshold from 50 to 10

28. Option 2 would entail amending the poultry registration requirements. Implementation would be through amendments to the Regulations. A phased approach to implementation is considered in delivery of the mandatory annual update proposal.
29. As per Option 1, extending the registration requirement to cover all bird keepers (both poultry and other captive birds) and an option to require annual updates would also apply under Option 2. However, instead of reducing the registration threshold for all bird keepers from 50 to 1, the following amendment is proposed:

Reduction in the registration threshold for all bird keepers from 50 to 10

30. Option 2 includes reducing the threshold for registration from 50 or more birds to 10 or more. This will improve the information that APHA hold on bird keepers, increasing the effectiveness and efficiency of activities carried out by APHA.
31. Note that the requirement to inform APHA of $\pm 20\%$ changes in flock size would still only apply to keepers with 50 or more birds.
32. However, as APHA will not hold information on all bird keepers, Option 2 will fail to fully address the issues identified by industry from previous HPAI outbreaks (and the recommendation from the 2018 Dame Glenys Stacey Review). There will be a risk that APHA activities before and during a notifiable avian disease outbreak will be less effective. During option development discussions with the Devolved Administrations and APHA it was flagged that this option is unlikely to meet policy objectives, given the importance of having information on all bird flocks in order to carry out disease control measures effectively.

Non regulatory option

33. A non-regulatory option has also been considered. This option would involve continuing with encouraging the voluntary registration of keeper with less than 50 poultry and

extending it to other captive birds, this option has been in place for 9 years. However, despite the largest ever outbreak of HPAI in 2021/22 and sustained information campaigns, previous experience suggests that this would not be enough to meet the policy objectives. Government has previously carried out communication campaigns with charities or organisations (such as representatives of pet poultry) to raise awareness and to encourage voluntary registration. However, there are still a high number of keepers who have not registered: for example, since the start of the 2021/22 HPAI outbreak, 12,272 premises with less than 50 birds have been identified through foot patrols and other surveillance activity and registered to NDOMS. The uptake of the poultry registration as a result of the various communication campaigns have been low. A non-regulatory approach was therefore rejected on the grounds that it would not be able to comprehensively address policy objectives.

2.0 Rationale for De Minimis Rating

34. The estimated annual impact to businesses falls below the Impact Assessment threshold of £5m. In our central scenario (which is the scenario with the highest cost to businesses), the policy is expected to have a direct cost to business of £381,000 in the first year.
35. In subsequent years, the monetised annual cost to businesses is estimated to be £1,600 (undiscounted), for new entrants to the market to familiarise themselves with the requirements and to register for the first time. There is also an unmonetised cost of the time taken for businesses to perform annual updates; however, this requirement would only be introduced alongside the development of an online portal, where costs are likely to be less significant i.e., compared to the estimated cost of registering through the current paper based system. The proposed measures are therefore unlikely to exceed £5m in any given year and an DMA is the most appropriate way to assess the impacts of the policy.

3.0 Costs and Benefits

36. Costs and benefits have been estimated using an appraisal period of 10 years, which is the standard HMT Green Book measure for proposals involving administrative changes²². Costs and benefits have been discounted using the default discount rate of 3.5%, which is also consistent with the Green Book.

Option 0 – Do Nothing

37. Under the Do Nothing option the current regime will be maintained, where only keepers with 50 or more poultry are required to register their flock. Keepers with under 50 poultry will continue to be encouraged to register details voluntarily, but there is no legislation in place to mandate this.
38. This option incurs no direct costs or benefits. However, it is expected that the effectiveness of the activities carried out by APHA before and during an HPAI outbreak (outlined in Table 1) will be compromised, increasing both the likelihood and severity of future HPAI outbreaks.

Option 1 (Preferred option) – Amend existing legislation with reduction in registration threshold from 50 to 1

²² HM Treasury Green Book 2022.

39. Under Option 1, the proposed changes require all bird keepers in GB (both poultry and other captive birds) with one or more bird to register the details of their birds on the poultry register.
40. In the central scenario, we estimate the number of keepers affected in the first year to be 73,000. Sensitivity analysis has been carried out on this assumption by estimating a 'low cost scenario', where the number of keepers affected in the first year is 24,700. These estimates are based on there being 412,500 poultry smallholdings²³ in GB (both businesses and non-businesses)²⁴, based on APHA estimates. To estimate the proportion of these smallholdings that are businesses (and therefore fall into the scope of this DMA), there is a range of estimates from 6%²⁵ to 18%²⁶. As a conservative estimate, we assume the higher proportion in the central scenario (i.e., 18%, resulting in an estimate of 73,000 businesses affected). In the 'low cost scenario', we assume the lower proportion (i.e., 6%, resulting in an estimate of 24,700 businesses affected).
41. Note that the estimated number of smallholdings in GB is for poultry holdings only, whereas Option 1 will also require keepers of other captive birds to register their details. There is a lack of data on the number of businesses holding other captive birds and we were unable to validate an assumption through consultation, as this is a macro-level assumption which would require a representative sample. This is a further rationale for using the higher estimate of total businesses affected in the central scenario.
42. In following years, the number of keepers affected is estimated to be 310 per year. This is based on the average number of organisations with 1-49 birds who have entered the market each between 2016 and 2022²⁷.
43. The expected costs and benefits of Option 1 are summarised in Table 2 and are explained in more detail below.

Table 2: Costs and benefits of Option 1.

Impact		Description
Costs	Monetised	<ul style="list-style-type: none"> • A one-off familiarisation cost for businesses to read and understand the new measures. • The cost of the time taken for businesses to perform updates (i.e., to fill in the necessary forms). • The cost of inputs for businesses to performing updates (i.e., the cost of paper and ink to print the necessary forms). • The cost of the time taken for Government to update the data on the poultry register.
	Unmonetised	<ul style="list-style-type: none"> • The cost of the time taken for businesses to perform annual updates using an online portal.

²³ Defined as those with under 50 birds.

²⁴ Internal APHA estimates. From the 17 Avian Influenza outbreaks between 2014 and 2017, restrictions were enforced within a specific radius of the outbreak. Foot patrols were conducted in these areas, to establish the total number of poultry premises within the UK. Foot patrols provide a far more accurate representation of this number, but they are labour intensive and thus not realistic to conduct throughout the country. Therefore, APHA used the data collected from these foot patrols, to investigate the extrapolation of poultry smallholding data to give an approximation of the number of poultry smallholdings in GB.

²⁵ Based on NDOMS data collected during the 2021/22 outbreak. Based on surveillance on premises in the 3km Protection Zone (PZ) around the 115 infected premises which were identified. This estimate carries uncertainty as these areas were not randomly selected and there is no certainty that the proportion of holdings which are businesses is representative of other areas in Great Britain.

²⁶ Note that due it not being mandatory for keepers with flocks under 50 birds to register details on the poultry register, there is no certainty that the proportion of premises which are businesses is representative of other areas in Great Britain.

²⁷ APHA estimates

Impact		Description
		<ul style="list-style-type: none"> The operational cost to Government as a result of there being more keepers on the register (e.g., enforcement and maintenance costs).
Benefits	Monetised	None at this stage.
	Unmonetised	<ul style="list-style-type: none"> A reduction in the economic and social cost of future notifiable avian disease outbreaks, due to a) the decreased likelihood of an outbreak and b) the reduced risk of further disease spread (due to the increased effectiveness of the activities outlined in Table 1). A reduction in Government cost of activities before and during a notifiable avian disease outbreak (due to the increased efficiency of the activities outlined in Table 1).

44. In the central scenario, Option 1 is estimated to result in a net social cost of £838,000 in the first year, with a business net cost of £382,000 (as shown in Table 3 below). Although there is an estimated net cost, it is expected that there will be unmonetised benefits to both Government and businesses.

Table 3: Estimated impact of Option 1 in the central scenario in the first year, rounded to the nearest £000

Impact	Estimated impact (£)
Familiarisation cost	-£91,000
Time taken to update the poultry register	-£254,000
Paper and ink cost	-£37,000
Government cost to update the poultry	-£456,000
Net Social Value (first year)	-£838,000

45. Over the 10-year appraisal period, Option 1 is estimated to result in a net social cost of £864,000, with a business net cost of £394,000 (as shown in Table 4 below). The annualised costs are at their highest in the first year, given that all businesses that own less than 50 birds will be expected to register for the first time. In subsequent years, only new entrants to the market will be required to do so. Again, although there is an estimated net cost, there will be unmonetised benefits to both Government and businesses.

Table 4: Estimated impact of Option 1 in the central scenario over a 10 year appraisal period, rounded to the nearest £000

Impact	Estimated impact (£)
Familiarisation cost	-£94,000
Time taken to update the poultry register	-£262,000
Paper and ink cost	-£38,000
Government cost to update the poultry	-£470,000
Total Net Present Social Value	-£864,000

46. In 2019 prices and 2020 present value, the total net present social value is equivalent to -£0.7m and the business net present value is equivalent to -£0.3m (as presented on the summary page). The Equivalent Annual Net Direct Cost to Business (EANDCB) is £0.04m.

Costs to businesses

Monetised Costs

47. The monetised costs to businesses are all direct costs and therefore included in the Business Impact Target calculations.

Familiarisation cost

48. There will be a familiarisation cost to businesses in the first year of the policy coming into effect, as all flock keepers will incur labour costs as a result of needing to read the new regulations and understand what data is required for the forms.
49. We assume that it will take approximately 5 minutes to read and understand the new regulations, based on the assumption that the updated article will be no more than two pages long. Based on the word count of the existing article²⁸ and assuming that keepers read 200 words per minute²⁹, this results in an estimated reading time of 5 minutes³⁰. We did not test this at consultation due to the low likelihood of stakeholders having an improved assumption.
50. We monetise this by applying an hourly wage of £12.21³¹, uplifted by 22% to account for non-wage costs to businesses such as pension contributions³². In our central scenario, this results in a total familiarisation cost of £91,000 across 73,000 keepers in the first year of the policy coming into effect. For new entrants to the market in subsequent years, there is an estimated annual cost of £385 across 310 keepers.

Time taken to register details

51. There will be a labour cost to businesses in the time required to register the details of their birds on the poultry register, as keepers will need to spend time filling out the relevant forms with the details of their flocks.
52. We assume that registration will take approximately 14 minutes. This assumption was tested through consultation, where most poultry keepers with more than 50 birds (i.e., respondents who have existing experience with the registration form) said it took between 1-14 minutes to fill out. We have applied the upper end of the scale to be conservative.
53. We monetise this by applying an hourly wage of £12.21³³, uplifted by 22% to account for non-wage costs to businesses such as pension contributions³⁴. In our central scenario, this results in a cost of £254,000 across 73,000 keepers in the first year. For new entrants to the market in subsequent years, there is an estimated annual cost of £1,000 across 310 keepers.

Input cost to register details

²⁸ [Avian Influenza \(Preventive measures\) \(England\) Regulations 2006](#), Article 7 (Identification of poultry premises). The article covers approximately one page with 500 words. We therefore assume the new regulations will cover 1,000 words (two pages).

²⁹ ReadingSoft (speed reading software): Average reading speed of approximately 200 word per minute.

³⁰ This assumption was not tested in consultation as it was not deemed feasible to achieve robust estimates.

³¹ [ASHE 2022 data](#), Gross Hourly pay for the raising of poultry (4-digit SIC code 147).

³² [EUROSTAT: Hourly Labour Costs \(2019\)](#). The 22% figure was arrived at using the following formula: $(1+(0.18/(1-0.18))) = 22\%$. Where 0.18 or 18% refers to non-wage labour cost as a percentage of overall hourly labour costs in UK, which is sourced from EUROSTAT.

³³ [ASHE 2022 data](#), Gross Hourly pay for the raising of poultry (4-digit SIC code 147).

³⁴ [EUROSTAT: Hourly Labour Costs \(2019\)](#). The 22% figure was arrived at using the following formula: $(1+(0.18/(1-0.18))) = 22\%$. Where 0.18 or 18% refers to non-wage labour cost as a percentage of overall hourly labour costs in UK, which is sourced from EUROSTAT.

54. Additionally, there will be a cost to businesses for the inputs required to register the details of their birds on the poultry register. At present, the register can only be updated by filling in printed forms which can then be scanned and returned to APHA. Therefore, there is a cost to businesses for paper and ink required.
55. We assume that each update will generate an input cost of £0.50³⁵. In our central scenario, this results in a cost of £36,500 across 73,000 keepers in the first year. For new entrants to the market in subsequent years, there is an estimated annual cost of £155 across 310 keepers.

Unmonetised Costs

Mandatory annual updates

56. Once the online portal is available, keepers will be required to review their information and make an annual inventory of the birds. However, this requirement is dependent on the introduction of an online portal by APHA; keepers will not be required to carry out annual updates whilst the current system of physical forms is in place. Online access to customer data and stock numbers is currently in development by APHA. The first phase in 2023, will allow online registration, but subsequent phases will allow all animal keepers to update the personal records and stock numbers.

As development of the online portal is in early stages, it is not possible to estimate what the annual update process will involve for keepers and therefore how long this may take. Therefore, this cost has not been monetised at this stage due to a lack of evidence.

Costs to Government

Monetised Costs

Time taken to update the poultry register

57. There will be a cost to Government in the time required to perform the updates to the poultry register, as APHA staff will need to process and upload the forms provided by businesses. Previous calculations by APHA for registering GB pigeon lofts to the poultry register estimate an average cost of £6.24 per registration³⁶. In our central scenario, this results in a cost of £456,000 in the first year and £1,900 in subsequent years.

Unmonetised Costs

58. There will be an increased cost to Government of maintaining the poultry register as a result of the proposed changes, due to a higher number of keepers who will be required to register. For example, there will be an increased cost to local authorities to enforce the legislation. There will also be an increased cost to APHA of maintaining the database (e.g., deleting old records). However, these costs have not been monetised due to a lack of data.

Benefits

Monetised Benefits

³⁵ This assumption was not tested in consultation as it was not deemed feasible to achieve robust estimates. However, we deem this to be a reasonable estimate based on the length of [the existing registration form](#) (5 pages) and [the cost of printing from an online printing service](#) (£0.30 for less than 25 pages, noting that individuals or businesses may pay slightly more when taking into account the lack of economies of scale and the cost of electricity).

³⁶ Based on a scenario where the registration of between 18,000 to 20,000 customers over a 3-4 month period would require 13 roles performing AO level work and 1.5 performing EO level work, to be employed on short term employment agency contracts.

59. As outlined earlier, no benefits have been monetised due to the difficulty in robustly estimating a) how the likelihood or size of a poultry disease outbreak could be reduced as a result of the increased effectiveness of APHA activities and b) how Government costs may be reduced during a poultry disease outbreak.

Unmonetised Benefits

A reduction in the economic and social cost of future notifiable avian disease outbreaks

60. The proposed changes are expected to reduce the cost of future notifiable avian disease outbreaks by increasing the effectiveness of activities carried out by APHA. These activities either reduce the likelihood of an outbreak (communication and awareness campaigns and risk assessments) or reduce the risk of further disease spread (preventative disease control measures, disease transmission modelling, density maps and tracing investigations on IPs). As outlined in Table 1, the effectiveness of these activities is currently restricted by not having sufficient information on the location of all bird premises.
61. Therefore, by addressing the current information failure on the location of holdings, there will be an indirect benefit of reducing the cost of notifiable avian disease outbreaks. For an outbreak of a disease such as AI, these costs can be significant for Government (e.g., disease control costs, compensation payment and staff time) and for industry (e.g., lost trade, the cost of housing restrictions and other business continuity costs). There are also negative impacts on animal welfare, due to the high mortality rate for birds infected.
62. However, this benefit has not been monetised as it is difficult to robustly estimate the additional impact improvements to the poultry register would have on the likelihood and/or size of an outbreak. Additionally, it is difficult to robustly quantify the economic and social cost of notifiable avian disease outbreaks³⁷, making it methodologically challenging to monetise this benefit.

A reduction in Government cost of activities before and during a notifiable avian disease outbreak

63. The proposed changes are expected to reduce Government costs by increasing the efficiency of activities carried out by APHA in the event of a notifiable avian disease outbreak, as outlined in Table 1 **Error! Reference source not found.** For example, as the information on the register does not provide up to date information on all poultry premises, during an HPAI outbreak, currently all the premises which are identified by foot patrols then have to be manually added to the Notifiable Disease Outbreak Management System (NDOMSs) before the information is transferred to the poultry register. By ensuring that the information on the poultry register is up to date, this inefficient use of time would be removed.
64. However, this benefit has not been monetised as it is difficult to robustly estimate how much time would be saved as a result of the improved information on the poultry register. We have therefore demonstrated the potential size of this benefit in a scenario analysis below.

Scenario analysis – Outbreaks of Highly Pathogenic Avian Influenza (HPAI)

³⁷ Defra have recently commissioned research on the industry cost of the 2021/22 outbreak, which will be incorporated into this analysis once available.

65. We estimate that the 2021/22 HPAI outbreak cost the UK economy £108m³⁸. To analyse the potential reduced cost as a result of improving the poultry register, we model the following scenario for HPAI outbreaks over the 10-year appraisal period, which epidemiological experts within Defra consider plausible:

- An outbreak similar in scale to the 2021/22 outbreak occurs once in Year 1.
- The outbreaks in the other nine years are less severe or non-existent, due to the introduction of preventative interventions (e.g., vaccination). As a conservative estimate, we assume that there are no outbreaks in the other nine years.

66. This leads to a total cost of HPAI outbreaks of £108m over the 10-year appraisal period. Therefore, Option 1 could be considered to be cost-beneficial if the proposed changes plausibly reduce the cost of HPAI outbreaks by £0.9m (i.e., the net cost of Option 1), which is equivalent to approximately 0.8% of the estimated total cost over the 10-year appraisal period. As a reduction in cost would be expected from a) the reduced likelihood and scale of future outbreaks and b) the increased efficiency of Government activities in the event of an outbreak, a 0.8% reduction in costs as a result of the proposed changes is deemed to be plausible.

Sensitivity Analysis

Low cost scenario

67. In our central scenario, we assume that 18% of holdings with less than 50 birds operate as businesses, based on poultry register data. However, as a sensitivity analysis, a scenario using 6%³⁹ has been estimated. The costs and benefits remain the same in this scenario, as well as the methodological approaches used to monetise them. The only change is to the assumed proportion of holdings with less than 50 birds that operate as businesses and therefore the number of holdings that incur costs in the first year after the policy is introduced.

68. In the 'low cost' scenario, Option 1 is estimated to result in a net social cost of £279,000 in the first year, with a business net cost of £127,000 (as shown in Table 5 below). Although there is an estimated net cost, it is expected that there will be unmonetised benefits to both Government and businesses.

Table 5: Estimated impact of Option 1 under the low cost scenario in the first year, rounded to the nearest £000.

Impact	Estimated impact
Familiarisation cost	-£30,000
Time taken to update the poultry register	-£85,000
Paper and ink cost	-£12,000
Government cost to update the poultry register	-£152,000
Net Social Value (first year)	-£279,000

³⁸ Current estimates based on internal modelling of the 2021/22 HPAI outbreak (October 2021 – September 2022). We estimate a £69m cost to industry and a £39m cost to Government. Please note that in the pre-consultation DMA we used a Government cost of £24.6m in the scenario analysis. Due to better data availability, this estimated cost has increased slightly. As we have since modelled the estimated cost of industry, we now compare to the cost to Government and industry as we expect the proposed changes to benefit both. We have not included detail on the internal modelling as it is still in development and subject to change; however £108m is our current best estimate.

³⁹ Based on NDOMS data collected during the 2021/22 outbreak. Based on surveillance on premises in the 3km Protection Zone (PZ) around the 115 infected premises which were identified. The data includes premises with registered birds of any species.

69. Over a 10-year appraisal period, the ‘low cost’ scenario is estimated to result in a net social cost £305,000, with a business net cost of £139,000 (as shown in Table 6 below). The annualised costs are at their highest in the first year, given that businesses that own less than 50 birds will be expected to register for the first time. In subsequent years, only new entrants to the market will be required to do so. Again, although there is an estimated net cost, there will be unmonetised benefits to both Government and businesses.

Table 6: Estimated impact of Option 1 under the low cost scenario over a 10-year appraisal period, rounded to the nearest £000.

Impact	Estimated impact
Familiarisation cost	-£33,000
Time taken to update the poultry register	-£93,000
Paper and ink cost	-£13,000
Government cost to update the poultry register	-£166,000
Net Present Value (NPV)	-£305,000

Risks and unintended consequences

70. A potential risk to achieving the benefits of the proposed changes is the reliance on compliance from bird keepers in providing and updating their information on the register. However, we assume 100% compliance for this assessment, in line with the Defra Regulation Handbook. Currently any non-compliance with the legislation is a criminal offence under the Animal Health Act 1981 and can lead to enforcement action by the local authority. A person can either be convicted to imprisonment for a term not exceeding six months or be fined, or to both. This will remain the case for the proposed amendments to the legislation.

Option 2 - Amend existing legislation with reduction in registration threshold from 50 birds to 10

71. Under Option 2, the costs and benefits are of the same nature as Option 1 (as summarised in Table 2). However, as less keepers are impacted (as keepers with less than 10 birds will not be required to register or to provide annual updates), the costs will be reduced. As the poultry register will not include information on the location of all birds under Option 2, the benefits will also be reduced.

Central scenario

72. In the central scenario, Option 2 is estimated to in a net social cost of £505,000 in the first year, with a business net cost of £230,000 (as shown in Table 7 below).

Table 7: Estimated impact of Option 1 under the low cost scenario in the first year, rounded to the nearest £000.

Impact	Estimated impact
Familiarisation cost	-£55,000

Impact	Estimated impact
Time taken to update the poultry register	-£153,000
Paper and ink cost	-£22,000
Government cost to update the poultry register	-£275,000
Net Social Value (first year)	-£505,000

73. Over the 10-year appraisal period, Option 2 is estimated to result in a net social cost of £520,000, with a business net cost of £237,000 (as shown in Table 8 below).

Table 8: Estimated impact of Option 1 in the central scenario over a 10 year appraisal period, rounded to the nearest £000

Impact	Estimated impact (£)
Familiarisation cost	-£56,000
Time taken to update the poultry register	-£158,000
Paper and ink cost	-£23,000
Government cost to update the poultry register	-£283,000
Total Net Present Social Value	-£520,000

Low cost scenario

74. In the low-cost scenario, Option 2 is estimated to in a net social cost of £168,000 in the first year, with a business net cost of £76,000 (as shown in Table 9 below).

Table 9: Estimated impact of Option 1 under the low cost scenario in the first year, rounded to the nearest £000.

Impact	Estimated impact
Familiarisation cost	-£18,000
Time taken to update the poultry register	-£51,000
Paper and ink cost	-£7,000
Government cost to update the poultry register	-92,000
Net Social Value (first year)	-£168,000

75. Over the 10-year appraisal period, Option 2 is estimated to result in a net social cost of £184,000, with a business net cost of £84,000 (as shown in Table 10 below).

Table 10: Estimated impact of Option 1 under the low cost scenario over a 10 year appraisal period, rounded to the nearest £000

Impact	Estimated impact (£)
Familiarisation cost	-£20,000
Time taken to update the poultry register	-£56,000
Paper and ink cost	-£8,000
Government cost to update the poultry register	-£100,000
Total Net Present Social Value	-£184,000

Costs

76. Under Option 2, the proposed changes require all bird keepers in GB (both poultry and other captive birds) with ten or more birds to register the details of their birds on the poultry register. In the central scenario, we estimate the number of keepers affected in the first year to be 44,000 and the number of keepers affected in following years to be 187. This is based on the number of keepers affected under Option 1 (i.e., the estimated total number of keepers in GB with less than 50 birds in the first year and following years⁴⁰) scaled by 60%, which is the estimated proportion of these keepers which have more 10 or more birds. 60% is based on the distribution of keepers currently on the poultry register⁴¹. We did not test this at consultation due to the low likelihood of stakeholders having an improved assumption.
77. In the low cost scenario, we estimate the number of keepers affected in the first year to be 14,700 and the number of keepers affected in following years to be 187. This is again based on scaling the number of keepers affected under Option 1 by 60%.
78. For monetised costs, besides the number of keepers affected, all other assumptions are the same as under Option 1. For unmonetised costs, we would expect these to be approximately 60% of the unmonetised costs under Option 1.

Benefits

79. Under Option 2, the benefits (which are currently non-monetised) will be significantly reduced. Under Option 1, the proposed changes are expected to reduce the cost of future notifiable avian disease outbreaks by increasing the effectiveness of activities carried by APHA, as well as reducing Government costs by increasing efficiency (as outlined in Table 1). However, by reducing the threshold to 10 instead of 1, the information on the poultry register will still be limited as it will not contain information on the location of all birds. Therefore, it is not expected that Option 2 would improve the information enough to enable the benefits realised under Option 1.
80. The additional benefit enabled by a threshold of 1 instead of 10 is evidenced by the 2018 Dame Glenys Stacey Review, which recommended removing the lower threshold limit completely given the risks of notifiable avian disease outbreaks and the need to reach all keepers when an outbreak occurs. Additionally, during option development discussions with the Devolved Administrations and APHA it was flagged that this option is unlikely to meet policy objectives, given the importance of having information on all bird flocks in order to carry out disease control measures effectively.

Summary of options

81. A summary of the monetised costs under each option over the 10-year appraisal period is provided in Table 11 below.

⁴⁰ Please refer to the methodology for Option 1 for the assumptions behind these estimates.

⁴¹ Based on current poultry register data, 5,925 holdings registered as businesses had less than 50 birds. Of these, 3,572 (60%) had 10 or more birds. Therefore, approximately 60% of the total number of keepers in GB with less than 50 birds will be affected under Option 2 (i.e., we exclude the 40% with less than 10 birds). As the poultry register does not include all holdings this estimate may not accurately reflect the actual distribution of holdings with less than 10 birds and those with between 10 and 50. However, it is the best assumption available at this time.

Table 11: Summary of the monetised costs under each option over the 10-year appraisal period.

	Option 0 (Do Nothing)	Option 1 (Preferred option)	Option 2
Central scenario	£0	£0.9m	£0.5m
Low cost scenario	£0	£0.3m	£0.2m

82. Due to data limitations, no benefits have been monetised at this stage. However, the expected benefits will be zero under Option 0 (Do Nothing) and as outlined above, the benefits are expected to reduce significantly under Option 2 compared to Option 1.
83. As outlined in the scenario analysis, Option 1 could be considered to be cost-beneficial if the proposed changes reduce the cost of HPAI outbreaks over the next 10 years by at least 0.8%. As a reduction in the cost of outbreaks would be expected from a) the reduced likelihood and scale of future outbreaks and b) the increased efficiency of Government activities in the event of an outbreak, a 0.8% reduction is deemed to be plausible.

Wider impacts

Impact on small and micro businesses

84. The proposal will have a direct impact on businesses. As a result, an assessment has been undertaken to explore the extent to which small and micro businesses would be affected.
85. In general, the farming and agricultural sector tends to be dominated by small and micro business. In many cases, with the farm being run by the farmer, immediate family and often a handful of hired farm workers. The 2021 business population estimate publication⁴², produced by the Department for Business, Energy and Industrial Strategy (BEIS), estimated that almost 93% of businesses employed fewer than five people.
86. The livestock sub-sector shows a similar pattern to the wider agricultural sector. Table 12 below shows data from the Farm Business Survey (FBS) on the number of farm businesses by type and size of business. The size of farm is defined by the standard labour requirement needed to manage each farm⁴³. This suggests that the majority of livestock holdings tend to be relatively small – with around 86% of all livestock holdings and 51% of specialist poultry holdings requiring less than three Full-Time Equivalent (FTE) in standard labour requirements. This aligns with the general trend in the farming sector, where the majority of holdings tend to be small or micro-sized, with few employees.

Table 12: Farm Business Survey 2019/20: Sample Characteristics - England by size groups

Number of businesses	Very small	Small	Medium	Large	All Sizes
Cropping	10,147	4,824	2,758	4,581	22,310
Cereals	8,110	2,585	1,500	1,800	13,995
General cropping	1,474	1,816	902	1,552	5,743
Horticulture	562	424	356	1,230	2,572

⁴² BEIS Business Population Estimates 2021. Available here: [Business population estimates 2021 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/business-population-estimates-2021)

⁴³ Very small = less than 1 FTE (part-time), small = between 1 and 2 FTE, medium = between 2 and 3 FTE and large = 3 or more FTE

Number of businesses	Very small	Small	Medium	Large	All Sizes
Dairy	18	343	695	4,624	5,680
Grazing Livestock (Lowland)	7,028	2,826	1,488	1,385	12,727
Grazing Livestock (Less Favoured Area)	1,610	2,856	1,075	1,301	6,842
Specialist Pigs	305	313	280	477	1,375
Specialist Poultry	418	199	218	800	1,635
Mixed	1,610	1,811	864	1,666	5,952

87. The impacts of the policy are likely to fall disproportionately on small and micro businesses (SMB), as BEIS estimates⁴⁴ show that 97% of businesses in the agriculture sector are classified as SMBs.
88. Under Option 1 (the preferred option), in our central scenario, the proposed measures result in a net cost to businesses of £394,000 over the 10 year appraisal period, with approximately 76,000 holders affected. After scaling impacts by 97%, this is equivalent to a net cost of £5 per SMB over the 10-year appraisal period. Note that we expect there to be non-monetised benefits (as outlined earlier) which would benefit SMBs.
89. Under Option 2, in our central scenario, the proposed measures result in a net cost to business of £237,000 over the 10 year appraisal period, with approximately 44,000 holders affected. After scaling impacts by 97%, this is also equivalent to a net cost of £5 per SMB over the 10 year appraisal period. However, we do not expect there to be significant non-monetised benefits to SMBs (and all businesses) under Option 2.
90. Although the vast majority of business affected are SMBs, an exemption hasn't been considered as it would not allow us to deliver the policy objective. Without all poultry holdings providing their flock information to the poultry register, the effectiveness of activities carried out by APHA before and during an outbreak would be compromised. This means that the benefit of reducing the likelihood and cost of future notifiable avian disease outbreaks would not be realised. Furthermore, as previously explained, adopting a policy option that is voluntary in nature has been shown to be ineffective in ensuring that all poultry holdings provide their flock information. An exemption for medium businesses has also not been considered due to the same rationale.

3.0 Post implementation review

91. The Avian Influenza (Preventive Measures) (England) Regulations 2006 sets out the current requirements for identification of poultry premises in England. The Regulations does not include a statutory review clause requiring a PIR of the measures set out in the legislation.
92. However, the effectiveness of the changes will be monitored and assessed after full implementation of the measures and following an outbreak of HPAI. During an outbreak of notifiable avian disease, additional assessments of premises with birds are generally undertaken. This will provide some of the information to assess compliance with the requirements, alongside information from local authorities where they are notified of breaches of other exotic disease control legislation. We will also monitor correspondence regarding issues associated with the registration requirements following full implementation.

⁴⁴ [Business population estimates 2021 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/business-population-estimates-2021). 97% of businesses in the agriculture sector are classified as SMBs.

1. **Review status:** Please classify with an 'x' and provide any explanations below.

<input type="checkbox"/>	Sunset clause	<input type="checkbox"/>	Other review clause	<input type="checkbox"/>	Political commitment	<input type="checkbox"/>	Other reason	<input checked="" type="checkbox"/>	No plan to review
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2. **Expected review date** (month and year, xx/xx):

<input type="text"/>	<input type="text"/>	/	<input type="text"/>	<input type="text"/>	Five years from when the Regulations come into force
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3. **Rationale for PIR approach:**

Circle the level of evidence and resourcing that will be adopted for this PIR (see Guidance for Conducting PIRs):

Describe the rationale for the evidence that will be sought and the level of resources that will be used to collect it.

- **Will the level of evidence and resourcing be low, medium or high? (See Guidance for Conducting PIRs)**
- **What forms of monitoring data will be collected?**
- **What evaluation approaches will be used? (e.g. impact, process, economic)**
- **How will stakeholder views be collected? (e.g. feedback mechanisms, consultations, research)**

Rationale for not conducting a PIR:

Describe the rationale for why a PIR will not be conducted and why this is deemed to be the suitable route to follow.

No statutory review clause is deemed necessary due to the negligible impacts of the measures.