

Consultation on the proposed revision of fees for statutory services delivered by the Animal Health and Veterinary Laboratories Agency (AHVLA)

Consultation Questionnaire

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www.defra.gov.uk/consult

Any enquiries regarding this document/publication should be sent to us at:

AHfeesconsultation@defra.gsi.gov.uk

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Introduction

The fees for seven statutory services delivered by AHVLA on behalf of England, Scotland, Wales and Northern Ireland (CITES only) are being reviewed, with a view to increasing them to achieve full cost recovery. The seven statutory services are:

- Bovine Embryos
- Bovine Semen
- Porcine Semen
- Poultry Health Scheme
- *Salmonella* National Control Programmes
- Border Inspection Posts
- Control of Trade in Endangered Species

This questionnaire sets out specific questions relevant to each statutory service area. There are four headings with questions under each section:

1. **About you:** this section will help us to gain a good understanding of the market structure for each area and ensure that impacts are correctly identified for different sectors.
2. **Our proposals:** this section provides you with an opportunity to comment on the proposed changes to current charging regimes, as outlined in the consultation documents and separate impact assessments.
3. **Impacts on you:** it is important that we understand how both options presented in the consultation document and impact assessments will affect the businesses operating in the market, particularly in relation to their viability.
4. **Other impacts:** This section will help us to identify any other impacts which are not addressed in the previous sections, or which have not been captured in the Impact Assessments.

There is also an 'any other comments' box for you to add any other additional comments that you wish to make regarding our proposals.

Completing the questionnaires

To ensure that your responses can be consistently analysed and assessed you should complete the questionnaires relevant to you in responding to this consultation.

To help ensure that decisions on the introduction of changes to the existing charging regimes are based on the best available evidence, it is important that you provide evidence to support your comments. Whilst recognising that some information will be commercially sensitive, it would be preferable that where possible your evidence is quantified in monetary terms or in terms of the proportional impact.

You should note that charges in a number of areas are proposed to be increased. Where you are likely to experience a cumulative impact, it would be helpful if you could identify this in your comments and explain the consequences of any multiple impacts.

In all cases it would be helpful to explain your answers and provide examples.

Which statutory services do you use? Please tick all those that are applicable

- | | | |
|-----------------------------------------------|--------------------------|----------------------------------------|
| Bovine Embryos | <input type="checkbox"/> | Please complete questions at section 1 |
| Bovine Semen | <input type="checkbox"/> | Please complete questions at section 2 |
| Porcine Semen | <input type="checkbox"/> | Please complete questions at section 3 |
| Poultry Health Scheme | <input type="checkbox"/> | Please complete questions at section 4 |
| <i>Salmonella</i> National Control Programmes | <input type="checkbox"/> | Please complete questions at section 5 |
| Border Inspection Posts | <input type="checkbox"/> | Please complete questions at section 6 |
| Control of Trade in Endangered Species | <input type="checkbox"/> | Please complete questions at section 7 |

If you use more than one service, we would appreciate it if you could complete each section that is relevant to you.

Responses should be received by **10 September 2012**.

Responses received after the closing date will not be counted.

Responses should be sent by email to AHfeesconsultation@defra.gsi.gov.uk, or by posting to:

AHVLA Fees Consultation Team
Area 5A, 9 Millbank
c/o 17 Smith Square
London
SW1P 3JR

Section 1: Bovine Embryos

Name	
Affiliation e.g. business name, trade organisation	

About you

1. How many people do you employ?	
2. Do you trade in bovine semen as well as bovine embryos and, if so what would be the cumulative impact of these fee proposals be?	
3. What is the division of trade between domestic, EU and third country export?	

Our proposals

4. 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?	
5. What are your views on having the VO time charged separately on a variable rate?	
6. Does the impact assessment for bovine embryos identify the key risks surrounding the implementation of options 1 and 2, their likelihood and their impact? Please highlight any other risks or consequences of the proposals	
7. Do you consider the proposed fee changes to be fair? If no, please explain why.	
8. What other options would you suggest that could transfer the cost burden of providing the service away from the general taxpayer?	

Impacts on you

9. What would you expect the impact of increased charges to have on your profit margins and would you expect to absorb this cost or transfer it to you customers? If the latter, how do you think this will affect the demand for your goods and services?	
10. What impact would you expect any fee increases to have on the numbers of people you currently employ?	
11. In what ways do you think you could adjust your business practices to respond to the fee increases?	
12. As a result of fee increases would you expect to reduce the numbers of exports or domestic trade you make each year and/or reduce the volume you trade in?	
13. To what extent would you consider adopting alternative trade routes, for example through other EU countries?	
14. Do you expect the proposed fee changes to place your business at a competitive disadvantage?	
15. Do you believe that the introduction of the new charging regime will disproportionately affect some groups?	
16. Will businesses reduce their use of the services as a result of the increased fees by using the services in other EU countries with lower charges?	

Other impacts

17. What is the value of GB trade for bovine embryos annually?		
18. What is the quantity and value of the bovine embryo industry?		
19. Can you provide the trade values for 2009, 2010 and 2011?	2009	
	2010	
	2011	

20. How many UK businesses trade in your sector?	
21. Do you think that there is a risk of non compliance or illegal trade as a result of fee increases?	
22. Are there any other impacts not currently identified by the Impact Assessment that you think need consideration?	

Any other comments

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Section 2: Bovine Semen

Name	
Affiliation e.g. business name, trade organisation	

About you

1. How many people do you employ?	
2. On average how many times does your organisation use the service (s) AHVLA provide each year?	
3. What is the current cost of fees you are charged for this service (s) as a percentage of your turnover?	
4. On average how many bovine semen straws do you trade each year and what is the value?	
5. What is the division of trade between domestic use, EU and third country exports?	

Our proposals

6. 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?	
7. What are your views on having the Veterinary Officer (VO) time charged separately on a variable rate?	
8. Do you think there is scope to enhance the role of the centre vet or authorised vet in relation to bovine centres, notwithstanding any conflict of interest considerations?	

9. Does the impact assessment for bovine semen identify the key risks surrounding the implementation of options 1 and 2, their likelihood and their impact? Please highlight any other risks or consequences of the proposals.	
10. Do you consider the proposed fee changes to be fair? If no, please explain why	
11. What other options would you suggest that could transfer the cost burden of providing the services away from the general taxpayer?	

Impacts on you

12. What would you expect to be the impact of fee increases on profit margins? Will you be able to absorb the cost or pass onto customers?	
13. What proportion of your profit is directly related to trade facilitated by the service (s)?	
14. What impact would you expect an increase in charges to have on the numbers of people you currently employ?	
15. In what way do you think you could adjust your business practices to respond to the fee increases, if any?	
16. To what extent would you consider adopting alternative trade routes, for example through other EU member states?	
17. Do you think businesses will reduce their use of AHVLA services as a result of the proposed fee increases by importing through other EU countries with lower charges?	
18. Do you expect the proposed fee increases to place your business at a competitive disadvantage?	
19. Do you believe that the introduction of the new charging regime will disproportionately affect some groups?	

20. The GB usage for bovine semen illustrates an upward trend. Do you envisage this trend to be impacted by proposals to increase fees?	
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Other impacts

21. How many UK businesses trade in your sector?	
22. What is the value of GB trade for bovine semen annually? What would the impact be as a result of the fee increase?	
23. Do you think that there is a risk of non compliance or illegal trade as a result of fee increases?	
24. Are there any other impacts not currently identified in the Impact Assessment that we need to consider?	

Any other comments

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Section 3: Porcine Semen

Name	
Affiliation e.g. business name, trade organisation	

About you

1. How many people do you employ in your organisation?	
2. On average how many times does your organisation use the service (s) AHVLA provide each year?	
3. What is the current cost of fees you are charged for this service (s) as a percentage of your turnover?	
4. On average how many porcine semen straws do you trade each year and what is the value?	
5. What is the division of trade between domestic use, EU and third country exports?	

Our proposals

6. 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?	
7. What are your views on having the Veterinary Officer (VO) time charged separately on a variable rate?	
8. Do you think there is scope to enhance the role of the centre vet or authorised vet in relation to porcine centres, notwithstanding any conflict of interest considerations?	

9. Does the impact assessment for porcine semen identify the key risks surrounding the implementation of options 1 and 2, their likelihood and their impact? Please highlight any other risks or consequences of the proposals.	
10. Do you consider the proposed fee changes to be fair? If no, please explain why	
11. What other options would you suggest that could transfer the cost burden of providing the services away from the general taxpayer?	

Impacts on you

12. What would you expect to be the impact of fee increases on profit margins? Will you be able to absorb the cost or pass onto customers?	
13. What proportion of your profit is directly related to trade facilitated by the service (s) AHVLA provide?	
14. What impact would you expect an increase in charges to have on the numbers of people you currently employ?	
15. In what way do you think you could adjust your business practices to respond to the proposed fee increases, if any?	
16. To what extent would you consider adopting alternative trade routes, for example through other EU member states?	
17. Do you think businesses will reduce their use of AHVLA services as a result of the proposed fee increases by importing through other EU countries with lower charges?	
18. Do you expect the proposed fee increases to place your business at a competitive disadvantage?	

19. Do you believe that the introduction of the new charging regime will disproportionately affect some groups?	
20. The GB usage for porcine semen illustrates a downward trend. Do you envisage this trend to be impacted by proposals to increase fees?	

Other impacts

21. How many UK businesses trade in your sector?	
22. What is the division of trade between domestic use, EU and third country exports?	
23. What is the value of GB trade for porcine semen annually? What would the impact be as a result of the increase?	
24. Do you think that there is a risk of non compliance or illegal trade as a result of fee increases?	
25. Are there any other impacts not currently identified in the Impact Assessment that we need to consider?	

Any other comments

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Section 4: Poultry Health Scheme

Name	
Affiliation e.g. business name, trade organisation	

About you

1. Are you a member of the Poultry Health Scheme (PHS)?	
2. How many people do you employ?	
3. What are the main types of poultry that you trade in: <ul style="list-style-type: none"><input type="radio"/> Fowl<input type="radio"/> turkeys<input type="radio"/> guinea fowl<input type="radio"/> ducks; geese<input type="radio"/> quails<input type="radio"/> pigeons<input type="radio"/> pheasants<input type="radio"/> partridges<input type="radio"/> ratites	
4. What is the average buying and selling price for the commodity you deal in?	
5. Do you export more than 20 birds or hatching eggs to another European Member State?	
6. Do you sell birds to other PHS members or export to certain countries outside the European Union?	
7. On average how many exports do you carry out annually to both the EU and third countries?	

8. How much domestic trade do you do each year?	
9. How many UK businesses trade in your sector?	

Our proposals

10. 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?	
11. What are your views on having the Veterinary Officer (VO) time charged separately on a variable rate?	
12. Does the impact assessment for PHS identify the key risks surrounding the implementation of options 1 and 2, their likelihood and their impact? Please highlight any other risks or consequences of the proposals.	
13. Do you consider the proposed fee changes to be fair? If no, please explain why	
14. What other options would you suggest that could transfer the cost burden of providing the services away from the general taxpayer?	

Impacts on you

15. What would you expect to be the impact of fee increases on profit margins and would you expect to absorb this cost or transfer it to your customer? If the latter, how do you think this will affect the demand for your goods and services?	
16. What impact would you expect an increase in charges to have on the number of people you employ?	
17. In what ways do you think you could adjust your business practices to respond to the increases, e.g. making fewer applications for more specimens?	

18. Do you expect to reduce the number of exports or domestic trades you make each year and/or reduce the volume you trade in?	
19. To what extent would you consider adopting alternative trade routes, for example through other EU countries?	
20. Do you expect the proposed fee increases to place your business at a competitive disadvantage?	
21. Do you believe that the introduction of the new charging regime will disproportionately affect some groups?	
22. Do you think businesses will reduce the use of AHVLA services as a result of the increased fees e.g. greater use of a Veterinary Officer as permitted under the scheme?	

Other impacts

23. Do you think that there is a risk of non compliance or illegal trade as a result of fee increases?	
24. Are there any other impacts not currently identified by the Impact Assessment that you think need consideration?	

Any other comments

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Section 5: Salmonella National Control Programmes (and the Defra approved laboratory network)

Name	
Affiliation e.g. business name, trade organisation	

About you

<p>1. Can you indicate which <i>Salmonella</i> NCP sector applies to you? (if more than one please indicate)</p> <p><input type="radio"/> Layers</p> <p><input type="radio"/> Broilers</p> <p><input type="radio"/> Breeders</p> <p><input type="radio"/> Turkey</p> <p><input type="radio"/> A member of the Poultry Health Scheme?</p>	
<p>2. If you are a member of the Poultry Health Scheme please give details of the type of poultry you export.</p>	
<p>3. How many people do you employ?</p>	
<p>4. How many UK businesses trade in your sector?</p>	
<p>5. Are you a member of a farm assurance scheme or any other industry body? (For example, National Farmers Union, British Egg Industry Council, the British Poultry Council)</p>	

Our proposals

6. 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?	
7. What are your views on the introduction of sector specific charges i.e. differentiating charges between the various <i>Salmonella</i> NCP sectors?	
8. Currently Government subsidises the second component of the NCP which requires a dust test. What are your views on the layer sector paying for the dust test (at £15.30 per sample) in future?	
9. What are your views on AHVLA charging £23.64 per ½ hour (or part ½ hour) spent for the time on farm (plus travel) for carrying out official sampling? For example, will the location of your premises/remoteness/distance from a local AHVLA office disproportionately affect you?	

Impacts on you

10. What impact do you expect an increase in charges to have on your profit margins? Would you expect to absorb this cost or transfer it to your customers? If the latter, how do you think this will affect the demand for your goods and services?	
11. What impact would you expect an increase in charges to have on the numbers of people you currently employ?	
12. In what ways do you think you could adjust your business practices to respond to the increases, e.g. making fewer applications for more specimens?	

<p>13. If you are also a member of the Poultry Health Scheme, can you describe the cumulative impact of increased charges for AHVLA services for <i>Salmonella</i> NCPs and the Poultry Health Scheme, if any? Do you agree with our assumption that it will be mainly larger multinational <i>Salmonella</i> NCP poultry food operators, and a few specialists that are likely to be affected by any cumulative impacts?</p>	
<p>14. Do you expect the proposed increases to place your business at a competitive disadvantage, both within the UK and across the EU?</p>	
<p>15. Do you believe that the introduction of the new charging regime will disproportionately affect some groups?</p>	

Other impacts

<p>16. Do you think that there is a risk of non compliance or illegal trade as a result of fee increases?</p>	
<p>17. Are there any other impacts not currently identified by the Impact Assessment that you think need consideration?</p>	

Any other comments

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Section 6: Border Inspection Posts

Name	
Affiliation e.g. business name, trade organisation	

About you

1. How many people do you employ in your organisation?	
2. How many UK businesses trade in your sector?	
3. On average how many times does your organisation use the service (s) AHVLA provide each year?	
4. What is the current cost of fees you are charged for this service (s) as a percentage of your turnover?	
5. Which live animals do you import?	
6. Do you import live animals on a regular basis or only occasionally?	
7. Do you import live animals on a commercial basis i.e. for business purposes or for sale to the public?	

Our proposals

8. What is your preferred option for achieving full cost recovery for each of the services, Option 1 (immediately to full cost recovery) or Option 2 charging the EU minimum laid down in Regulation 882/2004 then move to full cost recovery and why?	
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9. Does the impact assessment for BIPs identify the key risks surrounding the implementation of options 1 and 2, their likelihood and their impact? Please highlight any other risks or consequences of the proposals	
10. Do you consider the proposed fee changes to be fair? If no, please explain why	
11. What other options would you suggest that could transfer the cost burden of providing the services away from the general taxpayer?	

Impacts on you

12. What would you expect to be the impact of the proposed fee increases on profit margins? Will you be able to absorb the cost or pass onto customers?	
13. What proportion of your profit is directly related to trade facilitated by the service(s) AHVLA provide?	
14. What impact would you expect an increase in charges to have on the numbers of people you currently employ?	
15. In what way do you think you could adjust your business practices to respond to the fee increases, if any?	
16. To what extent would you consider adopting alternative trade routes, for example through other EU member states?	
17. Do you think businesses will reduce their use of AHVLA services as a result of the increase fees by importing through other EU countries with lower charges?	
18. Do you expect the proposed fee increases to place your business at a competitive disadvantage?	
19. Do you believe that the introduction of the new charging regime will disproportionately affect some groups?	

Other impacts

20. Will the out of hours charge change the time you import consignments?	
21. Do you think that there is a risk of non compliance or illegal trade as a result of fee increases?	
22. Are there any other impacts not currently identified by the Impact Assessment that you think need consideration?	

Any other comments

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Section 7: CITES

Name	
Affiliation e.g. business name, trade organisation	

About you

1. How many people do you employ?	
2. What are the main CITES species you trade in?	
3. What is the average buying and selling price for the specimens you deal in?	
4. On average how many CITES applications do you make annually and how many specimens do you trade each year?	
5. How many UK businesses trade in your sector?	

Our proposals

7. 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?	
8. What are your views on the appropriateness of differentiating charges between animal and plant specimens?	
9. What are your views on replacing the facility for bulk certificates with a single administrative fee of £1.50 for each additional permit or certificate issued?	

<p>10. What other options would you suggest that could transfer the cost burden of providing the licensing service away from the general taxpayer?</p>	
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Impact on you

<p>11. What would you expect to be the impact on your profit margins and would you expect to absorb this cost or transfer it to you customers? If the latter, how do you think this will affect the demand for your goods and services?</p>	
<p>12. What impact would you expect on the numbers of people you currently employ?</p>	
<p>13. In what ways do you think you could adjust your business practices to respond to the increases, e.g. making fewer applications for more specimens?</p>	
<p>14. Do you expect to reduce the numbers of applications you make each year and/or reduce the volume of specimens you trade in and/or consider trading in non-CITES listed specimens?</p>	
<p>15. To what extent would you consider adopting alternative trade routes, for example through other EU countries?</p>	
<p>16. Do you expect the proposed increases to place your business at a competitive disadvantage?</p>	
<p>17. Do you believe that the introduction of the new charging regime will disproportionately affect some groups?</p>	

Other impacts

16. To what extent do you think there will be an increased risk of non-compliance or illegal trade?	
17. Are there any other impacts not currently identified by the Impact Assessment that you think need consideration?	

Any other comments

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