

EXPLANATORY MEMORANDUM TO

The Northern Ireland Poultry Health Assurance Scheme (Fees) (Amendment) Order (Northern Ireland) 2016

S.R. 2016 No. 118

1. Introduction

- 1.1. This Explanatory Memorandum has been prepared by the Department of Agriculture and Rural Development to accompany the above-named Statutory Rule (“the Order”) which is laid under the negative resolution process before the Northern Ireland Assembly.
- 1.2. The Department of Agriculture and Rural Development has made the above named Statutory Rule under powers conferred on it by Article 8(1), (2) and (5) of the Diseases of Animals (Northern Ireland) Order 1981 and section 2(2) of the European Communities Act 1972. It will come into operation on 1st April 2016.

2. Purpose

- 2.1. The Northern Ireland Poultry Health Assurance Scheme (Fees) Order (Northern Ireland) 2012 No. 305 (“the 2012 Order”) specifies the charges the Department may make for activities required under Council Directive 2009/158/EC.
- 2.2. This Rule amends the Schedule to the 2012 Order. The activities and fees payable to the Department are listed in the Schedule to the Order. The fees have remained at the same level since 2013 and therefore the existing legislation needs to be amended to enable the Department to update the fees to a level that will achieve full cost recovery in the 2016/17 financial year.

3. Background

- 3.1. In compliance with Managing Public Money Northern Ireland (MPMNI) and with the approval of the Department of Finance and Personnel, DARD is obliged to recover the full costs for the operation of the NIPHAS.
- 3.2. The Department of Agriculture and Rural Development (DARD) has operated The Northern Ireland Poultry Health Assurance Scheme (NIPHAS) since 1999. The main purpose of the Scheme is to implement a system of approval for establishments officially recognised as meeting the requirements of Council Directive 2009/158/EC (as amended) on animal

health conditions governing intra-Community trade in, and imports from third countries of, live poultry and hatching eggs.

- 3.3. NIPHAS operates here on a full cost recovery basis, with participants required to pay to the Department fees relating to inspection and administrative costs associated with the operation of the Scheme. The fees are determined on the basis of costs incurred by the Department
- 3.4. Due to the cost to the Department of carrying out a consultation exercise and then introducing a new Statutory Rule compared to the additional revenue that would be generated by a yearly incremental uplift, there was no uplift of fees to the 2014/15 or 2015/16 financial years.

4. Consultation

- 4.1. A 6 week public consultation was carried out which ended on the 20 January 2016. A total of four responses were received and a consultation response document was prepared.

5. Equality Impact

- 5.1. In accordance with DARD's obligations under Section 75 of the Northern Ireland Act 1998, the equality implications of the proposed Regulations have been assessed. A screening exercise was carried out on the proposed legislation. The outcome was that an Equality Impact Assessment was not considered necessary as the Department considers that the Regulations will not result in any equality differentials amongst Section 75 groups.

6. Regulatory Impact

- 6.1. A Regulatory Impact Assessment was carried out and published as part of the 6 week public consultation.
- 6.2. The fees apply equally across the poultry industry, and do not introduce any new procedures or regulatory requirements with which the relevant businesses are not already complying. Fees will continue to be levied through the existing mechanisms.
- 6.3. The Department is content that the legislation meets commitments to Better Regulations.

7. Financial Implications

- 7.1. The amending legislation will enable DARD's Animal Health and Welfare Policy Division to recover the NIPHAS operational costs on a full recovery

basis, in line with Treasury guidance and government policy, with participants required to pay the Department fees relating to inspection and administration costs associated with the operation of the Scheme. For new members a registration and 1st year membership fee is payable, with subsequent fees charged to existing members for annual membership renewal which covers costs incurred in administration and supplementary audit inspection.

- 7.2. The Department of Finance and Personnel has considered and agreed the fees uplift.

8. Section 24 of the Northern Ireland Act 1998

- 8.1. The Regulations deal with charges for animal disease control and do not have any human rights implications, nor are they incompatible with EU law. The Regulations are therefore deemed to comply with the requirements of section 24 of the Northern Ireland Act 1998.

9. EU Implications

- 9.1. Not applicable.

10. Parity or Replicatory Measure

- 10.1. Britain operates equivalent Poultry Health Schemes (PHS) in order to ensure compliance with Directive 2009/158/EC. Fees payable for approval and registration activities relating to the PHS are set out under The Animal Health (Miscellaneous Fees) Regulations 2013 for England, and similar fees legislation in Scotland and Wales. While the charging regime for the PHS is set up slightly differently, doing a like-for-like comparison of registration and 1st year membership shows the Department's proposed fee to be £250.51 while the fee structure in Britain ranges from £271.00 to £294.00 (with an additional charge of £23 per ½ hour or part ½ hour for veterinary inspection).
- 10.2. The Department of Agriculture, Food and the Marine (DAFM) operates a similar scheme in the south for the approval of poultry hatcheries and poultry breeding farms under Council Directive 2009/158/EC but does not charge their operators fees.

11. Additional Information

- 11.1. Not applicable.

12. Contact

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