

EXPLANATORY MEMORANDUM TO

THE ANIMALS (SCIENTIFIC PROCEDURES) ACT 1986 (FEES) ORDER 2018

2018 No. 375

1. Introduction

- 1.1 This explanatory memorandum has been prepared by the Home Office and is laid before Parliament by Command of Her Majesty.
- 1.2 This memorandum contains information for the Joint Committee on Statutory Instruments.

2. Purpose of the instrument

- 2.1 This Order prescribes additional Animals (Scientific Procedures) Act 1986 licence fees, from 6th April 2018. These additional fees are payable in addition to fees payable under the current fees Order, the Animals (Scientific Procedures) Act 1986 (Fees) Order 2015 (S.I 2015 No. 244). The Order also provides that increased fees, amounting to the same fees as the current fees plus the additional fees, are payable for each twelve month period beginning with 6th April 2019 to ensure that fees remain payable until amended by further Order.
- 2.2 This Order also revokes the Animals (Scientific Procedures) Act 1986 (Fees) Order 2015.
- 2.3 The Order, in accordance with HM Treasury guidance, only increases the fees to fully recover the costs that are directly incurred as part of the regulatory process.

3. Matters of special interest to Parliament

Matters of special interest to the Joint Committee on Statutory Instruments

- 3.1 By adopting the common commencement date of 6th April 2018, this Order brings the Home Office Animals in Science Regulation Unit (ASRU) fee collecting annual cycle in line with the practice of other government departments. The previous fees Order used the 1st April as the start of the financial year. This new Order recognises the agreement that Westminster based regulation with a bearing on business should be commenced on the 6th April or the 1st October.

Other matters of interest to the House of Commons

- 3.2 As this instrument is subject to negative resolution procedure and has not been prayed against, consideration as to whether there are other matters of interest to the House of Commons does not arise at this stage.

4. Legislative Context

- 4.1 The Animals (Scientific Procedures Act) 1986 (the Act) provides for the regulation of scientific procedures using animals. Under the Act, anyone carrying out such procedures, and the establishments in which such procedures are carried out, must be licensed. Regulations made under section 8 of the Act provide that a fee must be paid for such licences. A fees order was last made in 2015. That Order is revoked by this instrument.

5. Extent and Territorial Application

- 5.1 The extent of this instrument is England, Scotland and Wales.
- 5.2 The territorial application of this instrument is the same as its extent.

6. European Convention on Human Rights

- 6.1 The Lords Minister, Baroness Williams of Trafford has made the following statement regarding Human Rights:

“In my view the provisions of the Animals (Scientific Procedures) Act 1986 (Fees) Order 2018 are compatible with the Convention rights.”

7. Policy background

What is being done and why

- 7.1 Under the Animals (Scientific Procedures) Act 1986 (ASPA), ASRU charges annual fees for licences that permit individuals and establishments to use animals in scientific procedures.
- 7.2 Licence fees for ASRU licence holders were last increased on 1st April 2015, and prior to that in 2002. The fees, which must comply with HM Treasury fees and charges principles, should cover all of ASRU’s direct and indirect costs of licensing and inspection.
- 7.3 ASRU anticipates a deficit of £294k for 2018/19 if fees remain at the current rates. In line with the principles of full cost recovery, ASRU cannot seek subsidy from the Home Office. In order to cover the deficit and ensure that ASRU continues to operate to meet the statutory obligations of ASPA and maintain the regulatory framework and service to fee-payers, the following fee increases are necessary
- To increase the establishment licence fee from £631 to £757
 - To increase the personal licence fee from £242 to £257
- 7.4 In order to ensure that ASRU’s budget forecast is effective from the start of the new financial year, the new fees need to be levied from 6th April 2018.
- 7.5 ASRU fees are collected from licence-holders retrospectively, so the new fees will actually be payable in April 2019. The licence-holders have all been properly informed of this proposal. The general public are not affected by the proposed fees increase.

Consolidation

- 7.6 This instrument revokes the existing fees Order and no consolidation is required.

8. Consultation outcome

- 8.1 This Order was not subject to a public consultation as the fee charging structure is not being changed, and the increase is to ensure compliance with principles of full cost recovery, in line with HM Treasury guidance. However, current licence-holders have been informed of the proposed fee increase, to enable them to factor the change into their own budgets.

9. Guidance

- 9.1 Guidance on the provision to charge fees is provided in the Guidance on the Operation of the Animals (Scientific Procedures) Act 1986, published in March 2014¹.

10. Impact

- 10.1 The impacts on business, charities or voluntary bodies have been set out in an Impact Assessment. The ongoing costs to the private sector lie in a range of £2.4 million to £2.7 million over 10 years, with the key non-monetised benefits being the continuation of both the regulatory standards and the level of service provided by ASRU.
- 10.2 The impact on the public sector is low, but the estimated benefit will be to recoup the costs of regulatory services and an investment in new IT. The estimated public sector benefit will be in the range of £2.4 million to £2.6 million over 10 years.
- 10.3 An Impact Assessment is submitted with this memorandum and will be published alongside the Explanatory Memorandum on the legislation.gov.uk website.

11. Regulating small business

- 11.1 The legislation applies to activities that are undertaken by small businesses.
- 11.2 To minimise the impact of the requirements on small businesses (employing up to 50 people), the approach taken is to have a sliding scale of fees according to the number of licensed persons working at the premises.

12. Monitoring & review

- 12.1 The fee structure and level of fees will be reviewed annually.

13. Contact

- 13.1 Phoebe Stannard, Animals in Science Regulation Unit, Home Office. Telephone: 07769135992 or email: phoebe.stannard@homeoffice.gsi.gov.uk can answer any queries regarding the instrument.

¹ <https://www.gov.uk/guidance/guidance-on-the-operation-of-the-animals-scientific-procedures-act-1986>