**Summary of consultation responses to Northern Ireland Poultry Health Assurance Scheme(Fees) (Amendment) Order (NI) 2016**

Two options have been identified:

 **Option 1: Do Nothing**

* This option means that fees for (Northern Ireland Poultry Health Assurance Scheme) membership would continue to be charged at the level as set out in the Northern Ireland Poultry Health Assurance Scheme (Fees) (Amendment) Order (Northern Ireland) 2013. As a result, the fees would not reflect the actual costs incurred by DARD in providing this service.
* This option is not considered feasible as it does not deliver on full cost recovery as required of DARD by government policy.

 **Option 2: Introduce new legislation with revised fees set at a level to ensure full cost recovery (preferred option)**

* This option enables DARD to update the Northern Ireland Poultry Health Assurance Scheme fees to reflect the costs incurred in providing inspection and administrative services relating to the operation of the Scheme.
* This option allows DARD to achieve full cost recovery from the date new fees legislation (which is required to make provision for the amendment of the fees) comes into operation.

|  |  |  |  |
| --- | --- | --- | --- |
| Date | **Received From** | **Comments** | **DARD Response** |
| 14 Jan 2016 | The Ulster Farmers’ Union (UFU) | The Ulster Farmers' Union (UFU) is the largest farming organisation in Northern Ireland representing over 11,500 farming families and as such, we would like to make the following comments; The members of the UFU believe that the ongoing Poultry Health Assurance Scheme is important for the NI poultry sector in order to maintain our export capability. Given that fees have not been amended since 2013, we accept that a review of the current fee structure is required in order to allow DARD to achieve full cost recovery and to ensure the best value for money for the industry. The committee would however like to request a breakdown for the proposed cost increases in order to ascertain if all of the increases can be justified. To our knowledge, UK inflation has increased by 2%, 0.5% and 0.1% per year since the beginning of 2013 (Office of National Statistics). In light of this, the proposed fee increases of 8.8% for the cost of initial registration and member fees and 28.9% increase for the annual administration fee appears to be excessive. Furthermore, we would question the department’s decision to increase the fee paid for an administration officer’s time by £5.88 (a 28.9% increase), whereas the fee paid for a veterinary inspectors time only increased by £3.03 (a 5.7% increase). It is the opinion of our membership that the industry values trained specialist vets higher than administrative staff. As such, we must question how DARD can justify providing a higher wage increase to administrative staff when veterinary staff are satisfied by a £3.03 (5.7% increase). Additionally, the UFU notes that DARD has opted to maintain mileage expenses at 45p for each mile travelled. Given that fuel prices have fallen by 23.5% since early 2013 (Office of National Statistics), the UFU must question the department’s logic for maintaining the current valuation. On behalf of the members of the UFU, I trust that these comments will be considered as part of this consultation process. | DARD is obliged, under Government policy agreement (Managing Public Money in NI – MPMNI) with the Department of Finance and Personnel (DFP), to recover the full costs of these services. Therefore the fees have been amended to levels that reflect the full costs to the Department. The Departments staff costs are calculated using the DARD Ready Reckoner. The key figure used to calculate the cost of each grade involved is the Full Staff Cost, which reflects not only the average salary for each grade, but also the associated overheads. For example, Full Staff Costs include (in addition to salary) elements of office services, cleaning, IT products and services, the cost of providing accommodation including utilities etc. The time required for an administrative officer to process registration and first year membership has also been increased to more accurately reflect the resource required. There has been no disproportionate % increase in administrative officer’s salaries compared to veterinary inspectors.The payment of 45p per mile is not set by DARD policy. The mileage rate is set centrally by the Department of Finance and Personnel and has been set at this rate since April 2011.  |
| 19 Jan 2016 | The Young Farmers’ Clubs of Ulster | After extensive consultation with our members I would like to inform you that the Young Farmers’ Clubs of Ulster is in line with that which you have received from the Ulster Farmers Union. | Response as above. |
| 19 Jan 2016 | British Veterinary Association |

|  |
| --- |
| The BVA’s Northern Ireland Branch brings together representatives of local veterinary associations, BVA's specialist divisions, government, and research organisations in Northern Ireland. The Branch advises BVA on the consensus view of the Northern Ireland members on local and United Kingdom issues. We have also consulted specialist division the British Veterinary Poultry Association. We understand that current membership fees for the Northern Ireland Poultry Health Assurance Scheme (NIPHAS) were set in 2013, these have been reviewed in light of increased staff costs and it is now necessary, in accordance with government policy, to introduce a new fees schedule to enable DARD to achieve full cost recovery for services provided. We support the proposal to increase fees to full cost recovery as the services listed relate to requirements that allow for commercial enterprise activities. However, if the industry is to pay the full cost for services, they should rightly expect to pay for an efficient high value service, priced accordingly. It is therefore essential that there is full transparency of fee setting to include overheads and an audit of efficient process. This will ensure the value of the service and cost-effective delivery and will engender buy-in.  |

 | DARD is required to operate the NIPHAS Scheme to published EU standards and the Department, within its Corporate Governance arrangements, obtains assurance in several ways to ensure that the standards required are being met. |
| 18 Jan 2016 | The Association of Veterinary Surgeons Practising in Northern Ireland (AVSPNI) | While we the members Association of Veterinary Surgeons Practising in Northern Ireland are of course reluctant to see fee increases imposed upon our already hard-pressed poultry farming clients, we appreciate nevertheless the financial constraints under which the Department of Agriculture and Rural Development must operate in the current climate of fiscal austerity. We appreciate that the membership fees for the Northern Ireland Poultry Health Assurance Scheme were last set in 2013 and that the real costs of providing this service has risen in the intervening period. As participation in the Scheme is entirely voluntary, we fully understand the reluctance of DARD to absorb any of the associated costs. We feel it is in the best interests of Northern Ireland’s key agricultural and food export industries that the work of poultry establishment certification begun by the Scheme should continue at least for the immediate future. Accordingly we can see few options other than to accept the introduction of full cost recovery into the calculation of the fees to be levied from members of the Scheme.  | DARD is obliged, under Government policy agreement (Managing Public Money in NI – MPMNI) with the Department of Finance and Personnel (DFP), to recover the full costs of these services. Therefore the fees have been amended to levels that reflect the full costs to the Department.  |