

**Informal Consultation - Possible Changes to Charging arrangements for hygiene controls and Proposal to phase-in charges for SRM controls**

No	Organisation	Summary of comments	Legal View / Policy development
<b>SRM &amp; Meat Hygiene charges – general views</b>			
<b>Gen 1.</b>	CLA, GFO, SAMW	Before charges are increased or introduced there should be a root and branch review of MHS/DARD to see if controls can be organised and carried out more efficiently and at less cost.	Disagree. The size of the subsidy on meat hygiene and SRM control costs is such that there is scope for increased charges and cost reductions to run in parallel.
<b>Gen 2.</b>	BPC, GFO, NIMEA, UFU	Agency should first save money by reducing controls to a risk based and proportionate level (e.g. appropriate audit frequency for all sizes of plants) before charges are increased or introduced.	Also any possibility of making fundamental changes to the control arrangements following a review would be a long term issue, possibly requiring pilot projects in the first instance. It is not appropriate to delay the charging proposals whilst this work is carried out.
<b>Gen 3.</b>	TAPPAG	The objective of FSA should be to reduce costs in line with the principles of Maclean and the evident intention of the EU.	Meat hygiene costs are falling following the implementation of the new EC hygiene regulations on 1 January 2006 and work is on-going to explore further opportunities to reduce controls to more risk-based and proportionate levels. A review of controls on SRM removal is planned and would be carried out in parallel with the introduction of charging.
<b>Gen 4.</b>	CLA, NCF, NIMEA, NFU, SAFe, SAMW	Felt that a review relating to manning levels, travel time etc. would be appropriate.	Noted.

**Informal Consultation - Possible Changes to Charging arrangements for hygiene controls and Proposal to phase-in charges for SRM controls**

<b>Gen 5.</b>	NFU	The number of abattoirs has declined steadily and yet the costs of inspection keeps increasing. FSA should provide full explanation why this is the case before any proposal to increase the charges.	The Maclean settlement has resulted in the majority of abattoirs paying throughput charges that, apart from fluctuations due to changes in the €/£ exchange rate, have not increased since they were introduced in 2001. The FSA is not aware that any abattoirs that have closed due to MHS/DARD NI charges.
<b>No</b>	<b>Organisation</b>	<b>Summary of comments</b>	<b>Legal View / Policy development</b>
<b>SRM &amp; Meat Hygiene charges – general views</b>			
<b>Gen 6.</b>	CLA	Industry cannot afford to pay.	Impact would be assessed through a Regulatory Impact Assessment (RIA) in the normal way. Would appreciate evidence/ justification to demonstrate the impact that has been asserted.
<b>Gen 7.</b>	AIMS, FBP, TAPPAG	Competitiveness with industry in other Member States (MSs) will suffer.	The FSA is seeking information about the charging position for meat hygiene and SRM controls in other MSs. EC legislation is such that there will be variations between MSs.
<b>Gen 8.</b>	SAMW	FSA should undertake a comparison of charging arrangements in other Member States and this should be initiated now to ensure a level playing field & to aid future discussions	See comment at Gen 7 above.

**Informal Consultation - Possible Changes to Charging arrangements for hygiene controls and Proposal to phase-in charges for SRM controls**

<b>SRM Charging – the principle</b>			
1.	VEGA	Approved of the steps suggested.	Noted.
2.	SO	Agreed plants should pay for SRM controls provided it is consistent with the approach in other MSs.	The approach is likely to differ between MSs, as charging for SRM official controls is optional. Charges must not be more than the costs incurred.
3.	HUSH	Welcomed proposal to introduce SRM charges but had reservations about proposal to change SRM controls to risk based.	Noted.
4.	HCC, MLC	Recognised the principle of charging the industry for SRM enforcement. But not the right time to introduce this charge due to uncertain economic status of the primary production and processing sectors.	Noted. The impact would be assessed via a RIA.
5.	BMPA, GFO GWLBS, NFMFT, NFU, NFUS, SA, SAMW, UFU	Opposed, as SRM controls are a public health protection measure, which Government should fund.	Disagree. SRM is a public confidence issue as well as a public health issue. It is appropriate that Industry should contribute to the costs of official controls.
6.	NIMEA	Government should continue to bear the cost of enforcement of SRM controls. It is grossly unacceptable to transfer the responsibility of the legislation to the FBO and then in addition charge the FBO for inspection of the process.	Disagree. Charging would be consistent with Government cost sharing policy.
7.	FPB, SAFe	Strongly opposed the proposal.	Noted.
8.	UFU	Proposal does not meet Government policy on cost sharing, rather it puts extra burden on industry.	Disagree. Proposal is in line with cost sharing policy.
9.	UFU	Introduction of SRM charge will have detrimental effect on primary producers	See response at Gen 6.

**Informal Consultation - Possible Changes to Charging arrangements for hygiene controls and Proposal to phase-in charges for SRM controls**

10.	FPB, SAFe	Recovery of £2m of the cost of SRM controls will have a detrimental impact on meat industry, and will make British meat less competitive against imports.	See response at Gen 6.
11.	FPB, SAFe	Consideration must be given as to whether charging for SRM is allowed under Article 27, paragraph 7 of the OFFC Regulation (882/2004).	Article 27.1 permits Member States to collect charges to cover the costs occasioned by official controls. The FSA considers that Article 27.7 is to prevent double-charging, which is not being proposed.
12.	FPB, SAFe	Introduction of SRM charges goes against the recommendation made by Meat Industry Red Tape Working Group that “SRM enforcement costs should be considered as public health protection measures and be met by the Government for as long as the controls remain in place”.	It was decided to <u>defer</u> charges in response to this recommendation. SRM charging would be consistent with current Government cost sharing policy.
13.	BMPA	Unreasonable for cost of SRM to fall totally to industry when plants cannot influence the costs of the controls.	The proposal is to charge a proportion of the MHS/ DARD NI costs. Charging for SRM controls would be consistent with Government cost sharing policy.
14.	BMPA	Industry already pays for removal and disposal of SRM. Suggested that a cost analysis would be helpful, i.e. what costs currently fall to the FSA, Defra and food business operators (FBOs).	Charging would be consistent with Government cost sharing policy. The impact would be assessed via a RIA.
15.	BMPA	Control costs should be reduced before charges imposed.	Disagree. There is to be a national review of controls in addition to the EU TSE ‘Roadmap’ to ensure controls are proportionate to risk, but some controls will remain. The proposal is to recoup a proportion of the cost of those controls.

**Informal Consultation - Possible Changes to Charging arrangements for hygiene controls and Proposal to phase-in charges for SRM controls**

16.	AIMS	There needs to be an appropriate and effective level & system of SRM controls in place that take account of FBO responsibility before charges can be introduced.	See 15 above.
17.	MLC	Strongly welcomed the proposal to review the level of supervision of SRM controls	Noted.
18.	NIMEA	The targeted £2m could be recovered by reducing SRM control staffing levels to proper risk-based control system.	See comments at Gen 1 & 2 and 15 above.
19.	NIMEA	A reduction in the number of staff carrying out “enforcement activity” is required before charges are introduced.	See comments at Gen 1 & 2 and 15 above.
20.	NIMEA	Work-study needed to achieve cost efficient staffing for SRM official controls.	See comments at Gen 1 & 2 and 15 above.
21.	NIMEA	Recommended that a system of annualised hours be used for meat inspection staff so that further efficiencies could be gained and maintained.	Noted.
22.	NFU, SAMW, NUFS	SRM controls are not science based and need early review probably within the framework of the EU TSE Roadmap.	See comments at 15 above.
23.	AIMS	Public health risk is insignificant and therefore charging is inappropriate.	Disagree. SRM removal and destruction is a public confidence issue as well as one of public health. It is appropriate that the industry should contribute to the costs of official controls.
24.	NFU, SAMW, NUFS	The industry cannot afford the increasing cost burdens imposed upon it. Cost is never recovered from customers/consumers and has to be absorbed either at the producer or processing stage.	See response at Gen 6.

**Informal Consultation - Possible Changes to Charging arrangements for hygiene controls and Proposal to phase-in charges for SRM controls**

25.	BMPA	Meat plants have profit margin of between 2-4% per animal.	Noted. The impact of the proposed charges would be assessed via a RIA.
26.	BPC	No comment – proposal not relevant to poultry sector.	Noted.
<b>SRM Charging – the system</b>			
27.	HCC, MLC, NFMFT	If charging is introduced, it should be on the basis of the 'Maclean' system.	Noted.
28.	AIMS	Headage charges would be necessary for lower throughput premises. Maclean the only economically tenable formula.	Noted.
29.	FPB, NACB	Believed that headage rates are the easiest and most transparent option for slaughterhouses.	Noted.
30.	NACB	Suggested that FSA should forward-plan and give industry advance warning	The industry has been aware of intention to charge, see 12 above, and would be given as much warning as possible of the proposed date for this to start and what charges would apply.
31.	NIMEA	Believed Government should still cover SRM cost.	See 12 above.
32.	SO	Agreed with phasing-in the charge under a Maclean approach.	Noted.
<b>Meat Hygiene Charges – changes on 1 January 2007</b>			
33.	AIMS, BPC, GFO, HCC, UFU	Welcomed the benefit from the abolition of the minimum charge.	Noted.
34.	NIMEA	Welcomed the continuance of the current charging system for 2007.	Noted.
35.	NIMEA	Accepted that charges should be unchanged or reduced as a result of the abolition of the minimum charge.	Noted.

**Informal Consultation - Possible Changes to Charging arrangements for hygiene controls and Proposal to phase-in charges for SRM controls**

36.	HCC, MLC	Noted the implications of the requirement to abolish the current minimum charge on 1 Jan 2007.	Noted.
37.	HCC, MLC	Welcomed the intention to maintain the current throughput charging rates for the transitional period until 1 January 2007.	Noted.
38.	SO	Supported implementation as proposed.	Noted.
<b>Meat Hygiene Charges – the charging system</b>			
39.	UFU	Supported effort to simplify and incentivise hygiene charging system.	Noted.
40.	BPC, GFO, HCC, NFMFT, NFUS, UFU	Supported continuation of 'Maclean' charging system.	Noted.
41.	Ditto	Charging system should be risk-based, incentive driven, transparent and predictable with scope for FBOs to reduce costs through improved compliance.	Agreed in principle.
42.	Ditto	Plants should pay only for those control costs they incur and not cross subsidise other businesses.	Agreed.
43.	Ditto	Would not support a fully time based charging system.	Noted.
44.	LACORS	Asked to be kept informed of charging arrangement, as charging system might need to be applied to local authority control activities.	FSA intend to keep stakeholders, including LACORS, informed.
45.	CLA, NCF, NFU, NIMEA, SAFe, SAMW	Supported the retention of current system.	Noted.
46.	BMPA, GWLBS	Favoured retaining Maclean charging system, but this must be conditional on reviewing/improving the controls and control systems.	Noted. See comments at Gen 1 & 2.

**Informal Consultation - Possible Changes to Charging arrangements for hygiene controls and Proposal to phase-in charges for SRM controls**

47.	CLA, SAFe	Believed that current system is not complicated, is not difficult to understand and does provide an incentive to make efficient use of MHS time.	Noted
48.	AIMS	Strongly favoured retaining Maclean system as a means to deliver an element of public subsidy that will always be required for smaller plants.	Noted.
49.	MLC/HCC	Strongly favoured retaining Maclean. Any intention to change to a different system should be discussed fully with industry.	Noted. Agreed.
50.	NACB	Time cost may be cheaper if inspections were risk based.	Noted.
51.	NACB	Any changes to charging system must allow industry time to plan for the changes.	Industry would be given as much warning as possible.
52.	BDFa	Inspection at wild game facilities is not risk based. Most wild game plants are very small and cannot pay solely on time cost or flat rate basis. This sector of the industry may not be the most efficient users of MHS/DARD time due to the nature of their business, but should not be penalised for this.	Hygiene rules implement EU requirements. Noted. Any new charging system would take account of the requirements set out in Article 27.5 of the EC OFFC Regulation (882/2004).
53.	SO	Supported retention of Maclean system.	Noted

**Informal Consultation - Possible Changes to Charging arrangements for hygiene controls and Proposal to phase-in charges for SRM controls**

54.	TAPPAG	<p>Favoured retention of Maclean system, with the proviso that there should be some mechanism to force the FSA/MHS to achieve the EC minimum charge targets that Article 27.3 of the EC OFFC Regulation (882/2004) implies.</p> <p>Any revisions to the Maclean system should take account of para 63 of the Maclean report and not introduce a control mechanism through charging that would restrict the operations or opportunities to trade of businesses that pay throughput charges.</p>	<p>Noted.</p> <p>We do not agree with this inference.</p> <p>Accepted.</p>
<b>Meat Hygiene Charges – changes to throughput charging rates required by 1 January 2008</b>			
55.	AIMS, NFUS	Current structure of rates has merit because it reflects economic differences between different classes of animals in more cases than OFFC structure.	Noted.
56.	SAMW	Supported the continuance of the current structure of throughput rates.	Noted
57.	AIMS	Current throughput charging levels are disproportionate to their value and it is essential to protect smaller businesses.	OFFC requires that MSs must consider the interests of businesses with low throughput when deciding fees.
58.	BMPA, BPC	Did not currently support a reduction of charges for reasons in Article 27.5 as this could lead to cross subsidisation.	Noted, but Article 27.5 is fundamental to application of the Maclean system. Disagree that this leads to cross subsidisation – no business is permitted to be charged more than actual controls costs.
59.	NFUS, SAMW	The new minimum throughput rates for adult bovines, small turkeys and boars provide a 10% increase. Queries position in other MSs.	Minimum rate must be applied in all MSs unless Article 27.6 criteria can be applied and European Commission informed.

**Informal Consultation - Possible Changes to Charging arrangements for hygiene controls and Proposal to phase-in charges for SRM controls**

60.	NFUS, SAMW	Article 27 para 5 & 6 should be considered carefully in the context of lower rates for adult bovines, small turkeys and boar.	Noted. The Maclean system takes account of Article 27.5 & 27.6 in general terms. We would appreciate evidence/ justification to apply Article 27.5 or 27.6 should be applied specifically to charge less than the new minima for these animals.
61.	BPC	Article 27.6 should be invoked in respect of turkey headage increases until inflationary increases applied to the current charge even-out the charging levels.	Ditto.
62.	BPC	Time costs should be charged where less than the EU minima in accordance with Article 27.6.	Agreed, but as required by Article 27.4a rather than Article 27.6.
63.	BPC	Concerned that the intention is to use the current rates and not the new EU minima as the basis for future charging levels.	Noted.
64.	BPC	Thought it necessary to consider whether the rates and their relativities between species remain appropriate for the UK. Considered that an increase in turkey minima is unnecessary until an assessment is undertaken.	Accept that an assessment of relativities of rates, compared to cost of enforcement per category of animal might help to inform longer term policy. However, the proposed use of the current charging rates and structure as the basis for future rates would maintain the relativities to which industry is accustomed.
65.	NFUS, SAMW	The new minimum throughput rates provide a 10% increase. Queries position in other Member States.	See response at 64.
66.	NACB	Objected to FSA's definition of "marginal, localised and restricted".	Noted.

**Informal Consultation - Possible Changes to Charging arrangements for hygiene controls and Proposal to phase-in charges for SRM controls**

67.	UFU	OFFC Article 26 allows cost of controls to be met by general taxation; FSA should take advantage of this to keep fees at a minimum.	Article 27.2 requires MSs to charge for meat hygiene official controls.
68.	UFU	Opposed increase in bovine, turkey and boar rates	Noted.
69.	TAPPAG	Increase in minimum rate unwelcome but noticed that the rate for the majority of birds processed (i.e. 5 kg and over) will be lower, hence, no serious impact.	This appears to misunderstand the intention to maintain the current throughput rates for all classes of poultry apart from turkeys of less than 5 kg, which would need to be increased by a larger % to the new EU minima.
70.	TAPPAG	Supported the adoption of the new structure of throughput rates in OFFC as this would assist when comparing charges with other Member States.	Noted.
71.	TAPPAG	Believed the system should take further account of paragraphs 5 & 6 of Article 27 to reduce rates.	Noted, but Maclean system takes account of Article 27.5 & 27.6 in general terms.
72.	NIMEA	The EC minima rates that are higher than the current rates would, if applied, reduce the possibility of plants remaining viable.  However, could accept these rates if controls were efficiently applied and staffing levels were relevant.	The minima need to be implemented in all MSs. The national impact would be assessed as part of RIA.  Throughput rates are not directly affected by the cost of delivering official controls.
73.	NIMEA	The number of throughput rates should be reduced in line with OFFC.	Noted. However, other stakeholders supported the proposal to retain the current structure. Doing so would simplify implementation and maintain current relativities.
74.	NIMEA	Recommended that UK should adopt the full flexibility of the Regulation especially in off-shore regions.	The Maclean system takes account of Article 27.5 & 27.6 in general terms. We would appreciate evidence/justification to apply Article 27.5 or 27.6 should be applied specifically in respect of offshore regions.

**Informal Consultation - Possible Changes to Charging arrangements for hygiene controls and Proposal to phase-in charges for SRM controls**

75.	CLA, SAFe	Objected to FSA proposal that starting point for setting new throughput rates should be at least equal to current ones which will put UK industry at a competitive disadvantage.	Noted.
76.	SAFe	Starting point should be the OFFC minima where less than current UK throughput rates.	Noted.
77.	SAFe	No objection to structure and number of charging rates in OFFC.	Noted.
78.	SAFe	New OFFC minimum throughput rates that are higher than current UK rates would have an adverse impact on the meat industry and a 10% increase in the minimum charge for adult bovine animal is unacceptable and unfeasible.	The minima need to be implemented in all MSs. The national impact would be assessed as part of RIA.
79.	SAFe	Where new minimum charges are higher than current rates, essential that FSA seeks permission to maintain current charging rates.	See response at 78.
80.	SAFe	FSA should apply Article 27, paragraph 5 and 6 to ensure charges are not excessive.	The Maclean system takes account of Article 27.5 & 27.6 in general terms. We would appreciate evidence/ justification to apply these provisions differently.
81.	SO	Comparison with rest of EU needed.	Agreed desirable.
82.	SO	Did not believe turkeys of less than 2kg are processed in UK.	Noted.
83.	SO	Good reason is needed to change structure of rates as there would be winners and losers. Leave well alone unless overriding need for change.	Noted.

**Informal Consultation - Possible Changes to Charging arrangements for hygiene controls and Proposal to phase-in charges for SRM controls**

Meat Hygiene Charges – Proposal to increase charges to cover an increased proportion of the cost of meat hygiene controls			
84.	AIMS	Current slaughtering costs are excessive and are a major threat to the survival of the livestock industry. Therefore opposed.	Noted. Impact would be considered as part of RIA.
85.	HCC	Wished to ensure that further cost burdens are not imposed on the meat-processing sector as margins and investment in both the primary production and processing sectors remain low and under pressure.	Noted.
86.	SO	Believed cost of controls should be funded by Government	Disagree; would be against EC rules.
87.	SUSTAIN	Supported the proposal to recover costs from the meat industry.	Noted.
88.	SUSTAIN	Suggested that the £50m the Agency recovers could be used in better and more balanced ways to deal with food issues for the consumer.	Noted.
89.	GFO, HCC NFUS, SAMW, NIMEA, UFU	Opposed.	Noted.
90.	NIMEA	Proposal presupposes that only means of recovering costs is to charge more rather than through efficiencies.	Increased charges would be sought in tandem with efficiency savings/cost reductions.
91.	NIMEA	Opposed any system that is or has an automatic built-in mechanism of increasing charges.	Noted.
92..	NFMFT	Supported slight increase as long as it is across EU	Noted
93.	LACORS	Pointed out that increase in charges could lead to illegal slaughtering activities	Noted

**Informal Consultation - Possible Changes to Charging arrangements for hygiene controls and Proposal to phase-in charges for SRM controls**

94.	BPC, SA	Could not support any increase in throughput rates until cost inspection has been reduced in line with new Regulations i.e. risk based	Noted, but throughput rates are not directly affected by the cost of delivering official controls.
95.	BMPA, GWLBS	Industry could not sustain increased charges.	Noted. Impact would be considered as part of RIA.
96.	NCC	NCC would be concerned if increased charges were significant in the longer term and led to increased prices to the consumer such that meat/meat product might become unaffordable to some.	Noted.
97.	TAPPAG	Principle of increasing charges is unacceptable. This would further damage the UK poultry industry and continue the ever-increasing reliance on imports at a time when disease is ever present in certain of the exporting countries.	Noted. Impact would be considered as part of RIA.
98.	TAPPAG	Time cost only charging must never be introduced.	Noted. If this were to be done, account would need to be taken of OFFC Article 27.5 & 27.6, e.g. to consider the interests of low throughput businesses.
99.	TAPPAG	The timing for increased charges is bad as Avian Flu has badly affected the white meat industry	Noted.
100.	CLA, MLC, NFUS, UFU	Did not support increasing meat hygiene charges above inflation on a year-on year-basis	Noted.
101.	BPC, CLA, MLC	Did not support increasing throughput charges at a higher rate than charges on a time cost basis.	Noted, however the measure would begin to restore Maclean balance to original intentions.
102.	SAFe	Objected to the principle of increasing throughput charges by higher percentage than time costs. Pointed out that a 10% increase in throughput rates that resulted in just 2% of red meat slaughterhouses moving from throughput charges to time costs charges would be excessive and disproportionate.	Ditto.

**Informal Consultation - Possible Changes to Charging arrangements for hygiene controls and Proposal to phase-in charges for SRM controls**

103.	HCC, SAFe	Strongly opposed.	Noted.
104.	HCC, SAFe	Increased charges would lead to closure of some small abattoirs which would lead to some independent butchers being unable to source quality meat, increasing the travelling times to abattoirs for livestock. With fewer abattoirs in operation, number of inspectors would reduce and job losses in the MHS would be inevitable.	Noted. Impact would be considered as part of RIA.
105.	SO	Supported a small additional increase to throughput rates if that would to restore Maclean balance. Apart from this, believed that both time cost and throughput rates should move in line with inflation.	Noted. Noted.
106.	SO	Increasing either charge by more than inflation would bring problems to some plants. Emphasised the need for consistency in EU.	Noted. Impact would be considered as part of RIA. See Gen 7 above.
<b>Meat Hygiene Charges – Simplification of current charging system – Introduction of average OV charge-out rate</b>			
107.	AIMS	Not necessarily appropriate at this time in view of need to review veterinary attendance.	Noted.
108.	BPC	Opposed because: it would significantly disadvantage inspection-efficient plants paying charges on a time cost basis, efficient plants should not cross-subsidise those with higher costs, any subsidy should be transparent, industry competition essential and average OV rates counter to this.	Noted. OFFC Article 27.4(a) prohibits plants from being charged more than actual costs.
109.	BMPA	Opposed since it would reduce transparency and the pressure to keep costs down in individual plants.	Noted.

**Informal Consultation - Possible Changes to Charging arrangements for hygiene controls and Proposal to phase-in charges for SRM controls**

110.	SO.	Average rates would simplify process and should allow tougher stance when negotiating contracts.	Noted.
111.	SAFe	Supported proposal. Believed it met OFFC requirement to consider need of businesses subject to geographical constraints and that it removed a financial disadvantage imposed on those plants where MHS cannot provide a directly employed OV.	Noted.
112.	NFUS	Supported this proposal only if it is in favour of low throughput plants.	Noted.
113.	SAMW	Supported proposal.	Noted.
114.	TAPPAG	No preference so long as Maclean charging basis is maintained.	Noted.
<b>Meat Hygiene Charges – Simplification of current charging system – Removal of requirement for cutting plants to provide throughput information</b>			
115.	AIMS	Supported proposal but suggested that some cutting plants would pay more if all cutting was charged on as time costs.	Support noted. Proposal notes that some plants may need to remain on throughput charges and therefore provide throughput data.
116.	SAFe	Concerned that plants would be charged time when they would be better off paying throughput charges.	Concern noted. Proposal notes that some plants may need to remain on throughput charges and therefore provide throughput data.
117.	BPC	No objection.	Noted.
118.	NIMEA	Agreed proposal.	Noted.
119.	NFUS, SAMW, SO	Supported proposal.	Noted
120.	NFMFT	Concerned some plants may be disadvantaged, so suggested a robust impact assessment.	Noted
121.	TAPPAG	Agreed	Noted.

**Informal Consultation - Possible Changes to Charging arrangements for hygiene controls and Proposal to phase-in charges for SRM controls**

<b>Meat Hygiene Charges – Simplification of current charging system – to charge GB poultry plants the dual qualified MHI rate instead the lower PMHI rate</b>			
122.	AIMS	Strongly opposed. Poultry plants receive no benefit from inspection by red meat qualified MHIs.	Noted.
123.	BPC	Strenuously objected. No justification to charge for skills not needed in poultry plants and which do not bring increased efficiency to the role in poultry plants.	Noted.
124.	BPC	Impact would increase dramatically as plants move to time cost charging.	Impact would be considered as part of RIA.
125.	BPC	Industry would expect a reduction in costs (not to pay extra) for MHS decision to increase their efficiency.	Noted.
126.	SO	Supported proposal.	Noted.
127.	TAPPAG	Opposed.	Noted.
<b>Meat Hygiene Charges – Simplification of current charging system – to cap Agreed Slaughterhouse Staff costs</b>			
128.	BPC	Proposal accepted in principle but wished to discuss details with FSA.	Noted.
129.	SO	Supported proposal	Noted.
130.	TAPPAG	Supported proposal if limited to equivalent to MHS costs for their work.	Noted.

**Informal Consultation - Possible Changes to Charging arrangements for hygiene controls and Proposal to phase-in charges for SRM controls**

<b>Meat Hygiene Charges – Simplification of current charging system – to set binding operating hours (templates) with related change to additional charges</b>			
131.	AIMS	Strongly opposed. Irregular working patterns are inherent to the industry and operations would be severely inhibited if additional charges were automatically levied for work outside usual working hours.	Noted. Impact would be considered as part of RIA.
132.	AIMS	Additional charges should remain only for failure to give 48 hours notice of intention not to slaughter. MHS would then assume their share of commercial risk.	Noted.
133.	FBP	Might have animal welfare implications	Noted.
134.	BPC, NIMEA	Binding operating hours is an acceptable planning tool but must include means to allow for one-off or unforeseen circumstances along with clear process amending the template.	Noted.
135.	SO	Template should be used more effectively to ensure efficient MHS Service and the consistent application of guidelines for its use.	Noted.
136.	SO	A group should be tasked to produce guidelines for template use.	Noted.
137.	SAFe	Opposed. Plants that abuse the system should be charged on time cost basis until their conduct improves.	Noted.
138.	SAFe	Introduction of a binding template could be disadvantageous to contract kill abattoirs and could lead to increase in illegal slaughtering (on-farm slaughter).	Noted.

**Informal Consultation - Possible Changes to Charging arrangements for hygiene controls and Proposal to phase-in charges for SRM controls**

139.	NFUS, SAMW	More discussion needed to develop this proposal.	Noted.
140.	NFMFT, TAPPAG	Opposed. Impracticable, operators require flexibility in operating hours.	Noted.
<b>Meat Hygiene Charges – Simplification of current charging system – removal of EUROS from GB charge calculation</b>			
141.	AIMS	Sceptical that this would lead to savings.	Noted.
142.	BMPA	Supported this proposal.	Noted.
143.	BPC	No objection.	Noted.
144.	NIMEA	Agreed. This would harmonise charge method across UK.	Noted.
145.	SO	Agreed.	Noted.
146.	SAFe	Objected to the principle of charging more than EC minimum throughput rates, but welcomed any procedure that would improve MHS efficiency and reduce cost.	Noted.
147.	NFUS, SAMW	Agreed.	Noted.
148.	TAPPAG	Opposed. Did not envisage great savings for the MHS and would make it more difficult to monitor MHS performance against the 'target' of EU minimum charges.	Noted. €/£ conversion rates are published regularly in the C-Series of the Official Journal of the European Union, which is available free on the Europa website at: <a href="http://eur-lex.europa.eu/JOIndex.do?ihmlang=en">http://eur-lex.europa.eu/JOIndex.do?ihmlang=en</a>

**Informal Consultation - Possible Changes to Charging arrangements for hygiene controls and Proposal to phase-in charges for SRM controls**

<b>Meat Hygiene Charges – Simplification of current charging system – to increase throughput rate for pigs and relevant species to recover Trichinella testing costs</b>			
149.	UFU	Proposal gives cause for concern	Noted.
150.	NFUS	Not in support of proposal because pig producers have achieved trichinella free status which should be recognised.	Noted.
151.	AIMS	Opposed because GB may soon achieve trichinella free status.	Noted.
152.	AIMS	If imposed, the increased rate should only be applied to sows and account should be taken of plants performing their own tests.	Noted.
153.	NFMFT	Opposed. Cost of trichinella testing should be paid by Government as it is public health issue.	Noted.
154.	SAFe	Opposed. Negligible risk for domestic pigs, level of testing goes beyond that required to protect public health.	Noted.
155.	SAMW	Supported proposal.	Noted.

**Informal Consultation - Possible Changes to Charging arrangements for hygiene controls and Proposal to phase-in charges for SRM controls**

<b>Meat Hygiene Charges – Simplification of current charging system – service withdrawal prior to Court judgement on unpaid charges</b>			
156.	AIMS	Strongly opposed. Plants cannot operate without MHS presence. Would effectively make a preferential creditor ahead of others which arguably undermines insolvency law.  Court judgement is a fundamental safeguard in case of disputes.	Noted. We do not believe that this proposal undermines insolvency law in any way. However see below.  Agreed. The proposal will not be taken forward.
157.	BMPA	Supported proposal in clearly specified circumstances.	See response at 156.
158.	BMPA	The principle of allowing plants to operate while not paying meat inspection costs is unacceptable.	Noted.
159.	BPC	Accepted proposal subject to adequate safeguards.	Noted. See response at 156.
160.	BPC	Advocated agreed industry protocol to ensure fair application.	Agreed.
161.	NIMEA	Accepted proposal.	See response at 156.
162.	SO	Agreed in principle.	See response at 156.
163.	SAFe	Supported proposal.	See response at 156.
164.	SAMW	Agree.	See response at 156.
165.	TAPPAG	Opposed. Operators have to use MHS with terms dictated by MHS/FSA. Operators must have the right to have a Court to decide the issue.	See response at 156.

**Informal Consultation - Possible Changes to Charging arrangements for hygiene controls and Proposal to phase-in charges for SRM controls**

<b>Meat Hygiene Charges – Simplification of current charging system – changes to MHS consultation arrangements</b>			
166.	AIMS	Accepted, providing plants could opt-in.	Agreed.
167.	BPC	Accepted, providing plants could opt-in.	Agreed.
168.	NIMEA	Accepted logic of proposal. NIMEA should be included in any consultation that could affect NI plants – wrong for GB decisions to take effect automatically.	Agreed.
169.	NFUS, SO	Agreed.	Noted.
170.	SAMW	Agreed, but more use needed of IT	Noted.
171.	TAPPAG	Agreed subject to opt-in arrangement	Noted.
<b>Meat Hygiene Charges – Simplification of current charging system – to change method of charging allowances that form part of time cost</b>			
172.	AIMS	Accepted, subject to individual arrangements being made for businesses significantly affected.	Noted.
173.	BPC	Opposed any change which averages costs and leads to cross subsidisation.	Noted.
174.	NIMEA	Accepted proposal.	Noted.
175.		Proposed that annualised hours would be more efficient.	Noted.
176.	SO	Supported proposal unless impact is significant.	Noted.
177.	SAMW	Supported in principle but winners and losers should be minimised.	Noted

**Informal Consultation - Possible Changes to Charging arrangements for hygiene controls and Proposal to phase-in charges for SRM controls**

<b>Organisation</b>	
AIMS	Association of Independent Meat Suppliers
BDFA	British Deer Farmers Association
BMPA	British Meat Processors' Association
BPC	British Poultry Council
CLA	Country Land and Business Association
FPB	Forum of Private Business
GFO	Graig Farm Organics
GWLBS	Guild of Welsh Lamb and Beef Suppliers
HCC	Hybu Cig Cymru – Meat Promotion Wales
HUSH	Haemolytic Uraemic Syndrome Help
LACORS	Local Authorities Co-ordinators of Regulatory Services
MLC	Meat and Livestock Commission
NACB	National Association of Catering Butchers
NCC	National Consumer Council
NCF	National Consumer Federation
NFMFT	National Federation of Meat and Food Traders
NFUS	National Farmers' Union Scotland
NFU	National Farmers' Union
NIMEA	Northern Ireland Meat Exporters Association
SAFe	Small Abattoir Federation
SAMW	Scottish Association of Meat Wholesalers
SA	Soil Association
SO	Stephen Orledge
Sustain	Sustain: the alliance for better food and farming
TAPPAG	The Anglian Poultry Processors Action Group
UFU	Ulster Farmers' Union
VEGA	Vegetarian Economy & Green Agriculture