

## **REGULATORY APPRAISAL**

### **FOOD, WALES**

#### **THE MEAT (OFFICIAL CONTROLS) (CHARGES) (WALES) REGULATIONS 2005**

##### **Background**

1. Directive 85/73/EEC (amended and consolidated by Directive 96/43/EC) provides a system of charging for various veterinary checks and controls on certain products of animal origin in licensed meat plants. The Directive is currently implemented in Great Britain by the Meat (Hygiene and Inspection) (Charges) Regulations 1998 (SI 1998/2095). These charges are paid to the Meat Hygiene Service (MHS), which is an Executive Agency of the Food Standards Agency, by meat plant operators. For year ending 2004/05, the Meat Hygiene Service received income of approximately £23.2million from industry across Great Britain relating only to work carried out under the Charging Regulations (inspections and additional charges). For Wales alone, the figure is estimated at around £1.9million.
2. The objective of Directive 85/73/EEC is to set minimum rates, based on throughput, that must be charged for specified meat hygiene controls, but to allow higher rates to be charged provided that the total charge does not exceed the actual cost of the inspection. There is flexibility as to implementation and the present system, which is to be continued, charges meat plant operators the lesser of the EC minimum throughput rates or the actual costs of exercising controls. This is to ensure that charges are affordable by small to medium sized businesses.
3. Directive 85/73/EEC will be replaced and modified by EC Regulation 854/2004, which is directly applicable in all EU member states from 1 January 2006.

##### **Purpose and intended effect of the measure**

4. The Regulations will allow for the continued application of current meat hygiene and inspection charges by the Meat Hygiene Service in Wales. The Regulations are required to take effect from 1 January 2006 when the new EU food hygiene Regulations enter into force in all Member States and amend the legislative base for the current charging provisions. The Regulations are required to maintain the current charging system in Wales by revoking the Meat (Hygiene and Inspection) (Charges) Regulations 1998 and making reference to the new EU food hygiene Regulations rather than to meat hygiene legislation that will cease to have effect on 1 January 2006.

## 5. The Regulations:

- Require the Meat Hygiene Service to notify the premises operator of each slaughterhouse, game-handling establishment and cutting plant in which official controls have been exercised of the official controls charge that has arisen in relation to those official controls;
- Provide that any official controls charge is payable by the operator to the Meat Hygiene Service on demand;
- Allow the Meat Hygiene Service to refuse to exercise any further official controls at given premises where, despite a Court order requiring the premises operator to pay the official controls charge, they have failed to comply with the order;
- Require persons –
  - to supply the Meat Hygiene Service on demand with information to calculate the official controls charge and notify the premises operator;
  - to supply the Meat Hygiene Service on demand with evidence it may require to verify that information;
- Provide that a person who -
  - in response to a demand for information or evidence knowingly or recklessly furnishes false or misleading information, or;
  - without reasonable excuse fails to comply within a reasonable time with a demand for information or evidence is guilty of an offence and shall be liable on summary conviction to a fine.

## **Risk Assessment**

6. Regulations are required to maintain the current charging arrangements for hygiene inspections post January 2006 in approved meat plants (e.g. slaughterhouses, cutting plants). Without replacement (or retention of the relevant provisions) the charging arrangement will not be maintained from 1 January 2006 in Wales and the Meat Hygiene Service would not be able to recover the costs of its operations. EC Regulation 854/2004 requires fees to be collected for inspections and controls in respect of meat.

## **Devolution**

7. The Regulations will apply only in Wales. Separate but parallel Regulations will be made in England and Scotland, which will come into force on 1 January 2006. The MHS does not operate in Northern Ireland.

## **Options**

8. In respect of this legislation, the 'Do Nothing' option is not an option as it would ultimately lead to infraction proceedings against the National Assembly for Wales by the European Commission. Therefore, the 'Make the Legislation' option, to implement the changes required to comply with European legislation, is being proposed.

## **Benefits**

9. Other than the legitimacy of the MHS recovering the costs of its services in approved meat plants, there would appear to be no identifiable social, economic or environmental benefits or disadvantages arising from

maintaining the current charging arrangements for hygiene inspections post January 2006.

### **Costs**

10. There are no additional financial implications for the Assembly, or local authorities in Wales from the making of these Regulations. These regulations maintain the status quo in respect of charges for meat inspections in meat plants.

11. These Regulations will not have any additional financial implications for charities or the voluntary sector and equally there are no anticipated costs to consumers.

### **Consultation with small business – the Small Firms’ Impact Test**

12. The Federation of Small Businesses was included in the consultation on the draft Regulations but did not respond. The Meat Hygiene Service charges operators the lower of the minimum EU throughput charges or actual time costs occurred. This generally benefits smaller or medium sized plants, which have smaller throughputs of animals.

### **Consultation**

#### With Stakeholders

13. The Food Standards Agency Wales carried out a consultation from 24 May 2005 to 19 August 2005. Sixty-eight Welsh stakeholders including consumer and industry representative bodies and farming unions were invited to comment on the draft Regulations. Only one response to the consultation was received in Wales (which was a “no comment” from the Wales Centre for Health). Ten responses were received UK-wide. The majority of responses commented generally on the implementation of the Regulations and none gave rise to the need for its provisions to be amended.

#### With Subject Committee

14. These Regulations were notified to the Health & Social Services Committee via the list of forthcoming legislation on 12 January 2005 (HSS (2)-05-05 (p.2b), item no: FS 28 (04)), but were not identified for detailed scrutiny.

### **Review**

15. The Meat Hygiene Service is audited by the Food Standards Agency. The audit inspections will include review and monitoring of the Meat Hygiene Service charging arrangements and procedures.

**Summary**

16. The Food Standards Agency believes that the full implementation of the EU legislation is required as it maintains the ability of the Meat Hygiene Service to charge meat plant operators in respect of hygiene inspections and controls carried out at their premises.

**LIST OF CONSULTEES**

ADAS Wales  
Feed Sector, Agricultural Industries Confederation  
Association of Muslim Professionals  
British Retail Consortium  
Carmarthenshire College  
CBS Technologies Ltd  
Chartered Institute of Environmental  
Health in Wales  
Cig Mon Group  
Coleg Llysfasi Ruthin  
Communicable Disease Surveillance Centre Wales  
Country Land and Business Association  
Dairy Strategy Group  
Eppyut Hill and Beulah Face Sheep Society  
Eurofins Scientific  
Farm Assured Welsh Livestock  
Farm Assured Welsh Livestock  
Farmers For Action  
Farmers' Union of Wales  
Federation of Small Businesses (North Wales)  
Federation of Small Businesses (South Wales)  
Food Consultancy  
Graig Farm Organics  
Guild of Welsh Lamb and Beef Suppliers  
Hybu Cig Cymru / Meat Promotion Wales  
Iceland Frozen Foods  
Institute of Grassland and Environmental Research  
Institute of Rural Health  
Llanwenog Sheep Society  
Lleyn Sheep Society  
National Farmers Union (Wales)  
National Federation of Meat and Food Traders  
National Federation of Womens Institutes  
National Sheep Association (Wales)  
NPHS in Wales  
Organic Strategy Group  
Pencoed College  
Plas Gwyn  
Public Analyst's Laboratory  
Royal Welsh Agricultural Society  
Royal Welsh Agricultural Society  
State Veterinary Service  
Stork MPS (Meat Processing Systems)  
Teeswater Sheep Breeders Association  
The Western Mail  
Trading Standards Institute (Wales)  
Wales and Border Counties Pig Breeders Association

Wales Centre For Health  
Wales Young Farmers' Club  
WDA Agri-Food Development  
WDA Food Directorate  
Welsh Assembly Government  
Welsh Assembly Government – Animal Health Divisional Office  
Welsh Assembly Government - Public Health Protection  
Welsh Black Cattle Society  
Welsh Consumer Council  
Welsh Food Alliance  
Welsh Food Microbiological Forum  
Welsh Highland Shepherds  
Welsh Institute of Rural Studies  
Welsh Lamb and Beef Promotions  
Welsh Local Government Association  
Women's Food & Farming Union  
Women's Food and Farming Union Livestock Committee