Charlie Greenslade

From: martin.ward@fera.gsi.gov.uk
Sent: 12 March 2012 16:29
To: charlie.greenslade@bpta.org.uk
Subject: Plant Health Statutory Services Review Update

Plant Health Statutory Services Review Update

The Food and Environment Research Agency

Dear Mr Greenslade

I am writing to you to provide an update on progress on Fera's statutory fees review and to fulfil a commitment we made to you by inviting you to a meeting to initiate the plant health government-business taskforces, which will review the efficiency of our statutory schemes. This will be held at 11am in Nobel House (London) on April 18th. Lord Taylor of Holbeach, as Minister responsible for plant health, is planning to introduce the meeting, subject to the calls of parliamentary business.

Today a new fees Statutory Instrument was laid before Parliament. The new fees for the five statutory plant health services (See web-link below for Table of new fees) will be charged to those businesses using these services from April 6th. A similar legislative process is underway at the Welsh Assembly.

http://www.defra.gov.uk/fera/planthealthconsultation

The fees included in the SI reflect our preferred policy option as described in the consultation launched on October 11th 2011; the phased increase in fees over three years with 50% of the gap between current statutory income and the current full cost of service provision being closed in 2012 and the remainder by 2014. In reaching the decision to adopt the preferred option, Ministers believe that this represents the correct balance between the need to move to full cost recovery for the statutory services and reducing the risks to business that consultees reported would result from an immediate move to full cost recovery fees. Fera's allocation of funding from Defra for Plant Health is falling, following the 2011-2015 Spending Review. Further delay in moving to full-cost recovery for statutory plant health services could require further cuts to be made both to these chargeable services and to the publicly funded work, such as surveillance and eradication that provides plant health security for growers. It is therefore important for all of us that the shortfall in cost recovery is addressed as soon as possible.

Ensuring the cost-effectiveness of the various schemes was a key theme in the consultation replies and is an objective which we fully support. We intend to pursue this through the work of various government-industry taskforces, as already proposed. This work will influence the scale of any further fee increases needed to achieve full cost recovery. I very much appreciate your active engagement and contribution to the pre-consultation meetings and the consultation itself and very much wish to continue working in partnership with you in securing improvements to the cost-effectiveness of these services. The concept outlined in the draft Taskforce Terms of Reference has received broad support from stakeholders and I would look to the April meeting to reach final agreement on this framework and establish the plan of work over the next three years. Another purpose of the meeting will be to agree representation on the various taskforces, with limited places available on each, and you may wish to start considering this issue with other industry contacts.

A summary of responses to the consultation and the final versions of the Impact Assessments can be found at http://www.defra.gov.uk/fera/planthealthconsultation.

We will be providing businesses using the service with a similar update on progress within the next few days. If you wish to attend the meeting on 18 April, please could you let Rebekah Clarkson (rebekah.clarkson@fera.gsi.gov.uk) know by March 31st.

Yours sincerely

Martin Ward
Head of Policy
The Food and Environment Research Agency

List of Trade Associations

British Potato Trade Association
British Society of Plant Breeders
Farming Union of Wales
Fresh Potatoes Suplpies Association
Fresh Produce Consortium
Horticultural Trade Association
National Farmers Union
National Farmers Union Cymru
Potato Council
Potato Processors' Association

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