

Department for Environment, Food and Rural Affairs

Consultation on a new independent body for animal health: *A modern governance and funding structure for tackling animal diseases*

Annex 9 – Thresholds for payment of a registration fee

1. The table below provides an indication of:
 - a. The numbers of animals and holdings which could be excluded from making a payment where the cost of invoicing for the payment is greater than the revenue generated by that invoice, and;
 - b. The minimum number of animals on a holding from which a charge would apply.
2. The assumption is that the cost of generating an invoice and receiving payment is £15.88 per invoice. This is based on initial figures provided by Animal Health on the administration of a registration scheme.
3. It is assumed that there are approximately 150,000 cattle, sheep, pig and poultry holdings.
4. The admin charge is based on estimated year 1 running costs provided by Animal Health (assumed cost of £2,305,708).
5. The admin charge for each sector is calculated on a *pro rata* basis of the gross output value.
6. The annual payment of £24 million (including the collection charge) is based on the illustrative payments set out in the consultation document and the accompanying impact assessment (Annex 12).
7. 1.5 million male calves have been apportioned to beef cattle figures.
8. The figures assume that only single species are on each holding.
9. Figures are based on June Census 2007.

Table 1 – Contributions based on preparedness costs of £22.5m, collection costs of £2m. Assumed charging and collection costs per payment £15.88

Species	Preparedness costs including collection fee	Payment rate per animal/ animal place	Payment threshold (no of animals on a premises from which a charge would be applied)	Total numbers and percentage of keepers/holdings excluded below the threshold	Total numbers and percentage of animals excluded below the threshold
Dairy	10.1	£4.80	4+	6,900 (32.5%)	10,500 (0.5%)
Beef ¹	4.1	£1.20	14+	14,800 (29.9%)	83,500 (2.4%)
All cattle	14.2	£2.50	7+	7,500 (15%)	23,100 (0.4%)
Sheep	1.5	£0.09	177+	27,900 (59%)	1,512,800 (9.8%)
Pigs	3.2	£0.82	20+	5,000 (52%)	29,100 (0.7%)
Poultry	5.1	£0.04	397+	28,500 (90%)	840,600 (0.65%)

¹ Figure includes 1.5 million male calves