



Department  
for Environment  
Food & Rural Affairs



Llywodraeth Cymru  
Welsh Government

**Date:** 31<sup>st</sup> March 2022

Dear Sir/Madam,

## **Response to Consultation on Short-term Changes to Plants for Planting Import Inspection Fees in England and Wales**

Thank you for submitting views on the above consultation. This letter is to notify you of the outcome.

### **Proposal**

To introduce short-term changes to certain plant health fees in England and Wales<sup>1</sup> in response to stakeholder concerns. We proposed a switch to a flat rate fee (where all imported plants for planting will be subject to the same fee regardless of intended use), for some or all categories<sup>2</sup> of plants for planting. This could be implemented in July 2022, pending a full fees review on methods used to calculate fees.

### **Background**

Since January 2021, imports of plants for planting from the EU<sup>3</sup> have been subject to risk-based import inspections. Fees for these inspections have been charged since 1 June 2021 to relieve the general taxpayer of costs so that they are properly borne by users who benefit from a service and who should bear the costs of any measures to prevent harm that they might otherwise cause by their actions or non-actions.

The inspection frequency is based on the plant health risk a commodity presents to Great Britain. Plants from the EU, intended for final users, are currently subject to physical and identity checks at a frequency of 5-10%, compared to 100% for plants not intended for final users. However, concerns have been raised by some stakeholder groups that this may result

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<sup>1</sup> There is a similar but separate fees structure in Scotland.

<sup>2</sup> Categories are composed of seeds, bulbs, plants for planting and cuttings.

<sup>3</sup> The EU should be read as including Liechtenstein and Switzerland for the purposes of this note.

in EU finished plants benefiting from a cost advantage over plants imported for finishing in Great Britain.

### **Summary of Responses**

Thirty-four responses were received, these were from:

- Horticultural Trades Association (HTA)
- National Farmers' Union (NFU)
- Royal Forestry Society
- Welsh Horticultural Stakeholders
- Woodland Trust
- Eighteen private nurseries
- Ten private growers
- One private individual

### **Key Concerns and Government Response**

Out of the thirty-four responses received for this consultation, thirty-one responses were supportive of the proposal to introduce a short-term flat rate fee, including the stakeholder groups HTA and NFU.

Despite this support, some responses highlighted concerns around risk categorisation and the associated inspection rates and additional costs for each consignment. The HTA also suggested further changes to reduce costs to businesses.

- We have listened to the concerns of industry to ensure that new inspection requirements and charging arrangements are practical, proportionate, and risk based.
- The methodology around the frequency of checks was consulted on separately, please see [here](#) for the government response.

The HTA supported the proposal but requested that this flat rate fee is introduced across Great Britain, rather than just England and Wales.

- In all parts of Great Britain, fees are set to fully recover the cost of services provided, in line with the general principle of HM Treasury on cost recovery. As services in Wales are provided by the Animal and Plant Health Agency (APHA) on behalf of the Welsh Government, fees in Wales will mirror those in England. A different cost base applies in Scotland, so there may be some differences to actual fees. For this reason, the flat rate fee proposal has not been extended to Scotland.

Some stakeholders outlined their expectations for the full fees review before the flat rate fee ceases. The NFU requested that the definition of a “final user” is considered as this may impact fees after the flat rate fee has been removed.

- We will consider this definition and ensure it is included in the full fees review.

The Welsh Horticultural Stakeholders commented that the fees review should consider the balance between inspection frequency and costs to importers and also asked that a wider review should be carried out with more datasets. The HTA asked that a minimum of 6 months warning is given to businesses to signal the end of the flat rate fee.

- Businesses will be fully engaged with the development of the fees review. We will be taking a co-design approach with the Plant Health Fees External Working Group (this group consists of Agricultural Industries Confederation, British Potato Trade Association, British Society of Plant Breeders, Defra, Fresh Produce Consortium, HTA, NFU, Ornamental Aquatic Trade Association, Welsh Government) so that the impact on importers will be considered and will consult widely on proposals
- Sufficient notice will be provided to industry regarding the end date for this flat rate fee.

Three responses were not supportive of the proposal and indicated their preference to maintain fees as currently. One of the three responses did not give their reasons. The second response unsupportive of the proposal was from the Woodland Trust. The Woodland Trust suggested that a flat rate fee would encourage an increase in imported high-risk trees, and therefore pose a significant biosecurity risk, and recommended that government resources should instead be spent on developing the longer-term solution via the full fees review.

- All wood, bark, woody plants for planting and tree products imported into Great Britain from the EU and Rest of World will be subject to the most intensive scrutiny with 100% inspections from July 2022. Therefore, we are confident that, under the new frequency of checks system, the risk of these imported high-risk trees has already been sufficiently addressed.

The third response, from a private nursery, pointed out that a switch to a flat rate fee would significantly increase fees for importing bulbs for the final user (e.g., for flower production or retail). The HTA, though overall a supporter of the proposal, also pointed this out; that the introduction of a flat rate fee increased the costs for those supplying finished plants for the final user.

- Given this feedback, we propose to maintain the existing fee structure for bulbs and seeds and apply the flat rate fees to the remaining categories: plants for planting and cuttings. Any developments to this proposal will be discussed with the Plant Health Advisory Forum.

### **Next steps**

The responses received were generally supportive of the proposal for a flat rate fee. Therefore, this fee for certain categories of plants for planting is planned to be introduced in legislation in June 2022, to come into force in July 2022.

I would like to thank those responding for taking the time to submit views on the consultation. Your comments have been very valuable in working to develop a policy position.

If you have any views about how this review was handled, or its outcome, please let me know.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Richard McIntosh', with a stylized, cursive script.

Richard McIntosh

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