

# PARLIAMENTARY DEBATES

HOUSE OF COMMONS  
OFFICIAL REPORT

Fourth Delegated Legislation Committee

DRAFT OFFICIAL CONTROLS (FEES AND  
CHARGES) (AMENDMENT) REGULATIONS 2024

DRAFT PLANT HEALTH (FEES) (ENGLAND) AND  
OFFICIAL CONTROLS (FREQUENCY OF CHECKS)  
(AMENDMENT) REGULATIONS 2024

*Tuesday 16 April 2024*

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**Saturday 20 April 2024**

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**The Committee consisted of the following Members:**

*Chair:* CHRISTINA REES

Bonnar, Steven ( <i>Coatbridge, Chryston and Bellshill</i> ) (SNP)	† Mortimer, Jill ( <i>Hartlepool</i> ) (Con)
† Edwards, Ruth ( <i>Rushcliffe</i> ) (Con)	† Perkins, Mr Toby ( <i>Chesterfield</i> ) (Lab)
† Ellis, Sir Michael ( <i>Northampton North</i> ) (Con)	† Scully, Paul ( <i>Sutton and Cheam</i> ) (Con)
† Fletcher, Colleen ( <i>Coventry North East</i> ) (Lab)	† Spencer, Sir Mark ( <i>Minister for Food, Farming and Fisheries</i> )
† Gideon, Jo ( <i>Stoke-on-Trent Central</i> ) (Con)	† Sturdy, Julian ( <i>York Outer</i> ) (Con)
† Lavery, Ian ( <i>Wansbeck</i> ) (Lab)	Sultana, Zarah ( <i>Coventry South</i> ) (Lab)
Lewell-Buck, Mrs Emma ( <i>South Shields</i> ) (Lab)	Whitley, Mick ( <i>Birkenhead</i> ) (Lab)
† Loder, Chris ( <i>West Dorset</i> ) (Con)	
† Lord, Mr Jonathan ( <i>Woking</i> ) (Con)	Chris Watson, <i>Committee Clerk</i>
† Morrissey, Joy ( <i>Lord Commissioner of His Majesty's Treasury</i> )	† <b>attended the Committee</b>

**The following also attended, pursuant to Standing Order No. 118(2):**

Elphicke, Mrs Natalie (*Dover*) (Con)

## Fourth Delegated Legislation Committee

Tuesday 16 April 2024

[CHRISTINA REES *in the Chair*]

### Draft Official Controls (Fees and Charges) (Amendment) Regulations 2024

4.30 pm

**The Chair:** I will call the Minister to move the first motion and speak to both instruments. At the end of the debate, I will put the Question on the first motion and then ask the Minister to move the second motion formally.

**The Minister for Food, Farming and Fisheries (Sir Mark Spencer):** I beg to move,

That the Committee has considered the draft Official Controls (Fees and Charges) (Amendment) Regulations 2024.

**The Chair:** With this it will be convenient to consider the draft Plant Health (Fees) (England) and Official Controls (Frequency of Checks) (Amendment) Regulations 2024.

**Sir Mark Spencer:** It is a pleasure to serve under your chairmanship, Ms Rees. The first instrument was laid before the House on 26 February. Following your guidance, Ms Rees, I will speak to both instruments, addressing fees on import controls on UK sanitary and phytosanitary goods under the border target operating model.

The fees and charges regulations facilitate flexibility in the application of fees and charging requirements for official controls on sanitary and phytosanitary imports arriving in Great Britain. We have designed a global risk-based import model for sanitary and phytosanitary goods that will deliver a streamlined approach that protects public, plant and animal health; boosts our economic growth; and minimises friction at the border. The instrument enables the necessary fees and charges for official controls, reflecting the new sanitary and phytosanitary border official controls regime, as published in the border target operating model.

The instrument introduces greater flexibility in the composition of fees and charges for official controls while maintaining the requirement of cost recovery. That allows for more comprehensive cost recovery and enables the application of the risk factors set out in the border target operating model to the fees.

The instrument changes the “duty to charge” to a “power to charge” by extending the circumstances in which charges may be reduced or waived. The implementation of the border target operating model relies on the flexible application of risk, ongoing financial viability of competent authorities, and proportionate financial liability across stakeholder and operators. Changing the duty facilitates that desired flexibility.

The instrument enables a consistent charging model across any Government-run border control post in GB. It will be particularly vital once border control post

checks on EU imports are introduced in Wales and Scotland, to support trade continuity in all our Administrations.

Finally, the instrument enables fees and charges to be levied digitally and away from border control posts. Without this legislation, all sanitary and phytosanitary consignments entering GB would be required to visit a border control post to physically make payments. That would be administratively and operationally unworkable, because it would require all consignments, not just those selected for an inspection, to attend a border control post, which would add time and burden for hauliers. Every effort has been made to ensure that the fees and charges distribute costs fairly and proportionately for businesses of all sizes and across all sectors, while enabling the Government to fulfil their cost recovery obligations. I am pleased to state that the devolved Administrations have given their consent for the regulations to extend across Great Britain.

To summarise, the instrument facilitates the implementation of the border target operating model and is necessary to enable fees and charges to fund the new sanitary and phytosanitary border official controls regime.

The plant health and official controls regulations apply a requirement for risk-based import checks on medium-risk goods from the EU, Switzerland and Liechtenstein from 30 April 2024, as published in the border target operating model. The instrument ensures that certain imported goods are not within scope of this change, including fruit and vegetables that are currently being treated as low-risk goods while risk assessments are being conducted. It also excludes goods entering Great Britain via a listed west coast port.

Changes are being made to the fees legislation to reflect the risk-based level of identity, physical and documentary checks on medium-risk goods, ensuring that the cost of plant health services are recovered. Fees are also updated for certain goods from non-EU countries to account for changes in the frequency of checks. Finally, two minor typographical errors regarding import checks are being corrected in the fees legislation.

Currently, checks are carried out on high-risk consignments of plants, plant products and other objects imported into Great Britain from the EU, Switzerland and Liechtenstein. Checks are also being conducted on regulated goods imported from all other third countries on a risk basis. GB plant health services carry out these checks and charge for the services accordingly to prevent the introduction and spread of organisms harmful to plants or plant products.

This instrument removes the temporary easement that applied after exiting the EU from import checks of medium-risk plants and plant products imported from the EU, Switzerland and Liechtenstein. These goods will become subject to risk-based checks and the associated fees. I am pleased that the devolved Administrations have given their consent for the regulations to extend across Great Britain, with the exception of regulations 2 and 3, which relate to fees and apply to England only. Welsh and Scottish Government Ministers laid their equivalent fees legislation earlier this year.

I emphasise that the regulations ensure that checks are in place from 30 April 2024 to mitigate any biosecurity risks against certain goods from the EU, Switzerland

and Liechtenstein. Protecting our biosecurity is of paramount importance. By facilitating the implementation of the border target operating model and enabling fees and charges for the relevant import controls, the instruments enhance the operation of the biosecurity regime in Great Britain. I hope hon. Members will support the measures and their objectives. I commend the regulations to the Committee.

4.37 pm

**Mr Toby Perkins** (Chesterfield) (Lab): It is a great pleasure to serve under your chairmanship, Ms Rees. The Labour party recognises the need to ensure the UK's biosecurity. Preventing the entry of diseased organic matter and pests into this country is extremely important. Many UK businesses have had a real trading disadvantage for some time; we have had an asymmetrical arrangement with other countries in the European Union. We will not be opposing this legislation, but we do have serious concerns about the border target operating model and, more specifically, the provisions made in these statutory instruments.

Concerns have been vigorously and emphatically articulated by a number of stakeholders. Many who contacted me said that their original response to the consultation on the border trade operating model had, they felt, been ignored, and so they did not respond to this specific consultation. That is a real shame. There is a real risk that these new changes will lead to increased costs for food importers and an increase in prices at the till. Hard-pressed consumers have already suffered a year of skyrocketing food inflation. Does the Minister anticipate that these changes will lead to food price increases? If not, how can he reassure those in the sector who feel that it might? If the increased costs that these changes will generate is not passed on to the consumer through higher prices, does he expect all companies affected to simply be able to absorb those costs? What evidence does he have for that?

I am particularly concerned about UK companies that import on a smaller scale or rely on imports of niche products, which may find it challenging to absorb those costs and charges. The charges facilitated by the official controls regulations should be considered in the broader context of increased costs that British importers have been subject to since 2021, when the UK officially left the trading block. Indeed, the Government have already conceded that the extra costs incurred by businesses due to the post-Brexit border controls on animal and plant products imported from the EU would be as much as £330 million annually. Financial experts such as Allianz Trade estimate a much higher bill, however, and have suggested that consumers will be forced to spend as much as £2 billion on a range of food from the continent when the new border checks come into force at the end of this month.

I am afraid that I do not buy the Government's claims that businesses will save £500 million through efficiencies created by digitisation. That strikes me and others as a considerable overestimation, particularly if the extra costs, disruption and paperwork that any new system inevitably brings are factored in, as well as the general hit on competitiveness that businesses fear they will suffer as a result of these charges. Will the Minister clarify which hidden costs were factored into the estimate of digitisation savings?

Our colleagues in the House of Lords also expressed their concern about the impact of the changes particularly on small businesses in their recent report on this impending legislation. Will the Minister explain why there was no impact assessment on the changes?

It is worth reminding the Committee that 30% of food consumed in the UK comes from the EU. Is the Minister worried that there is a risk that all these changes will lead to confusion, delays and further chaos at border points, which could have a significantly detrimental impact on fresh produce or produce that requires specific controlled temperatures? This presents the possibility of a return to the food shortages we have seen in recent years.

If those on the remain side of the Brexit referendum had warned of empty supermarket shelves becoming a regular sight in post-Brexit Britain, they would have been accused of engaging in "Project Fear". It is extraordinary how quickly we have become accustomed to that. A future Labour Government will look to improve food security.

Many logistics businesses have been pressing the Government since the Brexit vote for detail on the level of charges and how and when they will be implemented on imported goods. The Government said that the common user charge rate would be confirmed by December 2023 at the latest. The additional three-month delay has further hampered the ability of logistics businesses to prepare. Will the Minister explain why the common user charge rate was so delayed and what impact he thinks that will have had on the ability of businesses to plan ahead? It is the middle of April: we are discussing changes that will be implemented in just a couple of weeks.

Businesses are still in the dark about some key features of the new BTOM. The British Chambers of Commerce has said that there is a real problem with communication, adding that:

"Until businesses on both sides of the Channel have all the information it's very difficult for them to plan ahead."

It slammed the Department for Environment, Food and Rural Affairs for failing to listen to the industry over these changes generally. Does the Minister regret that the UK's largest business representative body believes that it has not been listened to by his Department? Will he undertake to now listen to those businesses most affected by this suite of policies? Will the Minister allay the fears and concerns of businesses whose future depends on these decisions by informing and reassuring them on a series of questions that still require clarification, and will he do so urgently?

On the plant health and official controls regulations, it is vital that plants and other commercial produce that enter Great Britain are subject to the appropriate checks and inspections on arrival to these shores. In my constituency, Chesterfield, we are blessed with many green-fingered enthusiasts, several of whom won awards in the Chesterfield in Bloom awards last year. Our town would be much poorer for their absence. I would hate, as I am sure we all would, any legislation passed in this place to make it harder for these assiduous horticulturists to access the wares they need to realise those vibrant visions.

It is essential that the checks on the organic produce that we import are carried out conscientiously and efficiently, so I have several questions for the Minister. Plants and plant product imports are valued at around

[Mr Toby Perkins]

£753 million every year, so it is crucial that the legislation works. Many hundreds, if not thousands, of jobs depend on it.

As we know, one of the key changes in the move to the border target operating model is that inspections of many plants from the European Union, including all those categorised as high risk, will now take place at border control posts, rather than at the goods' place of destination. The regulations set out the goods of medium risk that will be subject to checks, but many in the sector are deeply concerned about the move.

In a letter to the Secretary of State that I have seen, the Horticultural Trades Association raises grave concerns about border control posts' ability to handle the volume and speed of goods that they will receive, and to ensure the free flow of imports. The Minister spoke about reducing friction, but the association is worried about friction increasing. It further cites concerns about the capability and equipment available at border control posts to undertake the complex checks. What steps has the Minister taken to ensure that the new system can manage the volume of checks that will be required? Does the new system have the ability to check the products now defined as medium risk? Does the Minister anticipate that this will lead to further delays, and what assurances can he give to importers that are worried about further Government-created delays to products being received?

The changes set out in the legislation will alter fees at a time of great financial hardship, when customers are battling with the cost of living crisis and businesses small and large are attempting to grapple with the inflation we have seen under this Government. The legislation will result in a material change to the cost of importing for businesses that have been hampered by years of uncertainty about their ability to trade. Will the Minister consider conducting an impact assessment into the changes made by the legislation to ensure that the Government can provide any support necessary to the industry?

The legislation makes use of a tight definition of a "final user", as a person acting on their own behalf and outside of their professional interests. As the Minister will be aware, the National Farmers Union proposes that final user be redefined to also mean a business that imports plants or plant-based products that are for its own purposes and that never leave its site. Goods that will not leave a business premises clearly pose a smaller biosecurity risk than those intended for broader commercial use. Will the Minister therefore set out why the Government are not considering the approach suggested by the National Farmers Union, which might reduce bureaucracy for smaller and medium-sized enterprises?

The core function of the changes is to adjust inspection rates and relevant fees, and to define scope. Prices have been incredibly volatile over recent months and years. That has posed economic challenges domestically, but the challenges are particularly acute for those operating in international markets. It is important that a balance is struck between risk appetite, businesses' ability to trade, and checks on goods. How often does the Minister plan to review the legislation to ensure that businesses and customers are paying a fair price for services and that we can have confidence in the risk rating of products?

The Opposition will not oppose the changes, but I hope that the Government understand the need for further consideration of the impact they may have for businesses and the public. I look forward, as I am sure the industry does, to hearing the Minister's response to my questions.

4.48 pm

**Mrs Natalie Elphicke (Dover) (Con):** It is a great pleasure to serve under your chairmanship, Ms Rees. The two statutory instruments are part of the Government's new border target operating model, which will manage import controls. Controls on the border are important, and it is important that dangerous and illegal meat and other products are seized at the border.

Evidence from the Dover port health team is that there has been an increase in the risks associated with the safety of food and drink, partly as a result of global food chain insecurity following Russia's invasion of Ukraine, and partly because of poor slaughter, pesticide and goods transportation practices in some other countries that can lead to risks to human and animal health. Having the right risk-based checks in place is important to protect our country, our farmers and our food supply chains.

Despite the many hours over a great number of months that have been spent by informed and expert channel trade businesses; the Port of Dover; Dover Port Health Authority; the Kent and Medway business advisory board; food and drink organisations such as the Chilled Food Association; logistics businesses including Logistics UK; and myself, the Government have failed to listen to the representations made about the proposals. I believe those representations would make the border arrangements cheaper and stronger than those that have been proposed.

The statutory instruments risk creating a weaker new regulatory environment for decision making around fees and charges, and less control at the vital point of entry into our country. They must be viewed alongside another statutory instrument, which is currently subject to the negative procedure and therefore not open to debate, but which directly impacts the interpretation of the statutory instruments that we are considering. That other statutory instrument, which is still open for hon. Members to object to, as I have done—I encourage them to consider doing so—removes common-sense requirements that say that border checks should be done at the border.

The new arrangements under the Official Controls (Location of Border Control Posts) (England) Regulations 2024 allow the checking point for the border to be some distance from the point of entry at the border, with no obligation in the regulations to demonstrate, for example, how transit biosecurity risks will be managed if a checking facility is some way away, as the new regulations will allow.

That is directly relevant to the Committee, because the common user charge being imposed at the Dover border under the statutory instruments that we are considering is to pay for such a remote facility. The new border controls for Dover, to which the statutory instruments relate, will not be carried out at the point of entry in Dover, but in Ashford, some 22 miles away—basically the same distance as from Dover to France.

As we have heard and as I will further explain, the basis for the calculation of the proposed costs and fees has caused considerable industry concern.

First, the draft Official Controls (Fees and Charges) (Amendment) Regulations 2024 amends EU regulation 2017/625, which relates to the calculation and enforcement of charges and fees on imported animals and animal feeds. Regulation 2(2)(a) removes the requirement under the current regulation for fees and charges to be collected and enforced at border control posts.

**Mr Perkins:** I am listening with great interest to what the hon. Lady says. Is it her contention that the instruments before us are necessary but do not go far enough, or is she suggesting that they will make things worse?

**Mrs Elphicke:** I am grateful for that question. As I said in my opening remarks, it is my view that the regulations are weaker than those currently in place and that the new environment, in the context of the entirety of the new border target operating model, is less strong in protecting our country. I will go on to explain the measures to which that applies.

As I said, regulation 2(2)(a) removes the requirement on fees and charges to be collected and enforced at border control posts. We heard from the Minister that the intention is that they will now be collected online. However, the regulation does not specify where or how the fees will be collected, or whether it will still be possible for the fees to be collected in person at the border as well as online. Given the overall lack of maturity in some of the digital border control posts, that is clearly of concern to some businesses.

Regulation 2(2)(b) then removes the need for a competent authority to be “objective and non-discriminatory” when determining the application of fees. It allows a competent authority to reduce or waive fees with regard to any consideration that it deems relevant. That has given rise to concerns that it could give undue power to a competent authority to change prices on goods that are entering the country. Some businesses may be arbitrarily favoured or punished with additional fees, which will disrupt trade and may discourage businesses from trading with the UK if they deem those fees to be arbitrary or unfair.

I am sure that the Minister will reassure me that that is not the intent of the regulations, but it is none the less a grave concern. It should be noted that the removal of the objective and non-discriminatory criteria risks anti-competitive behaviour in the channel trade. The authority to which the Government have decided to give checking powers is home to the international rail terminal stop for Eurotunnel, which Ashford has been negotiating to get reopened.

The Ashford stop—the new border control point—is considerably closer to Eurotunnel than the Port of Dover. Why does that matter? As the Dover Port Health Authority has set out repeatedly to the Government, the overwhelming majority of the goods expected to be checked—around 90% of them—will come in through Dover, compared with around 10% coming in through Eurotunnel. Yet the new border control point is a great distance from Dover and much closer to a much less significant point of entry. I would be grateful if the Minister could explain why the Government feel it necessary to give themselves powers to act in an arbitrary and discriminatory fashion, and why that change in regulation is required.

Regulation 3(a) will change the wording of article 81 of the existing EU regulation. This relates to the determination of costs. It changes the word “shall” to “may” and states that the costs may be determined on

“the costs of official controls and costs connected with official controls, including, but not limited to”,

and then sets out some features. That means that the previous criteria, which have been in place for some time, are now not binding, and a competent authority, which will not be the Dover Port Health Authority, can determine the charges to be placed on goods for whatever reason it decides. The SPS certification working group raised issues with that, alongside concerns about the common user charge being imposed through the regulations, as there has been no transparency on the cost basis for the new inspections.

The current EU regulation is explicit in what inspection charges can be costed. These are specified in article 81, including staff salaries, the cost of facilities and equipment, consumables and tools, services delegated to other bodies, the cost of training, the cost of travel, and costs associated with testing in labs. The statutory instrument turns those required and limiting criteria into simply guidelines, which means that they are not the only way that costings for inspections can be determined, and the competent authority can use whatever reason it likes—it would not be limited in the way it is now—in order to change and charge inspection costs.

That means that there may be differences in the charges for inspection. Ultimately, they will be more expensive than the current checks and processes. This has raised concerns, as has been mentioned, that prices will rise and supply chains could be disrupted, which may have an impact on the UK’s food supply. Considering that the UK imports more than 40% of its food, and, as I have underlined, the Port of Dover plays a very significant part in our trade with Europe, this statutory instrument has the potential to be quite significant to the UK’s food supply.

The anti-competitive potential for this approach has been highlighted in discussion with trade businesses and the Port of Dover over many months. I would like the Minister to comment on what the port and industry have had to say. They say that the level of the charge is eye-wateringly high at £29 for shipments of a single commodity, and up to £145 for multi-commodity shipments. That means groupage in terms of how the trade operates. What we have already seen over the last couple of years is a change in shipments in terms of groupage and non-groupage facilities. There is significant concern that the groupage costs and the multi-commodity shipment costs will particularly impact small and medium-sized enterprises, as we have heard. By contrast, the charge that the Dover Harbour Board would levy on a lorry for such purposes would be £19, so there is a significant multiple of the charges currently faced.

Then there is the legal limitation on DEFRA’s statutory power to recover costs. Over-recovery is unlawful. DEFRA therefore needs to be transparent about what the costs are. It is the view of industry that it is simply not credible that the cost of operating a lorry park and a few checks is seven times higher than the cost of operating checks at the eastern docks in Dover, which already have heavy machinery and multi-storey infrastructure. It should be remembered that the new cost that will be

[Mrs Elphicke]

levied is not the whole cost that industry will bear because additional charges will also be levied for examination and other costs.

That is a matter that Logistics UK has drawn attention to, because it is concerned about the disparity and the risk of significant disruption in costs between Government-run facilities and commercially-run border control points. It has said in its most recent briefing this month that commercial ports have yet to make public their fee structures. Logistics UK is calling for commercial ports to get visibility of the import of products, animals, food and feed systems to know which loads contain SPS goods, which are eligible for checks and charges at border control points. Logistics UK is also concerned that differing charging structures for a national import controls process could lead to a diversion of trade and increased admissions.

As I represent the area of Dover and Deal, it is of grave concern if a consequence of the new changes would be any kind of diversion or disruption to what is the most successful operation in terms of cross-channel trade.

The risk of market distortion is being raised by the Port of Dover, by businesses and by the people most closely involved who have made representation after representation, which has not been listened to.

The concern also is that if there is a change in the routes of traffic coming into the UK, this will also be a mis-analysis in terms of the costs and preparations made by the Government. They are preparing something without, as we have already heard, having made the impact assessment, which is necessary in relation to these important changes.

Finally, the Government have already set the user charge without having any operations up and running at the new facility. By contrast, the facility at Dover is long established and there is a state-of-the-art plant health facility that has already been paid for by taxpayers. Instead of using that, the Government have guessed the amount of the charge in a situation where it is legally able only to pass on costs incurred. I am interested to hear from the Minister how the costs will be reviewed and what steps will be taken to ensure that there is transparency, which there has not been in the process to date, about how those costs are reached and also that businesses will not be charged more than the running costs that are required.

Before I leave the topic of the common user charge, I should just say that the Allianz Trade organisation has suggested that there will be a total of £2 billion in additional costs, so these changes are not small. It is important that what seem to be very small changes in the statutory instruments will potentially have a huge impact on the border.

It has been announced that the Ashford facility is intended to be the new border control facility. It is some 22 miles away and is a remote, non-proximate facility. With regard to the new official controls, the Government have said that they would prefer this new, untested health authority, local authority, in Ashford to be managing these critical new processes for the country. No full impact assessment has been made, and that is noted in the statutory instrument. It is my view that a full impact

assessment should be made, given the scale of the estimated costs—£2 billion—and given the potential impact and given the risks that so many businesses have raised with the Government.

Taking into account all the measures of inspection and the other port costs, businesses such as those represented by the SPS certification working group are left unsure as to what the total costs might be and how they can properly plan for this change. It is very late in the day indeed, notwithstanding the fact that this change has been a long time coming, for the Government to begin to inform business about how this might operate.

Let me turn briefly to the other statutory instrument before us, the Plant Health (Fees) (England) and Official Controls (Frequency of Checks) (Amendment) Regulations 2024. These regulations fail to list Dover as a relevant port. Considering that 18 million tonnes of cargo—mostly from the EU—comes in through Dover, the failure to include Dover as a relevant port is simply not sensible. The freight liaison group has been clear that the statutory port health function, which legally and operationally rests with Dover Port Health Authority, should continue to operate in full.

I have outlined in brief some of the very serious concerns that have been raised with me and with Ministers over a long time, but which have not been fully addressed to date. As I am not permitted to be a formal member of this Committee today, I cannot, as I would choose to do, vote against these statutory instruments. However, I hope that other Members may take time to reflect, note the concerns raised and weigh the gravity of the subject matter, because it affects food safety, security, businesses and a vital trading pathway that benefits our entire country.

5.7 pm

**Sir Mark Spencer:** I am grateful to the shadow Minister, the hon. Member for Chesterfield, and to my hon. Friend the Member for Dover for their interventions and thoughts. First, I will say that we have worked closely with businesses to get this right—in the design phase, through the graduated implementation, and with practical tips to make importing as smooth as possible where checks are needed. Businesses indicated that they needed time to prepare for these changes, so we revised the timeline for introducing controls on EU goods, and our phased approach gives them the time to adapt.

We continue to engage with stakeholders across all sanitary and phytosanitary sectors within the UK and across the EU, and with trading partners around the world, to raise awareness of the border target operating model. Information is being shared through a series of live and virtual engagement events and communications detailing the actions required. Online guidance is available at gov.uk. We will, of course, adapt a carefully calibrated approach to enforcement of the new controls that minimises the risk of disrupting trade flows, with an emphasis on educating and supporting businesses to comply rather than enforcing over-vigorously in the first instances.

One of the questions raised was why checks cannot continue at the point of destination, given the impact on the horticultural sector. The place of destination scheme was always intended to be a temporary measure to facilitate the EU exit transition for EU goods. New controls have been phased in over time to give businesses



time to adapt their supply chains and import pathways accordingly. The draft border target operating model was produced and developed in collaboration with those stakeholders, and therefore the proposals and timelines have had industry input.

From 30 April, the place of destination scheme will come to an end. High and medium-risk plants and plant products must come through a border control post or designated control point where identity and physical checks will be carried out. Border control posts have long since been used to manage import inspections of goods from non-EU countries, and are an essential component of our biosecurity regime.

Turning to the question about what resources we put in to deal with the plant health checks at the border, import checks of high-risk plants and plant products imported into Great Britain from the EU were introduced on 1 January 2021, recognising the relevant biosecurity risk that such goods pose. More than 55,000 high-risk plants were imported from the EU in the past six months, which were subject to a risk-based import check, including more than 10,000—about 19%—that received physical checks. More than 350 consignments of EU high-risk plants were intercepted, including 131 due to the presence of a quarantine pest or disease, and the remainder related to incorrect health documentation. We will continue to work closely with the Animal and Plant Health Agency to ensure that we get those regulations right as we move forward.

My hon. Friend the Member for Dover asked about Sevington, which is 22 miles away from the Port of Dover. The legislation allows for border control posts to be located away from the point of entry in specific circumstances, and processes will be put in place to mitigate appropriately any additional biosecurity risks that result from Sevington's inland location. Where a physical check is required, goods cannot be legally placed on the UK market until the load has been taken to the border control post, inspected and cleared. An instruction to attend the border control post for an inspection constitutes a legal requirement, and should a vehicle fail to attend the border control post, officials can require the return or destruction of the goods, or for the relevant local authority to carry out controls such as an identity or physical check. Any placing of the goods on the market would be illegal, and the relevant local authority would be able to take the appropriate action, such as a recall from sale and potential legal action.

**Mr Perkins:** Before the Minister moves on, he has explained what will happen, but he has not really explained why. The hon. Member for Dover made a number of points about why she felt the move might be a bad idea for security and the facilities at Dover. Will the Minister expand a little more on why that has happened, rather than just on what will happen?

**Sir Mark Spencer:** There has been a lot of discussion with industry and the sector to get to the right point. What matters is not the location of where those goods are inspected, but that they are definitely inspected and that we tackle this on a risk-based basis. Where there is high risk, clearly we need to ensure that those checks are physically taking place at a location within the UK before they reach the open market; where there is low

risk, we try not to intervene too much, so that we allow trade to flow. I think that the debate over where that check takes place is less important than the fact that those checks do take place and that UK phytosanitary security is kept at its maximum level.

Turning to costs, there is a commitment to cost recovery. The existing provisions of the official controls regulation still specify that charges should not exceed costs. That remains untouched. We can only recover costs; we should not be able to make a profit from doing so. The rates will be reviewed quarterly and recalibrated annually to address any over-recovery. The Government will keep the rates under review and will continue to consider the context of the charge on businesses of all sizes across the sectors through policy evaluation. Quarterly reviews will be undertaken in the first year of implementation to monitor the import notification volumes, levels of payment compliance and import flow through planned Government-run BCP facilities. It is something that we have thought about a lot. That is why we introduced the cap. We were conscious of the impact on SMEs, and that is why we put in the cap.

The shadow Minister, the hon. Member for Chesterfield, asked about the impact that this might have on food inflation. Our calculation is such that over three years, we anticipate a 0.2% impact on food inflation. As we become more efficient and businesses understand how this will operate, we hope that the impact will be mitigated over time.

In closing, I say that we continue to have our ears open and to listen to industry, and we will continue to work with them.

**Mr Perkins:** I am grateful to the Minister for giving way before he sits down. He said that he will continue to listen to industry. The hon. Member for Dover and I both asked why there had not been an impact assessment. It might have better enabled him to listen to industry had he done an impact assessment. Will he explain why there was no impact assessment?

**Sir Mark Spencer:** There has been a huge amount of consultation and working with the sector to get to this point. I think that that was the right way of doing this, of listening and building the model together, trying to understand the challenges that the sector faces. My commitment is that we will continue to have those discussions and to listen to industry, working with them to ensure that this works as efficiently as possible. With that, I commend the draft regulations to the Committee.

*Question put and agreed to.*

*Resolved,*

That the Committee has considered the draft Official Controls (Fees and Charges) (Amendment) Regulations 2024.

#### **DRAFT PLANT HEALTH (FEES) (ENGLAND) AND OFFICIAL CONTROLS (FREQUENCY OF CHECKS) (AMENDMENT) REGULATIONS 2024**

*Resolved,*

That the Committee has considered the draft Plant Health (Fees) (England) and Official Controls (Frequency of Checks) (Amendment) Regulations 2024.—(*Sir Mark Spencer.*)

5.17 pm

*Committee rose.*





