

# Guidance Document

## Charges for Export Health Certificates in Seafood Export Hubs

April 2023



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# 1. Introduction

- 1.1 Food Standards Scotland (FSS) is a non-Ministerial Office of the Scottish Administration. It is responsible for the delivery of Export Health Certificates (EHC) in Certification Hubs to facilitate the export of fishery products and Live Bivalve Molluscs (LBM).
- 1.2 This document explains the legal requirements that FSS must comply with in charging for EHCs in Certification Hubs, and how the charging is calculated and carried out. Paragraph 21 of this guide explains how a Certification Hub can keep charges to a minimum. It also outlines the requirements of the business to pay the costs of official controls and other activities on the production on an invoice.

# 2. Charging for Export Health Certifications

- 2.1 The legal basis for charging comes from Regulation EU 2017/625:
  - Art 1(2) (a) applies official controls to the areas of food and food safety. Article 1(3) applies Regulation 2017/625 to food exported from Great Britain. Article 2 sets out that official controls include the issuing of official certificates such as EHCs. Article 88 sets out that competent authorities such as FSS may issue official certificates such as EHCs.
  - The Official Feed and Food Controls (Scotland) Regulations 2009 (SSI 2009/446) schedule 5 states that both the food authority and FSS are the competent authority for issuing Art 88 certificates and for the purposes of Art 89 (also regarding official certificates).
  - In Article 83, regarding collection and application of fees and charges, references are made to, ‘an operator’ being charged rather than a Food Business Operator (FBO) specifically. The term is defined at Article 3(29) as ‘operator’ meaning any natural or legal person subject to one or more of the obligations provided for in the rules referred to in Article 1(2). Article 1(2) (a) covers, “any stage of production, processing and distribution of food” and the Certification Hub activities are covered by these terms.
  - Further information can be found in Chapter VI ‘Financing of Official Controls and other official activities’ of Regulation (EU) 2017/625 - Article 80.
  - A requirement by HM Treasury (“Managing Public Money” found at (<https://www.gov.uk/government/publications/managing-public-money>) for FSS to charge the appropriate customer for the official control/check provided; and
  - The relevant sections contained within the Scottish Governments ‘Scottish Public Finance Manual’  
<http://www.gov.scot/Topics/Government/Finance/spfm/Intro>.

### 3. Who does FSS charge and what does it charge for?

- 3.1 As of 27<sup>th</sup> March 2023, FSS provides EHC official control/check in two Hubs in Scotland's central belt:
- Mesguen, based in Harthill,
  - O'Toole, based in Bellshill.
- 3.2 FSS will charge for the EHC official control/check by adopting a full cost recovery charging model. As per the Scottish Public Finance Manual (SPFM) Fees and Charges section <https://www.gov.scot/publications/scottish-public-finance-manual/fees-and-charges/fees-and-charges/> the full cost of delivering the official control/check will be recovered.
- 3.3 An hourly charge out rate will be calculated to cover costs from two components:
- Direct costs of FSS Certifying Officer (CO). Food Competent Certifying Officer (FCCO) and Certifying Support Officer (CSO) staff only (e.g. salary costs – including National Insurance and pension contributions)
  - Indirect costs driven by the delivery of EHC work (e.g. operational and administrative support to CO and CSO staff, IT infrastructure)
- 3.4 Additional information on what can and cannot be charged for is contained within Annex 2 of the SPFM fees and charging guidance <https://www.gov.scot/publications/scottish-public-finance-manual/fees-and-charges/annex-2-calculating-costs/>
- 3.5 A single charge rate will be applied for COs, FCCOs and CSOs. This calculation will factor in the total cost of delivering the certification work and spread the overall FSS cost over the estimated total chargeable hours. Premium payments for weekend and public holiday working will be included in the cost envelope.
- 3.6 A Business Agreement (BA) will be developed and agreed with each Hub on a monthly basis. It will include key information required for accurate charging and details of the weekly estimated charges for each Hub and the hours of work for FSS staff. Any time worked in excess of the BA will also be charged on a monthly basis.
- FSS time based charges are calculated by multiplying the time spent carrying out certification work (to the nearest quarter hour) by the appropriate hourly charge out rate.
  - FSS will charge the Hubs for all of the hours specified in their BA except where staff are not required and they can be redeployed elsewhere on alternative chargeable activity; or where there are other significant reasons under force-majeure to be considered on a case-by-case basis.

- FSS will not charge for time incurred for EHCs for exports to NI as detailed in the Movement Assistance Scheme (MAS). FSS will agree with each Hub a formula for the deduction of such charges from the monthly invoice and FSS will recover these costs from the Department for Environment, Food and Rural Affairs (DEFRA). Upon termination of the MAS, FSS will charge for EHCs for NI.
- Where there are increases in FSS charges, for example changes to the hourly rates, these will be applied from the date of the change and not retrospectively. Changes to hourly charge-out rates for EHC official control/check are made after advance notification to the Hubs. The Hubs will always be given a minimum of fourteen days' notice prior to any new charge-out rates coming into effect. Time based charges may include transactions and adjustments from earlier periods where they have not already been processed.

## 4. How are the charges calculated

4.1 The table at **Annex A** sets out the hourly charging rates for the EHC official control/check. Hourly charge rates are devised to cover costs from two components:

- Direct costs of FSS CO, FCCO and CSO staff only (e.g. salary costs – including National Insurance and pension contributions)
- Indirect costs driven by the delivery of EHC work (e.g. operational and administrative support to CO and CSO staff, IT infrastructure)

4.2 Support costs are worked out on an activity-based costing model.

### Business Agreement (BA)

4.3 The charging arrangements for each Hub in Scotland are set out in the Hub's BA.

4.4 The BA will be agreed and signed by both parties at the beginning of each business year and reviewed on a monthly basis. It will include the key information required for charges – based on estimates of expected staff deployment hours. The BA will include details of the weekly estimated charges.

4.5 Any time worked in excess of a BA will be charged on a monthly basis.

4.6 Time-based charges are used to estimate the costs for the BA. Further information about the (BA) can be found on the FSS website.

### Hourly charge-out rates

4.7 FSS charge-out rates are calculated each year and are made up of CO/FCCO/CSO staff costs and overheads as applicable within the resourcing model. The charge-out rates are included in this guide at **Annex A**.

## Chargeable allowances

- 4.8 Certain allowances that are paid to FSS staff because of a Hubs' business operating hours are chargeable, and are added to the time cost calculation. The amounts charged to the Hubs include the amount paid to FSS employees plus costs such as National Insurance and pension contributions.
- 4.9 Information about the various categories of chargeable allowance will be included in the BA, and any allowances paid but not in the BA will be invoiced monthly. The following are some of the types of allowances that might be covered:
- daily unsocial/night hours - where an officer has worked outside FSS core hours; or
  - overtime – where regular overtime is worked it will be included in the BA.
- 4.10 Allowances will not be included in time costs when the employee is not available to carry out work.

## Overtime and other local staffing arrangements

- 4.11 Overtime and other local staffing arrangements will also be included in the agreed BA

## Public and privilege holidays

- 4.12 Public and privilege holidays for 2023-24 will be identified on the BA and are as follows:

### Public Holidays (Premium rate charges apply)

- Monday 10th April (Easter Monday)
- Monday 1st May (May Day Holiday)
- Monday 17th July (Glasgow Fair Monday (floating Bank Holiday))
- Monday 25th September (Autumn Holiday (floating Bank Holiday))
- Monday 25th December (Christmas Day)
- Tuesday 26th December (Boxing Day)
- Monday 1st January (New Year's Day)
- Tuesday 2nd January (New Year's Day Holiday)

### Privilege Days (Standard charges apply)

- Friday 7th April (Good Friday)
- Monday 8th May (King's Coronation)
- Monday 29th May (Spring Holiday)
- Friday 22nd September (Autumn Holiday (PM only))
- Friday 1st December (St Andrew's Day Holiday)

Please note that "floating Bank Holidays" can be exchanged for other variations to regional trade holiday days through consultation with the Operations Manager and recorded in the Business Agreement. Alternative

exchange dates will be regarded as premium rate in alignment with their original Public Holiday status.

### Overtime

4.13 When a Hub needs FSS employees to work beyond their normal contracted hours FSS will pay them at their contracted rate, which may be a premium overtime rate. This cost is chargeable to the Hub and will be included as part of their total time costs.

### Relief cover

4.14 If the normal Officer is unavailable, FSS will supply a replacement. The costs of the replacement (including the costs of any allowances the replacement Officer may receive) will be included as part of the time costs charged. The Hubs will not be charged for the normal Officer in addition to the replacement Officer.

### Travel time

4.15 FSS employees are paid for any time spent travelling between premises during their normal working hours, but excludes time for the commute to their normal place of work. This paid travel time is not chargeable directly to the Hub but the cost is included in the hourly charge-out rates.

## 5. Keeping charges to a minimum

5.1 To make sure that charges are kept to a minimum, the Hubs can do the following:

- **Make sure that their operating hours and working practices are agreed with FSS and are documented in the BA.**
- **Give FSS as much notice as possible when there are temporary changes to the operating hours and working practices documented in the BA.** Where a Hub plans to make longer term changes, give FSS at least 15 days' notice. The more notice that is provided the better the opportunity that FSS has to redeploy staff without incurring additional costs.
- **Make sure that regular contact is made with FSS Operations Manager for your Hub.** They will be able to advise on any issues that may impact charges, keep you informed of future changes and can help make the best use of FSS resource.

## 6. Invoices and payment

### When will Certification Hubs get their FSS invoice?

#### Invoices

6.1 FSS works in accounting periods - each containing four or five weeks (these are shown at **ANNEX B – Monthly Timetable**). The Hubs will normally receive an invoice each month, approximately two to three weeks after the end of the accounting period within which the work was carried out. Actual charges will be provided on a monthly basis.

### What should the Hubs do if they have a query with their invoice?

#### Invoices queries

6.2 If a Hub has any difficulty in understanding their charges, or they suspect that FSS may have made an error, they should contact a finance representative by email, within 30 days of the date on the invoice, who will be happy to assist them:

- FSS invoice queries – Fiona Bruce or email: [charging@fss.scot](mailto:charging@fss.scot)

6.3 For all invoices not queried within the 30 days, FSS will be expecting payment.

### How can the Hubs pay for their charges?

#### Payment terms

6.4 FSS invoices are due for payment immediately. If payment is not received promptly then recovery action may be taken (see paragraphs 6.5 to 6.10).

#### Payment methods

6.5 Payment for FSS official control/check can be made in a number of ways:



By internet banking or BACS, our account details are:

<b>Bank Account</b>	<b>GBS NatWest Food</b>
<b>Sort Code</b>	<b>60-70-80</b>
<b>Account</b>	<b>10019715</b>
<b>Reference</b>	<b>“Receipts [and the invoice number]”</b>

#### Overdue invoices

6.6 Invoices unpaid over 31 days will be considered as debt; initially contact will be made by FSS asking for payment. If payment is not received within a week of the contact the overdue invoices will be forwarded to FSS debt collection agency for commencement of civil debt recovery proceedings through the courts. If court action is taken to recover outstanding debts the court will be asked to award FSS with the total debt inclusive of interest and any court costs.

6.7 Successful court action will result in a judgment or a decree against the debtor and FSS would then be able to use a range of enforcement action to obtain

payment, including the withdrawal of the Export Health Certification official control/check.

- 6.8 If a Hub lodges a complaint under FSS Complaints Procedure (see paragraph 30) or lodges an appeal under the BA appeals process (see [BA Guidance](#)), they must continue to pay their FSS invoices otherwise they could still face legal proceedings. Payment will in no way prejudice the consideration of complaints and if upheld the appropriate credit will be made as soon as possible.

#### Withdrawal of official controls

- 6.9 If a Hub fails to pay for their Export Health Certification official control/check, FSS may withdraw its official control/check from the Hub.

#### Appeals

- 6.10 Businesses also have the statutory right to appeal to a sheriff if a business does not agree with a charge under regulation 8 of the Fishery Products (Official Controls Charges) (Scotland) Regulations 2007 (SSI 2009/262).

## 7. Suggestions, comments and complaints

- 7.1 If a Hub is at all dissatisfied with any aspect of the official control/check provided by FSS, they should contact their Operations Manager in the first instance. If this does not resolve their problem and they are still not satisfied, FSS complaints procedure is available to all customers and stakeholders. A copy of the complaints procedure is available from FSS's website within the ['How we work'](#) section.
- 7.2 FSS welcomes comments on this guide and FSS charging process in general. If you do have any comments or suggestions for improvement on any aspect of FSS charging policy or this guide, please send them to:

Charges Guide  
FSS Finance Department  
Pilgrim House  
Old Ford Road  
Aberdeen  
AB11 5RL  
Email: [charging@fss.scot](mailto:charging@fss.scot)

## Annex A – Charge Rates

### **2023-24 Charge Rates to Food Business Operators from 27<sup>th</sup> March 2023**

For FSS time spent on the Export Health Certification official control/check, which are the hours the Hubs will be charged for the hourly charge rates for 2023-24 from 27<sup>th</sup> March 2023 can be found below:

<b>Monday to Friday</b>	<b>£47.90</b>
<b>Monday to Friday Overtime</b>	<b>£47.90</b>
<b>Saturday</b>	<b>£71.85</b>
<b>Sunday</b>	<b>£95.80</b>
<b>Public Holidays</b>	<b>£143.70</b>

# Annex B – Monthly Timetable

## FOOD STANDARDS SCOTLAND

### MONTHLY ACCOUNTING TIMETABLE 2023-24

Months Period	Week	Week Commencing (Monday)	Week Ending (Sunday)	Months Period	Week	Week Commencing (Monday)	Week Ending (Sunday)
April Period 1 (5 weeks)	1	27-Mar-23	02-Apr-23	October Period 7 (5 weeks)	27	25-Sep-23	01-Oct-23
	2	03-Apr-23	09-Apr-23		28	02-Oct-23	08-Oct-23
	3	10-Apr-23	16-Apr-23		29	09-Oct-23	15-Oct-23
	4	17-Apr-23	23-Apr-23		30	16-Oct-23	22-Oct-23
	5	24-Apr-23	30-Apr-23		31	23-Oct-23	29-Oct-23
May Period 2 (4 weeks)	6	01-May-23	07-May-23	November Period 8 (4 weeks)	32	30-Oct-23	05-Nov-23
	7	08-May-23	14-May-23		33	06-Nov-23	12-Nov-23
	8	15-May-23	21-May-23		34	13-Nov-23	19-Nov-23
	9	22-May-23	28-May-23		35	20-Nov-23	26-Nov-23
June Period 3 (4 weeks)	10	29-May-23	04-Jun-23	December Period 9 (5 weeks)	36	27-Nov-23	03-Dec-23
	11	05-Jun-23	11-Jun-23		37	04-Dec-23	10-Dec-23
	12	12-Jun-23	18-Jun-23		38	11-Dec-23	17-Dec-23
	13	19-Jun-23	25-Jun-23		39	18-Dec-23	24-Dec-23
					40	25-Dec-23	31-Dec-23
July Period 4 (5 weeks)	14	26-Jun-23	02-Jul-23	January Period 10 (4 weeks)	41	01-Jan-24	07-Jan-24
	15	03-Jul-23	09-Jul-23		42	08-Jan-24	14-Jan-24
	16	10-Jul-23	16-Jul-23		43	15-Jan-24	21-Jan-24
	17	17-Jul-23	23-Jul-23		44	22-Jan-24	28-Jan-24
	18	24-Jul-23	30-Jul-23				
August Period 5 (4 weeks)	19	31-Jul-23	06-Aug-23	February Period 11 (4 weeks)	45	29-Jan-24	04-Feb-24
	20	07-Aug-23	13-Aug-23		46	05-Feb-24	11-Feb-24
	21	14-Aug-23	20-Aug-23		47	12-Feb-24	18-Feb-24
	22	21-Aug-23	27-Aug-23		48	19-Feb-24	25-Feb-24
September Period 6 (4 weeks)	23	28-Aug-23	03-Sep-23	March Period 12 (5 weeks)	49	26-Feb-24	03-Mar-24
	24	04-Sep-23	10-Sep-23		50	04-Mar-24	10-Mar-24
	25	11-Sep-23	17-Sep-23		51	11-Mar-24	17-Mar-24
	26	18-Sep-23	24-Sep-23		52	18-Mar-24	24-Mar-24
					53	25-Mar-24	31-Mar-24

## Version Control

Version	Date	Last review carried out	Next review due	Comments
1.0	January 2021	N/A	April 2021	First version
1.1	September 2021	Sept 2021	April 2022	Update charge rates and timetable
2.0	April 2022	Sept 2021	March 2023	Update charge rates and timetable
3.0	April 2023	March 2023	March 2024	Update public/privilege holidays, charge rates and timetable

## Abbreviations

<b>Hub</b>	Certification Hub
<b>BA</b>	Business Agreement
<b>CO</b>	Certifying Officer
<b>CSO</b>	Certifying Support Officer
<b>DEFRA</b>	Department for Environment, Food and Rural Affairs
<b>EHC</b>	Export Health Certificate
<b>EU</b>	European Union
<b>FBO</b>	Food Business Operator
<b>FCCO</b>	Food Competent Certifying Officer
<b>FSS</b>	Food Standards Scotland
<b>IT</b>	Information Technology
<b>LBM</b>	Live Bivalve Molluscs
<b>OM</b>	Operations Manager
<b>NI</b>	Northern Ireland
<b>SPFM</b>	Scottish Public Finance Manual



**For safe food and  
healthy eating**

## Contact details

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