



Llywodraeth Cymru
Welsh Government

Guidance notes TB compensation

Mae'r ddogfen yma hefyd ar gael yn Gymraeg.
This document is also available in Welsh.

Guidance notes - TB compensation

Introduction

Our long-term goal is to eradicate bovine TB in Wales. We pay TB compensation to owners for animal(s) we slaughter because of TB.

The arrangements for paying compensation for cattle slaughtered because of TB are set out in the Tuberculosis (Wales) Order 2010 (as amended). The Tuberculosis (Wales) Order 2011 (as amended) provides arrangements for compensation for non bovine animal(s). In most cases, full compensation will be paid, but the amount of compensation you receive may be reduced if the rules set out in the TB Order have not been followed, if the animal has no valid Cattle Passport available on farm at the time of valuation (relevant for cattle only), or if the animal(s) concerned have been moved on to the holding under licence whilst the holding is under movement restrictions.

The vast majority of owners abide by the rules and are working with us to eradicate TB. Reductions to compensation paid for animal(s) slaughtered because of TB are there to encourage animal keepers to follow best practice. Where compensation has been reduced as animal(s) have moved on under licence, this allows an owner to move healthy animal(s) on to a holding with a known TB problem, but also means that the owner shares the financial risk.

The Valuation Process

Where cattle need to be slaughtered because of TB, Animal and Plant Health Agency (APHA) will send you a Notice of Intent to Slaughter, which will list the animal(s) that are required to be removed. The Notice of intent to Slaughter will specify a date when the cattle concerned need to be slaughtered by. Animal(s) are required to be removed from holdings without delay to reduce the risk of other animal(s) becoming infected with TB.

Please note that if any cattle are removed from your holding after the date specified on the Notice to Slaughter, TB compensation can be reduced by up to 75%, depending on the length of the delay.

APHA will appoint a valuer to determine the market value of the animal(s). The owner of the animal(s) can only reject the appointment if there is a personal or business conflict of interest. In these circumstances an independently nominated valuer will be appointed.

To allow valuation to take place, all cattle to be valued must be correctly ear tagged and have a valid cattle passport present on farm. If cattle do not have a cattle passport available on farm at the time of valuation, or the animal has a CPP35 Notice of Registration, then the animal concerned will be considered to have no market value, and will need to be slaughtered on farm. The Tuberculosis (Wales) Order 2010 (as amended) requires that compensation is paid for cattle that are slaughtered because of TB; therefore, in these circumstances a compensation payment of £1 per animal will be paid. The only exception to this is for cattle aged 37 days or younger. Cattle owners

have 27 days to apply for a Cattle Passport, and should allow 10 days for receipt of a passport from BCMS. Because of this, cattle aged 37 days or younger will be valued if no passport is on farm at the time of valuation. Although an animal of this age would need to be slaughtered on farm, as it cannot be removed without a passport, compensation will be paid based on the market value as established at valuation.

All valuers have been appointed via a selection process that ensures that each valuer has the required level of experience. Valuers will be aware of current market values for animals, and will use this information to determine the market value of the animal(s) being valued.

A valuer will visit the farm to carry out a valuation of the animal(s) and will complete the relevant paperwork to reflect this. The animal(s)' owner can provide the valuer with any necessary information/evidence, for example pedigree certificates, for the valuer to consider. Please note that ASR and BSR Certificates will not be accepted as proof of pedigree.

The owner of the animal(s) or an appointed representative should make sure the information on the valuation paperwork is accurate. This will ensure that the compensation payment is made to the correct business / person. Please check that the owner's name and address is correct (particularly if it is different to the holding address of the animal(s)).

Once the valuation process is complete the paperwork is processed by APHA for Welsh Government to make the payment.

Removal of animals to slaughter

Bovine animal(s) that are removed to slaughter must be ear tagged in accordance with the Cattle Identification (Wales) regulations 2007 and must be sent to slaughter with the relevant cattle passport. All passport details must be correct.

Any animal(s) without a valid cattle passport are not permitted to travel to a slaughterhouse and must be slaughtered on farm.

It is recommended that you check the cattle passports for each animal on your holding before the TB test is due, this will allow time for you to request amendments, or replacement passports if required from BCMS. Correct passports must be presented at the valuation appointment.

If cattle are in a medicine withdrawal period when it is due to be slaughtered you must ensure that you inform APHA when you are contacted regarding the valuation appointment, as the animal will not be permitted to enter the food chain, and will need to be slaughtered on farm.

If an animal is deemed unfit to travel, either within 27 days of calving, within 7 days post calving, if lame or ill, you must ensure that you inform APHA when

you are contacted regarding the valuation appointment so that they can arrange for the animal(s) to be slaughtered on farm.

Animals must comply with the Clean Livestock Policy and therefore must be cleaned to an acceptable standard before being presented for slaughter.

Delayed removal

It is important that any animal(s) identified as needing to be removed from the breakdown farm are removed as quickly as possible. We will reduce compensation when a herd owner has not cooperated with the removal of cattle to be slaughtered and, because of this; the removal has been delayed for longer than 10 working days from the date the animal(s) were identified as needing to be slaughtered by. Compensation will not be reduced where the 10 day target has been missed through circumstances outside of the control of the owner.

When will compensation be reduced?

We will reduce compensation in circumstances where we are satisfied, on a balance of probabilities, that the rules that are laid out in the TB Order have been broken. A list of the circumstances, in which the animal's owner may receive less than the market value for the animal, is at Annex A.

It is also an offence to break the rules set out in the TB Order and owners who fail to comply with the requirements of the Order may be prosecuted by Local Authority Trading Standards using the 'beyond reasonable doubt' standard of evidence.

Cattle brought into a restricted herd

When a holding containing an animal suspected of having TB is identified, it is placed under movement restrictions. Bringing healthy cattle into a restricted holding and exposing them to the risk of infection goes against the principles of infectious disease control. Restocking, when allowed by a Veterinary Risk Assessment cannot take place until the remaining cattle have passed one or more official Tuberculosis test.

APHA may provide a license for an owner to bring cattle into a herd that is under TB restrictions. In the event that the animal(s) are then slaughtered because of TB, before the herd becomes TB free, the compensation for the animal(s) will be reduced by 50%. This allows the farmer to restock but means they also share the financial risk of bringing healthy cattle into a herd with a known TB problem. Compensation payments for such animals may be delayed whilst the amount of compensation due is calculated.

Please note that should cattle be moved on to, or off your holding without a valid movement licence, this would constitute a breach of The Tuberculosis (Wales) Order 2010 (as amended), and you may be liable to prosecution. Any

TB compensation payable for animals that have been moved without a licence may be reduced by 95%.

Recovery of costs and payments

The current TB Order allows us to recover our costs, such as the cost of equipment and/or staff, where we have carried out a TB test because the owner has failed to have an animal tested. We will also be able to recover our costs:

- where the owner has failed to allow an animal to be valued
- where a owner fails to allow an animal to be removed

We are also able to delay compensation payments or offset a cost or payment recovery against future payments.

How will compensation be paid?

The market value of an animal slaughtered for TB will be paid as compensation in most cases. If there has been a breach to the TB order, or if the animal(s) concerned has been moved on to the holding under licence whilst the holding is under movement restrictions, compensation will be reduced. Please see annex 1 for further details.

Please note:

- Where there has been a breach of the TB Order a reduction of between 5% and 95% will be applied to the market value.
- Animals moved on to the holding under licence whilst the holding is under movement restrictions will have a compensation reduction of 50% of market value applied if the animal(s) concerned are slaughtered because of TB..
- the minimum amount of compensation paid will be the salvage value of an animal(s)
- the market value (or reduced market value) of the animal will be paid when this is greater than the salvage value
- Where no valid cattle passport was present on farm at the time of valuation, £1 will be paid for that animal.

Some examples of the compensation paid as a result of different multipliers are provided in the table below:

Market value	Salvage value	Multiplier	Compensation
£1,500	£500	1	£1,500
£1,500	£500	0.75	£1,125
£1,500	£500	0.5	£750
£1,500	£500	0.25	£500
£1,500	£500	0.05	£500
£0	£0	1	£1

As well as this the maximum amount of compensation we will pay for an animal is £5,000 and £1 will be the lowest.

We make the TB compensation payment to the Customer Reference Number (CRN) of the owner of the animal(s) concerned. It is therefore important that you have applied for a CRN and that your details, including bank account information, are up to date. If you need to apply for a CRN, or need to change your bank or business details, then please contact:

Rural Payments Wales Customer Contact Centre

0300 0625004

Email: rpwonline@wales.gsi.gov.uk

Can I appeal?

You will be able to appeal a decision to reduce compensation under our Independent Appeals Process. The web link below will take you to the Government appeals process webpage:

<http://gov.wales/topics/environmentcountryside/farmingandcountryside/farming/rpwappeals/?lang=en>

Please note that you are not able to appeal against the market value established at the valuation stage.

Applications to appeal must be received no later than 60 days after the date of the letter notifying of the decision that is being appealed against. Appeals received after this deadline cannot be considered.

Annex A – Market value multipliers where a breach to the Tuberculosis (Wales) Order 2010 (as amended) has occurred.

Circumstances where a multiplier will be less than 1	Multiplier applied
Non-compliance with an isolation notice or other notice under Article 10(3)	0.5
subsequent breach/ failure to comply with more than 1 requirement	0.05
Unpasteurised milk from a suspected animal has been fed to calves or other mammals	0.05
Unlicensed move of a restricted animal	0.05
Veterinary Requirements Notice:	
1 st breach	0.5
subsequent breach	0.05
Biosecurity Improvement Notice:	
1 st breach	0.5
subsequent breach	0.05
Failing to comply with a notice restricting the storing, spreading or movement of manure or slurry	0.75
Non-compliance with an other notice under Article 18(1) i.e. isolation notice or cleansing & disinfection notice:	
1st breach	0.5
subsequent breach	0.05
Failure to test an animal (interval between the specified test date and the test is):	
More than 60 days but not more than	0.5

90 days	
More than 90 days	0.05
Failure to abide by the conditions of an AFU or EFU	0.05
An animal is slaughtered because of TB after it has been brought, under licence, onto premises subject to movement restrictions and before the herd regains its officially TB free status	0.5
Delaying the removal an animal to be slaughtered. Interval between the specified test date and the removal is:	
More than 0 working days but not more than 10 working days	0.75
More than 10 working days but not more than 20 working days	0.5
More than 20 working days	0.25
Enforced TB test i.e. where the test is carried out under Art 12(5) of the Order	0.05
The animal is slaughtered because of a failure to test i.e. wild or unmanageable	0.05
Failure to comply with the requirements of Article 12 (2) i.e. hiding the identity of a reactor/failing to present the correct reactor	0.05
Breaching a prohibition i.e. use of a TB vaccine, treating an animal for TB, performing an unauthorised test, interfering with the test	0.05

Annex B

State Aid

The scheme is open to all small and medium sized enterprises.

Aid is granted in compliance with the set out conditions of Chapter 1 (Common provisions) and Article 26 (specific provisions) of Regulation (EU) 702/2014. The measures are aimed at compensating owners for losses caused by animal disease. In accordance with Article 26.1 of Regulation (EU) No. 702/2014, it shall be compatible with the internal market within the meaning of Article 107(3) (c) of the Treaty and shall be exempted from the notification requirement of Article 108(3) thereof where it fulfils the conditions laid down in paragraphs 2 to 13 of this Article and in Chapter I. The scheme will abide by Article 26(5) in relation to direct payment.

The aid intensity for this will not exceed 100%. The aid will be limited to losses caused by TB, which is currently endemic in Wales. The cattle control and farmer support schemes are specific to TB as mentioned in the list of animal diseases established by the World Organisation for Animal Health and/or in Annex 1 to Regulation (EU) No. 652/2014

The aid does not relate to measures in respects of which European Union legislation provides that the cost of such measures is to be borne by the agricultural holding. The scheme will comply with Article 26.7 through to Article 26.9 of Regulation (EU) No. 702/2014.