

Changes to cattle compensation payments

Bovine TB Information Note 01/12

May 2012

From **1 July 2012**, a new policy of reducing compensation for TB reactor cattle from herds with significantly overdue TB tests will be introduced. In response to stakeholder representations some changes will also be made to the cattle categories we use and certain scheme rules and protocols will be made clearer in a new Compensation Order.

What is changing?

Overdue tests

TB testing is a key disease control measure and it is important that tests are carried out on time to establish the TB status of herds. To encourage timely testing, owners of TB reactor cattle disclosed in herds with tests overdue by more than 60 days will receive reduced compensation payments in line with the following sliding scale:

TB test is overdue by:	Reduction in compensation:
More than 60 days but not over 90 days	25%
More than 90 days but not over 180 days	50%
More than 180 days	95%

In exceptional cases, where a delay to testing is justifiable or unavoidable (e.g. if the cattle owner were seriously ill) we will – on request - review a decision to reduce compensation. Please note that a review would not delay the removal and slaughter of reactor cattle.

New compensation categories

Some category changes are being made in response to proposals from external and internal stakeholders:

- A new category for young pedigree beef animals (aged 0-6 months);
- The dairy calved animals category (pedigree and non-pedigree) will be split into two age bands: up to 7 years, and over 7 years.

Pedigree cattle

It will be made clear in the new Compensation Order, that:

- i) pedigree compensation rates are only payable for animals with breeding potential;
and
- ii) only owners of animals with full pedigree certificates will receive pedigree compensation rates.

Average market values

We will clarify the sales data collection periods used to calculate table valuations:

- 1 month (between the 21st day of one month and the 20th day of the next month) sales data collection period for non-pedigree stock; and
- 6 months (but not necessarily consecutive full calendar months) for pedigree cattle

Cattle passports

We will make it clear that compensation is only payable for cattle with the correct and legally required ID documentation. Compensation will only be paid if a cattle passport is produced *before* the affected animal(s) are removed for slaughter.

These changes will be detailed in the Cattle Compensation (England) Order 2012 and the Individual Ascertainment of Value (England) Order 2012 which will replace and revoke the Cattle Compensation (England) Order 2006 and the Individual Ascertainment of Value (England) Order 2005.

What will cattle owners need to do and when?

Cattle owners should familiarise themselves with these changes. As with normal business practice, you should ensure that cattle are TB tested within the notified testing windows and that you hold passports for all your cattle.

Why are these changes being made?

- To better encourage timely TB testing, thereby reducing disease spread risks for all cattle farmers;
- To make the TB compensation system more transparent and remove ambiguities around scheme rules; and
- To remove anomalies in relation to compensation paid for pedigree calves and calved dairy cattle.

Q&A

Will I be impacted by the decision to reduce compensation for owners of herds with overdue tests?

If you arrange and carry out your routine TB tests within the set deadlines this change will not affect you. Only cattle keepers that fail to test their cattle on time and then experience a TB breakdown will be affected.

What do I need to do to prepare for the compensation changes?

Make sure your TB testing is up to date, and ensure tests are arranged in good time. You should contact your local AHLVA office if you think there will be any delays.

What if my test was overdue because of events outside of my control?

Cattle keepers will have 21 days to appeal against a decision to pay reduced compensation by writing to their local AHVLA office.

Will herd-owners with tests overdue on 1 July be impacted?

No. The change comes into force on 1 July and we will not backdate the measure. Actual reductions in compensation – for those keepers with TB reactors found during an overdue test - won't take effect in practice till 60 days after the 1 July.

Contacts

If you have any questions on how these changes will affect you, please contact your local AHVLA office. Contact details are available at:

<http://animalhealth.defra.gov.uk/about/contact-us/index.htm>

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