How Penalties in respect of Cross-Compliance Animal Identification, Registration and Movement breaches will be calculated (scheme year 2014).

The following paragraphs explain how penalties are calculated for Cross-Compliance Animal Identification, Registration and Movement breaches.

1.1   All breaches of Cross-Compliance are assessed against the following criteria:

- Intent
- Severity
- Extent
- Permanence
- Repetition

Intent

1.2   The inspector performing the Cross-Compliance inspection is required to report if the breaches identified have been caused intentionally or due to negligence. Intentional and negligent breaches are calculated separately using the following instructions and when this process is complete, the highest penalty will be applied.

1.3   Breaches found during a Cattle inspection result in the application of certain codes. The codes that represent breaches of the Cross-Compliance cattle verifiable standards are as shown in the table below:

SMR Number	Verifiable Standards	Status Code
7	The farmers is registered with DARD as a herd keeper	
7(a)	Cattle must be double tagged with DARD approved ear tags	IDQ 3, SPT
7 (a)(i)	All calves born on a holding are double tagged within 20 days of birth or before the animal leaves the holding, whichever is earlier.	IDQ 1, IDQ 5, IDU, NNO, DOBQ
7(a)(ii)	All cattle imported from outside the EU are double tagged within 20 days of release from import checks or before the animal leaves the holding, whichever is the earlier.	IDQ 8
7(b)	Lost or illegible ear tags must be replaced within	IDQ 2, IDQ 2

	28 days of discovering the loss or before the animal leaves the holding, whichever is the earlier.	(A)
7(c)	All births of cattle on a holding must be notified to DARD no later than 27 days after the birth.	NNO & DOBQ, IDU
7(d)	All movements of cattle onto and off a holding must be notified to DARD within 7 days of the movement.	MO1 (notified 8 – 14 days) MO (notified 15 days or more) IN1 (notified 8 – 14 days) IN (notified 15 days or more)
7(e)	All deaths of cattle on a holding must be notified to DARD within 7 days.	DE1 (notified 8 – 14 days) DE (notified 15 days or more)
7(f)	All cattle imported from outside the EU must be notified to DARD within 15 days of retagging the animal.	IDQ 8
7(g)	A herd register for a holding must be kept up-to-date in a format approved by DARD	BHR

1.4 The nature of the animal related breach found at inspection will automatically determine the severity, extent and permanence of the breach and the following paragraphs describe how this is done.

1.5 Note: An automatic breach will be recorded for Cross-Compliance purposes if animals in a herd have lost 1 tag and the tag loss rate in the herd is above the acceptable tag loss threshold for single tags. For herds below the acceptable tag loss threshold if the farmer has not replaced missing single tags within 28 days of the end of the original inspection a breach will be applied. A breach will be recorded if an animal has lost both eartags. However if the farmer concerned is able to prove the identity of the animal to the satisfaction of Veterinary Service within 28 days of the end of the original inspection this breach will be classed as being rectifiable. If the farmer does not prove the

identity of the animal to the satisfaction of Veterinary Service with 28 days the breach will be classed as permanent.

Calculation of Severity

1.6 The severity of intentional and negligent cattle identification and registration breaches is calculated using two calculation methods, that is the percentage calculation and actual animal calculation. After both calculations have been completed, the highest level of severity will be applied.

Negligent Breaches

1.7 Both the percentage and actual animal calculation methods take all the discrepancy codes associated with a farm business assessed as being caused by negligence and multiplies these against the seriousness scores listed below:

Cross-Compliance Status Code	Seriousness Score
MO	1
MO1	1
IN	1
IN1	1
DE	1
DE1	1
BHR	0.7
IDQ1	1
IDQ2	1
IDQ2(A)	1
IDQ3	1
IDQ5	1
IDQ8	1
NNO	1
DOBQ	0.7
IDU	1
SPT	0.4

Percentage Calculation Method

1.8   The discrepancy codes associated with the farm business as being caused by negligence will be multiplied against the seriousness scores listed above. The seriousness scores will be totalled and divided by the total number of animals checked and multiplied by 100. This calculation provides a percentage figure.

1.9   Depending on the percentage level of the business's' severity score for **negligent breaches classed as on-farm and rectifiable** the following severity levels as shown in the table below will apply.

Severity Score	Severity Level
0.01% or above up to and equal to 10%	Minor (Warning Letter)
Above 10% and up to and equal to 40%	Low
Above 40% and up to and equal to 100%	Medium
Above 100%	High

1.10   It is important to note warning letters cannot be issued if codes that are classed as being permanent or having an off farm extent have been identified as part of the inspection. Therefore, warning letters can only be issued if rectifiable on-farm breaches have been identified and if the farmer has rectified these by the deadline established by the inspector. Before a warning letter can be issued, a check will be carried out to ensure that the non-compliances that led to the calculation of a severity score of 0.01% up to and equal to 10% have been rectified.

1.11   If all the non-compliances that have lead to the possibility of a warning letter being issued have not been rectified by the deadline set by the inspector, a 1% penalty will be applied. If all the non-compliances have been rectified, a warning letter will still be issued.

1.12   The following table sets out the severity that will be imposed for **negligent breaches other than those classed as on-farm and rectifiable** depending on the percentage level of a business's severity score.

Severity Score	Severity Level
0.01% or above up to and including 10%	Very Low
Above 10% up to and including 40%	Low
Above 40% and up to and including 100%	Medium
Above 100%	High

Actual Calculation

1.13   To perform the actual calculation, all the discrepancy codes associated with the farm business assessed as being caused by negligence will be

multiplied against the seriousness scores listed in paragraph 1.7 and totalled to give the overall seriousness score for the inspection.

1.14 Depending on the seriousness score achieved by the business for **negligent breaches classed as on-farm and rectifiable** the following severity levels as shown in the table below will apply

Severity Score	Severity Level
0.01 or above up to and equal to 3	Minor (Warning Letter)
Above 3 and up to and equal to 5	Low
Above 5 and up to and equal to 10	Medium
Above 10	High

1.15 The following table sets out the penalties that will be imposed for **negligent breaches other than those classed as on-farm and rectifiable** depending on the business's actual seriousness score.

Severity Score	Severity Level
0.01 or above up to and including 3	Very Low
Above 3 and up to and including 5	Low
Above 5 and up to and including 10	Medium
Above 10	High

Identification of final negligent severity to be applied

1.16 Once the severity resulting from the percentage and actual calculations have been identified, the highest severity identified by the two calculations will be applied.

Intentional Breaches

1.17 As with the negligent calculation system, the severity of intentional cattle identification and registration breaches will be calculated using the percentage and actual animal calculations.

1.18 The two calculation methods take all the discrepancy codes associated with a farm business which have been assessed as being caused intentionally and multiply them against the seriousness scores listed in paragraph 1.7.

Percentage Calculation

1.19 The discrepancy codes associated with the farm business as being caused intentionally will be multiplied against the seriousness scores listed in paragraph 1.7. The seriousness scores will be totalled and divided by the total number of animals checked and multiplied by 100. This calculation provides a percentage figure.

1.20 Depending on the percentage level of a business's severity score the table below sets out the severity that will be imposed for intentional breaches.

Severity Score	Severity Level
0.01% up to and including 10%	Very Low
Above 10% and up to and including 40%	Low
Above 40% and up to and including 100%	Medium
Above 100%	High

Actual calculation

1.21 To perform the actual calculation, all the discrepancy codes associated with the farm business assessed as being caused intentionally will be multiplied against the seriousness scores listed in paragraph 1.7 and totalled to give the overall seriousness score for the inspection. The following table sets out the severity that will be imposed for intentional breaches depending on the seriousness score achieved by the business.

Severity Score	Severity Level
0.01 and up to and equal to 3	Very Low
Above 3 and up to and equal to 5	Low
Above 5 and up to and equal to 10	Medium
Above 10	High

Identification of final intentional penalty to be imposed

1.22 Once the severities resulting from the percentage and actual calculations have been identified, the highest level of severity identified by the two calculations will be applied.

Permanence

1.23 For Cross-Compliance purposes, cattle identification and registration breaches will be considered to have the following permanence classifications:

Breach Code	Permanent / Rectifiable
MO	Permanent
MO1	Rectifiable
IN	Permanent
IN1	Rectifiable
DE	Permanent
DE1	Rectifiable

BHR	Permanent
IDQ1	Permanent
IDQ2	Permanent
IDQ2(A)	Rectifiable
IDQ3	Permanent
IDQ5	Permanent
IDQ8	Permanent
NNO	Permanent
DOBQ	Rectifiable
IDU	Permanent
SPT	Permanent

1.23 As a general rule, if it is identified that herd has both permanent and rectifiable breaches, all the breaches will be automatically classed as permanent.

Extent

1.24 The Cross-Compliance status codes have been assessed as having the following extent:

Breach Code	Extent
MO	Off-farm
MO1	Off-farm
IN	On-farm
IN1	On-farm
DE	Off-farm
DE1	Off-farm
BHR	On-farm
IDQ1	On-farm
IDQ2	On-farm
IDQ2(A)	On-farm
IDQ3	On-farm
IDQ5	On-farm
IDQ8	On-farm
NNO	On-farm
DOBQ	On-farm

IDU	Off-farm
SPT	On-farm

1.25   As a general rule, if it is identified that a herd has both on-farm and off-farm breaches all the breaches will be automatically classed as off-farm.

Penalty Matrices

1.26   Once the intent, extent, severity and permanence of the breaches discovered have been established the penalty matrices at Negligent Matrix or Intentional Matrix will establish the size of the penalty to be deducted. The matrix for negligent breaches will be used if the intent is judged as negligent in nature. The matrix for intentional breaches will be used if the intent is judged as intentional.

Repeat Breaches

1.27   For a breach to be classed as a repeat, the business concerned must have breached the same specific Cross-Compliance requirement within three years of the date of the inspection which identified the first breach. If a repeat breach is identified the penalty matrices at Negligent Matrix and Intentional Matrix show how the original penalty will be increased.