



# Consultation on a Proposal to Reduce the Compensation Rate for Cattle Removed under the bovine Tuberculosis (bTB) Programme



Department of  
**Agriculture, Environment  
and Rural Affairs**

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## Foreword

On 20 September 2023, the Secretary of State for Northern Ireland Rt Hon Chris Heaton-Harris MP wrote to the Northern Ireland Civil Service departments, directing them to launch public consultations on measures to support budget sustainability and raise additional revenue.

As set out in the document “Financial context for revenue raising consultations” published by the Department of Finance, the Northern Ireland Public Sector is facing very challenging financial circumstances.

Given the well documented pressures on public expenditure, the current cost to government of the bTB Programme is not sustainable. Therefore, the Secretary of State’s direction, under section 5A of the Northern Ireland (Executive Formation etc) Act 2022, instructed DAERA to seek views on reducing bTB compensation.

This is with a view to ensuring that the bTB programme remains affordable and continues to be able to support the Northern Ireland cattle industry which is estimated to be worth around £2.1 billion per annum to our local economy.



# Part 1 - Scope and nature of this consultation

## 1.1 What we are seeking views on

The Department of Agriculture, Environment and Rural Affairs (DAERA) is seeking views on a proposal to reduce the rate payable for cattle compulsory removed under the Department's bovine Tuberculosis (bTB) Programme.

Views are sought on whether the amount of compensation payable should be reduced on a phased basis, with a reduction to 90% of the bovine animal's market value in the first year of implementation with a further reduction to 75% of the animal's market value a year later.

## 1.2 Impact Assessments

Copies of these assessments are available online [here](#). We welcome any comments or views you may have in respect of our assessments.

### **Rural Needs Impact Assessment**

A Rural Needs Impact Assessment has been carried out to consider potential impacts of the proposal within this consultation.

### **Regulatory Impact Assessment**

A draft Regulatory Impact Assessment (RIA) has been carried out to consider the potential impacts of the proposal on business.

### **Equality and Disability Screening**

An Equality and Disability screening exercise has been carried out to consider the potential impacts of the proposal.

### **Environmental Impact Assessment**

Not required.

### **Strategic Environmental Assessment**

Not required.



## 1.3 Who we would like to hear from

### **Anyone may reply to this consultation.**

Anyone may reply to this consultation.

DAERA would particularly like to hear from: cattle/livestock owners/keepers; landowners as well as from land users; cattle/livestock associations; conservationists; veterinary surgeons/associations; agricultural markets and auctioneers; and anyone else with an interest in the control and eradication of bTB in Northern Ireland.

The consultation will only ask for your views on reducing the compensation rate for bovine animals compulsory removed for the control of bTB.

## 1.4 How to make an enquiry

If you have any queries about this consultation please contact the Department of Agriculture, Environment and Rural Affairs, Animal Health & Welfare Division, TB/BR Policy Team:

Tel: 028 7744 2384

Email: [TBBR.Policybranch@daera-ni.gov.uk](mailto:TBBR.Policybranch@daera-ni.gov.uk)



## 1.5 Responding to the Consultation

The public consultation on a proposal to reduce the rate payable for cattle compulsory removed under the Department's bTB Programme is open until 08 March 2024.

A copy of the consultation document is available on the DAERA website at:

[https://www.daera-ni.gov.uk/consultations/reducing\\_the\\_rate\\_of\\_compensation\\_for\\_cattle\\_removed\\_for\\_the\\_control\\_of\\_bTB](https://www.daera-ni.gov.uk/consultations/reducing_the_rate_of_compensation_for_cattle_removed_for_the_control_of_bTB)

You can respond to this consultation online at the NIDirect consultation Hub - Citizen Space at:

<https://consultations2.nidirect.gov.uk/daera/cb936b03>

You can save and return to your responses while the consultation is still open.

Responses by email should be sent to: [TBBR.Policybranch@daera-ni.gov.uk](mailto:TBBR.Policybranch@daera-ni.gov.uk)

Written responses will be accepted, although the aforementioned methods are preferable. Again, you should use the Consultation Questionnaire provided, as this will aid our analysis of the responses received. Please send your response to:

Bovine TB Consultation  
TBBR Policy Team  
Animal Health & Welfare Division  
Department of Agriculture, Environment and Rural Affairs  
Jubilee House  
111 Ballykelly Road  
Ballykelly  
Limavady  
BT49 9HP

Please ensure that consultation responses are submitted so as to arrive by the closing date of **8 March 2024**.

**While details of particular circumstances described in a response to a consultation exercise may usefully inform the policy process, consultation exercises cannot address individual concerns and comments, which should be directed to the relevant public body.**

When responding, please state whether you are doing so as an individual or representing the views of an organisation. If you are responding on behalf of an organisation, please make it clear who the organisation represents and, where applicable, how the views of members were assembled. We will acknowledge your response.



## 1.6 Consultation principles

The consultation will run for **8 weeks from 12 January 2024 until 8 March 2024**.

The responses will then be analysed and considered. A summary of the consultation responses will be published on the DAERA website.

## 1.7 Confidentiality

### Confidentiality & Data Protection

Your response may be made public by DAERA and placed on the DAERA website as part of the consultation process. If you do not want all or part of your response or name made public, please state this clearly in the response by marking your response as 'CONFIDENTIAL'. Any confidentiality disclaimer that may be generated by your organisation's IT system will be taken to apply only to information in your response for which confidentiality has been specifically requested.

Information provided in response to this consultation, including personal information, may be subject to publication or disclosure in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 (FOIA) and the Data Protection Act 1998 (DPA)). If you want other information that you provide to be treated as confidential, please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals, amongst other things, with obligations of confidence.

In view of this, it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Department.



## Part 2 - Overview

### 2.1 Context

The purpose of this consultation is to seek views on a proposal to introduce a percentage reduction in the total amount of compensation paid by government for cattle compulsory removed under the DAERA bTB Eradication Programme. At present, government pays 100 percent market value to the owner of any animal removed under the Programme.

The cost to government of delivering the bTB programme in Northern Ireland has increased significantly over the last number of years. In the five financial years between 2016/17 and 2020/21, the average annual cost of delivering the programme was £38.4million with an average annual compensation bill of £21.35million. However, in 2022/23, the Programme cost had risen to a record £53m with compensation accounting for just over £38m of this amount (**see Figure A below**).

In March 2022, former DAERA Minister, Edwin Poots, MLA, launched a new long-term strategy to reduce and, ultimately, eradicate bovine Tuberculosis (bTB) from Northern Ireland. This strategy can be viewed at: <https://www.daera-ni.gov.uk/publications/bovine-tuberculosis-eradication-strategy-northern-ireland>.

At the launch this strategy in March 2022, herd incidence stood at 8.85%. Since then, disease levels have continued to rise and herd incidence currently stands at 10.31% (for the 12 months to the end of October 2023). This has resulted in a corresponding rise in the costs associated with the Programme and the compensation paid within it. Please see **Figure B** below.

Further, the average market value of an animal removed under the bTB Programme in October 2021 was £1,632.50. This had risen to £1,874.36 by October 2023.

The bTB Eradication Strategy was informed by the independent expert advisory group, the TB Strategic Partnership Group (TBSPG), which was tasked by the Department with developing a new strategic approach to tackle bTB here. This was published in 2016 ([TBSPG Bovine TB Eradication Strategy NI | Department of Agriculture, Environment and Rural Affairs \(daera-ni.gov.uk\)](https://www.daera-ni.gov.uk/publications/bovine-tuberculosis-eradication-strategy-northern-ireland)) and the Department's response to the proposals made by the TBSPG were subject to consultation in 2017 (<https://www.daera-ni.gov.uk/consultations/bovine-tuberculosis-eradication-strategy-northern-ireland>). This was then followed by publication of a summary of responses <https://www.daera-ni.gov.uk/node/34574>.

The Department further consulted on proposals for a new long-term Strategy, based closely on the recommendations made by the TBSPG, in 2021.



This consultation document can be viewed at [Consultation on the Department's proposed implementation and next steps of the bTB eradication strategy for Northern Ireland | Department of Agriculture, Environment and Rural Affairs \(daera-ni.gov.uk\)](#) and the summary of responses at [Summary of Responses: Consultation on the Department's proposed implementation and next steps of the bTB eradication strategy for Northern Ireland | Department of Agriculture, Environment and Rural Affairs \(daera-ni.gov.uk\)](#).

Following Ministerial decisions on the way forward for bTB Eradication, a new strategy for eradicating bTB in Northern Ireland was launched in March 2022 (link above).

In both consultations, the Department sought views on two proposals relating to compensation regime change within the bTB Programme. Firstly, a phased reduction over two years in compensation paid following the slaughter of an animal for disease control from the existing full market value of that animal to 75% of that value. Secondly, a proposal to cap any such compensation payment.

While the TBSPG had recommended a compensation cap, it stopped short of recommending an immediate reduction in the percentage of market value paid in compensation. While recognising this could deliver an improvement in farming behaviour towards keeping herds free from bTB, it recommended that should be reviewed once stakeholder support had grown. The Group recommended that the cap on compensation be introduced first and its impact is reviewed before the further consideration would be given to introduction of a percentage reduction in compensation paid.

Further, while the Department was supportive of the need to change the current compensation system, it acknowledged that there were many pressures impacting on the farming industry as a result of the Covid pandemic and other economic pressures. The Strategy also acknowledged that respondents had raised a number of other potential proposals for sharing the cost of the bTB programme in responses to the 2021 consultation.

The former Minister therefore determined that changes to the compensation regime should not be made at that time but reviewed two years following full implementation of the Strategy to include the commencement of wildlife intervention.

Since then, a judicial review taken against the Department has concluded that the chosen wildlife intervention policy, that being a non-selective cull of badgers in areas of high bTB incidence and high badger density, can no longer progress and must be subject to further public consultation.

While in recent months, the disease incidence rate does appear to have levelled off, the overall rise in disease rates since 2020, alongside the increase in the market value of cattle, has resulted in a significant increase in Programme costs, in particular the compensation paid to farmers.



It is acknowledged that, whilst compensation is paid at 100% of an animal's pre-disease value, this does not cover all of the additional costs incurred on farms due to the testing regime, the subsequent removal of animals from the herd or movement restrictions as a result of herd breakdowns. In addition, a breakdown also has significant financial implications for farmers, most significantly through loss of production and also through loss of genetics. In the Outline Business Case (OBC) prepared to support the implementation of the bTB Eradication Strategy these costs have been estimated at around £10million each year.

The position remains, however, that the costs of the Programme cannot be sustained particularly in the context of ongoing financial constraints across all government departments. Therefore, the Secretary of State has directed this consultation be progressed to gather views on a reduction in the level of compensation paid. The outcome of this consultation will provide options for incoming Ministers to take decisions to ensure a more sustainable footing for public finances, including that of the bTB Programme.

**Figure A - Graph showing the increase in TB Programme costs. Total expenditure and compensation costs.**

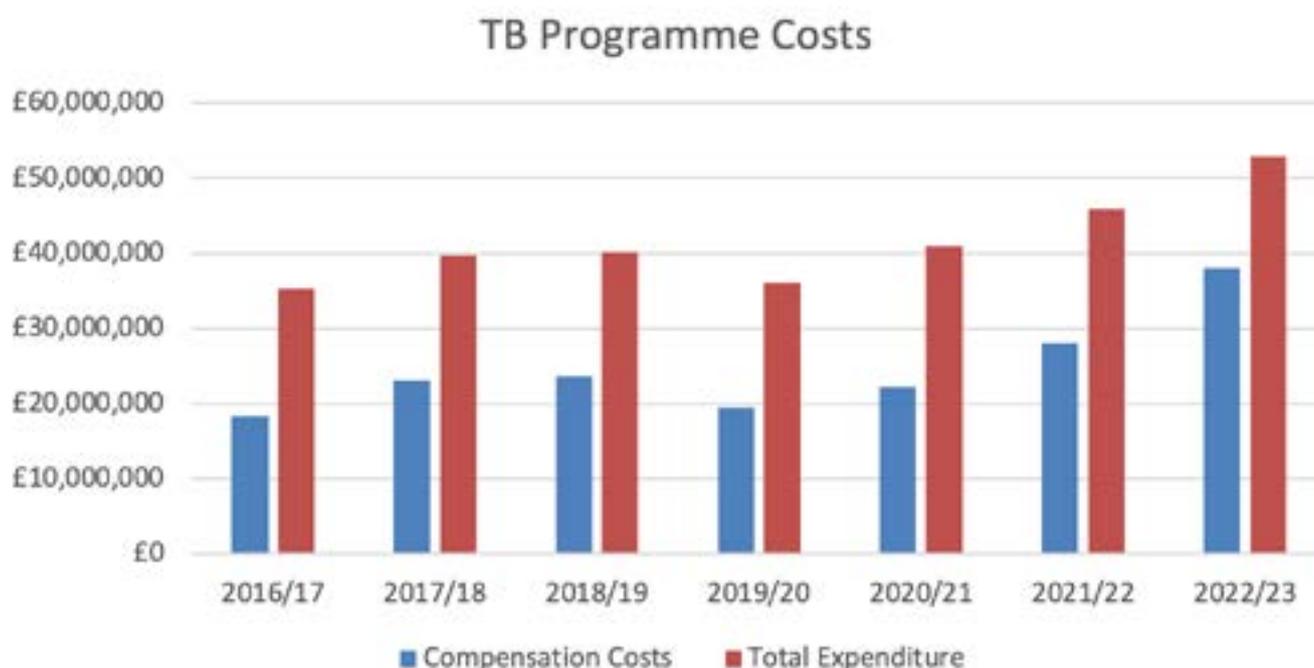
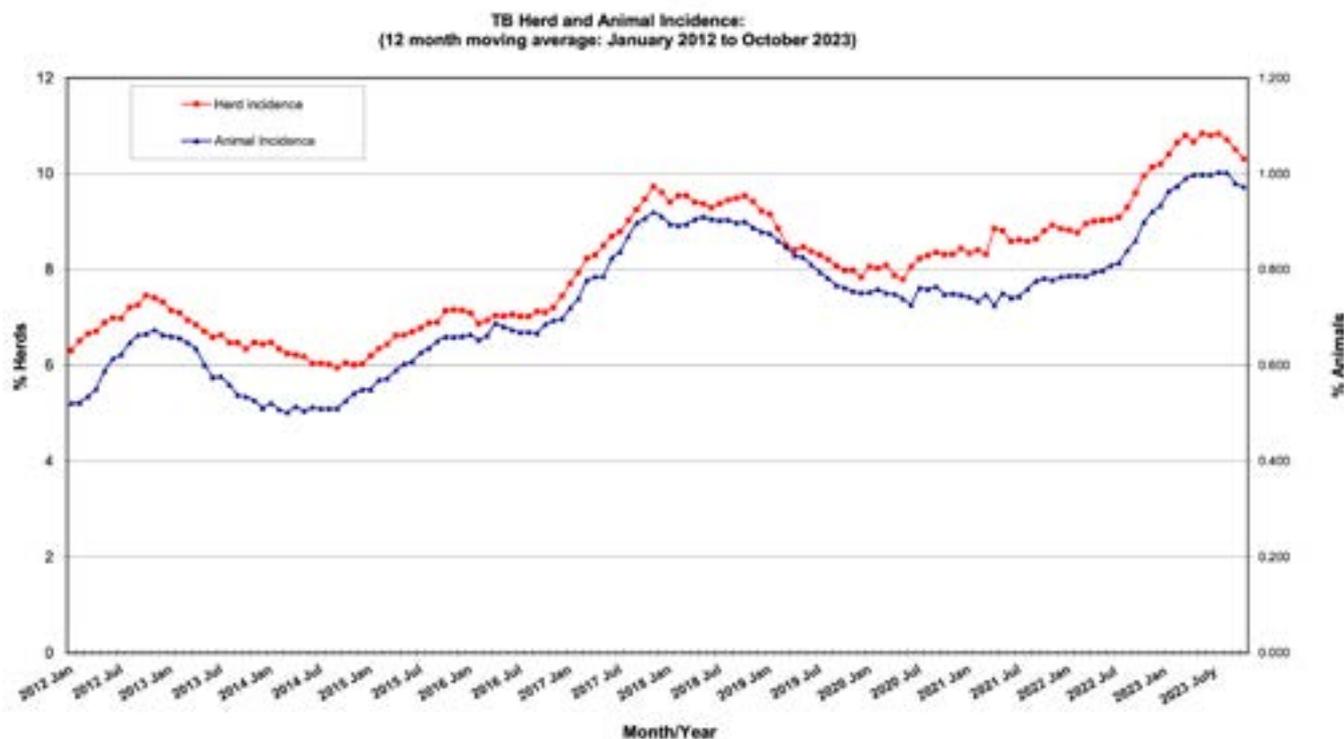




Figure B - Graph showing the Herd and Animal incidence since 2012.



## Compensation payments

### 2.2 Rationale for compensation change

The rationale behind changing compensation arrangements remains two-fold: to rebalance the costs of tackling this disease between the public and private sectors to ensure government can continue to support the Programme; and, in so doing, to encourage cultural and attitudinal changes, incentivising herd keepers to fully embrace the role they have in protecting their herd from bTB.

When the issue of compensation was last explored by the Department in 2021/22 around 16,000 cattle were being compulsory slaughtered for bTB control annually. By 2022/23 this figure had increased to 21,655. In 2022/23, there were 2,383 herd breakdowns. This gives a clear indication of the number of animals and farm businesses currently affected by bTB and of the scope to deliver savings if it were decided to progress a reduction in the compensation payable by the Department for cattle compulsory removed for the purpose of bTB control.



At present, under article 11 of the Tuberculosis Control Order (NI) 1999 (as amended), where the Department slaughters or causes a bovine animal to be slaughtered for the control of bTB, it is required to pay the herd owner compensation for that animal based upon its full market value.

Following TBSPG's 2016 recommendations relating to compensation, the proposal to change the rate of compensation payable for animals compulsory removed to 75% of market value was subject to a behavioural analysis carried out by Dr Philip Robinson: [behavioural-appraisal-of-the-tbsp-g-recommendations-by-doctor-philip-robinson-harper-adams-university \(daera-ni.gov.uk\)](https://www.daera-ni.gov.uk/behavioural-appraisal-of-the-tbsp-g-recommendations-by-doctor-philip-robinson-harper-adams-university). Dr Robinson noted that addressing compensation for animals removed under the statutory programme could help to rebalance the costs of the disease between the private and public sectors and incentivise farmers and their veterinary advisors to do all they can to prevent infection entering and spreading within their herds.

The aim of a 75% compensation rate, therefore, is to strike a balance between reasonable compensation and cutting costs so government can ensure the Programme remains sustainable, while encouraging herd keepers to take all reasonable steps to prevent disease. It seeks to create a sense of shared ownership and responsibility for eradication.

A 75% compensation rate would also align the bTB programme with the compensation regimes for other diseases, such as Brucellosis, and return bTB compensation levels to those previously in place prior to 1998. In 1998, the bTB compensation rate was increased for a number of reasons including the lack of wildlife intervention.

It is also important to note that, as far back as 2009, the Assembly's Public Accounts Committee made a recommendation in its report<sup>1</sup> on the control of bTB that the Department should consider "introducing a system whereby the rate of compensation would be progressively reduced in cases of multiple claims by the same herd keeper".

Additionally, in 2018 the NI Audit Office (NIAO) report<sup>2</sup> on Eradicating bTB in Northern Ireland also recommended, to drive home the need for shared ownership of the problem and to reduce the burden on the public purse, that the Department should take steps to reduce compensation (by imposing a realistic cap on the total payable for each animal and by reducing the current rate from 100 per cent of market value.

By way of comparison, other jurisdictions across the rest of the UK and in Ireland currently offer 100% market value for animals compulsory removed under the various bTB Programmes. However, in some instances a cap on the total amount payable by government is in place or, in some schemes, a reduction for non-adherence to legislation governing disease control. An outline of the arrangements in other jurisdictions is provided at **Annex A**.

A summary of the documentation referred to above is attached at **Annex B**.

<sup>1</sup> [Welcome to the Northern Ireland Assembly \(niassembly.gov.uk\)](https://www.niassembly.gov.uk).

<sup>2</sup> [NIAO\\_Bovine Tuberculosis report.pdf \(niauditoffice.gov.uk\)](https://www.niauditoffice.gov.uk).



## 2.3 Proposed change to the compensation regime

Reflecting the direction of the Secretary of State, your views are therefore sought on a proposal to reduce the amount of compensation payable on a phased basis, with a reduction to 90% of the animal's market value in the first year of implementation and further reduced to 75% of the animal's market value a year later.

Phasing the introduction of this measure should help herd owners adjust to the new circumstances. The savings realised by these recommendations would release money back to the public purse and would allow government to better deploy resources to its highest priorities.

Based on the current estimate for bTB compensation of £37.1 millions for the 2023/24 financial year, and should this change be implemented from the start of the 2024/25 financial year:

- In 2024/25, the 10% reduction would save £3.71millions.
- In 2025/26, the 25% reduction would save £9.3millions.

Introduction of this policy change will require amendment through secondary legislation to the Tuberculosis Control Order (Northern Ireland) 1999 (as amended).

It is proposed that compensation for animals slaughtered for the control of bovine Tuberculosis be reduced to 90% of the slaughtered animal's market value in year one and then to 75% of the slaughtered animal's market value in subsequent years from the current compensation level of 100% of market value.

**Q1. Do you agree that public expenditure savings should be made by reducing the compensation rate for animals removed under the bTB Programme?**

**Yes**

**No**

**Additional comments**



## Annex A

### Compensation regimes in other jurisdictions

Country	Funding
<p><b>England</b></p>	<p>The English bTB programme costs approximately £100m annually. Herd keepers do not make a direct contribution to the general programme, although they (and other landholders) provide funding for badger cull companies should they wish to participate in licensed badger control. Most badger vaccination in England is delivered by government vaccinators. This is at no cost to the farmers who grant access to their land. Funding is also provided through grants such as the Badger Edge Vaccination Scheme, as well as support to reduce the cost of the BadgerBCG vaccine by 50%.</p> <p><b>Compensation:</b> 100% compensation based on average open market prices (rather than individual valuations) for ‘same category’ cattle. Payment of full compensation is dependent on certain aspects of programme compliance<sup>3</sup>. If there is insufficient sales data for a category, then individual valuation is used (happens in less than 1% of cases).</p> <p><b>Compensation cap:</b> Consulted on £5k cap in 2017. Not implemented to date. In practice almost all table values are under £5k with an average per head of £1,300 in October 2023.</p> <p><b>Testing:</b> No payment by farmers for routine herd testing. Pre- and Post-movement tests are paid for by the keepers. Optional private testing is paid for by farmers.</p> <p><b>Levies:</b> Sectoral levies paid to AHDB. This contributes to funding for the bTB Hub, an information and advice resource for UK TB information <a href="https://tbhub.co.uk/">https://tbhub.co.uk/</a></p>

<sup>3</sup> E.g. In England, reductions to compensation payments are applied to TB reactors found at tests that become overdue by more than 60 days after their due date. The percentage reductions applied are: \*Overdue test by more than 60 days up to 90 days - 25% reduction; \*Overdue test by more than 90 days up to 180 days - 50% reduction; \*Overdue test over 180 days - 95% reduction. From 1 November 2018, 50% reduction in compensation also applies to; \*Animals removed for TB control purposes that cannot be processed for human consumption at a slaughterhouse because they are unclean; Animals moved into a TB breakdown herd that are subsequently removed as TB reactors or direct contacts before the herd regains OTF status. [Changes to bovine TB compensation in England - Bovine TB | TB Hub](#).



Country	Funding
<p><b>Wales</b></p>	<p><b>Compensation:</b> 100% market value (reductions for some aspects of non-compliance<sup>4</sup>).</p> <p><b>Compensation cap:</b> £5,000.</p>
<p><b>Scotland</b></p>	<p><b>Scotland has bTB Free status</b> (from Sept. 2009). As a result its programme structures are very different to elsewhere in the UK and ROI and very few animals are removed annually.</p> <p><b>Compensation:</b> 100% of market value; (reductions for aspects of non-compliance<sup>5</sup>).</p> <p><b>Compensation cap:</b> £5,000 for non-pedigree animals and £7,500 for pedigree.</p>
<p><b>Republic of Ireland</b></p>	<p><b>Compensation:</b> System of Income Supplements, Re-population Grants and Hardship Grants. (Farmers contribute to funding 'pot' via levies. Payments are dependent on certain aspects of programme compliance). On reactors, 100% of market value is paid up to a cap.</p> <p><b>Compensation cap:</b> up to a maximum of €3,000 is normally paid except for one stock bull per year when a cap of €4,000 applies (€5,000 for a pedigree stock bull).</p> <p><b>Levies:</b> Statutory levies raise farmer funding for compensation. Levies are collected on a price per animal basis for slaughtered animals, exported animals and on milk production.</p> <p>DAFM's TB compensation arrangements booklet provides further information - <a href="https://www.gov.ie/publications-and-resources/download/?id=7e7c-4db1-9d5d-25ea0c2ed770">On-Farm Market Valuation Scheme Checklist - b9ede0fc-7e7c-4db1-9d5d-25ea0c2ed770.pdf (www.gov.ie)</a>.</p>

<sup>4</sup> In Wales, compensation will be reduced in circumstances where authorities are satisfied, on a balance of probabilities, that the rules that are laid out in the TB Order have been broken - see Annex A of [Guidance notes - TB compensation \(gov.wales\)](#).

<sup>5</sup> Scotland will reduce the amount of compensation paid, where an owner has allowed their statutory TB testing to go overdue by more than 60 days and TB reactors are subsequently disclosed in that herd. The reduction will be applied on a sliding scale which means that the longer the delay in testing the greater the reduction in compensation. Where the interval between the date the test should have been completed and the actual date it was completed is more than 60 days but not more than 90 days - the compensation amount paid will be 50% of the animal's market value. Where the interval between the date the test should have been completed and the actual date it was completed is more than 90 days - the compensation amount paid will only be 5% of the animal's market value. [Bovine TB - gov.scot \(www.gov.scot\)](#)



## Annex B

### Documents referred to in this consultation document

Bovine TB Eradication Strategy for Northern Ireland (March 2022).

<https://www.daera-ni.gov.uk/publications/bovine-tuberculosis-eradication-strategy-northern-ireland>

2021 Consultation Document

[Consultation on the Department's proposed implementation and next steps of the bTB eradication strategy for Northern Ireland | Department of Agriculture, Environment and Rural Affairs \(daera-ni.gov.uk\)](#)

2021 Consultation- summary of responses

[Summary of Responses: Consultation on the Department's proposed implementation and next steps of the bTB eradication strategy for Northern Ireland | Department of Agriculture, Environment and Rural Affairs \(daera-ni.gov.uk\)](#)

2017/18 Consultation

<https://www.daera-ni.gov.uk/consultations/bovine-tuberculosis-eradication-strategy-northern-ireland>

2017/18 Consultation- summary of responses

<https://www.daera-ni.gov.uk/node/34574>

TBSPG Strategy (2016)

[TBSPG Bovine TB Eradication Strategy NI | Department of Agriculture, Environment and Rural Affairs \(daera-ni.gov.uk\)](#)

Dr Philip Robinson *Behavioural Appraisal of the Recommendations of the TB Strategic Partnership Group* (TBSPG) (2016)

[behavioural-appraisal-of-the-tbsp-g-recommendations-by-doctor-philip-robinson-harper-adams-university \(daera-ni.gov.uk\)](#)

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