

## **EXECUTIVE NOTE**

### **The TSE (Scotland) Amendment Regulations 2006 (S.S.I. 2006/ 46)**

The above instrument was made in exercise of the powers conferred by section 2(2) of the European Communities Act 1972. This instrument is subject to negative resolution procedure.

#### **Policy Objective**

The TSE (Scotland) Regulation 2002 (S.I.2002/255) which gives effect in Scotland to the enforcement and administration of Regulation (EC) No. 999/2001 of the European Parliament and of the Council laying down rules for the prevention, control and eradication of certain transmissible spongiform encephalopathies (TSE). Annex VII of 999/2001 sets out controls to be introduced on farm holding that have a case of TSE such as Scrapie or BSE confirmed in sheep and goats. This Annex was most recently amended by Regulation 1492/2004 and sets out procedures to be followed, regulates movements of animals and provides for derogations to ease the practical implementation and compliance of the measures. It also provides a review procedure and specifies compensation rates.

Domestic legislation to enforce Annex VII was introduced on 20 July 2004 in Scotland under the TSE (Scotland) Amendment Regulations 2004. Since this date holding which have Scrapie confirmed enter the Compulsory Scrapie Flock Scheme (CSFS). The action involves either culling the whole flock or blood testing the flock to determine the genetic profile of the sheep and culling those that are most susceptible to Scrapie. After a year of the CSFS we undertook to review the rates and following concerns that the scheme may be subject to abuse by certain sectors of the farming community. The previous rate of £90 was considered too high for certain smaller ewe breeds and is reduced to £65. The rate for lambs has been reduced from £50 to £40. SEERAD now have the right to request a valuation if it is thought that the standard rates are significantly higher than is reasonable in a particular flock. In the future we will look to set up a system that best reflects market values of animals in different sectors of the industry. The compensation changes will ensure that compensation is reduced to a fair and reasonable level. When the domestic legislation was put into place in 2004 an RIA was produced. We have consulted the RIA unit and they advise that as this is just an adjustment to compensation and not an actual review of the legislation and an RIA does not need to be carried out.

#### **Consultation**

The proposed changes to compensation were subject to a public consultation by the Scottish Executive issued on the 5 September 2005. Some 90 organisations were consulted and 16 responses were received. The majority of those consulted supported a reduction in compensation rates as a short term measure with a view in the medium term to have a rate which best reflects market values of animal in different sectors of the industry.

## **Financial Effects**

The CSFS is an National Scrapie Plan for Great Britain (NSP) scheme and funding is provided by Defra vote on behalf of Scottish Ministers. Compensation payments under the CSFS are a fairly significant part of current budget resources for the NSP and unless reduced to fair and reasonable levels may have an adverse effect on other NSP priorities.

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Scottish Executive Environment  
and Rural Affairs Department

<sup>(1)</sup> 1972 c.68. Section 2(2) was amended by the Scotland Act 1998 (c.46), Schedule 8, paragraph 15(3). The functions conferred upon the Minister of the Crown under section 2(2) of the 1972 Act, insofar as within devolved competence, were transferred to the Scottish Ministers by virtue of section 53 of the Scotland Act 1998.

