

## Cross Compliance – Scottish Payment Reduction Matrix for 1<sup>st</sup> time Negligent Breaches

| Intent     | Extent          | Severity    | Permanence  | Reduction |
|------------|-----------------|-------------|-------------|-----------|
| Negligence | On-farm effect  | Very low    | Rectifiable | WL*       |
|            |                 |             | Permanent   | 1%        |
|            |                 | Low         | Rectifiable |           |
|            |                 |             | Permanent   |           |
|            |                 | Medium      | Rectifiable | 5%        |
|            |                 |             | Permanent   |           |
|            | High            | Rectifiable | 1%          |           |
|            |                 | Permanent   |             |           |
|            | Off-farm effect | Very low    | Rectifiable | 3%        |
|            |                 |             | Permanent   |           |
|            |                 | Low         | Rectifiable | 5%        |
|            |                 |             | Permanent   |           |
|            |                 | Medium      | Rectifiable | 1%        |
|            |                 |             | Permanent   |           |
| High       | Rectifiable     | 3%          |             |           |
|            | Permanent       |             |             |           |

\* WL = Warning letter. If the breach is not remedied a reduction of at least 1% will be applied.

An explanation of how reductions for repeat Negligent breaches are calculated is set out on page 2.

## **Repeat Negligent Breaches**

A repeat cross compliance breach is where the same requirement is breached within a consecutive period of 3 calendar years, provided the farmer has been informed of the previous breach and where possible been given the opportunity to remedy it.

The first time a repeat is discovered the penalty for that breach only is calculated as if it were a first time breach and then multiplied by 3. The penalty for a second or subsequent repeat breach will be three times the penalty we imposed for the previous breach.

The penalty for a repeat is added to the penalty for any other repeat or first time negligent breaches found during the second or subsequent inspection and the overall reduction is capped at 15%.

When the 15% cap is reached the farmer is told that any further breaches will be regarded as intentional and the uncapped % is multiplied by 3 for any further repeats.