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

Intent	Extent	Severity	Permanence	Reduction
Negligence	On-farm effect	Very low —	Rectifiable	WL*
			Permanent	- 1%
		Low —	Rectifiable	
			Permanent	3%
		Medium	Rectifiable	
			Permanent	
		High —	Rectifiable	- 5%
			Permanent	
	Off-farm effect	Very low	Rectifiable	1%
			Permanent	3%
		Low	Rectifiable	
			Permanent	
		Medium	Rectifiable	
			Permanent	
		High	Rectifiable	- 5%
			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 <u>repeat</u> Negligent breaches are calculated is set out on page 2.

Repeat Negligent Breaches

A repeat cross compliance breach is where the <u>same</u> 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 <u>that breach only</u> 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.