

Changes to the Management of Government Funded Veterinary Services in England and Wales

Information for Farmers and Livestock Keepers 18 March 2015

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1. Background

New arrangements for providing cattle farmers with a TB Testing service which will remain free of charge - begin on 1 April in Wales and 1 May in England.

The new arrangements are mainly concerned with establishing a clear contractual relationship between APHA and the private veterinary businesses that deliver TB testing and other veterinary services on behalf of the Government. Reliable testing is one of the critical measures required to control and work towards elimination of bovine TB and the new arrangements will provide better assurance that TB testing is being performed correctly and consistently.

APHA has contracted with seven regional suppliers (known as Delivery Partners) two in Wales and five in England. Each of the Delivery Partners will deliver TB testing and other services through a network of subcontracted veterinary practices. However, because the primary contract is between APHA and the Delivery Partner, TB Test Notification Letters will now instruct farmers to contact Delivery Partners to arrange their test. APHA will provide a web-based tool which will allow farmers to identify the correct Delivery Partner. Information on Delivery Partner coverage of regions and counties is given as <u>an annex</u> to this briefing.

Under the new arrangements farmers' and livestock keepers' obligations do not change. The legal responsibility for having animals tested for TB remains with the farmer and farmers and livestock keepers are also responsible for presenting animals in a safe and efficient manner. Provided that farmers meet these obligations the fees paid by Government cover all the work involved in delivering the test and therefore it remains a free service to the farmer.

If farmers or livestock keepers are dissatisfied with any aspect of the veterinary services that are provided then they should complain to the Delivery Partner. The new contracts require Delivery Partners to have a formal complaints procedure and APHA will be monitoring the level and type of complaints received and assessing how the Delivery Partner deals with them.

2. Wales (new arrangements commence 1 April 2015)

For farmers in Wales, the new arrangements should mean little or no change. For most farmers the veterinary practice that has been delivering their TB testing is expected to continue to do so and farmers will not need to take any action unless they want the testing to be provided by an alternative practice.

In the relatively few cases where the veterinary practice previously used by a farmer is not part of the Delivery Partner's network of subcontractors, the Delivery Partner will offer a choice of other practices that can undertake testing in their area. The farmer will then be asked to register their preferred choice of practice with the Delivery Partner. Alternatively, if a farmer simply wishes to use an alternative practice from the network of subcontractors, then the same process applies. As far as possible, Delivery Partners will honour farmers' choice of practice when allocating TB tests.

If a farmer wants to use a practice that is not part of the Delivery Partner's network of subcontractors then the Government will not pay for the test and the farmer will need to arrange to have the test done privately at their own expense. If a farmer wishes to do this then they need to inform their APHA Regional Office and tell them which practice they will be using.

Delivery Partners in Wales intend to write to every cattle keeper to explain how they will be operating the new arrangements and how farmers can register their choice of preferred practice. They will also be providing this information on their websites:

- Menter a Busnes
- lechyd Da (Gwledig) Ltd

3. England (new arrangements commence 1 May 2015)

In England, the Delivery Partners are currently negotiating with practices that may wish to join their network of subcontractors. Once their networks are established, farmers will be able to identify which practices are included. As in Wales, if the practice that has previously been used by the farmer is part of the Delivery Partner's network then the farmer doesn't need to do anything unless they wish to choose a different practice from the network. More information together with an on-line form for farmers to register their preferred choice of practice is available at the <u>XL Farmcare</u> website.

4. Additional payments or 'Top Ups'

Currently on-farm TB testing is undertaken by vets known as 'Official Veterinarians', working for private businesses but trained, appointed and paid by APHA to do the work. Under the new arrangements APHA will pay regional Delivery Partners for

services delivered in their regions and regional Delivery Partners will then pay subcontracted OVs or OV practices for the on-farm testing they undertake. Regardless of these contractual arrangements TB testing undertaken through Delivery Partners' networks will continue to be Government-funded and delivered free of charge to farmers and livestock keepers.

To ensure that testing takes place as efficiently and safely as possible, Delivery Partners will provide information to farmers and livestock keepers on the standards of handling facilities expected. If animals are not presented in a safe and efficient manner, OVs may decline to test them and overdue testing could lead to reductions in subsidy payments made by the Rural Payments Agency. The British Veterinary Association has published <u>a leaflet</u> giving advice and information about safe working conditions on farms.

If farmers do not meet their obligations to present cattle in a safe and efficient manner or want testing to be undertaken in a way that suits their business but adds costs to OVs, then farmers, OVs and Delivery Partners may wish to discuss supplementary charges for any additional service(s) required.

OVs should not accept or ask for any other additional payments from farmers for undertaking Government-funded testing.

5. Question and Answer

Q. Why are you changing the way that Government funded veterinary services are managed?

A. In 2014 Defra published a Strategy for achieving Officially Bovine Tuberculosis Free status for England. A key element of the strategy was the need to ensure that TB testing of cattle is delivered to a satisfactory standard.

Currently on-farm TB testing is undertaken by vets known as 'Official Veterinarians', working for private businesses but trained, appointed and paid by APHA to do the work. Over 650 veterinary businesses currently perform this role. The work however is not governed by a legally binding contract, but a loose 'memorandum of

agreement' between the former Ministry of Agriculture and the British Veterinary Association, which is now 20 years old.

The lack of adequate contractual arrangements and the large number of suppliers involved made it difficult for APHA to be sure of the quality of service being provided. Whilst APHA is confident that testing is widely being undertaken in an acceptable manner, there is some evidence that a small number of tests are not being undertaken in strict compliance with the required procedures with potential consequences for the control of disease and the livestock keeper.

The main purpose of the 1 April 2015 changes is therefore to put in place contractual arrangements which assure the quality of service being provided. In addition, over £20 million is spent each year on testing cattle for TB, but the price paid has not until now been tested in the competitive market place. It is important that APHA is able to demonstrate that government is achieving best value-for-money for the tax payer.

Q. What are Official Veterinarians (OVs) and what do they do?

OVs are private veterinary practitioners who perform statutory veterinary work which is either funded by government or charged directly to the client. OVs providing services to APHA are authorised and currently paid under the conditions of a memorandum of conditions of appointment between the British Veterinary Association (BVA) and Defra.

The memorandum is more focused on the appointment of OVs rather than the specification of the services provided and does not provide a legally binding contractual arrangement. Whilst the scope of OV work is wide, OVs most significantly deliver Government-funded routine statutory testing for bovine TB. Of the £100m spent annually by Defra on TB eradication in England alone, the greatest proportion is allocated to tuberculin testing and related activities with some £20m paid to OVs in 2013/14.

Although there are nearly 10,000 OVs appointed by APHA, 2,000 OVs from 660 veterinary practices undertook government paid TB testing in 2013/14. The

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remainder carry out other OV work, such as export certification, at their clients' expense.

Q. What changes are being made to the management of Government funded veterinary services and how are the changes being implemented?

A. A tendering exercise has been completed which invited businesses to submit tenders for 7 Geographical Lots across England and Wales to supply a fully managed service for the delivery of tuberculin testing and the supply of other veterinary services to Government. The successful bidders for the 7 Lots will subcontract veterinary businesses within the Geographical Lots to deliver work for them and will manage the relationship with the sub-contracted veterinary businesses.

Emphasis has been put on the importance of continuing to use <u>small businesses</u> to deliver the work, to help support a sustainable livestock farming industry and wider rural economy.

By introducing well-structured contracts with clear terms and conditions the obligation is on the seven regional suppliers (known as Delivery Partners) to assure the quality of services delivered. APHA, as the regulatory body, will then audit the Delivery Partners' quality systems (which will include occasional spot-check audits of individual OV's work in the field). Should the quality of service be found to be unsatisfactory then there is recourse where there is infringement of Delivery Partner contractual terms.

Q. What benefits will the new contracts deliver?

A: The quality and scope of the overall TB testing service will be significantly increased, particularly in terms of the Delivery Partner's regular audit of vets in the field. In addition, the price paid by the taxpayers for TB testing can more clearly be shown to represent best value for money. In the event of an animal health emergency, Delivery Partners are contractually committed to collectively provide a minimum of 100 vets (and many more should TB testing be temporarily suspended).

Q. Does the emphasis on improving and demonstrating the quality of testing imply a lack of compliance with required procedures in the past?

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A: While APHA is confident that tuberculin testing was widely being undertaken in a consistent and acceptable manner in accordance with the standard operational instruction (and EU legislation) applicable to OVs and APHA's own staff, there was evidence of some non-compliance. The new contracts include quality assurance arrangements which will not only assure the service being provided, but also establish means by which this quality can be demonstrated, and strengthen mechanisms for dealing with non-compliance.

Q. What services are covered by the contracts?

A. The contracts will cover the following services:

- Services A TB Testing in Cattle
- Services B TB Testing in non-bovines and other work, notably brucellosis testing and anthrax investigations
- Services C Disease Outbreak Response (i.e. provision of vets to assist APHA in a disease outbreak).

Each contract will cover a specified geographical region ('Lot') of England and Wales.

Q: What are the geographical regions ('Lots') and who has won the contracts?

A: England and Wales has been divided into seven geographical regions. A single Delivery Partner has been contracted to deliver tuberculin testing and other services within each region. Contracts have now been awarded and confirmed and the successful Delivery Partners are:

| LOT | REGION | Delivery Partner |
|-------|--------------|----------------------------------|
| LOT 1 | Wales North | Menter a Busnes |
| LOT 2 | Wales South | lechyd Da (Gwledig) Ltd |
| LOT 3 | South West 1 | XL Farmcare Devon & Cornwall Ltd |
| LOT 4 | South West 2 | XL Farmcare Wessex Ltd |
| LOT 5 | South East | XL Farmcare South East Ltd |
| LOT 6 | Midlands | XL Farmcare Midlands Ltd |
| LOT 7 | North | XL Farmcare North Ltd |

Q: Why were contracts in England awarded later than the Welsh contracts?

A: Because an unsuccessful tenderer issued legal proceedings in respect of the English lots, meaning that contracts could not be awarded until legal discussions had concluded. The unsuccessful tenderer subsequently withdrew their objection to the procurement process outcome, enabling contracts to be awarded and signed in England.

Q. How and when will the changes be implemented?

A: At the service commencement date (1 April in Wales and 1 May in England) all newly commissioned TB and other OV work will be allocated to Delivery Partners. Work that has already been assigned to OV practices before this date under the existing arrangements will be completed outside of the Delivery Partner's responsibility by those practices at existing rates. It is not intended that any work already allocated to OV Practices under existing arrangements will be recalled or reallocated.

Q. How does this change affect me as a farmer or livestock Keeper?

A. It will remain your responsibility to arrange testing, but to do so you will need to contact the Delivery Partner for your geographical region (County, Parish, Holding). The Delivery Partner will then be responsible for allocating the testing work, which will continue to be undertaken exclusively by qualified vets.

Q: Until the new arrangements commence, what should farmers and livestock keepers do with regard to testing, and who should they contact to make arrangements?

A: Farmers should refer to their Test Notification Letter which will advise them of who they need to contact to arrange their test. From 1 April in Wales and 1 May in England, Test Notification Letters will advise farmers to contact their Delivery Partner, but up until that point, current arrangements continue.

Q. How and when will I be advised who my Delivery Partner is?

A. If you are a cattle livestock farmer your TB test notification letters will advise you which Delivery Partner to contact to allow you to arrange your test. It is also intended to introduce a facility on the APHA pages of the .GOV.UK website which will allow

you to enter your CPH number to establish which Delivery Partner covers your area. The Delivery Partners will also provide additional information to farmers in their regions.

Q. Will I still be able to use the OV practice of my choice?

A. Your Delivery Partner will contact you regarding the OV practice you would prefer to use. If your preferred practice is a practice that is contracted to work for your regional Delivery Partner then you can continue to use them. If the practice you wish to use is not contracted to work for your regional Delivery Partner and you wish for your TB testing to continue to be Government funded, you will need to select a practice from the Delivery Partner's list of contracted practices.

Q. Don't the new contracts break the link between farmers and their vets?

A: In recognition of the important relationship between farmers or livestock keepers and their vets in preventing and controlling disease and for ensuring the health and welfare of animals, the new contracts require Delivery Partners to offer testing work to eligible veterinary businesses operating within their geographical regions.

When making arrangements for tests, farmers and livestock keepers can express a preference to use a specific veterinary practice from within the Delivery Partner's network to undertake their testing, and this preference will be honoured where possible. Farmers and livestock keepers who would prefer to use a practice that is not part of the Delivery Partners network retain an option to pay for the testing privately.

Q: Won't the contracts lead to a lower standard of tuberculin testing driven by cost cutting?

A: No, testing will continue to be undertaken by fully qualified vets who will be required to hold an up to date Official Control Qualification (OCQ) in Tuberculosis Testing, in accordance with APHA's new contract for OV training and accreditation with training provider Improve International. In addition, in future the vets undertaking testing will work within a quality assurance system, which has not always been the case until now.

Q: Isn't this just a cost cutting measure?

A: No, although it is expected that savings to the taxpayer will be achieved through these contracts, the primary reasons for the change are the wider objectives of improving the quality of testing, and thereby disease control.

The procurement process was heavily weighted towards assessing the quality of the services to be provided and gave quality greater weight than the prices bid. Within the elements associated with price, more credit was given to bids that passed more of the income to front line delivery.

Q. Is this a prelude to farmers paying more?

A. The overwhelming majority of TB testing is currently undertaken at the taxpayer's expense. Irrespective of whether future government policy requires the primary beneficiaries of that testing, the livestock farming industry, to bear a greater share of the direct cost of disease surveillance and control, it is important that APHA identifies and introduces the most effective and efficient delivery model possible.

Q. If I want to book a private test do I need to involve my Delivery Partner?

A. No, any tests you wish to pay for privately can be carried out by any OV of your choice and the Delivery Partner would have no involvement. You will need to inform APHA of your intention to pay privately and it is possible that the Delivery Partner may contact you in the first instance.

Q. Who do I contact if I'm not happy with the service I'm receiving from my Delivery Partner or OV?

A. If you are not satisfied with the service you are receiving from either the OV or the veterinary business allocated to you by the Delivery Partner or the Delivery Partner themselves, you should raise a complaint with the Delivery Partner. If the Delivery Partner is not able to resolve the matter to your satisfaction they should refer the matter to APHA (alternatively you can escalate the matter to APHA via your regional office). If you are not satisfied with the service you have received from an OV you have chosen to pay for yourself, you should inform APHA via your regional office).

Q. I have more than one CPH and they fall between two Delivery Partners. Do I need to liaise with two separate Delivery Partners for the different CPHs?

A. It is possible for a Delivery Partner to arrange for the transfer of work to a neighbouring Delivery Partner if there are good practical reasons. This is something that would need to be agreed between the two Delivery Partners, APHA and yourself. If you are in this situation you should contact your APHA regional office or your Delivery Partners to discuss the possibility of the work being managed by a single Delivery Partner.

Q. Who is my first point of contact if I suspect Notifiable Disease?

A. In the case of suspicion of any Notifiable Disease, your first point of contact must always be the Duty Veterinary Officer at your local APHA office.

Q. Will services provided in Wales be made available in the Welsh language?

A. Yes. APHA will continue to ensure that services provided in Wales are available in the Welsh language and Delivery Partners will provide services in the Welsh language as required.

Q. What is happening in Scotland?

A. These changes only apply in England and Wales. In Scotland OV services will continue to be delivered as now.

Q: By removing testing from small veterinary businesses, isn't APHA adding to existing pressures on practices in the farmed livestock veterinary sector? A: No, when making arrangements for tests, farmers and livestock keepers can express a preference to use a specific veterinary practice from within the Delivery Partners network to undertake their testing, and this preference will be honoured where possible. If their regular farm vet is not part of the contract or is unable to undertake the test on time then they will be supplied with another OV who will be able to complete the test on time and to an equally high standard. Farmers and livestock keepers who would prefer to use a practice that is not part of the Delivery Partners network retain an option to pay for the testing privately.

Q: Won't the contracts lead to some veterinary practices giving up government testing?

A. Some OVs and OV practices may make the business decision to no longer offer TB testing or other services. However, we expect that the majority of vets and practices will continue to provide government testing services within the new contracts and the extremely high level of registration for OV training and authorisation suggest that farmers and livestock keepers should have no difficulty in accessing a suitable vet. Vets who are not part of a government contract will be able to carry out private testing such as pre-movement testing provided they are qualified under the OCQ(V) training scheme and maintain high standards of quality and professionalism.

Q. Is there any impact on the number of vets employed by APHA?

A. There is no impact on the number of Veterinary Officers employed within APHA as a result of these changes. APHA's veterinary strategy defines the future scope of veterinary work within the agency.

Annex A

Delivery Partner coverage in England and Wales

| England | Delivery Partner |
|-----------------|------------------|
| Avon | South West 2 |
| Bedfordshire | South East |
| Berkshire | South East |
| Buckinghamshire | South East |
| Cambridgeshire | South East |
| Cheshire | North |
| Cleveland | North |
| Cornwall | South West 1 |
| Cumbria | North |
| Derbyshire | Midlands |
| Devonshire | South West 1 |

| Dorset | South West 2 |
|-----------------------|--------------|
| Durham | North |
| Essex | South East |
| Gloucestershire | South West 2 |
| Greater London | South East |
| Greater London - East | South East |
| Greater Manchester | North |
| Hampshire | South East |
| Hereford & Worcester | Midlands |
| Hertford | South East |
| Isles of Scilly | South West 1 |
| Isle of Wight | South East |
| Kent | South East |
| Lancashire | North |
| Leicester | Midlands |
| Lincolnshire | Midlands |
| Merseyside | North |
| Norfolk | South East |
| Northamptonshire | Midlands |
| Nottinghamshire | Midlands |
| Northumberland | North |
| Oxfordshire | South East |
| Shropshire | Midlands |
| Somerset | South West 2 |
| Staffordshire | Midlands |
| Suffolk | South East |
| Surrey | South East |
| East Sussex | South East |
| West Sussex | South East |
| Tyne & Wear | North |
| Warwickshire | Midlands |
| West Midlands | Midlands |

| Wiltshire | South West 2 |
|--|------------------|
| East Yorkshire | North |
| North Yorkshire | North |
| South Yorkshire | North |
| West Yorkshire | North |
| Wales | Delivery Dertner |
| wales | Delivery Partner |
| Powys | Wales North |
| (CPH numbers 52/101/0000 to 52/169/9999) | |
| Powys | Wales South |
| (CPH numbers 52/001/0000 to 52/091/9999) | |
| (CPH numbers 52/201/0000 to 52/272/9999) | |
| Gwynedd | Wales North |
| Dyfed | Wales South |
| Clwyd | Wales North |
| South Glamorgan | Wales South |
| Mid Glamorgan | Wales South |
| West Glamorgan | Wales South |
| Gwent | Wales South |