



Northern Ireland
Assembly

**COMMITTEE FOR
AGRICULTURE AND
RURAL DEVELOPMENT**

OFFICIAL REPORT
(Hansard)

Strategic Overview of the Department

31 May 2011

NORTHERN IRELAND ASSEMBLY

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RURAL DEVELOPMENT**

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Members present for all or part of the proceedings:

Mr Paul Frew (Chairperson)
Mrs Dolores Kelly (Deputy Chairperson)
Mr Thomas Buchanan
Mr Trevor Clarke
Mr Willie Clarke
Mrs Jo-Anne Dobson
Mr William Irwin
Mr Kieran McCarthy
Mr Oliver McMullan
Mr Conor Murphy
Mr Robin Swann

Witnesses:

Dr Mark Browne)
Mr Bert Houston)
Ms Wendy Johnston) Department of Agriculture and Rural Development
Mr Gerry Lavery)
Mr Roy McClenaghan)

The Chairperson:

I welcome the permanent secretary, Gerry Lavery, and his officials: Wendy Johnston, Dr Mark Browne, Roy McClenaghan and Bert Houston. You are very welcome. I remind all those present to ensure that all electronic devices are switched off. After the briefing, members will have the

opportunity to put questions to Mr Lavery and his officials. I invite the permanent secretary to introduce his officials and provide a strategic overview of the Department.

Mr Gerry Lavery (Department of Agriculture and Rural Development):

Thank you for the opportunity to come before the Committee so early in the session. It is our pleasure and our commitment to inform the Committee and to facilitate its role. First, I will introduce my colleagues. Wendy Johnston is the acting senior finance director; Roy McClenaghan is in charge of service delivery; Mark Browne is in charge of policy; and Bert Houston is the Chief Veterinary Officer. I have circulated copies of some slides to assist the Committee. I will run through them fairly quickly, and we will then take whatever questions the Committee wishes to ask.

First, and without being patronising, you have an important portfolio. The agriculture industry is very important to Northern Ireland, particularly in rural communities. It accounts for about 1.3% of gross value added. Relatively speaking, that is about three times as important as in England, but, on the other hand, it is only about half as important as in the Republic of Ireland. The agriculture industry accounts for about 3% of employment, which equates to approximately 25,000 people. In private sector employment terms, it is significantly more, at about 9%. When food processing is included, the agrifood sector accounts for approximately 3% of gross value added and 6% of employment. It is, therefore, a significant industry. It is also one that is important to the look of Northern Ireland, as farmers account for approximately one million of the 1.3 million hectares that make up the land mass of Northern Ireland. Given that farmers deal with 74% of the total land area, how they look after it is very important.

As you are about to receive a more detailed presentation from John Smith, our finance director, I will say only a brief word about the Department of Agriculture and Rural Development (DARD) budget. Ours is a fairly large Department, with about 2,850 staff. Last year, our current expenditure out-turn was £226 million. In the financial year 2011-12, that amount has reduced sharply to £213 million. The Department manages various resources, including the single farm payment and less favoured areas scheme: in other words, all of the common agricultural policy. We are responsible for managing about £456 million. Of that, in 2011-12, £266 million is expected to be European money, which is largely single farm payments, but also

some other subsidy schemes.

Other receipts come to approximately £27 million from things such as timber processing sales. That leaves us with a net resource budget of only £163 million, which is what we spend on the Agri-Food and Biosciences Institute and the College of Agriculture, Food and Rural Enterprise. It is a fairly small budget on which to take any sort of hit or reduction.

We have only about £39 million of pure administrative or backroom expenditure on top of the £163 million, which is a proportion of about one in five. Approximately 80% of our spend is front line, only about 20% is for administration, and there is a small amount for depreciation. Our total current budget for the incoming year is approximately £213 million.

I turn now to capital allocation: this year, capital is in short supply across the Northern Ireland Executive. We have a pure capital budget for capital works including, for example, flood alleviation works of £8 million by Rivers Agency. We have no target for capital receipts this year. We expect to spend about £36 million in capital grants, but we will get receipts, again largely European money, of £23 million. Therefore, our net capital allocation is £21 million, which will be quite tight, particularly on the capital grants side.

As to the Department's organisation, I am accountable to the Minister, and the people in front of the Committee today head up the major groups in the Department. As you will see from our presentation, we are not organised in such a way that, for example, one group deals with the agrienvironment. One group deals with policy, one with delivering services, one with veterinary services and another with corporate services, and everything runs horizontally.

I will outline what each group does. The central policy group, headed by Mark Browne, is split into five divisions. Animal health and welfare policy aims to promote animal welfare and reduce levels of animal diseases that have significant public health or economic consequences. A great deal of work will come before the Committee from that group, particularly in the form of subordinate legislation. The central policy group also deals with food, farms and environmental policies that support the rural economy. It promotes sustainable environmental practices and deals with all policy in areas such as agrienvironment. The third area with which that group deals

contains several acronyms, for which I apologise, but they are an occupational hazard for all of us. Those areas are the common agricultural policy (CAP), the less favoured areas (LFAs), education and the Agri-Food and Biosciences Institute (AFBI). The Committee will be broadly familiar with the first two. The Department hopes to bring forward an education strategy, and it sponsors the AFBI, which is an important non-departmental public body that deals with all the testing and diagnostic work. The central policy group also deals with fisheries policy, and it has a responsibility for sea fisheries, aquaculture and fish health. It supports the fishing sector, with the aim of making fishing more sustainable and profitable. Finally, the group is responsible for the departmental scientific adviser, who provides evidence and advice on science issues to make our evidence-based policymaking more robust and helps to design our research programme.

The service delivery group under Roy McClenaghan is the part of the organisation that interacts and has front line meetings with customers. It has responsibility for the College of Agriculture, Food and Rural Enterprise (CAFRE), which delivers education, training and business development for those entering or working in the agrifood sector across its three campuses at Greenmount, Loughry and Enniskillen. The group is also responsible for the rural development division, and I am aware that the Committee will hear from Pauline Keegan later. It has a huge role to play in the £500 million, six-year rural development programme, which implements European and government rural development policies to help to deliver a sustainable rural economy.

The rural payments and inspections division processes the European subsidies and grant payments. It pays out anything from £270 million to £300 million a year in single farm payments and less-favoured area compensatory allowances.

The food delivery and customer services unit helps the agrifood industry to improve its performance through supply chain initiatives. It also undertakes assurance inspections for milk quality and beef traceability, and it manages cross-cutting programmes of work to improve service delivery. Those include DARD Direct, which is an initiative involving a network of offices to enable the public and farmers to work with us.

The European Union compliance division manages the whole area of disallowance, where we

have been hit in the past number of years by the European Commission's finding that our administration of single farm payments was not as it wanted. Therefore, we have a separate division to manage the disallowance issues relating to all the area aid schemes, and it is developing the land parcel identification system to minimise the risk of future disallowance.

Finally, the countryside management unit develops and delivers agrienvironment schemes and carries out compliance inspections for those and other area-based schemes.

The Veterinary Service, under the Chief Veterinary Officer, Bert Houston, aims to protect the consumer, public and animals through the application and enforcement of public health, animal health and welfare legislation. It provides advice on policy and delivers veterinary programmes for animal welfare to eradicate diseases already endemic in Northern Ireland, such as brucellosis and TB. The service ensures the traceability of food animals and, through contingency planning, prepares for any disease outbreaks. It also delivers meat hygiene and inspection control on behalf of the Food Standards Agency.

Corporate services, under Wendy Johnston, have a finance division, which deals with all areas of resourcing; accounts budgeting; governance and control; and teaching and business planning. An information management unit deals with IT systems and freedom of information, human resources, and the corporate policy to support the board and the Minister. In addition, Wendy acts as the link between our two internal executive agencies and the board. The Rivers Agency and the Forest Service are each headed by a chief executive at Senior Civil Service level, and Wendy facilitates their reporting to the board.

Our broad vision is one of a thriving and sustainable rural community and environment. Our strategic goals are to improve performance in the marketplace; strengthen the social and economic infrastructure of rural areas; enhance animal, fish and plant health and welfare; develop a more sustainable environment; and the effective delivery of services to customers.

Finally, there are current issues with which the Committee is likely to engage over the next few months. Obviously, CAP reform will be a constant concern for all of us for the next two to three years. A draft of the rural White Paper is out for consultation, and we look forward to

bringing that to fruition and beginning to implement it. In the last Assembly session, the Committee and the Executive approved the Diseases of Animals Act (Northern Ireland) 2010, the Welfare of Animals Act (Northern Ireland) 2011, dog control legislation in the form of the Dogs (Amendment) Act (Northern Ireland) 2011 and the Forestry Act (Northern Ireland) 2010. All the associated implementing legislation will come before the Committee.

Phytophthora ramorum, or sudden oak death, affects both private and public woodland in Northern Ireland. Over the next several weeks, we will undertake an overflight of Northern Ireland to look for signs of that disease. We have to wait until the late spring until the trees are in needle to detect such signs from the air, and we will follow that up with a ground survey, if necessary.

We referred to the obligation to bring forward proposals for a third tranche of the farm modernisation programme, which we will do as soon as we get the results from tranche two. This autumn, a big issue in managing disallowance will be remapping fields and identifying a new layer of ineligible features. We hope that that work will be carried out this autumn so that farmers will have new farm maps between then and next spring.

Another large concern for us is how we tackle climate change. There will be a consultation on the climate change policy framework.

Finally, we have proposed changes in how we compensate farmers for outbreaks of TB and brucellosis, and we will bring the outcome of that consultation to the Committee shortly.

That was a quick canter over the budget, the structure of the Department and the issues about which we expect to be talking to the Committee. Thank you.

The Chairperson:

OK, Mr Lavery. Thank you very much for your report. We appreciate that it was merely an overview, and we look forward to delving into the issues over the coming weeks, months and years.

Mrs Dobson:

At the start of your presentation, you said that the Department employs 2,800. Is that right?

Mr Lavery:

It employs the equivalent of 2,850 full-time staff.

Mrs Dobson:

I am told that the number of advisory staff meeting farmers on the ground is approximately 30. Will you provide the Committee with a breakdown of what the rest of the staff do?

Mr Lavery:

Certainly, although my saying that it is hard to summarise our staffing will not surprise you. In broad terms, about 1,100 staff work on the service delivery side and about 600 on the veterinary side. The Forest Service and Rivers Agency each employ approximately 200 staff. That gives you an idea of the broad staff areas, but we will provide you with a written, more structured breakdown.

Mrs Dobson:

Are the figures that I have been given correct? Do about 30 staff advise farmers?

Mr Roy McClenaghan (Department of Agriculture and Rural Development):

There are many more than 30. As you see in the briefing paper, the chief advisers are the “glorious 12”, a slightly higher number work in dairy, and there are also agrienvironment advisers. Behind all of them are technologists from CAFRE.

Mrs Dobson:

May we be provided with that information?

Mr Lavery:

I am happy to deal with that.

Mr Murphy:

I appreciate that we will go into more depth on issues as the Committee develops, but I have a question on a couple of current issues, such as the inactivity on the remapping of fields and the disallowance that resulted in fairly hefty fines from Europe. Is Europe being kept abreast of how that is developing and when you expect it to be completed? Will that have an impact on any future issues to do with Europe? There is speculation that other fines are outstanding.

Is the changing of compensation arrangements for TB and brucellosis being done from a policy perspective and with eradication in mind, or is it simply a matter of changing the way in which compensation is paid out? There is a school of thought that, as long as compensation exists, eradication will be more difficult to achieve. Is the approach designed with that in mind or to find a more cost-effective way for the Department to pay out compensation?

Mr Lavery:

In answer to your first question, we have a policy of positive engagement with European Commission officials, and we keep them closely informed of what we do. On the question of improvements, this year, we have already sent farmers ortho-photographs of their farms, encouraged them by issuing guidance and held several workshops. We hope that those initiatives have borne fruit in the application forms received in the past month. If so, we will see a significant reduction in problems during the autumn inspection.

We are making all of that information available to the European Commission, and we are deeply engaged in dialogue with it on issues concerning the risk to the fund. As you said, Mr Murphy, we are trying to win the Commission's confidence and ensure it that we are getting on top of the problem and devoting sufficient resources to it.

On the second point about the changes to compensation, our belief — those members of the Committee who were here previously will know that it is certainly my belief — is that we will not get on top of brucellosis and TB without a change in the compensation regime. For as long as we pay 100% compensation, there will be a residual group of farmers who do not take all the precautions that they could. Therefore, we believe that those changes will produce better husbandry, which will assist in the eradication of brucellosis and, in the longer term, in bearing

down on and eradicating TB. The changes are in the best interests of farmers. It will be a painful process, but it will enable us to get rid of those diseases and associated problems more quickly. Bert, do you want to add anything?

Mr Bert Houston (Department of Agriculture and Rural Development):

Only that compensation is an important mechanism for encouraging the reporting of disease, but our current method overcompensates.

Mr Murphy:

My final point is that, when introducing changes, there must be some sense that some people are genuinely caught up in problems not of their own making, whereas others appear to be exploiting the system. Any review of compensation must ensure that you deal with those who may be importing the diseases as opposed to punishing those who are victims of them.

Mr Swann:

Mr Lavery, when talking about the central policy group, you mentioned an education strategy. How does that tie in with the current provision offered by CAFRE? Will the strategy be interdepartmental? At what groups or subjects will the education be targeted?

Mr Lavery:

CAFRE's provision has grown over time. Every year, we train about 1,600 people entering or working in the agrifood sector. On top of that, we offer part-time courses and information sessions to a further 10,000 people. There is substantial engagement in both skills and education. The issue for us is to consider it a policy area, determine how that resource can best be used and drill into — as you said, Mr Swann — exactly which groups are most in need of assistance at this time.

Mark, do you have a timeline in mind for the publication of the education strategy?

Dr Mark Browne (Department of Agriculture and Rural Development):

We hope to have some proposals by the autumn, which can then go out for consultation.

Mr Swann:

Is the strategy interdepartmental? Have you been working with the Department for Employment and Learning (DEL) and the Department of Education on it, or is it solely a DARD strategy?

Dr Browne:

The Department is in regular contact with DEL on our education policy and strategy, because it is a major player in that area in relation to fees, loans, and so forth. We will be in contact with DEL when developing a strategy to go out for consultation.

Mr Buchanan:

One of the big issues that farmers face is the single farm payment. You talked about 2,850 staff. I wonder whether those staff are being utilised in the most effective manner. Farmers are still waiting for single farm payments that have, we are told, been delayed because of farm inspections. Those farmers are asking me how long it really takes to process a single farm payment application.

When we look into the matter and contact the Department, we are told that its officials have not finished with October's applications and are about to start November's. Yet, when I ring two or three weeks later, I get the same message. Some farmers who depend on the single farm payment cannot get it. How long does it take to process a single farm payment application that involves a farm inspection? It appears to take forever and a day to process such an application. There are farmers out there who really need the money.

Mr Lavery:

First, I sympathise with those farmers' predicament. I recognise, as does the Department, that the single farm payment is a hugely important component of farmers' income and that, in the midst of a highly constrained banking situation, they are dependent on it.

We have set targets, and we are meeting our target to get payments to more than 95% of farmers by the end of June. We have been meeting that target regularly throughout difficult and challenging times. I do not say that to ignore the difficulty that any individual farmer has when his expected income does not arrive. However, when claims with few or no problems are

submitted, we process them well and quickly.

There is a group of claims that require inspections to be carried out. We inspect farms in 5% of single farm payment applications, which equates to 2,000 a year, more or less. We do our best to get those payments through as quickly as possible. However, the fact is that many of the farmers involved experience stress due to their financial situations. We process the applications in order, which is why staff are telling you that they are dealing with inspections carried out in October. They then move on to those applications for which inspections were carried out in November and December. Recognising that it is difficult to make comparisons between individual cases, we try to process them in the order in which they were delayed.

Frankly, that is where the issue sits. We are working hard to clear those cases. The staff involved are devoting themselves to that and know the importance of what they are doing. That is the only reassurance that I can give at this time. Although the delays occur in only a minority of cases, it is frustrating for those affected.

Mrs D Kelly:

A couple of things strike me. Sympathy is all well and good, but it does not put bread on the farmer's table. Where was the accountability for the fiasco? Who was held to account, other than the public through the loss of finance to the Northern Ireland budget? Who set the target of 95%? When do you hope to complete the processing of the backlog of single farm payments? Surely staff should be working overtime to put that right. Additional resources should be put in to administering the payments.

Mr Lavery:

With respect, I disagree that there was a fiasco. We established a scheme in 2004-05, and it began to operate. The European Commission carried out an audit in 2006 and indicated that it was not entirely satisfied. We entered into dialogue with the Commission, as you would expect. That dialogue continued until 2008, at which point it issued a note saying said that it believed that we should apply a flat rate disallowance of 5%. However, there is a conciliation process, so we entered conciliation. It was only in 2009-2010 that we found ourselves facing an absolute decision that we faced a disallowance. During that period, from 2004 to 2009, we operated a

scheme. We could not stop operating it for the reasons that I have just set out. Every year, we have been paying out more than £0.25 billion to the farming community. If we had decided to pause the scheme until the entire legal process was over, we would have denied people payment for years. We could not stop it.

By the time the Commission finally ruled on where it believed that we were wrong and stated that it had the force of law on its side, we had a number of years' backlog of decisions. For the past couple of years, we have been implementing the Commission's decision very efficiently with all the resources that we could. We have a process that is workable and will give us the right outcome. We have been encouraging farmers by using ortho-photographs, by bringing them to information sessions and through guidance. This autumn, we will move to giving them new maps of 750,000 individual fields. It is not an easy process, and I accept that it is not a quick process, but it is genuinely intended to get all of us out of trouble.

We have been accountable. We have been held to account in Europe, locally and by this Committee — quite properly. It is our responsibility to get it right. We need the help and co-operation of the farming community. To a great extent, we are getting that, for which we are grateful. This year, people have gone out and walked their farms. They have not taken their maps as a standing statement but have looked afresh at which features are eligible and which are not. We are grateful for the commitment that farmers have made.

I hope that we will see an improvement in the current year, because we have put a lot of effort into persuading farmers, and, next year, we will have the new maps.

Mrs D Kelly:

Mr Lavery did not like the use of the word “fiasco”, but it has been a disastrous experience for the people who have lost out on money and continue to wait. You have not answered the question about who set the target of 95%.

Mr Lavery:

The 95% target is a European one. Failure to meet it would result in a further disallowance. Indeed, colleagues in England have failed to meet that target repeatedly under their new scheme,

which has led to disallowance in itself. That European target is our minimum standard. If we can achieve above 95%, we do so, and we have in the past. In the current year, that will be genuinely difficult because we have asked people to walk their farms again and come up with a new statement of their eligible features.

Obviously, the more changes that we have to make to the system, the more people we require to make those changes. That is simply pressing in on what I accept is a relatively small group of skilled people. I will take up the point about whether we should make more people available for that work. We are doing our best, but it is a skilled position for the most part, and, therefore, we cannot simply recruit. We could not do that even if we had the necessary additional funding. We are spending money in that area. In the past year, we have spent more than £4 million making additional resource available for the ortho-photography and creating the new maps. We will spend more on that work both in the current year and next year. However, even if we had the additional financial resource, there is the problem of getting additional skilled staff.

Mr Swann:

May I come in on that point?

The Chairperson:

I ask you to be brief because some members have not yet spoken.

Mr Swann:

I want to mention a concern that was raised with me. At one of the Department's information evenings, the Department advised an individual to use clean land to make up his full entitlement to help in the transition from ineligible to eligible and so that he could keep his full single farm payment.

Mr Lavery:

Roy will keep me right on this. One of the options available to a farmer is to rent additional land. If he found that his entitlements were on ineligible land, he would have an option to rent additional land, if it is available to him, and place his entitlement on that land.

Mr W Clarke:

Gerry, thanks for your presentation. I have a point about the rural White Paper. Obviously, there will be serious financial implications in the outworking of the rural White Paper. Have there been discussions with DFP about that even at this early stage?

Mr Lavery:

We discussed the implementation of the rural White Paper on the budget. We are aiming for a concerted drive across government by all Departments to do the maximum that they can for the rural community. This will not be a rural White Paper driven by DARD. We seek commitment across the Executive. Given our timing and the discussions that the previous Minister had with her Executive colleagues, we hope that we have a strong base on which to move forward. I do not think that there is a new and additional budgetary pressure on us or other Departments.

Mr W Clarke:

It will be hard to implement the outworking of the rural White Paper unless a certain proportion of Departments' budgets are ring-fenced. I suppose that what you are saying is that Executive pressure must be brought to bear on all Ministers.

Mr Lavery:

Yes. The outworking of the consultation will go to the Executive shortly. We will reflect that thought to them.

Mr W Clarke:

My other point is about the recent gorse fires, particularly those in my constituency of South Down. A cross-departmental approach is required to deal with those. Bring in the Environment Agency and DARD. We talked about the remapping of fields, different species, particularly in uplands, about heather and the proper management of those lands. There is an obvious role for the Department for Regional Development, through NI Water, as regards grazing. Responsibility extends to the education brief and to the Department of Health, Social Services and Public Safety as regards the resources spent after gorse fires. Someone needs to lead the way in getting consensus on proper management, particularly of uplands. Are any discussions taking place between DARD and the Department of the Environment about bringing together such a forum?

Mr Lavery:

The gorse fires were severe in some areas. We are very grateful to the Fire and Rescue Service for its work. On behalf of farmers and those affected by the damage to public forests, I wrote to the Chief Fire Officer acknowledging the strenuous efforts made by the service.

With regard to liaison between the Departments, we took an early decision to remind farmers who had suffered that they were required to draw to our attention any land rendered ineligible and to make a case for force majeure, because the gorse fires were clearly something for which they could not have prepared. We expect to be very sympathetic to a force majeure case coming before us. We will know how severe the issue is only when we see the number of those cases. I do not know whether you have a figure at the moment, Roy.

Mr McClenaghan:

Some 210 affected farmers have told us that they had a problem.

Mr W Clarke:

Many resources came from the Forest Service, and the Department lost significant revenue. There needs to be a better joined-up approach to fire outbreaks and the management of those areas. I just do not think that that happens at present.

Mr Lavery:

Our initial reaction was to deal with the emergency and then look at the extent of the problem. Therefore, we await an assessment from the Forest Service, which we will add to the assessment from farmers to determine just how big the problem is if, indeed, it is a significant problem. It was significant at the time, but I am not yet convinced that it affects all areas equally.

Mr W Clarke:

Gerry, it is not just the farming community. The fires impacted on the tourism sector, and the damage to people's livelihoods has not been costed. A number of Departments need to be brought on board.

Mr Lavery:

We will certainly consider some sort of follow-up report.

Mr Irwin:

I have concerns about the new compensation proposals. There will be winners and losers, and the losers will be the very good farmers who, over many generations, have bred quality livestock and many good pedigree herds. Does the Department accept that the new compensation proposals will leave those farmers at a big disadvantage if they have a disease breakdown?

The Department can talk about eradication and pointing fingers at some people in the farming community. However, the Department acknowledges that there have been recent outbreaks in departmental herds. Is that not correct?

Mr Lavery:

Yes.

Mr Irwin:

I am sure that the Department cannot point the finger at anyone for that. It was just something that happened. Many farmers find themselves in the same position, and some are at a loss to know how it happened. A breakdown is certainly not to the advantage of farmers, particularly those who have bred stock over many generations.

Mr Lavery:

No one should presume that a farmer who suffers a breakdown is, in some sense, guilty. That is not my presumption. In 1999-2000, there was a brucellosis breakdown in a herd under the Department's management in what is now the Agri-Food and Biosciences Institute. However, the compensation proposals are still just that: proposals. We have to wait until we receive responses to the consultation before moving in a particular direction.

If we introduced flat rate table values, we would still have to compensate almost everyone at market value. In comparison with the current regime, a small number of pedigree breeders with high-value herds would be disadvantaged, and we will investigate exactly that point. Whether

those breeders would have the option of insuring their herd is a relevant consideration, and we will not ignore that. The proposals remain at the point of consultation.

Mr Irwin:

On the other hand, it is possible that those with lower-value livestock would be advantaged. Therefore, there would be winners and losers in that situation.

Mr Lavery:

Yes, that could happen if someone had a very low-value herd and was still paid the minimum table value.

Mr Irwin:

My final question is on a totally different issue. Just last week, in my constituency and others, a number of animals died of botulism. This is not about getting at poultry farmers, because many of them are very good at their jobs and adhere to all the rules and guidelines, but a small number of them do not. When I spoke to the Department, I was surprised that, although it has guidelines and may visit the affected farm that created the problem, it has no powers to make farmers do certain things. For example, if chicken litter were littered throughout a field, the Department could not make the farmer plough that field. It could advise him to plough it, but it could not make him do so. Is that the case? If so, does the Department need more powers to deal with the situation?

Mr Lavery:

That is definitely an animal health matter.

Mr Houston:

Thank you very much indeed. That issue is about the difference between chicken litter and chicken litter containing carcasses. If chicken litter contains carcasses, it comes under the definition of animal by-product and is subject to legislation. However, if chicken litter has no visible carcass material or animal material, it does not have to be ploughed. There is no legislation for such litter, because it does not contain animal by-product. When people have complained to us about a situation on a chicken farm, we have investigated. If there are breaches

of the animal by-product legislation, we enforce that legislation. However, we cannot enforce legislation that is not applicable.

Mr Irwin:

In that particular instance, the litter contained a large quantity of dead bird particles, but the Department official told me that it could not make the farmer plough the field.

Mr Houston:

I cannot say for definite whether or not that litter would be included under the definition in the animal by-product legislation. All I can say is that the legislation has to be applied and enforced, and any breach must be addressed.

Mrs Dobson:

Farmers increasingly regard the Department as operating as a police force that is there to catch them out on trivialities rather than to help them produce the food they need. How will you address that? Given that the Department is totally overburdened by bureaucracy, what steps are being taken to reduce it?

Mr Lavery:

The Minister made a strong statement, virtually on her arrival, about viewing the agrifood sector as playing a major role in the economic recovery. She certainly wants us to position ourselves as an economic Department that helps the agrifood sector and farmers, in particular, to move forward. Given that direction from the top of the Department, we hope to redress the balance and to be regarded more as a helpful organisation than simply as a regulatory body.

The fact is that much of our helpful work in areas such as CAFRE is discounted. People do not really see and appreciate that. Rather, they see the problems, and rightly so. Most of the Committee's work will be dominated by the problems in the sector, many of which relate to the single farm payment. Our efforts, particularly those of staff further down the organisation, are intended to assist the farming industry to deliver good, safe food and to become profitable and sustainable.

We have done much to reduce regulation as far as we can. We are, however, constrained in that by European rules. Wendy, do you want to say a word about regulation?

Ms Wendy Johnston (Department of Agriculture and Rural Development):

As you know, the previous Minister and Arlene Foster, when she was Minister of the Environment, commissioned an independent report, our reply to which was published last June. We now have an action plan, which came before the Committee and was published just after Christmas. We are in the second year of that action plan. We have created a very small unit, I hasten to add —

Mrs Dobson:

Is that to reduce bureaucracy?

Ms Johnston:

Yes. The small unit is designed to drive that reduction. It works with all our business areas and, in year 2 of that plan, we are in the process of reassessing the amount of man-hours that farmers put in. We are starting to see a reduction in the number of man-hours, but it is a long process, and it is not easy. The methodology is very complicated. We have just set up a new group, which will involve the Ulster Farmers' Union (UFU) and the Northern Ireland Agricultural Producers Association (NIAPA), to examine how we reassess those man-hours. A lot of work is going on, and the unit is maintaining its drive to make sure that we keep to our plan.

Mrs Dobson:

The perception, especially among the many older farmers, is that they just cannot cope with form-filling and the bureaucracy that goes with it, so changes are required.

Ms Johnston:

We understand that. We are driving towards doing more online, and the number of farmers completing forms online is creeping up. That means fewer initial errors and faster processing. Those kinds of benefits are being taken into account as well.

The Chairperson:

Once more, I thank the personnel who have come before the Committee. I thank members for

their varied questions and the witnesses for their answers on those subjects. Witnesses can see how important those issues are to the members of the Committee. We have started in a professional manner, as we mean to continue.