



Northern Ireland
Assembly

Committee for Agriculture and Rural
Development

OFFICIAL REPORT (Hansard)

Out-turn Report on the 2013-14 Business Plan Targets:
Department of Agriculture and Rural Development

10 June 2014

NORTHERN IRELAND ASSEMBLY

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Out-turn Report on the 2013-14 Business Plan Targets:
Department of Agriculture and Rural Development Officials

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Members present for all or part of the proceedings:

Mr Paul Frew (Chairperson)
Mr Thomas Buchanan
Mrs Jo-Anne Dobson
Mr William Irwin
Miss Michelle McIlveen
Mr Oliver McMullan
Mr Ian Milne
Mr Robin Swann

Witnesses:

Mr Colin Hart	Department of Agriculture and Rural Development
Mrs Pauline Keegan	Department of Agriculture and Rural Development
Ms Pauline Rooney	Department of Agriculture and Rural Development
Mr Graeme Wilkinson	Department of Agriculture and Rural Development

The Chairperson: I welcome the witnesses from the Department: Graeme Wilkinson, grade 5 assistant secretary; Pauline Keegan, grade 5 assistant secretary; Colin Hart, grade 5 deputy chief veterinary officer; and Pauline Rooney, grade 6 senior principal officer. You are all very welcome to the Committee, as always, and are, of course, no strangers to it.

Members will have had a chance to read your briefing paper. I ask you to take up to 10 minutes if that is possible. I also ask members to keep their questions concise and to the point and their supplementary questions on-message with their original question. We will go around again if need be. Without further ado, Graeme, please lead off.

Mr Graeme Wilkinson (Department of Agriculture and Rural Development): Thank you, Chair. I will be brief. As you said, I am here to present the 2013-14 business plan out-turn report for the Department as well as the Programme for Government targets. Hopefully members will have had an opportunity to go through the information. Quite a bit of detail has been included to provide Committee members with as fulsome an overview as possible.

I have brought along a number of senior responsible owners (SROs) today to provide members with answers to specific questions they might have. I am also happy to take away any issues that you might want further clarification on and come back to the Committee in writing.

The report follows a similar format as previously, with the detailed targets set out in appendix 1 and more-detailed financial information in appendix 2. As this is the year-end report, we have reported

either green or red — achieved or not achieved. I have also provided you with information on the Programme for Government targets, which are set out in annexes A to D of your packs.

I will start with the Programme for Government targets. As you will see, we have reported two of our targets as green. Those are the eradication of brucellosis in cattle and the various measures to tackle poverty and social and economic isolation. The HQ relocation has been reported as amber/green and the Going for Growth target has been reported as amber. In addition to the Programme for Government targets there are individual milestones. Those are included in appendix 1 of your packs, with more detailed information against the progress of each of those.

On the overall business plan targets for 2013-14, you will see that, out of the 30 targets, we have reported 23 as green, or achieved, and 7 as red. That compares to the position in December when, you will recall, we reported 22 of the targets as green, two as amber/green, one as amber and five as red.

In summary, the seven targets that the Department did not achieve were the completion of the HQ relocation business case, which was supposed to be completed by the end of June; the implementation of year 1 of the Going for Growth actions; the publication of the rural White Paper progress report, which was supposed to be done by the end of September; the rural broadband programme; the Northern Ireland Food Animal Information System (NIFAIS) procurement process; the staff absenteeism target; and the target for maintaining fluvial defences. Those are the seven targets that are recorded as red.

You will see from the update that has been provided that progress is being made on the HQ relocation target. In particular, the business case process has been completed and approved by the departmental board and a paper has been circulated to Ministers for their consideration. However, as the June target was not achieved, we have recorded that as red.

Members will also be aware of the Going for Growth strategy and, in particular, the 118 different recommendations that have been assigned to the Department. I can advise that the Department has an action plan and that we have considered the various financial implications attached to that plan. It has been submitted to the Executive, and we are awaiting the outcome of those considerations.

As I said, the progress report on the rural White Paper action plan was supposed to be published at the end of September. However, there has been some delay, largely due to the fact that we are working with 12 different Departments, and trying to get agreement among them all took longer than we had anticipated. The report was subsequently published in January, so that has now been achieved, although I accept with some delay.

I think that it is important to realise that there has been some progress with the rural White Paper. Some of the impacts are worth noting and are included in your packs. I will just highlight some of those. Some 375,000 passenger trips were funded through the assisted rural travel scheme, 53,000 contacts were made under the Connecting Elderly Rural Isolated project and 848 unemployed people were assisted through the Boost programme. I think that those are really significant achievements in that programme.

We have also recorded the rural broadband programme as red. As previously reported to the Committee, that is largely due to delays in the procurement process. However, that has now been completed, and the contract has been awarded. We intend to ensure that the £5 million investment is made in the current financial year.

In relation to goal 3, target 4, which is the NIFAIS project, we had intended to commence competitive dialogue by 31 March 2014. However, you will see from the update provided that there was some delay in that process, particularly around getting the business case approved. Until that was completed we were unable to put in the Official Journal of the European Union (OJEU) notice. I can advise that that process has now been completed and subsequently approved by the Department of Finance and Personnel, so that now allows us to proceed with the procurement process. The Committee will get a fuller briefing on NIFAIS at the meeting on 24 June.

The other target that we did not achieve was the Rivers Agency target, which was to have 74% of the fluvial defences in fair condition or better. That was not achieved at the end of March. In fact, we achieved 69.4%. However, we have applied additional resources to that area. We have completed an audit of the flood defences, and I can now report that we are back up to 75.7% as of the end of April, so that position has changed since the year's end.

Finally, in relation to the absenteeism target, which is set out in goal 5, target 7, we had a target of 7.8, and we had advised the Committee that there would be some difficulty in achieving that target. Subsequently we have achieved an outturn of 9.1 working days, which is higher than the target intended.

In appendix 2, in your packs, you will see more detailed financial information, which I would like to draw to the Committee's attention. The target had been £72 million of spend and we actually achieved £78 million. However, some of the axis 2 spends were less than anticipated. Because the overall target was achieved we are reporting it as an overall green, but highlighting that two of the different elements were red.

That concludes my introductory comments. I know that you wanted me to be brief, so I am happy to leave it at that.

The Chairperson: Thank you very much for that, Graeme. I appreciate you being concise and clear. I will go straight into questions. Goal 5 is to:

"Manage our business and deliver services to our customers in a cost-effective way".

Target 2 is to:

"Further reduce the risk of future EU financial correction by ensuring that farm businesses have access to updated maps to inform SAF claims in 2014."

On page 26 of appendix 1 you refer to the common land mapping data that has been captured, yet there still seems to be an issue in north Antrim, where there are question marks around common land. People try to gain access through the computerised form, and there are problems with people being prevented from filling in their forms correctly because of that. That is the first question; maybe it applies to Pauline more. Has that been identified at HQ or Orchard House and what can be done to rectify it?

Ms Pauline Rooney (Department of Agriculture and Rural Development): I will try to answer that as well as I can for you, but it is not an area that I have direct responsibility for. My understanding of how common land is mapped, or has been mapped up until now, is that it has not been on our land parcel identification system (LPIS). We have been doing work on it this year to try to get maximum eligible areas (MEAs) for the land. When you have a field it is easy to see the MEA within a field, but, because graziers take notional parcels of common land, that is difficult to represent on a map. Even in this coming year, I do not think there is a plan to have the common land on the map, because it is very technically difficult to incorporate it. In the long term, I think that there is a plan to do that. We did provide graziers with information. I know that some of it perhaps came late, because we sent it out and asked for views back on it, and some of those came in at different stages. If you want, I will ask for a plan and advise the Committee as to when that will be made available.

The Chairperson: That would be great, Pauline. Whilst I know that there were problems in the past and that it is a very delicate, complicated and difficult scenario with pitfalls and is a minefield regarding mistakes —

Ms Rooney: We need to make sure that farmers have the information that they need to make their claims, and that is what we need to focus on.

The Chairperson: It must also be ensured that the computer system recognises that delicacy.

Ms Rooney: I will get a view and come back to the Committee.

The Chairperson: It seems that the government internet system was down for two days prior to the deadline for single farm payments. Can you address that for us?

Ms Rooney: That was a UK-wide government gateway issue, which we raised concern about, as did the Department for Environment, Food and Rural Affairs (DEFRA). It was associated with issues wider than the Rural Payments Agency and us. There was nothing that we could do about that. We tried to inform farmers of it as early as we knew about it. We put notices up on the internet, and I think that we put a press release in the papers. So, people were aware that it was going to happen and of

the time that it was scheduled to take. To my recollection, it took slightly longer than it was supposed to, but it was outside our control. We tried to inform people that it would happen. I know that it affected agents probably more than lots of other people.

Mrs Dobson: Thank you for your briefing. I want to focus on goal 5, target 7, which is absenteeism. As you know, I have raised that with you before. Can you explain to us how you targeted the 309 staff for referral to the Occupational Health Service? Also, what proportion of staff does this group represent? How many staff are there in DARD in total?

Mr Wilkinson: There are approximately 3,000 staff in the Department, Jo-Anne. Obviously, there is a trigger point, so there is no real focusing in on identifying that number of staff. Once a member of staff hits a particular trigger, they are required to attend occupational health. That is automatically triggered, so there is no focusing in on individual members of staff.

Mrs Dobson: How do you feel the action of referring staff to the Occupational Health Service has impacted on your working days lost? For example, what were the cost implications to the Department of referring the 309 staff?

Mr Wilkinson: I do not have any details on how much it actually cost to do, but there appears to be an improving picture. At the end of 2012-13, we were looking at 9.4 working days lost, and, at the end of this year, it is 9.1 working days. So, there certainly is an improving picture, and, as I said previously to the Committee, interventions take time before you see the positives coming through. Our analysis appears to show that it is long-term sickness, not short-term sickness, that we are having an issue with. We have identified that a lot of the issues that we are experiencing are around stress, so it is really important to ensure that staff get the support that they need, and we are investing in that and making sure that we are doing the right things. We are also looking at a pilot in Rivers Agency, particularly around industrial staff, where they have particular issues, and also in the College of Agriculture, Food and Rural Enterprise (CAFRE). Colleagues in departmental HR are working very closely with individuals to try to identify what the issues are and what action we can take to support staff coming back to work. That seems to be bringing about an improvement, which I accept is small, but we are seeing an improving picture on staff absenteeism.

Mrs Dobson: Chair, would it be useful to, at some point, get the cost implications of how much the Department has spent on referrals?

Mr Wilkinson: We can provide that for you in writing, Jo-Anne.

Mr Swann: Goal 3, target 6 is one that you have achieved and marked as green. Was Exercise Blacksheep, which was completed on 9 December, solely a planned exercise, or was there anything else behind that?

Mr Wilkinson: Colin, can you answer that?

Mr Colin Hart (Department of Agriculture and Rural Development): I am afraid that it is not in my direct area.

Mr Wilkinson: I am not sure what was behind it or whether it was planned or not. We have a number of planned exercises that are done during the year, and I accept from the information that has been provided to you that we completed an additional one.

Mr Swann: There was an additional one around the time of certain activities. I wonder whether it was a contingency exercise or an active investigation that has been put in there as a contingency exercise.

Mr Wilkinson: I am not sure, Robin. I accept that there was an additional one carried out, but we need to come back to you about whether there was anything else behind all that. So, I will come back to you in writing on that.

The Chairperson: With regard to goal 3, which is:

"to enhance animal, fish and plant health and animal welfare",

target 2 is around the TB plan and securing funding. Can you indicate how much TB cost the Northern Ireland taxpayer in the financial year up to 2014? Can it be broken down into various segments such as compensation and testing?

Mr Wilkinson: Certainly, Chair. Overall costs are around £30 million per annum from the TB scheme. We are talking about £16 million of that for compensation. Private veterinary practitioner (PVP) costs are around £7.4 million, and there are various other costs attached to that, but the big costs are PVPs, compensation and staff costs. Those are the three big component parts that go to make that up.

The Chairperson: OK.

Mr Swann: You are getting off easy today.

Mr Wilkinson: Do you think? *[Laughter.]*

Mr Swann: I will tell you in a minute or two. In relation to goal 4, target 1, which relates to timber and trees, you exceeded the targets by £1.7 million revenue raised from additional trees being cut down. In your explanation, it says that the increased level was:

"to avoid reduced working in the northern mills."

Are the Northern Ireland mills not commercial activities? I am trying to grasp why the Department was cutting down more trees to keep mills operating. Is that a normal procedure? It is something that I have not seen before, Graeme.

Mr Wilkinson: My understanding of it is that it is more to do with the amount of disease. There had to be an intervention in respect of Chalara and the different diseases that we had in the forests. So, there definitely was more intervention required as part of that response.

Mr Swann: It does not say that, Graeme.

Mr Wilkinson: I accept that it does not, Robin, but, in my engagement with Forest Service, that was a key feature during that financial year.

Mr Swann: Would it not be better for you to clearly state that? In regard to the statement about increased levels of tree cutting to avoid reduced working hours, how do you explain that statement?

Mr Wilkinson: I am not sure what the exact detail of that point is, but that would have not have been a feature of the significant increase in receipts that we had. My understanding is that it is more to do with the disease outbreaks that we had during the year. That was the more salient feature.

Mr Swann: Should it not say that then?

Mr Wilkinson: I accept that.

Mr Swann: To go back to last week's briefing, you said that to compensate for the wind farm development programme, you were cutting down an extra £1 million worth of trees. Is that it, or are you going to cut down another £1 million worth next year?

Mr Wilkinson: That is in the 2014-15 financial year. We will come back to you on that point.

Mrs Dobson: In relation to target 1, which relates to Going for Growth, the first that we heard of the pilot scheme was when you presented to us last week. Why has it taken over a year to bring forward a pilot, which, I think I am right in saying, is only 0.35% of the total required to achieve the target?

Mr Wilkinson: Sorry, 0.35?

Mrs Dobson: The pilot is only 0.35%. The Going for Growth strategy is a year down the line, and we heard about the pilot for the first time last week.

Mr Wilkinson: There has been a lot of work going on in the Department in shaping the programme, specifically in the rural development programme. There has been a lot of engagement with the various sectors, particularly trying to identify what the particular need is, Jo-Anne. It is about understanding what is going to work best for the individual sector, so it is a bespoke programme. As you will appreciate, there are quite a number and variety of sectors, so we need to make sure that we are doing the right thing. So the work that has been going on is about engaging with the individual sectors but also designing what will work within that and how the Department can deliver that.

We are at the stage where we have a strategic outline case that we want to share with the Department of Finance and Personnel. I would not underestimate the amount of work that goes into designing a scheme, particularly given the size of it. There are also 118 recommendations, so it has taken time to develop those plans and the action plan in order to deliver on that.

Mrs Dobson: With respect, if you are listening to farmers on the ground, they feel that it is moving far too slowly and shows how little regard DARD really has for its industry. I am sure that you are not immune to the frustrations and it is not just us on the Committee. I declare an interest: my husband is a beef and cereal farmer. The frustrations are there that although it is moving, it is moving far too slowly. Dragging your heels is costing the industry an enormous amount of money.

The draft Executive response has been with the Minister since December last year. Does the Department view the failure of the Executive to respond as a black mark against it?

Mr Wilkinson: The big ticket item in all of this is the farm business improvement scheme. As I said, we have developed that and a business case, so we are moving on along that road. I would not underestimate the other things that the Department is doing. You can see in the update that was provided that we are looking at growing our export market. We have already opened a market in Singapore and we continue to engage closely with China, so it is not about just the farm business improvement scheme. I accept that that is a big feature of it, but the Department is doing a wide variety of other things in order to enable the industry to move on. I certainly know that CAFRE is working closely with the various sectors in trying to help them to develop their business plans so that they are in a good position once the funding does become available.

I accept that there is frustration out there, but we have done everything that we possibly can to move the programme forward. That is where it is. As you said, it is with the Executive in terms of making the funding available.

Mrs Dobson: Looking at it is one thing, Graeme, but it is all about delivery on the ground. Certainly the frustrations are out there that, a year down the line, things are moving far too slowly and the industry will pay the price for that.

Mr McMullan: Looking at the figures, are we carrying on with the same programmes next year to tackle rural poverty and isolation with the likes of the Maximising Access in Rural Areas (MARA) project?

Mr Wilkinson: Funding is available in the current financial year to make sure that the programmes, as you quite rightly point out, are taken forward. I suppose that is why I made the point in my introductory comments about the positive impact that those schemes are having, so we do intend to continue to deliver that in the current financial year.

Mr McMullan: What sort of follow-up are we doing on those to see how they are doing? Are we keeping a tight eye on them?

Mr Wilkinson: Pauline is much closer to that than I would be, and I will let you comment, Pauline.

Mrs Pauline Keegan (Department of Agriculture and Rural Development): Yes, thanks Graeme. Oliver, as Graeme said, we want to try to continue the schemes that have worked well in tackling poverty, and that would involve MARA, rural borewells and some of the ones that are having a really good impact out there. We will probably look at some new schemes this year if we can bring something forward. We are talking to the Minister about that. As we go forward, we are evaluating how well it has done.

Some of the schemes, as you know, we do in partnership with other Departments, such as rural transport. We work with them on the evaluation of the scheme just to make sure that there really is an impact, because it is about rural poverty and social isolation. We talk to the beneficiaries and the community groups that help to deliver, perhaps, the challenge fund, and make sure that it is having an impact. We are recording that, and those are lessons learnt, I suppose, for us as we look at new schemes going forward. We want to make sure that the amount of money, which is considerable, is doing its job. We are pleased with it, and we think that it is.

Mr McMullan: There were some queries on the rural borewells scheme. Can you look into that?

Mrs Keegan: OK.

Mr McMullan: There is also the rural transport.

Mrs Keegan: Yes. As you know, we are delivering the rural borewells on behalf of DRD. It is a DRD scheme, and it is the DRD policy that we work with.

Mr McMullan: I think that we need to look at it again. I think that there are one or two wee things in it that need tweaking. I do not know where rural transport is, but it is certainly not in my area. We are still suffering areas of deprivation where, for example, for child-minding and all that, not all areas qualify, and we are still being held as those areas of deprivation. I think it is time that we took a holistic approach. For example, one side of the street qualifies and the other side does not. That is still going on in this day and age. My area of the glens does not qualify at all, although I am not here to complain about that. However, I think that we need to look at that.

Mrs Keegan: I was not aware that the scheme was working against one area in particular, so, if that is the case, I want to know about it. I will certainly have a look at that and maybe hear from you —

Mr McMullan: I congratulate you on those schemes. From what I hear, they are doing a good job. If there is anything, it would be to ask you to ask the community and development groups to get the message out more. They tend not to put the results out; they do not blow their own trumpet. I think that the figures that you have given today are a good-news story, and that should be out there. It is not getting out to the areas that it should be getting out to. However, those schemes are doing a good job, and they are getting to the people, but they are not getting the results out.

Mrs Keegan: We have tried to give the community groups a bit of training about how they should get the message out. They are really there to work with their own area rather than us doing it. Therefore, if we feel that that is not working at its best, we can certainly have a look at it.

Mr McMullan: You are doing a good job, but I think that it needs a wee bit more help.

Mrs Keegan: From community groups, Oliver?

Mr McMullan: University students could be seconded in for a year or six months to do different types of work. Well done; that is a good story. Those figures should be out there.

Mrs Keegan: Thank you. I will have a look at that.

The Chairperson: With regard to the rural White Paper action plan, the annual progress report was to go to the Executive and the stakeholder group, and they were to meet and discuss further actions and a revised action plan. Did that meeting take place?

Mr Wilkinson: I am not sure whether it happened or not.

The Chairperson: Will you update us on whether there was a meeting and whether it was agreed to insert any actions into an action plan for the rural White Paper out of the annual progress report?

The other issue that I have relates to one of the targets that is red, which is goal 4, target 5:

"maintenance of infrastructure to provide enhanced flood protection to 15,500 properties."

I know that it is percentages, and your targets are percentages, but what does that look like? Are we talking about areas or towns that have not been looked at yet? Is there a specific area that has not been covered? I know that this is to check and monitor offences, but it is important as there are targets for it.

Mr Wilkinson: It is really about the quality of the infrastructure. They are built with concrete and that type of thing, so it is about making sure that they are sound. The various engineers go out to look at the flood defences that are in place and make an assessment of them, so that is the outworkings of this. An audit is carried out, and they come back with that percentage. It identifies for us where investment is required to bring them up to the necessary standard. We have gone through it and identified that there have been shortcomings, and we have addressed that. The target is back up to where we would expect it to be. We are much more comfortable now that we will achieve our target in the current financial year. It was really a bit of a blip during the past year, but it is being addressed.

The Chairperson: Why was there that blip? What can we put it down to?

Mr Wilkinson: The more you look, the more you find. We invested in a more rigorous approach to the auditing of our flood defences. When we carried that out, we found that more areas required investment than we had originally intended to invest in. The additional amount of auditing that has gone in has identified that. That has been uncovered and addressed through the investment that we have put into it.

Mr Swann: Targets 1 and 5 of goal 1 reference the research challenge fund. It is a very worthwhile fund that produces a lot of good work. You said that the rigorous assessment process in 2013 meant that not all applications were successful. How proactive are you in getting those unsuccessful applications turned into successful applications?

Mr Wilkinson: My understanding, Robin, is that it goes through a panel process, which looks at the individual application. I do not think that there is a route for appeal; once they go through that, it is the end of the process. I do not think that there is a bit of a tidy-up and then it will go over the line. That is not how it works.

Mr Swann: It is black or white. There is no further support; there is no encouragement; there is no "Come back again next year, but you need to take these additional steps."

Mr Wilkinson: That is not my understanding of how the process works. There is a limited amount of funding available, as you will appreciate, so it is about making sure that we allocate the funds based on that.

Mr Swann: I appreciate that there is limited amount of funds, but I think that you have never actually met the target over the past three years. You have never used all of the funding that has been available. Could the Department take a more proactive approach, specifically for the research challenge fund? The whole thing for the Executive is about investment in research and development, and Going for Growth makes a big play of it.

Mr Wilkinson: It is something that we could maybe look at. We could look at the process to see if there is merit in looking at it, and whether some projects which did not quite make it needed some remedial work to the project.

Mr Swann: They could get back in and go for the next time.

Mr Wilkinson: I will take that message back and see if there is anything we can do with it.

Mr McMullan: On the rural isolation and poverty side of things, we do not seem to have targeted the disabled and special needs grouping in every area. They are still being isolated, and they are becoming more so, in employment and education, as time goes on. What happens to them when they leave school? That is not included in your targets. It is not a criticism, but it does get overlooked.

Mrs Keegan: Oliver, you talk about people with disabilities. We certainly try to make sure that they are targeted. For example, I know that you have some issues with rural transport, but the whole idea of the rural transport scheme is that people with special needs and disabilities get free or subsidised

trips. We try to look at the various sectors and the schemes that we have and see how they can help all of the sectors. If there are particular issues with people with disabilities that would merit a scheme of their own — I am not sure what that would be — we try to look at transport, education and all the services that are there, rather than single them out. I think that this is what disability groups would tell us that they prefer — that they are not singled out in that way — but we are always looking to see if new schemes are coming along. If there is a need out there, we will try to address it. If you are hearing that there is a need —

Mr McMullan: I have been chairman of a disability group this last 12 years, and I have never heard from anybody.

Mrs Keegan: We deal with Disability Action and various groups like that.

Mr McMullan: I think that you need to get into the country more and listen to the groups there. There is not even an arts strategy, for instance.

Mrs Keegan: Again, that is where the community groups are supposed to be feeding this information back, and you made that point yourself —

Mr McMullan: We do feed it back to you, but I do not know where it is going to. We have filled in questionnaire after questionnaire. I do not know where it is going, but it never comes back. When they leave school at 18 or 19, there is nothing for them; absolutely zero.

Mrs Keegan: You are talking about employment now. We fund various employment schemes.

Mr McMullan: You cannot have employment in the rural area, because there is no employment in a rural area for them, and there is no transport to take them out — all that goes along with what you have in an urban area. Day centres are not catering for them in the way that they should. There are not enough programmes. That is the type of thing I am talking about.

Mrs Keegan: There are things that we can do. We have a limited budget, and there are other Departments that have that responsibility. I am not trying to push it away; I am not saying that. We try to make the money count in the best possible way by, maybe, adding to other Departments' moneys or whatever. I will look at that for you.

Mr McMullan: Will you, please?

Mrs Keegan: Yes, of course.

Mr McMullan: It would be great if you looked at that.

Mrs Keegan: I will report back on that.

The Chairperson: There are no more questions, Graeme and team, so thank you very much for your time, your presentation and your answers.