



Northern Ireland  
Assembly

Committee for Agriculture and Rural  
Development

# OFFICIAL REPORT (Hansard)

Single Farm Payment: Northern Ireland  
Agricultural Consultants Association

30 September 2014

# NORTHERN IRELAND ASSEMBLY

## Committee for Agriculture and Rural Development

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**Members present for all or part of the proceedings:**

Mr William Irwin (Chairperson)  
Mr Joe Byrne (Deputy Chairperson)  
Mr Thomas Buchanan  
Mr Tom Elliott  
Mr Declan McAleer  
Mr Kieran McCarthy  
Mr Oliver McMullan  
Mr Ian Milne

**Witnesses:**

Mr Philip Christie	Northern Ireland Agricultural Consultants Association
Mr Rory Gormley	Northern Ireland Agricultural Consultants Association
Ms Mary McCormack	Northern Ireland Agricultural Consultants Association
Mr David Rankin	Northern Ireland Agricultural Consultants Association

**The Chairperson:** We have with us — I am not sure which one is not here — David Rankin, Mary McCormack, Rory Gormley and Philip Christie. I am not sure which one of you is doing the presentation, but we will give you around 10 minutes for it. We have to break at 2.45 pm for Question Time, but hopefully we can get through most of it by then.

**Mr David Rankin (Northern Ireland Agricultural Consultants Association):** Chairman, I will speak on behalf of the association. Rory Gormley is parking his car, probably down the main road. *[Laughter.]* First, I think that this is your first day in office, and we congratulate you on your promotion. I know that you will continue the good work that Paul Frew did. He was a friend to the agriculture community. In Saturday's 'Farming Life', you said that you will continue that work and support the agriculture and rural interest, which we are very glad about. Secondly, we have to apologise that we did not come here in May when requested. As you can understand, it is hectic for us coming up to 15 May, and our clients come first.

Today's meeting is on the 2014 single farm payment (SFP) and on looking forward to 2015. As you said, I have with me three senior members of the Northern Ireland Agricultural Consultants Association (NIACA). Rory Gormley was a past chairman and is now the secretary. Mary is the vice-chair, and Philip Christie is one of our staunch members. Between the four of us, we completed over 2,000 online applications and three paper copies. So, in total, the four of us completed about 17% of all the forms that were done online, and, as an organisation, I think that we probably completed between 30% and 40% of the online applications.

Before we look at the 2014 single application form (SAF), I just want to look back at the issue of entitlements. Mr Chairman, your Committee agreed that the closing date for the trading of entitlements would be extended by four weeks, from 2 April until 2 May. Whilst I agree that that was the right thing to do, it put our members under extreme pressure at a time when they had already started completing SAFs. Businesses wanted to know what to do. I remember listening to the debate then, and DARD kept saying that we need to seek professional advice. The problem was that nobody said who they meant by professional advice, and it was our organisation that many farmers came to. In fact, some of the DARD Direct offices directed farmers to our members. I personally completed 172 transfer of entitlement forms (TE1s), 65 of which were for my own clients. So, over 100 people came because they had nowhere else to go, and that was the same for our other members as well.

There were problems initially acknowledging the TE1s. The acknowledgments did not identify the transferor or the transferee. However, when we drew that to DARD's attention, it quickly corrected it but, to be honest, went overboard and its acknowledgment was misleading. It suggested that in cases where the transfer did not go through, they should complete a SAF form. Several businesses followed DARD's advice and completed a SAF, and that then led to duplicate fields. Although the duplications were clarified and corrected, it still put the rightful farmer under undue stress.

I will go on to the ongoing saga of duplicate fields. We had advised DARD initially in the year that there would be a problem. As I highlighted, the poor communication and the acknowledgment resulted in duplication, but the renumbering of fields by the land parcel information systems (LPIS) to the 850 and 870 numbers created several problems. It also appears that Orchard House is using different LPIS maps in relation to common grazing than those in the local DARD offices, and there were incidences where two or three farmers received the same field numbers for common grazing, which meant that there were two or three duplications.

The LPIS mapping had many pluses but the renumbering of fields was hard to follow. The 870 merged multiple claimants and the 850 merged multiple owners. That confused farmers and us as their agent, and the LPIS team should have communicated more with a farmer or agent in checking a field before giving it a new number. I will give an example of a field that was on the side of a road opposite other fields. The road was on one side and there was a fence round three other sides. That was always classified as field number two, but LPIS changed it to 870/4A. If it had given it the 870/2, it may have helped. In another case, a County Armagh farmer — Mr Chairman, you will understand that Armagh starts with the farm survey number 2 — had one of his fields changed to 850 but, instead of the farm survey starting with 2, it started with 6, which is for County Tyrone. I know that my colleagues can give plenty of similar examples.

As an organisation, we feel that, if Orchard House has a problem, such as duplicate fields, it should contact the authorised agent directly. That would save time and money, and the query could be resolved without the need for numerous letters and threats of penalties, not to mention the stress and worry to the farmer. As you say, we have a very good working relationship with DARD, especially at local DARD Direct offices. We also regularly meet DARD to discuss our work, and, last Friday, I met Andrew Elliott and Pauline Rooney to discuss the 2014 schemes and DARD's preparation for 2015. Yesterday, I was with the Ulster Farmers' Union (UFU) and the Northern Ireland Agricultural Producers' Association (NIAPA) at the 2015 single application working group. We appreciate that good working relationship.

I will look back to 2014. As we are all hardened believers in the online version, I will keep my comments to the online system. On the whole, the system worked well this year with fewer stoppages and problems. There were a few minor issues. I felt that a column should have been added for the maximum eligible amount (MEA), and a total at the bottom which would help our members when doing the nitrate calculations. My only worry with the online system is that if it crashes after 5.00 pm or at weekends, you cannot get in contact with anybody.

The most beneficial part of SAF was the LPIS e-maps. I know that I have criticised LPIS, but its e-maps system is a great tool. It gives you a very clear picture of a field, and you can measure lengths or areas, which helps you to accurately complete a claim. One criticism that I have is about the system of making corrections online. There needs to be better communication with the agent who made the correction, and the turnaround time needs to be quicker.

Our recommendations for the 2014 SAF will hopefully be taken on board as we move forward into 2015. Our main recommendation is that the 2015 SAF packs will be out as early as possible and that if there is a query with the SAF, DARD should contact the agent in the hope of getting it resolved quickly.

Looking forward to 2015, as I said earlier, one of the main problems is the lack of clear guidance on the definition of "active farmer". I know that the EU states that entitlements should be awarded to the person who is enjoying the decision-making power, benefits and financial risk that relates to the agricultural activity on the land for which such allocation is requested, but in Northern Ireland, with its conacre system, many landlords are reading that differently. My attitude is that if you do not know what an active farmer is, you are not an active farmer. Whether through greed or jealousy, many landowners do not want to give up their right to claim single farm payment on their own land, especially those who have historically had a high payment and suddenly see their so-called pension plan disappear. We advise our clients to be very cautious when dealing with landowners and conacre. There are some crazy deals going on out there. In some cases, the tenant is being held to ransom by the landowner. However, it is the tenant who is actually farming the land who could get the biggest penalty. There are a lot of grey areas in the definition. We feel that it needs to be defined a lot better and very quickly.

I will give you an example. If a landowner takes a first cut of silage and has control over the fields on 15 May, claims the single farm payment and then lets it for the rest of the year, will that be allowed? There needs to be guidance on that.

Further guidance is needed on the young farmer as head of holding. Recently, I wrote in the 'Farming Life' that it was a very big decision to be taken by a farming family to let a young farmer become the head of holding. Too many businesses saw that as an extra payment because they had a young farmer on the home farm. It needs careful thought, consideration and succession planning. Would those of you who have a farm like to hand over the control of it to an 18- or 19-year-old for an extra £25 an acre?

On the issue of greening, there are still several points on which further guidance is needed, especially the environmental focus areas. We are worried that the rules on greening that are coming now may be changed in forthcoming years.

You will be glad to know that I am about to finish. I intend to just mention the inspections and reports. In 2014, there were just over 1,500 land inspections — probably about 5% of applications — with the on-farm visits starting in May and June and the remote sensing in four areas after that. We believe that there seems to be a problem with the IT system, whereby they are starting only to process the visits that took place in May and June now. It could be a while. Hopefully payments would not be delayed. After remote sensing in two areas last year, a lot of farmers did not get their payments until well into this year.

One issue that we have with remote sensing is the apparent secrecy of the inspections. The farmer is not being told that they are being inspected. Even if there has to be a rapid visit, the inspector does not tell the farmer why he is there. If new maps are to be issued to all farmers this autumn, we ask whether that would take into account the 2014 inspection. When will a farmer know that there is a problem with his inspection? Will it be when he does not receive a determined area notice (DAN) letter and he contacts the Department or his agent to see where the report is? We feel that DARD should be communicating better with farmers both on on-farm inspections and remote sensing, so that everybody knows what is going on. Also, when the inspectors are carrying out their visit, they should highlight any problems before they leave. If there is a problem, maybe it could be sorted out before the inspector leaves rather than five or six months later.

The LPIS maps, as you understand, give the MEA. We would question whether, after the inspection is done, there is any check between the initial MEA and the new areas to see whether that could improve the system.

I think I will let Rory speak on the different schemes and the appeal process.

**The Chairperson:** Maybe you could be quite short. We have to adjourn for Question Time at 2.45 pm. If possible, can you be brief?

**Mr Rory Gormley (Northern Ireland Agricultural Consultants Association):** I will be brief as possible, yes. Going back over a wee bit that David mentioned; as agents, one of our biggest nightmares is when we get a phone call from a client in October, November or December querying where their single farm payment is. You make a few enquiries and discover that an inspection was carried out, probably as far back as May, but nobody knows the results of the inspection or anything really. Our point is that, when the inspectors are on the farm, they often leave the farmer no wiser than when they came. The farmer does not know what has happened. We are finding more and more

often that problems are identified, a report is made and nothing in it is actioned until further down the line.

For example, we recently had a farmer who had a countryside management inspection. A small breach was found in that inspection. The farmer paid his penalty on his countryside management scheme only to find out that he is being penalised by 50% on his single farm payment. The inspector had made the note on the form that it was an intentional breach when it was not. I will not bore you with the details, but it was not intentional. At the time of that inspection, if the inspector had made either the agent or the farmer aware of what had happened, there would have been no problem. It would have been explained in the proper due process rather than a number of months later down the line, when we were sitting with an irate farmer who had realised that there was no payment. As agents, at that stage, our hands are tied because the process is already started and there is no reverse.

The Department would say, "Right, if there is a problem, you enter the appeal process". I speak for all of us here and members who are not when I say that, as far as we are concerned, the appeal process is not an appeal process. It seems to be a simple way to appease the farmer in the short term. It gives them false hope. It is not a proper appeal process. It is not working. As agents, we find that it wastes our time and wastes the Department's time and money to go through a process that is, as somebody said, not fit for purpose, if you pardon the term. The main area that I want to concentrate on is the inspections. If a farmer is to have an inspection and the agent is made aware of that, he or she could be present. Then, if there are problems, they can be identified — I will not say that they can be sorted out because some problems cannot be sorted out. In the example that I gave earlier, the inspector wrote down that a breach was intentional when it clearly was not. It would save a lot of hassle and stress for all concerned. I am trying to keep my presentation short, but those are the issues that I want to home in on.

One final issue is the communication process. I reiterate what David said earlier and has mentioned a few times in his report. As agents, we see ourselves as professionals. We want to work with DARD, and we do, but we would like a process whereby, if a client's application goes to DARD, our details are on that application. It would save us a lot of time and DARD a lot of money if, when small errors or problems were identified, someone picked up the phone or sent an email to the agent. Nine times out of 10, small problems can be sorted out without a long paper trail. Our members hold files on their clients and have the information on their computers. A quick email and a quick search can resolve a lot of problems very quickly without the need for that paper trail, which can lead to duplication and even triplication, as I am sure that you are aware.

**The Chairperson:** Thank you very much for your presentation. I commend you for the vital work that you do for farmers. Many farmers would be totally lost without an organisation such as yours that helps with forms and gives guidance. In fact, I use one, so I declare an interest.

Have duplicate fields been a problem this year?

**Mr Rankin:** Yes, there are several problems. Some are just normal, simple errors, such as putting down the wrong farm survey number. If, for instance, you were living on the border between Armagh and Down, you might have put a "2" instead of a "3". If you have taken over ground in County Down, you put down "3" and then you put down "3" again for a field in County Armagh. Surely, for something like that, the Department could contact us directly, rather than writing to a farmer saying that his field number 10 is 2.6 hectares on one form and 4.6 on another. Obviously, that is not the same field. There are other simple errors like that. Common grazing is another issue. In County Down, three of my clients share common grazing. They all got field number 1, and that was written down, so, automatically, the system pulled it up as three people claiming for field number 1. Also, some claimants followed the advice of the Department and filled in an SAF when they had already transferred their entitlements. That is a simple one, but my attitude is that surely the Department could have checked beforehand, rather than writing out to both clients to say that they had duplicated fields.

**The Chairperson:** Obviously, if the clients have no entitlements, they cannot claim anyway. You would have thought that that would be very simple.

**Mr Rankin:** Sometimes, the TE1s may not have gone through for some reason, so farmers were taking a gamble that everything would be all right.

**The Chairperson:** Have all the entitlement transfers now taken place? Do you know?

**Mr Rankin:** I think that some may be waiting for a second signature. In one case that I had, somebody had been in the business but died 12 years ago. It would be hard to get his signature.  
*[Laughter.]*

**The Chairperson:** It certainly would.

**Mr McCarthy:** Chair, I declare an interest as a recipient of SFP.

**Mr Byrne:** I welcome the delegation and the presentation. Way back last February, two of you raised two or three of those issues with me. That raises a question. David talked about the good working relationship with DARD, so I want to query how good that working relationship is. Is there a dedicated unit in the Department that can deal with you guys, as the consultants, on an ongoing basis, or is the approach more haphazard?

**Mr Rankin:** It was probably haphazard in the past, but I think that it is becoming more structured now. I mentioned, for instance, that I was at a meeting with Andrew Elliott and Pauline Rooney on Friday. Pauline is keen that we meet every six weeks. That would keep us informed of what is happening and keep them informed of where any problems might be. For 2015, there is a stakeholder group that meets regularly.

**Mr Byrne:** There are about 40 members in your organisation. Would it not make sense to have a dedicated unit of key liaison officials in the Department? They could link with you guys on an ongoing basis so that these minor issues or problems could be sorted out. If we could lobby for that, might it be useful?

**Mr Gormley:** Yes.

**Ms Mary McCormack (Northern Ireland Agricultural Consultants Association):** That would be very important. We are not alone in supporting the farming community. I can assure you that a high percentage of farmers do not even know what entitlements are. Many came to our offices and asked what their entitlements were worth, how many they had or even what they were. Farmers, especially those who are older, are operating in a system that they find very difficult, so they lean more and more on agents, which is fine. We, in turn, complement the Department's work. We are the go-between agent, in that we can speak to DARD on a farmer's behalf and vice versa.

As David said, we met officials from the policy side earlier in the season, and they informed us of what was most likely to happen down the line, although nothing had been decided. People were phoning us, and one irate woman asked me, "How do you know all this? I phoned DARD, and it could not tell me anything." So it is important that those channels of communication are kept open and improved. I think, Mr Byrne, that your idea is excellent.

Through our everyday work, we have built up very good relationships with our local DARD offices, and I cannot commend them highly enough, especially those in Sperrin House, which is in my area. They are very supportive and understanding and take a common-sense approach. The rest of my associates here and I have developed relationships with people in Orchard House, who also see our value and take a common-sense approach. However, I am afraid that that is not always the case.

**Mr Byrne:** Thanks, Mary.

My next question is on the discrepancy with fields that have the "850" map number, the split field and the declaration on the change to the map: why is the Department so slow in making the final change to the maps and updating the scheme, even after being alerted by an agent of a change in circumstances?

**Mr Philip Christie (Northern Ireland Agricultural Consultants Association):** I think that one of the big problems is the LPIS IT system, which everybody recognises is out of date. I will give you a wee example. There were a lot of mistakes in the 2013 maps, and, because of that, some farmers were underpaid. These farmers cannot get the money that they are owed until the map amendments are made. I will read out a couple of lines from a letter from DARD:

*"Due to a major change in the way we are editing our maps this year, we unfortunately do not have the IT in place to progress the 2013 map amendments at this moment. However, it is scheduled to have this in place by the end of September".*

That is not going to happen. So we have this ridiculous situation in which farmers who are owed money for their single farm payment in 2013 after being underpaid cannot get that payment because the IT system is not in place. I do not think that that is acceptable. They have been owed that money since 2013.

**Mr Rankin:** Mr Byrne, as I said earlier, we can now make changes to an e-map and send it off.

**Mr Byrne:** You mean that, on your computer, you can go online, update fields and send it to the Department. What is the problem after that?

**Mr Rankin:** We do not know where it goes.

**Mr Christie:** DARD is the next stage, but it does not seem to have the IT system in place to deal with that next stage.

**Mr Gormley:** You can imagine our frustration after doing all that work.

**Mr Byrne:** So you have made the change in good faith on behalf of a farmer, but the Department still has not updated its data fields.

**Mr Gormley:** In a number of months' time, we will complete next year's applications. That means sitting with a farmer who has paid us to do something that does not come through at the other end. That leaves our organisation very frustrated.

**Mr McMullan:** Thank you for your presentation. Who have you spoken to about the problems with updating the field numbers? As an organisation, have you spoken to anybody about it?

**Mr Rankin:** Two names come to mind on the LPIS side: Sean McGrade and Alan Galbraith. Alan seems to deal with the IT end, developing how we can change maps online. Sean McGrade's team seems to make the changes. If there is a problem, we send Sean an email and might get an answer some time to say what has been done. I have checked with farmers, and some have not heard back, and I do not hear unless I ask. There is no feedback: nothing comes back to a farmer to say, for example, that a change has been made to field number 10 so that it is now divided.

**Mr McMullan:** When do you find out whether a change has been made?

**Ms McCormack:** We do not know. I can go into a map on which I made changes to a field in April and May, before the submission for single farm payment. What I drew on the map is still there, but the field data information table is as it was on the day that I made the change — it has not been carried through.

**Mr McMullan:** Do you have a rough idea of the numbers involved?

**Mr Rankin:** I have probably made about 20 changes.

**Ms McCormack:** I think that I have made more than that.

**Mr Rankin:** It is an easy and quick way of making a change, rather than filling in a correction form. However, when I go into that map again, I see only the change that I made. They ask for your email address, so they should surely be able to respond.

**Mr McMullan:** I will go back to what Rory and David said. Am I right in saying that one of the main problems is getting your field numbers upgraded? As agents, is your biggest problem getting no feedback? After you make contact, there is no feedback, and when an application with your name on it, as the agent, is submitted, you are not contacted. Is that right?

**Ms McCormack:** That is correct. They write directly to the farmer. As somebody said, on that October day when a client is on the phone, you can feel the blood draining to your toes and you ask yourself, "Is it a duplicate field? Is it an inspection? Have I made a mistake?" When we attend our meetings and look at the age profile of the people acting as agents, we see that very few younger people are coming through. I can understand that because of the element of risk in the job that we do. We try to do it to the best of our ability, but we are human, and clerical mistakes can happen.

**Mr McMullan:** Have you ever challenged this in the sense of asking, "Why do you contact the farmer first and not me?" Have you ever included in the information that you submit that you are acting on behalf of the farmer and that everything should come through you, not the farmer, in case there is an issue with data protection?

**Mr Gormley:** One of the reasons that we were given, and we discussed this with the policy side, was that they felt that they could not differentiate between a farmer who was employing an agent and a farmer who was not. That may be so, but my opinion is that it is in DARD's interest, for the sake of cost-effectiveness, to send an email or make a phone call. A lot of the time, it will not make the problem go away, but it sometimes makes the problem a lot easier to sort out. We understand the application, the process and what is involved, and we understand what a mistake means to an individual farmer. I have had clients bring me letters about duplication or letters relating to small queries. I know by looking at them that it is not a problem that can be sorted out, but they have to go through the process. As Mary says, when we get a phone call from a farmer, it can be about anything from a wrong digit to a high number of duplications. A phone call or email from DARD to say that there is something wrong and asking what is happening could pre-empt that. A more proactive approach could be taken in sorting out the problem.

**The Chairperson:** We have just about four minutes left. I am conscious of time and do not want you to have to wait until after Question Time. Tom, do you have a quick question?

**Mr Elliott:** Thank you for your presentation. I have a few issues. I do not think that we will get them all resolved today, but I will put them out there.

I support Mr Byrne's suggestion of regular contact. However, any other organisation accepts that agents make representations and replies to them. If, for example, you make a planning appeal or application, Planning Service responds to the agent and the applicant. If you are an accountant and fill in someone's tax return, the response goes to the accountant. I know that accountants have professional qualifications, but I do not think that that has to be the case. If you are classified as an agent, those organisations will respond to you. It is a matter of us asking the Department to try to change its system, which might be helpful.

As we cannot get through all the issues, I will ask one question. You had a go at the appeals system, and I agree with you that it is not fit for purpose: what would you suggest in its place?

**Mr Gormley:** As you know, the current system is only to make sure that DARD has adhered to its own rules or the rules adopted from the EU. There needs to be an additional element for obvious or genuine mistakes so that the system would allow for that. There is no part in the appeals process that allows for what the farmer's original intention was. In the case that I referred to earlier, for example, an item was put down as an intentional breach when it was not. When I looked into it and saw what the farmer had done, I knew that there was no way that it was intentional. In fact, the farmer had spent money to do something, but it was deemed to be an intentional breach. Common sense is needed to determine what the farmer's active objective was. It should not be a case of whether the rules were followed correctly.

**Mr Elliott:** My point is that you would still want an appeals system but with something more built into it.

**Mr Gormley:** Yes.

**Mr Elliott:** I assume that you would want an independent appeals system that is not subject to the Department overruling it.

**Mr Gormley:** Yes. In the current system, the Minister has the last word. Put simply, we are looking for a system that would treat the thing for what it is.



**Mr Elliott:** Would you suggest something like the planning appeals system?

**Mr Gormley:** I am not fully versed in the planning system, but we certainly want a common-sense approach. I am an accountant and deal with the Revenue. Its approach is that it wants only what is right. When we are working with DARD, we want the same: a determination of what the original intention was in order to get the payment correct.

**The Chairperson:** Thank you very much for your presentation. I apologise for rushing you. It is unfortunate that we have to stop for Question Time. If members are happy, we will send a copy of the Hansard report to DARD and ask for a written response. We will also forward that to you. That will put some pressure on DARD. We are meeting DARD officials afterwards, and we will relate some of the issues to them. I fully understand where you are coming from.

**Mr Elliott:** Chair, I should have declared an interest as being in receipt of a single farm payment.