

Cynulliad Cenedlaethol Cymru
Y Pwyllgor Amgylchedd, Cynllunio a Chefn Gwlad

The National Assembly for Wales
The Environment, Planning and Countryside Committee

Dydd Iau, 26 Hydref 2006
Thursday, 26 October 2006

Cynnwys
Contents

[Cyflwyniad, Ymddiheuriadau, Eilyddion a Datgan Buddiannau](#)
[Introduction, Apologies, Substitutions and Declaration of Interests](#)

[Cofnodion y Cyfarfod Blaenorol](#)
[Minutes of the Last Meeting](#)

[Adroddiad y Gweinidog](#)
[Minister's Report](#)

[Craffu ar y Gyllideb Ddrafft](#)
[Scrutiny of the Draft Budget](#)

[Adroddiad ar Gynhadledd Symleiddio'r Polisi Amaethyddol Cyffredin a'r Cynllun](#)
[Gweithredu ar gyfer Symleiddio'r Polisi Amaethyddol Cyffredin](#)
[Report of the Common Agricultural Policy Simplification Conference and Action Plan](#)
[on Common Agricultural Policy Simplification](#)

[Is-ddeddfwriaeth](#)
[Subordinate Legislation](#)

[Paratoi Cynlluniau Datblygu Lleol a Hynt y Gwaith Arnynt](#)
[Preparation and Progress of Local Development Plans](#)

[Craffu ar waith y Cyrff Cyhoeddus a Noddir gan y Cynulliad—Cyngor Cefn Gwlad](#)
[Cymru](#)
[Assembly Sponsored Public Bodies Scrutiny—the Countryside Council for Wales](#)

Cofnodir y trafodion hyn yn yr iaith y llefarwyd hwy ynnddi yn y pwyllgor. Yn ogystal, cynhwysir cyfieithiad Saesneg o gyfraniadau yn y Gymraeg.

These proceedings are reported in the language in which they were spoken in the committee. In addition, an English translation of Welsh speeches is included.

Aelodau o'r Cynulliad yn bresennol: Glyn Davies (Cadeirydd), Lorraine Barrett, Mick Bates, Tamsin Dunwoody, Alun Ffred Jones, Carwyn Jones (y Gweinidog dros yr Amgylchedd, Cynllunio a Chefn Gwlad), Elin Jones, Brynle Williams.

Swyddogion yn bresennol: Dr Christianne Glossop, y Prif Swyddog Milfeddygol; Gareth Jones, Cyfarwyddwr Adran yr Amgylchedd, Cynllunio a Chefn Gwlad, Llywodraeth Cynulliad Cymru; Bob Newton, Is-adran Cynllunio, Llywodraeth Cynulliad Cymru; Rory O'Sullivan, Pennaeth Is-adran Polisi Cefn Gwlad, Llywodraeth Cynulliad Cymru; Rosemary Thomas, Pennaeth Is-adran Cynllunio, Llywodraeth Cynulliad Cymru; Rosemary Thomas, yr Is-adran Gynllunio, Llywodraeth Cynulliad Cymru; Graham Winter, Gwasanaethau'r Pwyllgora ac Ymchwil yr Aelodau.

Eraill yn bresennol: John Lloyd Jones, Cadeirydd, Cyngor Cefn Gwlad Cymru; Cath Ranson, Swyddog Polisi Cynllunio, Parc Cenedlaethol Eryri; Roger Thomas, Prif Weithredwr, Cyngor Cefn Gwlad Cymru; Jim Woodcock, Pennaeth Gwasanaethau Cynllunio, Cyngor Sir Ynys Môn; Stan Yates, Prif Swyddog Cynllunio, Cyngor Bwrdeistref Sirol Conwy.

Gwasanaeth Pwyllgor: Kathryn Jenkins, Clerc; Dan Collier, Dirprwy Glerc.

Assembly Members in attendance: Glyn Davies (Chair), Lorraine Barrett, Mick Bates, Tamsin Dunwoody, Alun Ffred Jones, Carwyn Jones (The Minister for Environment, Planning and Countryside), Elin Jones, Brynle Williams.

Officials in attendance: Dr Christianne Glossop, Chief Veterinary Officer; Gareth Jones, Director of Environment, Planning and Countryside Department, Welsh Assembly Government; Bob Newton, Planning Division, Welsh Assembly Government; Rory O'Sullivan, Head of Countryside Policy Division, Welsh Assembly Government; Rosemary Thomas, Planning Division, Welsh Assembly Government; Graham Winter, Members' Research Service and Committee Service.

Others in attendance: John Lloyd Jones, Chairman, Countryside Council for Wales; Cath Ranson, Planning Policy Officer, Snowdonia National Park; Roger Thomas, Chief Executive, Countryside Council for Wales; Jim Woodcock, Head of Planning Services, Isle of Anglesey County Council; Stan Yates, Principal Planning Officer, Conwy County Borough Council.

Committee Service: Kathryn Jenkins, Clerk; Dan Collier, Deputy Clerk.

*Cynhaliwyd y cyfarfod ym Mae Colwyn.
The meeting was held in Colwyn Bay.*

Dechreuodd y cyfarfod am 9.30 a.m.

The meeting began at 9.30 a.m.

Cyflwyniad, Ymddiheuriadau, Eilyddion a Datgan Buddiannau
Introduction, Apologies, Substitutions and Declaration of Interests

[1] **Glyn Davies:** Croeso i'r cyfarfod hwn o Bwyllgor yr Amgylchedd, Cynllunio a Chefn Gwlad.

Glyn Davies: Welcome to this meeting of the Environment, Planning and Countryside Committee.

[2] Translation equipment is available from the ushers for anyone who wants it.

[3] Croesawaf aelodau'r cyhoedd ac Aelodau'r Cynulliad. Mae'r Cynulliad, a'r pwyllgor hwn, eisiau cynrychioli pob rhan o Gymru. Penderfynodd aelodau'r pwyllgor fynd allan i bob rhan o Gymru, a dyna yr ydym yn ei wneud heddiw—dyna pam yr ydym yma ym Mae Colwyn. Byddwn yn mynd i bob rhan o Gymru, a dyma'n hymweliad â'r gogledd.

I welcome members of the public and Assembly Members. The Assembly, and this committee, wants to represent every part of Wales. Committee members decided to go out to all parts of Wales, which is what we are doing today—that is why we are here in Colwyn Bay. We will go to every part of Wales, and this is our visit to north Wales.

[4] Atgoffaf bawb i ddiffodd eu ffonau symudol yn gyfan gwbl. Os bydd argyfwng, edrychwch ar y tywysyddion, a gwnewch yr hyn y maent yn dweud wrthyich i'w wneud. A yw unrhyw Aelod eisiau datgan buddiant?

I remind everyone to switch off their mobile phones completely. If there is an emergency, please look at the ushers, and do what they tell you to do. Does any Member wish to declare an interest?

[5] **Brynle Williams:** Yr wyf yn ffermwr.

Brynle Williams: I am a farmer.

[6] **Glyn Davies:** Mae Jocelyn Davies wedi ymddiheuro, ac yr ydym yn disgwyl Alun Ffred yn ei lle hi.

Glyn Davies: Jocelyn Davies has sent her apologies, and we are expecting Alun Ffred in her place.

9.32 a.m.

Cofnodion y Cyfarfod Blaenorol
Minutes of the Last Meeting

[7] **Glyn Davies:** A yw'r Aelodau yn hapus gyda'r cofnodion? Gwelaf eich bod.

Glyn Davies: Are Members happy with the minutes? I see that you are.

[8] **Lorraine Barrett:** Is that just for the ratification of the minutes? I want to ask the Minister something on the last meeting, but not on his report. It is to do with the minutes, but it is just an update. There is nothing wrong with the minutes; I am happy with them.

[9] **Glyn Davies:** The only reason that we have the minutes is to check that they are correct. However, if there is something missing from the minutes, that is a fair correction.

[10] **Lorraine Barrett:** No, it is a matter arising, but we do not have 'matters arising'.

[11] **Glyn Davies:** No, that is not an agenda item.

[12] **Lorraine Barrett:** If I could ask the Minister for an update on his report, that would be fine.

[13] **Glyn Davies:** Okay. You want to sneak in with something that is not on the agenda, do you, and you are looking for that opportunity?

[14] **Lorraine Barrett:** Yes. I wonder how I can ask it.

[15] **Glyn Davies:** I am used to this, I must admit.

*Cadarnhawyd cofnodion y cyfarfod blaenorol.
The minutes of the previous meeting were ratified.*

9.33 a.m.

Adroddiad y Gweinidog Minister's Report

[16] **Glyn Davies:** Do you wish to add anything to your report, Minister?

[17] **The Minister for Environment, Planning and Countryside (Carwyn Jones):** I will refer to four items, one of which is potentially lengthy, but it is important that I get it on the record.

[18] First, a new climate change initiative was launched yesterday at a major conference in Cardiff. One of the action points that Members will recall in the Government's environment strategy was a commitment to ensure that all sectors across Wales work together to reduce the greenhouse gas emissions that cause climate change. To this end, I have established a cross-sector climate change group to provide advice on climate change action in Wales. That will, hopefully, build consensus in terms of informing us of what we need to do in future.

[19] I also announced yesterday that a ministerial interim planning policy statement will be produced by Christmas, which will be to do with developments and the need to reduce emissions. I announced yesterday that I expect all local authorities to ensure that their local development plans contain policies to secure more sustainable buildings through a reduction in carbon emissions. Those policies should include a requirement that significant developments reduce predicted carbon dioxide emissions, using a combination of building performance improvements, on-site renewables, and an efficient supply of heat, cooling and power. Furthermore, it will be required that the percentage reduction should be at least 10 per cent below that presently predicted using current building regulation standards. The statement will ensure that buildings that are significant developments in the future reduce their carbon emissions by 10 per cent, and/or increase their use of renewable power sources to meet that target. The detail on the ministerial interim planning policy statement will be produced for the committee to consider before Christmas and the statement will also be issued before Christmas.

[20] The second item that I wanted to refer to was Hafod quarry. Members will be aware of the strong feelings surrounding the quarry. I have made it clear in the past that there will be a decision by the end of this month. There are several issues that I want to explore fully, in fairness to all the parties involved, so I want to make it clear that I would anticipate making a decision early next month. It will not be at the end of this month because there are several issues that I wish to explore further; it is right that I say that now in case people are waiting for a decision by the beginning of next week.

[21] On the recovery of the Dairygold processing and marketing grant, we are now in the process of obtaining legal advice with a view to moving forward on regaining the money that has been paid by the Assembly Government via a processing and marketing grant to Dairygold. That is now proceeding as fast as is possible.

[22] **Glyn Davies:** I know that the fourth item you wanted to discuss was the long-distance one, but I do not want these other items to get lost, so I allow Members to comment on them before we move on. I think that one or two questions need to be asked, particularly on the first item.

[23] **Mick Bates:** Thank you, Minister, for that extra bit to your report. I am particularly interested in your cross-party climate change group. What planning process do you aim to use? Are you establishing a new bit of planning to implement this or are you using existing planning, for example, there is a bit in technical advice note 8 that offers some flexibility to impose conditions on new build?

[24] **Carwyn Jones:** The MIPPS is being used to take the planning issues forward.

[25] **Mick Bates:** So, what timescale do you envisage to implement this welcome piece of legislation?

[26] **Carwyn Jones:** The statement will be in place by Christmas, which means that it will be current at least from then.

[27] **Glyn Davies:** I also have a question on that—

[28] **Carwyn Jones:** When the MIPPS is issued, that is a factor for local authorities to take into account when taking forward their local development plans.

[29] **Glyn Davies:** You made an important announcement today. The 10 per cent reduction is interesting and I suspect that it will get quite a lot of support, but who will be in charge of assessing that? It seems to me to be a rather indeterminate assessment of what it would have been and what it will be. It will be quite difficult to assess that. How will you do that?

[30] **Carwyn Jones:** At the moment, predictions are based on the building regulations in terms of what buildings emissions would be in the future. We are looking for at least a 10 per cent reduction from those predicted figures. That can be done either through reducing the energy use of the building itself and/or ensuring that renewable power sources are used for heating and lighting buildings, via microgeneration, for example. I wanted a situation in which not only could we say that we wanted 10 per cent of energy generated by renewables, but also that it was flexible enough to also ensure that energy efficiency was a way of reducing the emissions from significant developments.

[31] **Glyn Davies:** Who will assess the individual building planning application?

[32] **Carwyn Jones:** Local authorities will have to carry out that assessment based on their predictions, and they will be able to do that given the information and expertise that they already have.

[33] **Glyn Davies:** Elin, do you want to ask a question on this?

[34] **Elin Jones:** Yes, on that point, you do not have the powers related to building regulations, and it may have been easier to do this via building regulations, but do you envisage that your MIPPS will say that individual planning consent for all new buildings will need to show a 10 per cent reduction in energy emissions, or did you mention only significant buildings in your statement?

[35] **Carwyn Jones:** I mentioned significant developments. The definition of a 'significant development' will be developed between now and Christmas, working with the local authorities. It is not the intention, at this stage, for every planning application to be subject to this requirement, but, given that the larger buildings, if I can put it that way, and the larger developments tend to generate a disproportionate amount of emissions, this is the first step towards ensuring that those buildings or developments become more energy efficient, and more dependent on renewable resources.

9.40 a.m.

[36] **Lorraine Barrett:** I welcome this. You mentioned the local development plans and said that this could come into place around Christmas, although it will then have to go through the local authorities. In my constituency, 2,000 housing units will be built quite soon, and a block of perhaps 2,000 flats is also going to be built in Cardiff bay. I get very frustrated when I see all the development that is going on, and I think that we are missing an opportunity. I wish to put on record that, the sooner we can get this in place the better. I hope that these planning applications do not get rushed through to avoid a deadline by which they would be required to comply with these regulations, because it would be such a lost opportunity. All the apartments that are being built could be models of good practice.

[37] **Carwyn Jones:** I must emphasise that we are talking about the ministerial interim planning policy statement applying to the local development plans, which are being prepared at the moment and are very much in their infancy. Northern Ireland has made significant steps in promoting efficient use of energy, but that has been done through the building regulations, which are not devolved in Wales. So, this is as far as the planning system can take this for the time being. However, it would affect only those developments that came under the local development plan of a local authority and we are talking about local development plans taking a little longer to complete.

[38] **Glyn Davies:** I think that this is important; it is almost a declaration of intent, because it is quite early in the process. Is this something that is being matched in England and Scotland? Obviously there is movement in Northern Ireland, but is this part of something that is happening across the UK or is it specific to Wales?

[39] **Carwyn Jones:** This is specific to Wales.

[40] **Mick Bates:** Will any financial assistance be given to people to install, for example, microgeneration?

[41] **Carwyn Jones:** No, because we are talking about developments by construction companies. I would expect those companies to resolve the issue themselves, and we must bear in mind that, by reducing emissions and by increasing dependence on renewable sources, there will be a saving at the end of the day. I would not be in favour of paying construction companies to put up buildings that, in the longer term, would be cheaper to run.

[42] **Mick Bates:** So they will not be able to apply to the low carbon buildings programme, for example?

[43] **Carwyn Jones:** No. I believe that construction companies can fully absorb any costs themselves.

[44] **Glyn Davies:** Minister, as there are no questions on Hafod Quarry or Dairygold, you may move on to the fourth item that you wish to raise.

[45] **Carwyn Jones:** I think that it is important to put on record the complicated issue of Tir Mynydd, its role in the rural development plan and the impact of increasing or decreasing spending on any particular scheme within the plan. The first thing to say is that the rural development plan for 2007 to 2013 includes the figure of £769 million, which is the amount proposed to be spent on rural Wales. That is made up of £519 million from the Assembly Government, £195 million from EU sources, and a projected £55 million from voluntary modulation. Members know that the rural development plan is split into four axes. Each axis has a minimum spend. On top of that, each axis has a requirement that the European money forms a minimum percentage of the total spend within that axis. Tir Mynydd comes under axis 2. In axis 2, whatever amount of money is proposed to be spent must comprise at least 20 per cent of European funding. It cannot fall below that level. The proposed spend for axis 2 is £474 million over the next seven years. The EU figure is roughly £72 million to £73 million, but the EU figure is 20 per cent of that spend. The EU co-financing figure cannot be below 20 per cent.

[46] It follows that if Government money is added to the £474 million, the EU co-financing money also has to increase to keep the 20 per cent threshold. The request is for £12 million to be put in Tir Mynydd; such a commitment would have to run for seven years, not one, because the rural development plan is a seven-year plan. Therefore, that is at least £12 million x seven, which takes us to £72 million. *[Interruption.]* I beg your pardon, it is £84 million. If you add £84 million to £474 million, you also have to increase the European money to ensure that it is still 20 per cent of the total. Now, because the European money is fully committed, it has to come from one of the other axes. One possibility, with that money being transferred, is that the money would have to come out of axis 1, which would mean a reduction in Farming Connect or the processing and marketing grant, or the protected food name scheme, or money for supply-chain efficiency. It would also make it impossible to do anything for new entrants financially, because the money would not be available. The other possibility is to re-jig the money within axis 2, but that would mean ending Tir Cynnal and reducing significantly the spending on Tir Gofal in order to put money into Tir Mynydd.

[47] The third option is to make up the minimum of £12 million over seven years via voluntary modulation. That would mean an additional rate of modulation of 7 per cent in 2007 and an additional rate of 11 per cent from 2008. That would also mean, of course, that lowland farmers would be modulated, and that their incomes would be reduced further in order to keep Tir Mynydd where it is.

[48] The point that I am trying to make is that you simply cannot bung £12 million into Tir Mynydd without any knock-on effects, because the rural development plan is quite strict about how we can spend money and what percentage of money we can put in to each axis, and it makes it clear that we have to ensure that European co-financing money is at least 20 per cent in any particular axis. You should also bear in mind that the rural development plan has to be approved by the European Commission. If it is not approved, there will not be any Tir Mynydd payments at all, or, indeed, any payments for Tir Gofal or Tir Cynnal.

[49] The other point that I need to draw to your attention—and these are all facts; you can check for yourselves—is that, in the mid-term evaluation of the rural development plan, Tir Mynydd was considered and the evaluation stated:

‘Essentially we feel that a disproportionate share of resources are absorbed by Tir Mynydd in its present form. We therefore recommend that the total budget for Tir Mynydd be reduced in favour of other schemes which more closely match the RDP objectives.’

[50] I am not proposing ending Tir Mynydd, and I have said so from the start. We are not talking about ending the scheme, but we are talking about a scheme that has been evaluated in that way in the mid-term evaluation, and, therefore, decisions have to be taken as to how it should be funded. The only way to fund Tir Mynydd at the rate requested is to move money out of axis 1 or move money out of the agri-environment schemes or to increase voluntary modulation. It is simply not the case that £12 million can be put in by the Government without there being a knock-on effect. That does not mean that it cannot be done, of course, but it is important that committee members understand that there are significant effects elsewhere in the RDP if it is.

[51] I spent some hours going through this last night, Chair, so I hope that it is reasonably clear with regard to where we stand and the European point of view.

[52] **Glyn Davies:** We ought to make certain that we all understand what the Minister has just told us. You referred to the mid-term evaluation, but that is the mid-term evaluation of what?

[53] **Carwyn Jones:** It is of the current rural development plan for 2006.

[54] **Glyn Davies:** I see; there was a mid-term evaluation of that, and what you quoted was reported in that. There are few questions about voluntary modulation, its availability and what is happening in the European Union and its relationship to the approval of the rural development plan as well, that I am still a little unsure of. Is that settled in Europe yet?

[55] **Carwyn Jones:** No, but it is a separate issue.

9.50 a.m.

[56] **Glyn Davies:** Yes, it is, but it obviously has an impact because the rural development plan cannot be approved until that is sorted.

[57] **Carwyn Jones:** That is right, but our position is clear: we want to ensure that we have the ability to modulate at sub-member-state level as we have been doing for a few years now. It was the case that it had to be done at member-state level and I think it is pretty much an open secret that there has been a debate in the commission as to whether modulation should be the same throughout the member state. That needs to be resolved. It is relevant to the rural development plan, but it is not relevant to the discussion on Tir Mynydd.

[58] **Brynle Williams:** I thought that Fischer Boel had already said that there was no way that we could go our own way with voluntary modulation and that there had to be a level playing field throughout Europe.

[59] **Carwyn Jones:** Several things have come from the commission. First, there has been a suggestion that the rate of voluntary modulation should be the same throughout a member state. I think that the Parliament's point of view is that modulation should be the same across the whole of Europe. However, what counts is what is decided and what Governments decide among themselves. It is our view, and that of the Department for Environment, Food and Rural Affairs, and of Scotland and Northern Ireland, that we should be able to continue to modulate at sub-member-state level. I think that we are the only state that does it, because every other state, perhaps with the exception of Belgium, pays its common agricultural policy subsidy payments nationally, as it were, within the member state. However, we are all agreed on this at UK level. The way that Europe works is that the commission will make proposals but, as we know from Luxembourg in 2003, the decision can be very far from what was in the original proposals.

[60] **Brynle Williams:** Un o'r rhesymau pam oedd y comisiwn wedi dweud hynny oedd oherwydd ei fod yn ein rhoi ni ym Mhrydain Fawr mewn sefyllfa annheg o ran marchnata cystadleuol o weddill Ewrop. Felly yr oedd hi, neu'r comisiwn, yn dweud y dylid cadw modiwlleiddio statudol ar draws yr aelod wladwriaethau. Byddai hynny'n gweithio yn erbyn cystadleuaeth annheg.

Brynle Williams: One of the reasons why the commission said that was because it puts us in Great Britain in an inequitable position as regards competitive marketing from the rest of Europe. So, she, or the commission, is saying that statutory modulation should be retained across the member state. That would counteract unfair competition.

[61] **Carwyn Jones:** Nid oes y fath beth â chae gwastad. Mae'n rhaid inni gofio hefyd fod ffermwyr yn Lloegr yn cael eu talu yn ôl maint y fferm. Yng Nghymru, nid yw hynny'n wir. Felly, mae gan ffermwyr ucheldir Cymru fantais dros ffermwyr Lloegr eisoes. Nid yw'n bosibl cael unffurfiaeth dros Ewrop i gyd, felly mae'n wir i ddweud y bydd gwahaniaethau rhwng gwledydd y Deyrnas Unedig a rhwng gwledydd y tu fewn i'r Undeb Ewropeaidd.

Carwyn Jones: There is no such thing as a level playing field. We also have to remember that, in England, farmers are paid according to the size of the farm. In Wales, that is not the case. Therefore, upland farmers in Wales already have an advantage over English farmers. It is not possible to have uniformity across the whole of Europe, so it is true to say that there will be differences between nations within the United Kingdom and between nations within the European Union.

[62] **Glyn Davies:** It is very easy for people to become confused about what the European Union is saying. Lorraine Barrett and I met with the Deputy Chef du Cabinet, Mr Borchardt, on a visit to Brussels a month ago. He was adamant that that department's view was that there should not be voluntary modulation at all and that there should be just one compulsory level. I was surprised that he was so clear when talking to us. Different messages have come out from the commission since then. That is why people, quite reasonably, often pick up some odd messages from what comes out.

[63] **Carwyn Jones:** I think that it is important to realise—and I think that Rory wants to come in in a second—that if there were a uniform rate across the UK, or across the whole of Europe, our problem would be to ensure that it was not too high because, in Wales, we do not need it to be particularly high in the first years of the plan’s operation. Other countries in the EU would probably want to have a higher rate of compulsory modulation, which we do not need in Wales because we have managed the budget so well—as you know, Mick.

[64] **Glyn Davies:** I told Mr Borchardt that it was an English, as opposed to a Welsh, problem. Lorraine will vouch for the fact that, at one stage, it virtually became an argument between the Deputy Chef du Cabinet and me. I said, ‘You cannot do that’, and he was pretty insistent that they could. That is why it leads to different messages. From what I have read since, the view is now entirely different.

[65] **Carwyn Jones:** All that counts is the final decision.

[66] **Glyn Davies:** Absolutely.

[67] **Carwyn Jones:** Lots of things are said in the meantime. Rory, do you want to come in?

[68] **Mr O’Sullivan:** All I was going to say was that until such time as we have a formal opinion from the European Parliament, the message that you will get publicly from the commission will be consistent with its current legislative package.

[69] **Glyn Davies:** You have a wonderful way of clearing things up in my mind. [*Laughter.*]

[70] **Mr O’Sullivan:** The key point is that, like the 2003 common agricultural policy reform process, this is not co-decision territory. The processes at a European level require an opinion from the parliament before the commission, through the council, can take a final decision.

[71] **Elin Jones:** Diolch i’r Gweinidog am amlinellu effaith newidiadau cyllideb Tir Mynydd. Mae’n amlwg wedi cael sawl awr neithiwr i edrych drwy’r ffigurau, ac mae’r pwyllgor wedi cael ambell funud y bore yma, felly nid yw’n bosibl inni, yn y cyfarfod hwn, negodi cyllideb Tir Mynydd a lle o fewn y cynllun datblygu gwledig nesaf y byddai unrhyw doriadau yn cael eu gwneud. O ran y gwerthusiad canol tymor y cyfeiriodd y Gweinidog ato, mae’r adroddiad yn cyfeirio at yr arian anghymesur ar gyfer Tir Mynydd, ond mae hefyd yn dweud bod Tir Mynydd wedi cael effaith ffafriol ar gadw ffermydd i fynd ar ucheldir Cymru, felly mae cyfeiriadau cadarnhaol ar Tir Mynydd ynddo hefyd. I fod yn glir, asesiad canol tymor oedd hwn gan gwmni o ymgynghorwyr o Lundain, a ddylai fod yn rhoi gwybodaeth i ni, ond dylai unrhyw adolygiad o’r fath fod yn ddarostyngedig i farn ddemocrataidd Cynulliad Cenedlaethol Cymru, yn yr un modd ag adolygiad canol tymor Amcan 1—ni chafodd popeth o fewn yr adolygiad hwnnw ei fabwysiadu gan Lywodraeth y Cynulliad ar y pryd. Felly, rhoi gwybodaeth a barn i ni mae adolygiad canol tymor, ac ni ddylem ei gymryd fel beibl ar unrhyw fater.

Elin Jones: I thank the Minister for outlining the impact of the changes to the Tir Mynydd budget. He obviously had some hours last night to look through the figures, but the committee has just had a few minutes this morning, therefore it is not possible for us, in this meeting, to negotiate the Tir Mynydd budget and where within the next rural development plan any cuts would be made. In terms of the mid-term evaluation that the Minister referred to, the report refers to the disproportionate funding for Tir Mynydd, but it also states that Tir Mynydd has had a favourable impact on retaining farming in the Welsh uplands, so there are also some positive references to Tir Mynydd. To be clear, this was a mid-term assessment by a London-based consultancy that should provide us with information, but such a review should be subject to the democratic opinion of the National Assembly for Wales, in the same way as the Objective 1 mid-term review—everything in that review was not adopted by the Assembly Government at the time. Therefore, the mid-term review should provide us with information and a viewpoint, and we should not regard it as the final word on any issue.

[72] O ran yr hyn a ddywedodd y Gweinidog y bore yma, fe gyfeiriodd at Tir Cynnal. Gwyddom nad yw Tir Cynnal wedi cyrraedd 50 y cant o'r targed yr oeddech wedi gobeithio ei weld, Weinidog. Felly, os oes pethau felly yn digwydd ar hyn o bryd, maent yn cael effaith ar ariannu'r cynllun datblygu gwledig yn ystod y saith mlynedd nesaf. Nid oes unrhyw gynllun datblygu gwledig wedi ei osod mewn carreg, a bu ichi ddweud y bydd beth bynnag a fydd yn digwydd yn ystod y flwyddyn neu ddwy gyntaf yn parhau am saith mlynedd. Yr oedd yn fwriad i adolygu Tir Mynydd o fewn y saith mlynedd hynny, ac mae'r hyn yr ydych wedi ei gyflwyno heddiw fel pe baech yn dweud fod popeth wedi ei osod mewn carreg yn ystod y blynyddoedd cyntaf ac na ellir eu newid. Fodd bynnag, yr oeddwn o dan yr argraff ei bod yn bosibl adolygu pwyntiau penodol unrhyw gynllun datblygu gwledig o fewn y saith mlynedd hynny. O ran pwynt o drefn, byddwn yn gwerthfawrogi derbyn nodyn ysgrifenedig gan y Gweinidog er mwyn craffu yn decach ar yr hyn a ddywedodd yn llafar yn y pwyllgor y bore yma.

[73] **Glyn Davies:** Yr wyf yn deall yn union beth yr ydych yn ei ddweud. Yr ydym am gael mwy o fanylion o ran yr hyn a ddywedodd y Gweinidog heb unrhyw rybudd ymlaen llaw.

[74] **Carwyn Jones:** Byddai'n dda pe bai pob aelod o'r pwyllgor yn cael sesiwn briffio. Yr wyf yn deall y pwynt, ond yr wyf wedi treulio oriau maith yn mynd drwy hyn er mwyn deall beth yw'r sefyllfa. Byddai o gymorth i bob aelod o'r pwyllgor pe bai sesiwn briffio yn cael ei chynnig, yn hytrach na dim ond nodyn.

[75] On the point about Tir Cynnal, regardless of what the spend might be during the life of the rural development plan, when we submit that plan, we must still commit to at least 20 per cent of the axis II funding being made through European Union co-financing. We cannot submit a rural development plan that includes a percentage lower than that. It is not necessarily the case that it will not be accepted, but we will not be able to submit it, because it would be outside the scope of the rules. So, regardless of what the spend might be during the course of the life of the plan, we still have to make the commitment that at least 20 per cent in each axis is funded by EU money.

10.00 a.m.

[76] **Mick Bates:** I am grateful that we will have clarification of the maths lesson that you gave us earlier—I am sure that it took you a few hours to get that sorted. There are two issues for you to clarify, please. Before this morning, you were telling us that there was no way that the rural development plan could continue if Tir Mynydd was maintained at its current level, yet you have outlined options and movement of money between the axes this morning that would, at the end of the day, by some juggling, enable Tir Mynydd to remain at its current level. I received a copy of a letter from NFU Cymru, and I quote from it, because I think that it is important in terms of your relationship with the industry as a whole:

In terms of what the Minister said this morning, he referred to Tir Cynnal. We know that Tir Cynnal has not reached 50 per cent of the target that you had hoped of it, Minister. Therefore, if those things are ongoing at present, they have an impact on the funding of the rural development plan during the next seven years. No rural development plan is set in stone, and you have said that whatever happens during the first couple of years will continue for seven years. It was intended to review Tir Mynydd within those seven years, so it seems that what you have presented today is as if you are trying to say that everything has been set in stone from the first years and that we cannot change it. However, I was under the impression that it would be possible to review specific stages in any rural development plan within those seven years. On a point of order, I would appreciate a written note from the Minister to scrutinise more fairly what he has said orally in committee this morning.

Glyn Davies: I understand the exact point that you make. We wish to receive more details in terms of what the Minister has said without advance warning.

Carwyn Jones: It would be good if every member of the committee were to have a briefing session. I understand the point, but I have spent extensive hours going through this to understand the position. It would be helpful to every member of the committee if a briefing session was offered, rather than just a note.

‘I have to say that I felt it was disingenuous of the Minister for the EPC to say last Tuesday that Wales’s Rural Development Plan would not be approved if it continued in its current form. NFU Cymru has indicated unequivocally its willingness and readiness to negotiate and develop a scheme that delivers on shared aspirations’.

[77] When such an accusation is made from inside the industry, I feel that there is a case to answer. We all respect the knowledge that the unions in Wales have and the advice that they give us.

[78] The second issue is on the terms of the mid-term evaluation that has also been quoted, along with the EU auditors’ report, which I notice that you have now dropped, because no-one could find any specific reference to the cessation of Tir Mynydd. Equally, I quote from annex B of the mid-term evaluation, which says,

‘We recommend that greater emphasis is placed on the use of enhancements’.

[79] You have, of course, removed the enhancements from the Tir Mynydd menu, and I wonder why you have done that, in view of the fact that it said that in the mid-term evaluation.

[80] Finally, in annex B, it says,

‘Whilst it is tempting to suggest a proportion of the Tir Mynydd budget that should be reallocated elsewhere within the RDP, this is not done’.

[81] I believe that there are mixed messages—the Chair referred to them—about modulation, but in response to your use of the evidence, I am producing evidence that says that Tir Mynydd should remain in place and that it could be another scheme of enhancements. You are leading us to believe that it is a foregone conclusion that your withdrawal of a third of the funding of this vital hill-farming payment is set in stone, that it will jeopardise the RDP and that the evidence of the European Court of Auditors and the mid-term evaluation suggests that it should not be maintained.

[82] **Carwyn Jones:** First of all, I am not aware of any allegations that have been made to my face about being disingenuous, but, there it is, that is the way that things operate. I simply say that I believe that it will be exceptionally difficult to get the RDP approved, given the fact that—

[83] **Mick Bates:** However, it could be approved.

[84] **Carwyn Jones:** Let me finish. In the mid-term evaluation, it says clearly—and I will read it again—that

‘We therefore recommend that the total budget for Tir Mynydd be reduced’.

[85] I do not think that I can make it clearer than that.

[86] **Brynle Williams:** It is very vague.

[87] **Carwyn Jones:** I am surprised that you say that it is very vague. When the rural development plan is looked at by the European Commission, it will know that; it will, no doubt, ask us why we are putting money into this scheme, when we know, through our own evaluation, that there is a recommendation that it should be reduced. I do not think that it will approve it, under those circumstances. That is the risk. *[Interruption.]* It cannot be clearer than that; that is what it says there. Look at paragraph 7.6, it is there.

[88] There is a great danger that it would reject the RDP on that basis. We do not know what the final outcome will be, but that is a great danger. If it rejects the RDP, there will be no Tir Mynydd money at all and farmers will get zero in March 2008—that is the danger. However, once again, it has to be emphasised that we are not talking about £12 million for one year: we are talking about at least £12 million every year for seven years. That is the actual spend that we are looking at, because we are talking about a rural development plan that has to be in place for seven years. It is true that the rural development plan can be modified, but the chances of getting a rural development plan approved, when we plan to modify it in a year's time, are small, to put it mildly.

[89] So, I return to the point, which I am happy to have explained more fully in a briefing, that, first of all, at least £12 million has to be found every year for seven years from the Assembly budget—you know my view about what has happened with that. It is not simply a question of putting £12 million in, because it means that you either have to transfer money out of another axis, which means reducing the amount of money on things like Farming Connect and making it impossible to do anything for new entrants, or you have to move money away from other schemes in axis II, which means Tir Cynnal and Tir Gofal, or you increase voluntary modulation to pay for Tir Mynydd. It is impossible—and I use that word advisedly—simply to put £12 million in without there being consequences elsewhere in the RDP.

[90] **Glyn Davies:** For the last three minutes, you have merely repeated what you said in the statement. I understand the statement; the only disappointing aspect is that I cannot see anything in your statement that would not have been known to you and to your officials the last time that we were discussing this. It is a straightforward interpretation of the rules. It seems that you, very late in the day, are putting a straitjacket around where we are when you could have told us exactly the same thing a month ago. That is just an observation in passing. If you might want to—

[91] **Carwyn Jones:** I accept that. The situation has only recently become clear, effectively, in terms of what we can and cannot do; it is an exceptionally complex matter. In my appearances before the committee previously, it was not clear exactly what the situation was. I would not have wanted to mislead the committee at any stage previously. The situation is now clear, which is why it is important that, at the earliest possible opportunity, I actually say this to the committee.

[92] **Mick Bates:** There is an important issue that has not been resolved, which is the Minister's willingness to discuss with farming representatives the formation of a new scheme.

[93] **Glyn Davies:** That is a matter for the Minister, is it not?

[94] **Mick Bates:** It is a matter for the Minister, but is he willing to do that?

[95] **Carwyn Jones:** Seeing as it was me that suggested it, the answer is 'yes'.

[96] **Mick Bates:** Really?

[97] **Carwyn Jones:** I think that if you check the records, you will find that I have always said that, first, I do not want to end Tir Mynydd at least until the successor scheme is produced, and, secondly, I want to work with the farming unions and others to produce a scheme that is more justifiable as far as public finances are concerned. I think that I have been consistent in saying that for the past five or six months, Chair.

[98] **Glyn Davies:** Indeed. That is what I have heard you saying.

[99] **Elin Jones:** There are two issues that the Minister is referring to. The first is the RDP and the issues around co-financing and how changes in budgets would affect co-financing. I would be happy and glad to take a briefing from officials—I would have liked to have been offered it before now, because we are getting to a stage where we have a final budget to approve in the Assembly over the next few weeks. I would be very happy to receive more briefing on that.

[100] The Minister is quoting a part of the mid-term review and I have quoted another part, which says something slightly more positive about Tir Mynydd, but the purpose of a mid-term review is to advise Government, the Assembly and the European Union on the content of the current RDP and any changes that need to happen. That review was formed by a group of consultants. I believe that the European Union should accept that that review is subject to the democratic will of the National Assembly for Wales. We have expressed different views on the future of Tir Mynydd. I would be extremely surprised if the European Union threw out our next rural development plan on the basis of one sentence in a review of the previous rural development plan. It is a risk that I certainly would want the Minister to take, if that was the case.

[101] **Glyn Davies:** I will bring Brynle in on that point. I am quite keen to move on slightly now, because we have to return to this in the budget debate.

[102] **Brynle Williams:** I ddilyn ymlaen o hynny, Weinidog, awgrymir fod y cynllun hwn yn dod i ben. Os ewch ymlaen o'r fan honno, fe welwch ei fod yn dweud yn gwbl glir—os wyf yn darllen yr un adroddiad—fod rhaid i ryw fath o gynllun barhau neu:

Brynle Williams: Following on from that, Minister, it is suggested that this scheme comes to an end. Following on from that, you will see that it says quite clearly—if I am reading the same report—that some sort of scheme must continue or:

‘There will be vast areas of land abandonment’.

10.10 a.m.

[103] **Carwyn Jones:** The point that Elin, Mick and Brynle have all made is, effectively, that Tir Mynydd has delivered certain advantages. I am not suggesting that Tir Mynydd should end tomorrow. The mid-term evaluation, when it looked at Tir Mynydd, did not recommend that it should come to an end, and I am not proposing that until such time as there is a successor scheme in place. However, it did say that there was too much money in the scheme.

[104] **Mick Bates:** It did not.

[105] **Carwyn Jones:** I will read it again, so that there can be no doubt about it.

‘We therefore recommend that the total budget’—

[106] **Glyn Davies:** Minister, I accept that you have said that; we appear to be going in circles. You said very clearly that it recommended that more money should not be put into Tir Mynydd. You have said that once. If a Member chooses not to have heard that and to accept something different—

[107] **Carwyn Jones:** I need to just expand on that a little. The European Court of Auditors has made the point that,

‘the Commission does not have enough sound information on the impact of the measure’—that measure being less-favoured areas—’and, in particular, on the justification for the level of compensation; in the absence of such knowledge, over-compensation can occur’.

[108] **Elin Jones:** Yes, but the mid-term evaluation—

[109] **Carwyn Jones:** Hang on. Our mid-term evaluation adds to the knowledge. The evaluation is exactly what the court of auditors is referring to. It wants to know what the mid-term evaluations of the less-favoured areas are. Now that we have that evaluation, we are not bound by it, of course, as we are a democratic institution, but, nevertheless, if we were to put more money into Tir Mynydd, which is possible—and I am not saying that it cannot be done; I am just saying that there would be knock-on consequences—it is almost inevitable that we will be asked why we have done it, given that our mid-term evaluation recommended the opposite, and we need that approval.

[110] **Elin Jones:** May I just put this on record? On the issue of overcompensation that the European Court of Auditors referred to, which did not specifically refer to Tir Mynydd or to the UK, the mid-term evaluation specifically says that it found no evidence of overcompensation in Wales and on Tir Mynydd.

[111] **Glyn Davies:** Mick, you wanted to come in, but I am quite keen to wind up this part of the discussion.

[112] **Mick Bates:** I understand your desire to do that.

[113] **Glyn Davies:** It is only because of the timetable.

[114] **Mick Bates:** I will just read on from the Minister's quote from the mid-term evaluation.

'An alternative or supplemental solution would be to reduce the basic element in favour of increased emphasis on enhancements.'

[115] That is the other bit that I find a great disappointment, because you have taken away the enhancements of the current Tir Mynydd scheme when, within the mid-term evaluation, the alternative given was that you should develop enhancements to retain the scheme.

[116] **Carwyn Jones:** That is precisely what I would be looking to do in 2008. Let us face it; the enhancements to Tir Mynydd were minimal.

[117] **Mick Bates:** They were 10 per cent.

[118] **Carwyn Jones:** Yes, 10 per cent, and 90 per cent of the money was paid without any requirement to meet a particular standard. The other 10 per cent was on top of that. It could in no way be described as an agri-environmental scheme; it had an element of that, but it was very light green, if I can put it that way.

[119] In 2008, the challenge will be to develop a scheme that demonstrates, first, that the scheme is value for money. We have had this argument time and again, and I do not want to repeat it. However, coming back to the figures—and you have heard me say this before—upland farmers are not millionaires, but they do make more profit than lowland farmers. That means that, except for the people who receive Tir Mynydd payments, who obviously and inevitably want to keep the scheme, and I understand that, everyone else who looks at it cannot understand why Tir Mynydd is retained in its present form. That is why it will be important in 2008 that we can demonstrate to taxpayers, more clearly than we do now, that they are getting something back.

[120] Farmers should not be afraid of that, in my view, but we have to look at whether there should be an increased environmental element, for example. We have to look at whether there should be a requirement for a farm business review, to make sure that we know that the money is being spent wisely. So, there are all elements there that can be looked at in 2008. Coming back to what I said before, I have made it absolutely clear that I do not want to see Tir Mynydd come to an end until a successor scheme is in place. It is pointless arguing about whether Tir Mynydd should stay, because I have never said that I want to take it away in the first place. We have had the argument over finance—we have been doing that for several weeks—and obviously we have what has been said today. There can be a briefing session to explain this, but I would recommend setting aside several hours to do it.

[121] **Glyn Davies:** I would quite like it if we could to move on. Clearly, we will return to the budget debate when we write to the Finance Minister. Is it to the Finance Minister we will be writing?

[122] **Dr Jenkins:** No, the Minister.

[123] **Glyn Davies:** I think that we write to you, Minister, after the budget debate. An awful lot of what might be said has already been said here, but, while chairing the session, I have gleaned quite a bit of your general thinking on the direction that you want to take support for farming in Wales. It has been a useful discussion in that respect. Given that I have been involved, I understood precisely what you said in your opening remarks. However, it is complicated, and I believe that Members would appreciate that in a written form so that they can spend time going through it.

[124] I would like to move on now, if possible. We will have an opportunity to talk about the money side of it when we deal with the budget. Are Members happy with that? I have a strange message here from the clerk that says, 'Lorraine's update'—I cannot remember what that was.

[125] **Lorraine Barrett:** It was an issue that was raised at the last meeting. I had had some information, but it had not been verified. We may have some more information now on the badger-found-dead survey. I had asked whether any of the badgers that had been found dead had been persecuted. We did not have all the information, but I believe that there has been an update now, although I have not had that update fully. Could we get it on the record, to complete the information that we had at the last meeting?

[126] **Glyn Davies:** I think that we will put it on the record today, so that you can make a reference to it at the next meeting.

[127] **Lorraine Barrett:** Thank you. I do not want a discussion on it; I just want the information.

[128] **Glyn Davies:** It will be in the minutes only, but I think that the minutes will record that I have agreed that you can make a comment about this at our next meeting, when you have full information.

[129] **Lorraine Barrett:** Thank you. Does that mean that I can have the update—the briefest of sentences—just to say what the update is?

[130] **Glyn Davies:** You want to do it now, do you?

[131] **Lorraine Barrett:** Yes.

[132] **Glyn Davies:** Okay.

[133] **Lorraine Barrett:** Were any of the badgers found persecuted?

[134] **Carwyn Jones:** The circumstances surrounding eight of the badger carcasses that were submitted as part of the badger-found-dead survey to the State Veterinary Service have been reported to the relevant police authorities, as illegal activity was suspected.

[135] **Lorraine Barrett:** That is fine; thank you.

[136] **Glyn Davies:** We will not need to discuss it again now, as the information is now in the public arena. Are there any other questions on the rest of the Minister's report? I will go through the report, and take questions by page. Is there anything on page 1?

[137] **Elin Jones:** Ar drwyddedu nwy ac olew ym mae Ceredigion, yr wyf yn ymwybodol erbyn hyn nad yw Cyngor Cefn Gwlad Cymru yn gwneud unrhyw sylwadau negyddol am hyn, a'i fod yn barod i gydweithio â'r datblygwyr—os daw i hynny—i leihau unrhyw effaith ar y gyfarwyddeb cynefinoedd, yn benodol yn y bae.

Elin Jones: On the licensing of gas and oil in Cardigan bay, I am aware by now that the Countryside Council for Wales is not making any negative comments on this, and that it is ready to co-operate with the developers—if it comes to that—to lessen the impact on the habitats directive, specifically in the bay.

[138] Pa rôl ydych chi a'ch adran wedi'i chwarae gyda'r cyngor cefn gwlad wrth asesu posibiliadau'r trwyddedu hyn, a'r effaith ar fywyd gwyllt a'r ardal cadwraeth arbennig ym mae Ceredigion? Ni welaf unrhyw gyfeiriad at yr hyn yr ydych chi na'r cyngor cefn gwlad wedi ei wneud hyd yn hyn, ond mae'n amlwg bod y cyngor, erbyn hyn, wedi dod i ryw fath o benderfyniad nad yw'n gwrthwynebu trwyddedu olew a nwy ym mae Ceredigion.

[139] **Carwyn Jones:** Nid ydym wedi dwyn unrhyw ddylanwad ar y cyngor cefn gwlad. Mae'r cyngor yn gorff statudol sy'n cynghori'r Llywodraeth am faterion cefn gwlad a bywyd gwyllt, er enghraifft. Felly, nid oes gennym rôl yn hyn, ac nid ydym yn dwyn unrhyw fath o ddylanwad ar y cyngor. Mae'r cyngor yn rhoi cyngor i'r Adran Masnach a Diwydiant ar y mater hwn, ac nid i ni, oherwydd nid yw'n fater datganoledig.

[140] **Elin Jones:** Cyfrifoldeb Llywodraeth y Cynulliad yw gwarchod a chynnal ardal cadwraeth arbennig bae Ceredigion. Felly, byddai rôl i chi o ran gweld beth yw barn y cyngor ar hyn, i roi barn ar effaith y trwyddedu hyn ar yr ardal cadwraeth arbennig.

[141] **Carwyn Jones:** Bydd barn gennym fel Llywodraeth, ond caiff y farn honno ei seilio ar gyngor y cyngor cefn gwlad.

10.20 a.m.

[142] **Elin Jones:** Yn fyr, mae'n debyg bod gan y cyngor cefn gwlad farn, ac nid oes cyfeiriad at y farn honno nac at eich barn chi fel Llywodraeth yn yr adroddiad yr ydych wedi'i roi i ni heddiw. Yr wyf ychydig yn aneglur ynglyn â pha rôl yr ydych chi yn ei chwarae ar hyn o bryd, os oes gennych rôl o gwbl, wrth edrych ar effaith bosibl trwyddedu yn ardal cadwraeth arbennig bae Ceredigion.

[143] **Carwyn Jones:** Nid wyf wedi clywed barn y cyngor cefn gwlad am hyn eto. Bydd y cyngor yn dod i'r cyfarfod hwn yn hwyrach y bore yma, felly gallwch ofyn y cwestiwn hwnnw i'r cyngor. Ni chlywais ei farn am hyn, ac nid yw hynny'n anarferol o ystyried ei fod yn rhannu'r farn honno gyda'r Adran Masnach a Diwydiant ac nid gyda ni.

[144] **Glyn Davies:** Are there any questions on page 2?

What role have you and your department played with the countryside council in assessing the possibilities of this licensing, and its impact on wildlife and the special area of conservation in Cardigan bay? I do not see a reference to anything that you or the countryside council have done so far, but it is obvious that the countryside council has now come to some sort of decision that it does not object to the licensing of oil and gas in Cardigan bay.

Carwyn Jones: We have not brought any influence to bear on the countryside council. The council is a statutory body, which advises the Government on countryside and wildlife issues, for example. Therefore, we have no role in this, and we have not influenced the council at all. The council advises the Department of Trade and Industry in this matter, and not us, as this is not a devolved matter.

Elin Jones: It is the Assembly Government's responsibility to protect and conserve the special area of conservation in Cardigan bay. Therefore, there would be a role for you in seeing what the council's view is on this, to give a view on the impact of this licensing on the special area of conservation.

Carwyn Jones: We will have a view as a Government, but that view will be based on the countryside council's advice.

Elin Jones: Briefly, it seems that the countryside council has a view, and there is no reference to that view or to your view as a Government in the report that you have given us today. I am a little unclear as to what role you are playing at present, if you have any role to play, in looking at the possible impact of licensing in the special area of conservation in Cardigan bay.

Carwyn Jones: I have not heard the countryside council's view on this. The council will attend this meeting later this morning, so perhaps you could ask that question of the council. I have not heard its view on this, but that is not unusual given that its view is shared with the Department of Trade and Industry and not with us.

[145] **Mick Bates:** On sheep scab, I welcome what has happened. The penultimate paragraph on page 2 suggests that we are doing quite well in Wales. However, table 1 shows quite a big increase in last year's figures, and a significant reduction in England and Scotland. I hope that we can keep up the level of awareness so that farmers take action, as there is often a feeling in the industry that you do not have to do much about this. Could you confirm that it is an offence under the Animal Welfare Bill to keep sheep that have scab, and that prosecutions could take place under that Bill through trading standards?

[146] **Dr Glossop:** First, we must recognise that we need to treat these figures with quite a lot of caution. They relate to cases that have been reported, so it does not show us that the picture is getting worse in Wales and getting better in Scotland and England; they are just figures from which we cannot identify a trend. That is the first thing to say. That demonstrates that we are in a difficult position, because we do not know the exact incidence of sheep scab in England, Scotland and Wales. I can assure you that raising awareness and maintaining a level of knowledge on this subject is high on our priority list. Three seminars are planned for January in different parts of Wales, and we are working with the industry, particularly the National Sheep Association, on its initiative to eradicate sheep scab and, as I have said, we welcome that as an industry initiative. We need to be there to support it.

[147] On the legislation, it is the Sheep Scab Order 1997 that requires someone who owns sheep with sheep scab to treat it. It is not an offence to have a sheep with sheep scab; it is an offence knowingly to have a sheep with sheep scab and not to treat it. That is the issue here. As you know, the Animal Welfare Bill is working its way through Parliament, and, once that becomes an Act, we will have additional powers, not specifically related to sheep scab, but in relation to the welfare of an animal. There are two particular aspects to this Bill of relevance to sheep scab. The first is the power of seizure. In other words, it can be a more instant event if animals are in a situation in which their welfare is compromised, so removing those animals from that situation is a more instant event. Removing sheep that may have sheep scab from a farm may not necessarily be the best thing for the sheep; treating them would be the best thing, which brings us back to the Sheep Scab Order 1997.

[148] The second aspect of the Bill that will make a difference relates to the legislation on the ownership of an animal and the transfer of ownership. I am sure that you can recall cases of welfare problems where someone has been successfully prosecuted, but the ownership of those animals has transferred to someone else in the family. It is then difficult to imagine that the welfare of those animals will be enhanced. That will change. Those are the two aspects of the Animal Welfare Bill that will help, and could potentially apply to sheep scab, but they are not specifically focused on sheep scab.

[149] **Mick Bates:** So, trading standards is the implementing body for welfare?

[150] **Dr Glossop:** It depends on which aspect you are talking about. That is the enforcer body for aspects of animal welfare, working in conjunction with, for example, the State Veterinary Service, which would send the experts in to investigate the problem.

[151] **Glyn Davies:** Is there anything else on page 2? I see not. What about page 3?

[152] **Alun Ffred Jones:** Cyfeiriaf at eitem 3 ar ddynodi tarddiad gwarchoddedig. Mae'n dweud nad yw'n bosibl mynd ar ôl statws tarddiad gwarchoddedig oherwydd diffyg cyfleusterau prosesu. Bu i ddau ladddy yn y gogledd orllewin fynd allan o fusnes yn ystod y flwyddyn ddiwethaf, sef Cig Môn a chwmni TH Sutcliffe yng Nghaernarfon, ac yr oeddwn yn amau y byddai hynny'n cael effaith niweidiol, fel y mae'n amlwg wedi'i gael.

Alun Ffred Jones: I refer to item 3 on protected designations of origin. It states that it is not possible to go after PDO status due to the lack of processing facilities. Two slaughterhouses in the north west have gone out of business in the last year, that is, Cig Môn and TH Sutcliffe in Caernarfon, and I had suspected that that would have a detrimental effect, which it obviously has done.

[153] Pan ofynnais gwestiwn i'r Gweinidog ar hyn yn y Siambr, dywedodd y byddai'n cynnal arolwg o'r diwydiant lladd-dai yng Nghymru. Yn ôl yr atebion a dderbyniais wedyn gan Andrew Davies—a, chredaf, gan y Gweinidog—mae wedi cael trafodaeth gyda Hybu Cig Cymru ar y mater hwn. Fodd bynnag, yn wyneb yr hyn a ddywedir yn yr adroddiad am yr effaith negyddol y mae'r diffyg prosesu yn ei gael, pa flaenoriaeth a roddir i geisio adfer y sefyllfa ac i gael mwy o gyfleusterau prosesu bwyd neu mwy o ladd-dai yng Nghymru?

[154] **Carwyn Jones:** Y ffordd i wneud hynny yw sicrhau bod digon o arian ar gael i'r grantiau prosesu a marchnata o dan echel 1 o'r cynllun datblygu gwledig. Atgoffaf aelodau'r pwyllgor o sut mae hyn wedi symud ymlaen oherwydd, wrth gwrs, nid yw Alun Ffred, wedi bod yn aelod o'r pwyllgor am fisoedd bellach.

[155] Ar ôl clywed y newyddion am Gig Arfon a Chig Môn, gofynnais i Hybu Cig Cymru i ystyried a fyddai'n gallu symud tuag at statws tarddiad gwarchoddedig er mwyn gwarchod y sector prosesu sydd yng Nghymru. Yr oedd gennyf ofn ar y pryd—ac nid yw wedi diflannu'n hollol—fod perygl y byddai ffatrioedd prosesu a lladd-dai yn cau yng Nghymru dros y blynyddoedd, ac felly byddai statws tarddiad gwarchoddedig yn ffordd o sicrhau na fyddai hynny'n digwydd.

[156] Safbwynt Hybu Cig Cymru ar hyn o bryd—a phwysleisiaf hynny—yw na ddylem wneud cais am statws tarddiad gwarchoddedig. Fodd bynnag, gobeithiaf y byddwn yn gallu symud ymlaen gyda'r statws tarddiad gwarchoddedig yn y dyfodol agos. Credaf ei bod yn bwysig i sicrhau, yn y pen draw, bod cig oen o Gymru yn cael ei brosesu yng Nghymru. Er nad yw'n bosibl gwneud hynny ar hyn o bryd, gobeithiaf y bydd yn bosibl dros y blynyddoedd nesaf, ac wedyn bydd hynny yn rhoi hwb i'r sector lladd-dai yng Nghymru.

[157] **Alun Ffred Jones:** Yr ydych wedi gyfeirio at grantiau, a down at hynny wrth drafod y gyllideb. Fodd bynnag, yn ôl y trafodaethau a gefais gyda ffermwyr, mae nhw'n ystyried y ffaith bod cyn lleied o ladd-dai bellach yn fygythiad gwirioneddol i'r diwydiant cig yng ngogledd orllewin Cymru. Felly, beth yr ydych yn ei wneud i geisio adfer y sefyllfa i sicrhau ein bod yn cael o leiaf un lladd-dy arall yn y gogledd?

When I asked a question on this to the Minister in the Chamber, he said that he would hold a review of the slaughterhouse industry in Wales. According to the answers that I have subsequently received from Andrew Davies—and, I believe, from the Minister—he has discussed this matter with Hybu Cig Cymru. However, in light of what is said in the report about the negative effect that this lack of processing has, what priority will be given to trying to redress the situation and to get more processing facilities or slaughterhouses in Wales?

Carwyn Jones: The way to do that is to ensure that there is sufficient funding available for the processing and marketing grants under axis 1 of the rural development plan. I remind committee members of how this has progressed because, of course, Alun Ffred has not been a member of the committee for many months now.

After we heard the news about Cig Arfon and Cig Môn, I asked Hybu Cig Cymru to consider whether it would be sensible to move towards PDO status in order to protect the processing sector in Wales. I had a concern at the time—which has not entirely vanished—that there was a danger that factories and slaughterhouses would close in Wales over the years, and therefore PDO status would be a way of ensuring that that would not happen.

Hybu Cig Cymru's viewpoint, at the moment—and I emphasise that it is at the moment—is that we should not make a bid for PDO status. However, I hope that we can move forward with PDO status soon. I believe that ultimately it is important to ensure that lamb from Wales is processed in Wales. Although that it is not possible at present, I hope that it will become possible over the next few years, and that then would give a boost to the slaughterhouse sector in Wales.

Alun Ffred Jones: You have just referred to grants, and we will come to that in discussing the budget. However, according to the discussions that I have had with farmers, they consider the fact that there are so few slaughterhouses at present to be a real threat to the meat industry in north-west Wales. Therefore, what are you doing to try to address the situation to ensure that we have at least one other slaughterhouse in north Wales?

[158] **Carwyn Jones:** Fel y dywedais, mae grantiau ar gael ar gyfer hwn. Yr wyf yn gwybod bod sôn am ddyfodol Cig Arfon, ac yr wyf hefyd yn gwybod, gan eich bod yn sôn am ffermwyr, fod cais i greu grwp cydweithredol o ffermwyr er mwyn ailagor y lladd-dy, ond nad oedd digon o ddiddordeb gan y ffermwyr. Mae hynny'n broblem. Er bod ffermwyr yn sôn am hyn, nid oes digon o bobl gyda'r diddordeb a'r arian i greu grwp cydweithredol er mwyn ailagor y lladd-dy.

Carwyn Jones: As I said, grants are available for this. I know that there has been talk about the future of Cig Arfon, and I also know, since you mention farmers, that there was an attempt to create a co-operative of farmers in order to reopen the slaughterhouse, but there was insufficient interest from the farmers. That is a problem. Although farmers talk about this, there are not enough interested people with the money to create a co-operative in order to reopen the slaughterhouse.

[159] **Glyn Davies:** Is there anything else on pages 3 or 4? At the bottom of item 6, there is a note stating that if any of us want to make our views on the Commons Act 2006 known, that would be welcomed. Is there anything on page 5? I will draw attention to the single payment scheme; I am sure that the Minister would like me to do that. When you read reports on what is happening in England, the same chaos is promised for the next couple of years; I read what the Minister reports, and it looks pretty optimistic, although he is obviously seeking help from the industry to ensure that he keeps up what happened last year. However, I think that that is one benefit of devolution. Mick, did you want to comment?

10.30 a.m.

[160] **Mick Bates:** I am still concerned about the chaos in England, as you described it, and its impact on our farmers who have land in England. I am told that several farms have still not received their English payments. What is the Minister doing to ensure that, when the window opens shortly, there will be a more effective process to ensure that people get payments from England at the same time as they get them from Wales?

[161] **Carwyn Jones:** I think that I am right in saying that, at the last count, there were seven farmers in Wales with cross-border land who had not been paid. There are individual circumstances relating to those farmers that need to be ironed out. The vast majority of cross-border farmers have been paid. It is important to realise that there may well be individual circumstances that are problematic; the fact that the vast majority has been paid may illustrate that.

[162] We need to emphasise that the response that we are getting from farmers in sending back single payment forms is not as good as it was last year. I want to make the point—I make it every year and the unions are always proactive in making this point—that if we do not get the forms back, we cannot make the payments. At the moment, 9,000 farmers have been contacted for clarification of their forms or for additional information. That is about half of all the forms that have been received. It is important that people respond quickly to any queries from officials in the divisional offices and that people send their forms back. I have had at least one case in my constituency of someone who did not send the form back in time and found it months later—there is very little that can be done in those circumstances. Therefore, I appeal for people to respond as quickly as possible.

[163] **Brynle Williams:** Will such a high proportion of queries delay payments to those who have filled in their forms correctly and prevent them from getting their payments on time?

[164] **Carwyn Jones:** It could do. We obviously try to get out as many validated claims as possible, but if the response rate is too low, that creates problems. If people respond quickly, there will be no problem.

10.33 a.m.

Craffu ar y Gyllideb Ddrafft Scrutiny of the Draft Budget

[165] **Glyn Davies:** We all know that the draft budget that was put before the Assembly on—

[166] **Brynle Williams:** Excuse me, Chair. I do not know whether it is at this juncture that I should bring up another matter with the Minister or whether it should come under any other business.

[167] **Glyn Davies:** It will not be brought up now or under any other business. I do not know what the matter is, but if it is not on the agenda, we will not discuss it. We do not discuss matters that we have not agreed beforehand to discuss.

[168] **Brynle Williams:** Fair enough. It was just a query that I had for the Minister.

[169] **Glyn Davies:** We will talk about it afterwards over coffee, if we have time for a coffee break.

[170] We know that the draft budget was defeated yesterday. I think that what we should do formally is to consider what happened yesterday and I can then write to the Minister, expressing the views of the committee. We did write after our last meeting and I think that we had three items in the letter that we sent. The Minister has moved on two of those items, but he has not accepted the committee's view on Tir Mynydd. We have had a lot of discussion about that issue already and the Minister has given us quite a lot of information about what he has described to us as being constraints on his ability to accept what the committee advised at the last meeting. Without going into the whole argument again, I want to establish what you want me to tell the Minister. We may not agree, or there may be a new item altogether. It may be that we will not agree on Tir Mynydd and that a proportion of the committee will want to say one thing and another proportion will want to say another. I would rather hope that the letter that I will send, which would have to be agreed by everyone before it is sent, will reflect that. Minister, did you want to say anything?

[171] **Carwyn Jones:** No.

[172] **Glyn Davies:** Does anyone want to say anything on this issue?

[173] **Elin Jones:** I have a few questions on Tir Mynydd and the Tir Cymru budget line, but I also have questions on other aspects of the budget. Do you want to separate the two issues, or do you want to take them together?

[174] **Glyn Davies:** I think that we need to have questions about the budget, and I will then come to what you want me to put in the letter. Please ask any questions that you want on any aspect of the budget, and points for clarification, to enable me to write to say what you want me to say.

[175] **Elin Jones:** Okay. I am disappointed that we have not had for this meeting the long-promised breakdown of the Tir Cymru budget. I know that we had the Minister's statement on the breakdown for this financial year, but what we have not had for this committee meeting, unfortunately, is the breakdown of anticipated spend for the next financial year between Tir Mynydd, Tir Gofal, catchment-sensitive farming and Tir Cynnal. Obviously, the projected spend for Tir Cynnal will be much less than anticipated, and it is very difficult to scrutinise this budget today when we have no means of working out with you how that works, because, yet again, we have not had the breakdown of the Tir Cymru budget line.

[176] On the £8.1 million change between revenue and capital in the Tir Gofal budget line within Tir Cymru, in his letter to you, Chair, to explain that, the Minister referred to that change as £6.87 million. Why is there a difference between what is in the Minister's letter and the sum in the budget?

[177] There are two issues on the make-up of the Tir Cymru budget. One issue concerns Tir Cynnal and how the lack of applications will affect next year's budget, because you will probably only need half of the money that you thought you needed for Tir Cynnal. The second issue concerns catchment-sensitive farming, which seems to be taking up about £2 million of the Tir Cymru budget line. My understanding is that the budget for the Objective 1 project submitted for catchment-sensitive farming is much less than that—I think that the project cost is only £1.2 million. So I cannot reconcile those figures. Those are my issues on Tir Cymru and its constituent parts.

[178] The Minister and the Government have placed a priority on food and marketing, but there is a decline in the budget line for food and industry within the 'Helping Agriculture Adapt for the Future' budget, not in the next financial year, but in the two following financial years, from £4 million to £2 million. There is a £2.5 million reduction, which is quite a big decline—over 50 per cent—in that budget. How can the Minister reconcile that kind of decline in the budget with what he states in his paper? The paper states that this is one of the Government's priorities.

[179] **Glyn Davies:** Can you cover those questions, Minister?

[180] **Carwyn Jones:** Can Elin direct me to where the decline of £2.5 million is in the budget?

[181] **Elin Jones:** It is in under 'Helping Agriculture Adapt for the Future'. Under 'Food Industry and Support', for next year, the budget is noted as £4.4 million, while for the following two years, it is £1.8 million.

[182] **Carwyn Jones:** I will ask Gareth to come in on that question.

[183] On Tir Cymru, again, I will ask Gareth to come in on the detail of what you ask. The £8.1 million—it is £8.1 million—has been taken from the Tir Cymru budget, but it reappears further down on the last page but one of the budget. Under the 'Helping Agriculture Adapt for the Future' heading, you will see the budget line 'Tir Cymru—Capital', which shows the figure of £8.1 million. It has just been moved.

[184] **Elin Jones:** I understand that; my point is that, in your letter to the Chair explaining the budget changes, you referred to £6.87 million in revenue being switched to £6.87 million capital, but the figures here refer to £8.1 million. I just want to know what the difference between the £8.1 million and the £6.87 million is?

[185] **Carwyn Jones:** I would have to see the letter to be able to comment on that; I do not have a copy in front of me.

[186] **Glyn Davies:** This is the letter referring to changes, which came to the committee a few meetings ago.

10.40 a.m.

[187] **Carwyn Jones:** I do not have the letter in front of me, I am afraid. We will have to explain it, I understand that, but I cannot explain it at this moment without having the letter in front of me.

[188] **Glyn Davies:** A note to Elin is all that we can have on that really.

[189] **Mr Jones:** We can provide a breakdown of the Tir Cymru budget expenditure limit within the budget years, so that would be the expected expenditure on each of the accounts, as we call them, within the BELs. That would demonstrate precisely what we are estimating that we will spend on Tir Cynnal, catchment-sensitive farming, Tir Mynydd, Tir Gofal, and so on. The projected expenditures on catchment-sensitive farming and Tir Cynnal take account of the level of applications that we have received, for example, on Tir Cynnal thus far, so they match expected expenditure, given the level of applications that we have had. We can provide all of those in a detailed note if the Minister is happy for us to do that.

[190] **Glyn Davies:** It would be useful if you could do that, because I have heard this question asked once or twice before. Elin, in particular, has asked a precise question—and you will have to check this—about why we as a committee, and I think Plenary, were notified of a change in the budget of £6.870 million when the budget that we are looking at reflects it as £8.1 million. The figures do not match up, so it needs to be explained. I accept that you cannot explain it today, but I do not want it to get lost in terms of what Gareth has said that he will deliver for us.

[191] **Mr Jones:** I am confident that it can be explained.

[192] **Elin Jones:** On Tir Cynnal, and the breakdown of the Tir Cymru budget, that would be greatly appreciated. It would help sessions like this if we had it in advance rather than having to ask for it every time and find it in some other way. What I am trying to get at is that there is obviously going to be a less-than-you-had-anticipated spend on Tir Cynnal for the next financial year. You have retained the Tir Cymru budget line, so where is that anticipated decrease in spend going to figure within the Tir Cymru budget line? How does that affect European co-financing, if you are spending less on it next year than you had anticipated in your rural development draft plan?

[193] **Mr Jones:** Let us be clear: it is not less that we are anticipating in the RDP. When we show you the figures, they will demonstrate the increases in Tir Gofal that effectively make up the gap between lower-than-expected expenditure in Tir Cynnal—or at least it was lower than we expected a couple of years ago—and the eventual Tir Cymru quantum, which, as you will see from the figures, is going up slightly over the years.

[194] **Elin Jones:** It is not going to Tir Gofal, which is what you said there, is it not?

[195] **Mr Jones:** No, I did not say that it was going to Tir Gofal.

[196] **Elin Jones:** Right.

[197] **Glyn Davies:** There was an implication of that. That is all.

[198] **Carwyn Jones:** As I understand it, it is possible for the money to be diverted to Tir Gofal and it is also possible that it would have an effect on modulation levels further down the line. So, if it is found that not as much money is required, that also means that not as much modulation will be required, coming to the end of the decade.

[199] **Glyn Davies:** A note would be useful on this, because there is the complication of suspense accounts and money from previous levels of modulation. A note would be useful for Members to understand it. It is quite a complicated process.

[200] **Carwyn Jones:** I remind Members that I have provided information in the past as to what the projected spend of the modulated schemes will be. Members will recall that it means effectively that the level of voluntary modulation in Wales is quite low in the next two or three years and that it rises, going towards 2009-10. If it is the case that the amount of money that is spent on Tir Cynnal is less than anticipated, that means that there will be more money available, potentially, I suppose, for other schemes, but it may mean that the rate of modulation may not want to increase by as much in years to come. However, remember that there is a time period of four years of N+4 to spend the money from the time that it is modulated.

[201] **Mick Bates:** Chair, may I come in on that?

[202] **Glyn Davies:** You may, as long as we do not go over the same old suspense account discussions that we have had umpteen times before. [*Laughter.*] Repetition, when we have important issues to discuss, is a waste of our time.

[203] **Mick Bates:** Do not waste time talking about it. On the levels of application to which you have just referred, it was brought to your attention before that no-one had anticipated this number of Tir Cynnal applications. Currently, the Tir Gofal window for applications is very short, so it is likely that the Tir Cynnal situation will be repeated for Tir Gofal. As the window of application is so short, you will not meet your budget projections. What evaluation did you undertake, when you wrote this budget line, of what would happen if the Tir Cynnal scenario is repeated with Tir Gofal, with, say, half the applications? You have about 700 applications to deal with in about two days.

[204] **Carwyn Jones:** We have not had problems with Tir Gofal in the past, and we do not anticipate problems with it in the future.

[205] **Glyn Davies:** You could leave the window open longer if you wanted.

[206] **Mick Bates:** Could you leave the window open longer for the applications?

[207] **Mr Jones:** We have not said for how long the window will be open, but we have said that the forms will be available from 13 November and that they can start to be submitted to us after 20 November. We have not said that they must be submitted by 20 November, so we have not set a window of several days. We have said that the window will open thereafter on 20 November.

[208] **Glyn Davies:** I assume that the window would close when you felt that you had as many applications submitted as you could cope with.

[209] **Mr Jones:** We have not taken a decision on that.

[210] **Glyn Davies:** You will have to close it then.

[211] **Carwyn Jones:** We anticipate that about 700 to 750 applications will be accepted from this round. So, it is not the case that the window is open for two days.

[212] **Elin Jones:** It would be nice to know when the window will close.

[213] **Glyn Davies:** The Minister has just told us that he must assess how quickly the applications come in. He has not given a closing date, so he does not have anything to tell us.

[214] **Carwyn Jones:** We are looking to accept 700 or 750 applications.

[215] **Glyn Davies:** So, in theory, when it reaches 750 applications, the window closes.

[216] **Carwyn Jones:** I would urge farmers to get the forms in as quickly after 20 November as possible, rather than give another date which would mean that they were being submitted—

[217] **Glyn Davies:** Good advice. I understand what you say, because if you gave a date of 20 December, every form would come in on 19 December.

[218] **Carwyn Jones:** A significant number would come in on that date.

[219] **Glyn Davies:** We should deal with the food and marketing question, because it is straightforward, in terms of dealing with the two years beyond next year.

[220] **Mr Jones:** This is a function of the merger of the WDA into the Department for Enterprise, Innovation and Networks and the Department for Environment, Planning and Countryside. Before the period up to 2007-08, there was a transfer of moneys from DEIN into DEPC to pay for this. After 2008-09, the £2.5 million will still exist, but it will be in the main expenditure group for the Department for Enterprise, Innovation and Networks, and the staff there will continue to do the work on our and the Minister's behalf. So, the money is not lost; it is just not in our MEG.

[221] **Elin Jones:** Whose responsibility is it? If the budget is Andrew Davies's budget, or whoever the Minister will be by then, whose responsibility will the running of that budget and the role of that money be? It seems complicated if this Minister retains the role, but the budget is given to another Minister.

[222] **Mr Jones:** There is currently a service level agreement with staff in that department to provide those services on our behalf.

[223] **Elin Jones:** Will that continue after 2008?

[224] **Mr Jones:** I would hope so.

[225] **Carwyn Jones:** That is the intention. As you know, with the WDA, we had a situation where the food directorate was answerable to this department, and everywhere else, in effect, was answerable to what was the economic development and transport department. As the WDA came in, a structure needed to be put in place where the WDA was within DEIN but was still able to provide the services that we had before from the food directorate. So, the situation has not changed. The services are still available and we still receive them, because our representatives abroad, for example, provide us with services despite the fact that they work for DEIN. So, the situation has not changed, but it means that, because the WDA has been absorbed into DEIN, instead of us having the food directorate part of it, we have a service level agreement to provide the services that the food directorate provided. That will continue in the future.

[226] **Elin Jones:** I have a question on that. Once the budget transfers back to DEIN, will it be ring-fenced for the purposes of the food industry? We do not want to lose the momentum that, I acknowledge, has been gained over the past five to seven years on food promotion inside and outside Wales, and we do not want to lose that funding and momentum to a far wider inward investment marketing budget in DEIN.

10.50 a.m.

[227] **Carwyn Jones:** I fully agree with that sentiment. We are talking here about the international trade element that is so important to us. I certainly want to ensure that the current situation continues.

[228] **Glyn Davies:** That is a comment that we could include in a letter that I will write based on our considerations. It is a sensible comment. I will be addressing that letter to the Minister, but it will clearly be discussed in your Cabinet meetings.

[229] **Alun Ffred Jones:** Mae gennyf bedwar cwestiwn. Nid wyf yn disgwyl ateb i un ohonynt heddiw, ond mae'n ymwneud â'r nodiadau cefndir ynglyn â pherfformiad. Sonnir ar dudalen 3 am yr angen i:

Alun Ffred Jones: I have four questions. I do not expect an answer to one of them today, but it is to do with the background notes on performance. Page 3 mentions the need to:

'Develop skills training suitable for rural settings'.

[230] Mae cyfeiriad at hyfforddi yma. Yn wyneb pwysigrwydd cynyddol ceffylau a'r diwydiant sy'n troi o gwmpas ceffylau, a yw hyfforddi ffariers yn dod o dan gynllun Cyswllt Ffermio? Mae cyfeiriad at hyfforddi, felly a yw hyfforddi ffariers ifanc yn y grefft yn rhan o'r cynllun hwn?

[231] Ar y gyllideb ei hun, mae cynnydd sylweddol yng nghredydau treth tirlenwi y flwyddyn nesaf. A wnaiff y Gweinidog esbonio—a chwestiwn ffeithiol yw hwn—pa ddefnydd a wneir o'r credyd treth tirlenwi a'r cynnydd sylweddol sydd yn y gyllideb honno?

[232] Dros y dudalen, o dan y pennawd 'Animal and Plant Health', ceir cyfeiriad at bysgota a chynlluniau am bysgodfeydd, ac mae gostyngiad yn y gyllideb honno. Unwaith eto, a oes rheswm am hynny, yn wyneb y symudiadau diweddar i greu un corff i edrych ar ôl pysgota oddi ar arfordir Cymru? Pam bod gostyngiad yn y gyllideb honno y flwyddyn nesaf? Mae gostyngiad bach hefyd yng nghyllideb Arsyllfa Wledig Cymru, sydd wedi gwneud gwaith diddorol iawn. Nid yw'r gyllideb honno'n fawr beth bynnag, ac mae gostyngiad o 50 y cant ynddi. Pa effaith gaiff hynny ar waith Arsyllfa Wledig Cymru?

[233] **Carwyn Jones:** Mae digon o arian i sicrhau bod y sefyllfa bresennol yn parhau o ran Arsyllfa Wledig Cymru. Yr wyf yn deall hefyd fod £150,000 yn dod o gronfa cymorth technegol yr Undeb Ewropeaidd er mwyn mantoli'r arian hwnnw. Felly, mae'r arian hwnnw wedi cael ei gyflenwi.

[234] Ynghylch y pwynt am bysgodfeydd, mae'r pwyllgorau pysgodfeydd môr yn cael eu hariannu drwy'r grant cynnal refeniw a llywodraeth leol, am fod awdurdodau lleol yn rhan o'r pwyllgorau. Dyna un ffordd y maent yn cael eu hariannu, ond maent hefyd yn codi arian drwy drwyddedu ac yn y blaen. Fodd bynnag, gan fod awdurdodau lleol yn ffurfio'r gyfran fwyaf o bwyllgorau pysgodfeydd môr, maent yn cael eu hariannu drwy'r grant cynnal refeniw. O ran y cynnydd yn arian y pysgodfeydd, yr ydym yn sôn fwy neu lai am afonydd a llynnoedd. Nid yw'r pwyllgorau pysgodfeydd môr yn cael eu hariannu'n uniongyrchol gan y Cynulliad ond drwy'r grant cynnal refeniw.

[235] A oedd pwynt arall? Beth oedd y pwynt cyntaf?

[236] **Alun Ffred Jones:** Mae cynnydd sylweddol yn y credydau treth tirlenwi. Yr oeddwn yn gofyn pa ddefnydd a wneir ohonynt.

There is a reference to training here. In the light of the increasing importance of horses and the industry that revolves around horses, does training farriers come within Farming Connect? There is a reference to training, so is the training of young farriers in that craft part of this scheme?

On the budget itself, there is to be a significant increase in the landfill tax credit next year. Could the Minister explain—and this is a factual request—what use is made of the landfill tax credit and the substantial increase that is in that budget line?

Over the page, under the heading 'Animal and Plant Health', reference is made to fishing and planned fisheries, and there is a reduction in that budget. Once again, what is the reason for that, given recent moves towards creating one body to oversee fishing off the Welsh coast? Why is there a reduction in that budget next year? There is also a small reduction in the budget of the Wales Rural Observatory, which has been carrying out some extremely interesting work. That is not a large budget as it stands, and there is a reduction of 50 per cent. What effect will that have on the work of the Wales Rural Observatory?

Carwyn Jones: As regards the Wales Rural Observatory, there is sufficient funding there to ensure that the present situation continues. I also understand that £150,000 is coming from the EU's technical assistance fund to make up that money. Therefore, that sum has been made up.

Regarding the point on fisheries, the sea fisheries committees are funded through the revenue support grant and local government, because local authorities are a part of those committees. That is one method by which they are funded, but they also raise revenue through licensing and so on. However, given that local authorities form the largest proportion of the sea fisheries committees, they are funded through the revenue support grant. As regards the increase in funding for fisheries, we are more or less talking about rivers and lakes. The sea fisheries committees are not directly funded by the Assembly; they are funded through the revenue support grant.

Was there another point? What was the first point?

Alun Ffred Jones: There has been a substantial increase in landfill tax credits. I was asking what use is made of them.

[237] **Carwyn Jones:** Pe bai cynllun busnes fferm yn dangos bod gweithio gyda cheffylau neu bod yn ffarier yn gallu sicrhau mwy o incwm i'r fferm ac yn beth call i'w wneud, byddai'n bosibl i'r fferm sicrhau arian i wneud hynny drwy Cyswllt Ffermio. O ran y credyd treth tirlenwi, yr ydym yn ei gweld fel rhan o'r gyllideb. Cyfeiriaf yma at dudalen 4.

[238] **Mr Jones:** I would have to give you a separate note on that, but additional money is going into a number of waste areas. I would have to give you a separate note on precisely what that addition was going towards.

[239] **Alun Ffred Jones:** O ran y busnes hwn am bysgodfeydd, yr wyf yn ddiolchgar am yr esboniad mai cyfeirio'n bennaf at wariant ar bysgota afonydd a llynnoedd y mae'r arian hwn. A ddeallais hynny'n gywir?

[240] **Carwyn Jones:** Fwy neu lai.

[241] **Alun Ffred Jones:** Dengys y ffigurau diweddar fod incwm o dwristiaeth sy'n ymwneud â physgota yn sylweddol iawn ac yn gyfraniad pwysig tuag at yr economi wledig. Byddwn yn tybio bod gostyngiad yn y gyllideb, er nad yw'r gyllideb yn fawr iawn beth bynnag, yn gamgymeriad.

[242] **Carwyn Jones:** I am trying to locate it in the report. Is this the item on page 4?

[243] **Alun Ffred Jones:** 'Fisheries Schemes' yw'r pennawd.

[244] **Carwyn Jones:** There are budget expenditure lines for 'Fisheries Schemes Investment' and 'Fisheries Schemes – Capital', which are on page 4.

[245] **Alun Ffred Jones:** Credaf mai 'Revenue' ydyw.

[246] **Glyn Davies:** We need to follow this up, because this may well be a suggestion in the letter.

[247] **Carwyn Jones:** There is no cut there.

[248] **Brynle Williams:** Ger 'Fisheries Schemes', gwelaf ei fod yn mynd i lawr o £2,124 i £1,754.

[249] **Carwyn Jones:** I am on page 4.

[250] **Alun Ffred Jones:** Yr wyf yn edrych ar ffigurau'r gwasanaeth ymchwil, oni bai fod camgymeriad yn y rheiny. Fodd bynnag, fe gliriwn y mater i fyny yn nes ymlaen.

[251] **Carwyn Jones:** There is reference to 'Fisheries Schemes' and 'Fisheries Schemes Investment'.

Carwyn Jones: If a farm's business plan shows that working with horses or being a farrier would secure more income for the farm and would be a sensible move, it would be possible to secure funding to do that through Farming Connect. As regards the landfill tax credit, we see that as part of the budget. I am referring to page 4.

Alun Ffred Jones: On the subject of fisheries, I appreciate the explanation that this money relates mainly to spending on river and lake fishing. Have I understood that correctly?

Carwyn Jones: More or less.

Alun Ffred Jones: Recent figures show that the income from tourism connected with fishing is quite substantial and is an important contribution towards the rural economy. I would say that it is a mistake to reduce the budget, which is not very large as it is.

Alun Ffred Jones: It is under the heading 'Fisheries Schemes'.

Alun Ffred Jones: I think that it is 'Revenue'.

Brynle Williams: Next to 'Fisheries Schemes' I can see that it goes down from £2,124 to £1,754.

Alun Ffred Jones: I am looking at the figures provided by the research service, unless there is a mistake in those. However, we will clear up the matter later.

[252] **Alun Ffred Jones:** O dan 'Ensuring Animal and Plant Health' a 'Fisheries Schemes', nodir £2,124 a £1,754.

Alun Ffred Jones: Under 'Ensuring Animal and Plant Health' and 'Fisheries Schemes', £2,124 and £1,754 are noted.

[253] **Carwyn Jones:** No, it is not that.

[254] **Glyn Davies:** If we can, I would like to establish that this is the fact after the meeting. It may well be that, if there is a reduction, we will query that in my letter and emphasise the importance of fisheries. I think that we can handle it that way.

[255] **Brynle Williams:** I gadarnhau'r hyn a ddywedodd Alun Ffred, mae hon yn rhan bwysig iawn.

Brynle Williams: To support what Alun Ffred said, this is very important.

[256] **Glyn Davies:** I think that we accept that. If there is that reduction, it would be right for the committee's attention to be drawn to it, because we all know very well the value of the point that Alun Ffred has been making. I would like to check after the meeting to make certain that there is a reduction. On the face of it, the paper that I am looking at suggests that there is a reduction.

[257] I would like to move to the letter quite soon. However, do you want to come in with some questions now, Mick?

[258] **Mick Bates:** On one issue about encouragement to buy local produce, what targets do you have, Minister, to meet the objectives of encouraging schools and hospitals to purchase more Welsh produce?

[259] **Carwyn Jones:** I think that we have been successful in doing that in any event. We are encouraging local authorities to buy local produce. It is happening in many local authorities in Wales. We know, of course, that every hospital trust in Wales is now buying Welsh beef—bar one, which is the Cardiff and Vale NHS Trust. We know that there are schools and local authorities in urban and rural Wales that are increasingly seeking to source locally. However, I have found that the difficulty that there has been—and that remains to some extent—in sourcing locally is the inability of local suppliers to supply. To overcome that through the Wales procurement team and the procurement initiative, a lot of work has been done with potential suppliers to enable them to supply. The difficulty that we had until around two or three years ago was that whenever contracts were tendered by large authorities, such as local education authorities and the NHS, for example, local suppliers just would not come forward, as they were not in a position to supply a contract that was that big. They were generally people who would supply as and when, rather than day in, day out, week in, week out, all year round. That has been overcome and there was an initiative at the beginning of this year in Pembrokeshire, where 11 local companies were invited and received advice on how to bid for public procurement contracts. Four of them have been successful.

11.00 a.m.

[260] **Mick Bates:** Horticulture is often an important aspect of local produce. Where in your budget would people access support if they wished to grow vegetables, for example, to supply local schools?

[261] **Carwyn Jones:** They would not necessarily receive support through the single farm payment. They could receive support to help them to improve their ability to supply, but not to grow.

[262] **Mick Bates:** On the TB preventative measures, given the establishment of intensive treatment areas and the use of gamma interferon, what evidence have you used to confirm that the £3.410 million quoted in your budget is sufficient?

[263] **Carwyn Jones:** The figure is based on the calculations made as a result of the recommendations made by the Wales TB action plan.

[264] **Mick Bates:** Further to that point, what contingency do you have to increase that budget? Is there a contingency built in?

[265] **Carwyn Jones:** That is what we estimate it will cost to move forward with the TB preventative measures that are so far proposed.

[266] **Glyn Davies:** We will move on to the letter that I might want to send to the Minister. Two points have been raised so far that I think there will be agreement on: one is that we should seek to establish the continuing budget for food that may be transferred to the enterprise, innovation and networks budget, and the second is the point that Alun Ffred raised about a possible reduction in the fisheries budget line. If that is a reduction, I think that we should express our concern about it and emphasise the importance of fisheries. I do not think that there would be any disagreement with that. Bearing in mind the lack of clarity from the ministerial team on that issue, it would be just as well to ensure that it is not just a printing error before we respond. The letter that I would send would obviously be approved by all members first.

[267] The third item that members may want to include, from the earlier discussion on the Minister's report, is on Tir Mynydd. I will need some guidance on that, because it is not straight in my mind how we might include that. During our previous consideration of the budget, when the Minister was again not in agreement with the line that the committee took, we encouraged the Minister to give greater priority to Tir Mynydd, and he has previously done so. The discussions that we have had suggest that some committee members might want to include that again. I want to establish whether that is the case, and whether there is agreement among committee members on that. Does anyone want to come in on this?

[268] **Elin Jones:** In light of discussions here, the vote of the Assembly, and our previous indication of support for Tir Mynydd, I propose that we ask the Minister to reassess his budget proposal before the final draft is laid, and to fund Tir Mynydd to the level of 2005-06. If the implications of that for the rural development plan need to be discussed further with committee members, it is important that that is done as soon as possible.

[269] **Brynle Williams:** I second that.

[270] **Carwyn Jones:** We cannot fund for 2005-06, because it is not the 2005-06 budget.

[271] **Glyn Davies:** I think that Elin said 'to the level of'.

[272] **Carwyn Jones:** To the level of the 2005-06 budget?

[273] **Glyn Davies:** Yes, which, in effect, means increasing it by £14 million. Is it £14 million?

[274] **Carwyn Jones:** It is £12 million.

[275] **Glyn Davies:** It is £12 million for the current year, but, for 2005-06, it is £14 million, is it not?

[276] **Carwyn Jones:** The request is to increase the budget by £12 million in 2006-07.

[277] **Glyn Davies:** Is it?

[278] **Carwyn Jones:** I am not sure whether it is beyond that—that is for later—but that is the request on the table.

[279] **Glyn Davies:** There is an issue with this—

[280] **Elin Jones:** We are talking about the 2007-08 budget, not 2006-07—that is the vote that we took on Tuesday. The amendment stated 'restored to the level set in 2005-06'.

[281] **Glyn Davies:** We are clear what the amendment is. There is an issue here of how that is funded. I am not sure where the committee can go on this. We have often had this debate in the Chamber—whenever there is a desire to increase spending heads, the Government side asks where that money comes from. It is the Government's budget, and sometimes the Government will not do what you ask. We may have a future discussion about that.

[282] **Elin Jones:** I did not say that we should go to negotiations on that; I just agreed to the principle of being briefed more fully on the implications for the rural development plan.

[283] **Glyn Davies:** I accept that. You wanted to come in, Tamsin—you may disagree on this.

[284] **Tamsin Dunwoody:** I am speaking as an Assembly Member, not a Deputy Minister. I cannot sign up to Elin's statement, given the information that has been presented to the committee this morning, and given the impact—or the potential impact—on other areas, particularly new entrants to farming, on which I have always done a significant amount of work. I cannot accept Elin's line.

[285] **Glyn Davies:** I want to bring this to an end without going around all the previous debates that we have had in the Chamber, in committee, and, often, outside the Assembly altogether. I suspect that Lorraine, Tamsin and Carwyn would not agree with Elin's position, and I suspect that other Members would. Is that a fair assumption?

[286] **Lorraine Barrett:** I disagreed with it even before we had the further information today.

[287] **Glyn Davies:** Indeed, this was the position at our last meeting, before we had what I thought was a clear exposition by the Minister about the constraints upon him. Before we had that, there was still a difference of views, and my feeling is that it remains. I will try to incorporate that in a letter, which I will circulate to everyone for approval before it is sent. Can we leave it at that? I see that we can. Thank you.

11.07 a.m.

**Adroddiad ar Gynhadledd Symleiddio'r Polisi Amaethyddol Cyffredin a'r Cynllun Gweithredu ar gyfer
Symleiddio'r Polisi Amaethyddol Cyffredin
Report of the Common Agricultural Policy Simplification Conference and Action Plan on Common
Agricultural Policy Simplification**

[288] **Glyn Davies:** I have provisionally agreed—and, again, this is for Members to approve—that the Deputy Chef de Cabinet of Mariann Fischer Boel will join the committee for 40 minutes at the start of the next meeting. Lorraine will remember him; he was the man whom we met in the meeting. I had to take this down the road quite a distance before bringing it to committee, but he is happy to meet us at 9 a.m. at the next meeting, for 40 minutes. I suggest that we programme maybe 45 or 50 minutes for that discussion.

[289] We do not think it appropriate to talk about the rural development plan at this stage, because there are sensitivities surrounding it. However, Mr Borchardt is happy to discuss modulation, which we talked about earlier, the simplification of the common agricultural policy, and the extent of the health check that is coming along—and we are seeing varying reports about whether it will be significant or not—and all of those issues with us at the next meeting.

[290] If you agree, I suggest that we go ahead and arrange a video link with him at 9 a.m. at the start of our next meeting. Is everyone happy with that? I see that you are. We will programme another 10 minutes afterwards in case we want to have a discussion about what he has said, and decide whether we want to ask for any papers or anything like that. I can only say what I have said before—the meeting that Lorraine and I had with him was unusual in that I was hearing a senior European official explaining a position that I did not believe was sustainable; I put it that strongly. Do you wish to add anything to the paper, Minister?

[291] **Carwyn Jones:** No.

[292] **Glyn Davies:** Does anyone wish comment on the paper or ask anything about it? Please make any comments brief, because we have run rather behind schedule, as we have been dealing with important issues.

[293] **Mick Bates:** One of the big issues with simplification is reducing the administrative burden. How will that happen? We have just seen that, of 18,000 applications, 9,000 will be returned for more information, so it cannot be that easy to do.

11.10 a.m.

[294] **Carwyn Jones:** It is much easier than it was—there is no question about that. We have this problem every year: forms are not filled in properly or are not returned until the last minute. We deal with this every year; we make the same plea and, hopefully, we will have the same result.

[295] **Glyn Davies:** I think the EU is going down the right road here, because in terms of the public perception of the CAP, people do not know what it is or what it does. The more that is simplified, the better. We would all sign up to that. To the extent that this is a movement in that direction, we would all support it. However, I read through this and I must say that it is pretty complicated stuff. You cannot understand what much of it means in reality, but I am willing to accept that Rory understands it all and is acting strongly on our behalf.

[296] **Mr O'Sullivan:** Yes. [*Laughter.*]

[297] **Glyn Davies:** Does anyone want to ask anything specific on this?

[298] **Mick Bates:** Would, for example, cross-compliance be made simpler? That is one of the biggest burdens at the moment.

[299] **Mr O'Sullivan:** As the paper indicates, this is the opening position from the commission. It is now properly engaging with member states and there are, across member states, concerns about how an item such as cross-compliance could be simplified. So, it is fair to say that cross-compliance will be on the agenda, but it will take some months, perhaps, for it to go through the processes in Europe, so it is not a case of there being changes early next year; it will be 12 or 18 months downstream, because the simplification of the technical side of it must feed into the health check and the financial review in 2009.

[300] **Brynle Williams:** On cross-compliance, quite a few farmers are complaining about getting an army of officials on their farms. I thought that we were going to simplify this, and that that would not happen. Checks have been spread over three days and that is tying up farm staff. It is fair enough when it comes to checking stock and ear numbers and so on, but other issues are being brought into this and we have an army of people going across people's farms. Is there no way of simplifying this a little?

[301] **Glyn Davies:** That is separate from the point that we are discussing, although connected.

[302] **Mr O'Sullivan:** The very point that Brynle makes is one of the issues with cross-compliance—that we are obliged to check so much. It takes longer on-farm and it ties the farmer up, as well as tying our side up.

[303] **Glyn Davies:** Two Members have raised cross-compliance; you are involved in discussions and clearly those will now be ongoing, because this is part of the EU agenda. That issue has been raised and people are concerned about the complexity of it. That is a point that you might take on board. I see that there are no other comments on that. We will move on.

11.13 a.m.

[304] **Glyn Davies:** Gwyn is not with us today, but Graham Winter is. I wish to raise a point on the first two Orders. There is little scope on the third, which is just tidying up a technicality. However, there is a point about the first two being slightly different from those in England—we might welcome that or otherwise—but that is worth noting. Graham, can you fill us in on those?

[305] **Mr Winter:** We included two points in our Members' research service brief on this, comparing the proposed statutory instruments here with those that are already in force in England. The first point is whether or not design statements, as well as access statements, should be made a statutory requirement. Those two SIs propose that there should be access statements in Wales. However, it has already been agreed in England that there will be joint access and design statements as a statutory requirement. The second point is on the wording. Again, there are differences between what is already in force in England and what is proposed here. In particular, there is wording on the need to produce a statement of consultation and to say what account has been taken of that consultation when an access statement is prepared. That wording is not included in these draft SIs.

[306] **Glyn Davies:** Does anyone want to come in on that? Minister, do you want to come in? I must admit, having read this, that I tend to agree that a design statement is not needed. However, I cannot see why the consultation statement should not be included; it is just a statement to reassure everyone that consultation has taken place. In theory, it must do so, or else the planning authority would not be acting properly.

[307] **Carwyn Jones:** It is a pre-application consultation.

[308] **Glyn Davies:** It is a statement that consultation has taken place, is it not?

[309] **Mr Winter:** As part of preparing the access statement.

[310] **Carwyn Jones:** That there has been consultation, yes.

[311] **Glyn Davies:** It is part of the access statement?

[312] **Carwyn Jones:** Yes, it is in terms of preparing the access statement. The point on design is that we have technical advice note 12 on design, which covers that issue. It is different from the situation in England, but we should not be afraid of that, in my view.

[313] **Glyn Davies:** Members are clearly not concerned and neither am I. I feel that the access statement should include the wording that proper consultation had taken place. I can see no reason why that should not be there.

[314] **Ms Thomas:** To clarify that, the legislation in England relates to consultations because it also deals with the development plans process in England. That is why we are not introducing that additional reference to consultation, because our regulations are limited in scope to access statements only. Section 42 of the Act also deals with development plans in England and we are limiting ours solely to access statements, so the reference to consultations is slightly misleading because in England this covers a wider range of issues than the legislation that we are proposing in Wales.

[315] **Glyn Davies:** I accept that point.

[316] **Mr Winter:** The wording proposed in England is:

‘state what, if any, consultation has been undertaken on issues relating to access to development and what account has been taken of the outcome of any such consultation.’

[317] **Ms Thomas:** We encourage applicants to hold pre-application consultations on development proposals in any case, so we do not want to be overly prescriptive.

[318] **Glyn Davies:** Does anyone else want to raise a point? I think that we are happy for those to go forward without amendment. I am told that the third Order is tidying up, and just a technicality. Are you all happy to accept that? I see that you are. We will now take a break.

*Gohiriwyd y cyfarfod rhwng 11.17 a.m. a 11.41 a.m.
The meeting adjourned between 11.17 a.m. and 11.41 a.m.*

Paratoi Cynlluniau Datblygu Lleol a Hynt y Gwaith Arnynt Preparation and Progress of Local Development Plans

[319] **Glyn Davies:** Croeso yn ôl.

Glyn Davies: Welcome back.

[320] The best way to describe this session is that we, as a committee, want to know how things are going. We have, at most, half an hour for this session, so the best way to organise this is to have some fairly short presentations, which may stimulate some questions. This is an information session for the committee to understand what is happening in terms of the preparation of local development plans. Who will start?

[321] **Ms Thomas:** Thank you, Chair. You have received the committee paper that we prepared and we do not propose to say any more than that, because we are interested in hearing what others think of the system.

[322] **Glyn Davies:** The guests are Cath Ranson, Jim Woodcock from Ynys Môn and Stan Yates from Conwy. Are you able to give a bit of a presentation on your position? You have submitted papers, but it would be useful if you could summarise the paper or add anything to it that you want. However, do not take too long, or it will take most of the session. Who wants to go first? Cath—ladies first; old-fashioned values there.

[323] **Ms Ranson:** We are very supportive of the new system. We worked with the Assembly to help to develop the development plan manual, on the steering group. One thing to say is that, as a national park authority, we are trying to bring the work on the park management plan and the local development plan together, so that people can make their comments on the future of the national park; if they do not know which plan it belongs to, we do that work for them. However, the important thing is that we get views and involvement in the two processes and that we do not confuse the public by going out twice on two visions and on two sets of strategic options and so on. Preparing the delivery agreement was quite complicated, and in bringing that work together, but we had to keep reminding ourselves that it would have been far worse had we run the two plans separately.

[324] We have the delivery agreement in place, but I will not go through all the progress to date and the work in hand. One complication when we went out was the lack of awareness among community councils of the new system. When we consulted on the delivery agreement, community councils thought that it was their one opportunity to comment on the plan. We had to do a lot of work on trying to explain to them that it was not the one opportunity, that it was the start of the process and that they were being involved before anything was written on paper and put into hard systems. So, there have been challenges with explaining the new system to the outside world.

[325] We worked with the community councils, and they asked if they could put three steps of the process together—to come back in with what they think the vision should be, what they think the issues are, and suggestions on how to resolve those issues. So, we held back on writing up the vision bit until we had their full response, and we have given them time to come back in with that. That has made us rethink our approach to how we work, certainly with community councils.

[326] The best thing for me to do is to come on to the challenges that we see. One of those has most definitely been trying to take work forward in advance of the guidance. We have had nine, possibly 10, authorities across Wales working as pathfinders, sharing information and trying to share the load in working up ways of dealing with the new system, and that has been quite effective. It has now split into a north Wales group and a south Wales group.

[327] For us, one of the problems is that much of the guidance is aimed at unitary authorities rather than national park authorities. For example, the work with community strategies and the proposed mechanisms for working through citizens' panels are much more difficult for us to pick up and run with than is the case for the standard unitary authority. We have set up what we have called a statutory plan forum, in which we pull in sector representatives to help us to look at, through responses from involvement and consultations, whether they are on course or whether there is an unrepresentative minority coming in.

[328] One challenge is that national parks are different. We start from a different premise, in that we start from the statutory purpose. There are issues, for example, from working regionally, of whether we need to work with other authorities to perhaps share our housing requirements, to take the environmental load off the national park. Those are political issues that we will need to talk through in the population-forecasting and housing-market assessments. However, we have regional work going on, linked to the Wales spatial plan, on regional housing-market assessments.

[329] Collaborative working is very important, but we are finding that timetables and priorities vary. Trying to get other people to dance to our timetable is quite difficult.

[330] We are working with Gwynedd Council to try to put in place some more detailed guidance following on from the planning and Welsh-language research that was undertaken and reported last year. That is about the impact of developments on communities. That is also a whole new area of work.

[331] One of the other issues is that of training and resources. It is not just for staff members; it is also for the public and stakeholder organisations, so that they can understand how the system works and how their input can best come forward. We have problems with scarcity of staff and a skills base, which are exacerbated by our remote location and by Welsh-language issues.

[332] On time delays and challenges in working bilingually, relating to things like software development, English information technology providers are just not used to having to set up a system that works twice and has links between both sides. The other issue that concerns us is the additional translation costs that we will face for the examination of the LDP by the inspectorate.

[333] **Glyn Davies:** Jim, do you want to give the Ynys Môn perspective?

[334] **Mr Woodcock:** Diolch, Gadeirydd, am y cyfle i ddod yma i siarad â chi. Yn gyflym, fel y gwyddoch, mae Cyngor Sir Ynys Môn yn unigryw, a ni yw'r unig awdurdod sydd wedi cyrraedd mor bell â chynllun datblygu unedol cyn rhoi'r gorau i waith ar hynny. Yn awr, yr ydym wedi lansio'r gwaith ar y cynllun newydd. Hyd yn hyn, mae'r rhan fwyaf o'r gwaith wedi bod yn ymwneud â phroses yn hytrach nag edrych ar bethau diddorol y byd cynllunio. Ond, yn awr, yr ydym yn dechrau ymgynghori ar strategaethau gwahanol; bydd hynny yn fwy o her ac yn cynnwys, fel y dywedodd Cath, y cynghorau cymuned ac ati.

Mr Woodcock: Thank you, Chair, for the opportunity to come here to speak to you. Briefly, as you know, the Isle of Anglesey County Council is unique, and ours is the only authority to have gone so far with the unitary development plan before stopping work on that. Now, we are launching the work on the new plan. So far, most of the work has been process orientated rather than looking at the interesting aspects of the world of planning. However, we are now embarking upon consultation on different strategies; that will be a greater challenge and will include, as Cath said, the community councils and so on.

11.50 a.m.

[335] O ran y pethau yr wyf yn poeni yn eu cylch, mae Cath wedi sôn am rai ohonynt, ac yn eu plith, mae adnoddau yn bwysig. Os ydym am gyflwyno neu ddarparu gweledigaeth ranbarthol—ac yr ydym yn sôn am y cynllun gofodol, y gronfa gydyfeirio ac yn y blaen—rhaid i'r peth fynd drwy'r system gynllunio. Felly, mae gennyf bryder ynglyn â'r adnoddau i wneud i'r ochr statudol weithio. Gwn ei fod yn ddiflas, ond os ydych am wneud rhywbeth, fel arfer, mae'n rhaid ichi gael caniatâd cynllunio. Fel yr oedd rhywun yn ei ddweud,

[336] there are more jobs walking through the doors of the planning service than there are in any other arm of government.

[337] I raddau, mae hynny'n wir. Felly, dyna un peth: adnoddau.

[338] Yr wyf wedi sôn yn y papur am bwysigrwydd cydlynu strategol. Mae gennym y busnes gyda'r cynllun gofodol a'r sefyllfa gyda hwnnw. Yn sir Fôn, mae gorsaf ynni Wylfa ar fin cau ac mae'n bosibl y bydd effeithiau yn sgîl hynny i Anglesey Aluminium Metal Cyf. Nid yw hynny wedi cael cydnabyddiaeth ddigonol yn y cynllun gofodol.

[339] Mae bwrdd Môn a Menai newydd ei sefydlu—ni wn beth fydd rôl hynny yn y sefyllfa—felly, mae gennym haen arall o lywodraeth i fynd drwyddo. Mae gennym eisoes bartneriaeth Môn-Eryri, yr wyf yn ei rhannu gyda'r ddau swyddog hyn.

[340] Yr ydym yn lansio'r cynllun datblygu lleol mewn dwr eithaf peryglus gan fod llawer o ansicrwydd o gwmpas, ac yr wyf yn poeni am hynny. Mae llawer o gymhlethdod gyda rheoliadau cyfochrog, nid yn unig o ran darparu'r cynllun ond o ran yr holl asesiadau y mae'n rhaid inni eu gwneud.

[341] Yr wyf wedi datgan fy argymhellion yn y papur ynglyn â'r Cynulliad yn cymryd rôl gryfach o ran cydlynu ac mae cwestiwn pwysig am adnoddau. Ni chredaf fod llawer y gallwn ei wneud am yr ochr ddeddfwriaethol:

[342] we will just have to lump it.

[343] Dyna fy sylwadau i.

[344] **Glyn Davies:** Stan Yates, of Conwy County Borough Council, may now come in.

With regard to those things that give me cause for concern, Cath has mentioned some, and among them, resources are important. If we want to present or deliver regional vision—and we are talking about the spatial plan, convergence funding and so on—it has to go through the planning system. Therefore, I have a concern about making the statutory side work. I know that it is boring, but if you want to do something, you usually need planning permission. As someone said,

To some extent that is true. So, that is one thing: resources.

I have mentioned in the paper the importance of strategic co-ordination. We have the business with the spatial plan and the situation with that. In Anglesey, Wylfa power station is about to close and there may be knock-on effects for Anglesey Aluminium Metal Ltd. That has not had sufficient recognition in the spatial plan.

The Môn a Menai board has just been established—I do not know what its role will be in the situation—so we have an additional tier of government to go through. We already have the Anglesey-Snowdonia partnership, which I share with these two officials here.

We are launching the local development plan in dangerous waters, as there is a lot of uncertainty around and I am worried about that. There is a lot of complexity with the parallel regulations, not just in terms of providing the plan but in terms of all the assessments that we have to do.

I have stated my recommendations in the paper with regard to the Assembly taking a stronger co-ordinating role and there is an important question about resources. I do not believe that there is much that we can do about the legislative side:

Those are my observations.

[345] **Mr Yates:** Thank you for the invitation and for giving me the opportunity to speak to the committee. I hope that all of you will be aware that Conwy's preferred local development plan strategy went out to public consultation on 11 October, with a closing date of 22 November. It is early days yet, but we hope that there will be thorough participation from our consultees.

[346] Our council members have taken a high degree of interest in the preparation of the LDP and you will see from the paper that I presented that our task and finish group, which is, in effect, a sub-committee of a scrutiny committee, has 32 members. That is because members want to be able to shape the content of the LDP and its detail.

[347] During the consultation process, in terms of the preparation process and where we are now, we have tried to involve the town and community councils as much as we can. The paper refers to previous meetings with town and community councils in 2005. To update you on that, we had two seminars for representatives of town and community councils last week as part of the consultation process, and we have offered to meet with town and community councils individually to discuss the proposals in the LDP, and several have taken up that option.

[348] Having said that, our council members and those of the town and community councils have, between them, a feeling of suspicion about the role and function of this stakeholder group, or 'advisory panel' as we have termed it in Conwy. You will be aware that 'LDP Wales' talks about each local authority setting up a stakeholder group representing the wider community: business community interests and the like. We have set up such a body, but our democratically elected members, and those of the town and community councils, feel that, in some way, it undermines their role, to the extent that all the town and community councils want to be represented on this advisory panel stakeholder group. We are having a few problems in trying to keep the membership and numbers of the advisory panel under control. We envisaged around 12 to 15 individual representing selected groups, such as the Environment Agency or the local strategic partnership, but there is now clamour to expand that membership to include more representatives of the town and community councils, the infrastructure providers and business interests generally. So, we have a problem with managing that particular group.

[349] I will move on to some of the problems that I illustrated towards the end of my paper, such as the Wales spatial plan. You will be aware that a number of sub-area working groups are operating throughout Wales. Given that Conwy is in three spatial plan sub-areas, there are three working sub-groups, each approaching the matter of putting detail on the Wales spatial plan in their own way, with different programmes and timetables. This is a cause for concern to us, because, at the end of the day, we will want them to agree on their findings. As Conwy is in three spatial sub-areas, we need those three to agree on their findings to build them into the strategy of the local development plan. If they disagree, where does that leave us?

[350] I also have a few comments about infrastructure. You will be aware of the problems throughout the UK in the provision of infrastructure, but everyone seems to think that a section 106 agreement attached to planning permission is the solution. There are so many demands on section 106 agreements that, in the fullness of time, it will prove difficult to provide a balance. Should one provide affordable housing or an improvement to the local highway network through a section 106 agreement, and so forth? Our traditional vision of the development plan is that it provides the basis on which the infrastructure providers should work. However, the infrastructure providers, such as Welsh Water, have different programmes and timescales, and they report to Ofwat. They have a five-year timescale, and it is very difficult for them to change what is in their programme, and to relate it to what is likely to be in the local development plan.

[351] Finally, I will mention the question of affordable housing. Everyone is looking at planning and the local development plan to provide the solution to affordable housing, and I have raised my concerns about that. In Conwy, we are already talking about reducing the thresholds to lower levels, but it still will not provide all the affordable housing that was identified in the 2002-03 housing needs study. So, there is a need for everyone to appreciate the broader picture that affordable housing should be delivered in a number of ways, and not simply through the planning process.

[352] **Alun Ffred Jones:** I ddechrau, hoffwn ofyn i'r siaradwyr esbonio un neu ddau o bethau y maent wedi eu dweud. Dywedodd Cath Ranson bod y gwaith yn cael ei wneud '*in advance of guidance*'. Yr wyf yn cymryd felly mai 'in advance of guidance' gan Lywodraeth y Cynulliad yw hynny. A wnaiff hi esbonio beth yn union mae'n ei feddwl?

[353] Gwnaeth Jim Woodcock ddau gyfeiriad, a chredaf ei fod yn cyfeirio at Lywodraeth y Cynulliad pan soniodd am gymryd rôl fwy i gydlynu. Beth y mae ef am i Lywodraeth y Cynulliad ei wneud? Gofynnodd gwestiwn hefyd am y sefyllfa o ran y cynllun gofodol, fel y gwnaeth Stan Yates. Yr ydym yn deall y broblem sef eu bod yn gweithio mewn tair ardal wahanol, ond beth yw pryder Mr Woodcock ynghylch y cynllun gofodol, gyda golwg ar y cynllun datblygu lleol?

12.00 p.m.

[354] **Glyn Davies:** Gofynnaf am atebion byr, oherwydd nad oes llawer o amser gennym. Mae Aelodau eraill eisiau gofyn cwestiynau hefyd.

[355] What does that sign that you are making mean?

[356] **Alun Ffred Jones:** A gaf ddod yn ôl wedyn?

[357] **Glyn Davies:** Okay.

[358] **Ms Ranson:** As the pathfinder authorities, we have been working for about 18 months on the new system, and the guidance came in formally in July. The development plan manual—the local development plan's policy—came in November or December 2005, so we have been working alongside the guidance being developed, in terms of how we should go about this work. So, sometimes, we had to go back to do things to make up for guidance that came in, which could not have been anticipated when we started off.

[359] **Mr Woodcock:** Y broblem gyda'r cynllun gofodol yw ei fod wedi'i gynhyrchu ddwy neu dair blynedd yn ôl. Mae hwnnw i fod i osod y fframwaith strategol i'n gwaith ni a rhaid inni gymryd sylw ohono. Ar hyn o bryd, mae sawl grwp, y *sub-area groups* y cyfeiriodd Stan atynt, yn rhoi cig ar yr ysgerbwdd hwnnw, ac mae hynny'n mynd ymlaen ar hyn o bryd. Ar yr un pryd, yr ydym yn ceisio datblygu ein cynllun lleol. Yr wyf yn deall nad yw'n fyd perffaith, a rhaid inni dderbyn hynny, ond, yn ardal sir Fôn a Gwynedd, mae gennym haen arall ar y llun. Bu cyhoeddiad yr wythnos diwethaf y bydd bwrdd newydd i gydlynu rhaglen Môn a Menai. Sut fydd hynny'n ffitio i mewn i'n gwaith ar y cynllun datblygu lleol? Mae'n gwestiwn y mae ymarferwyr, swyddogion a chynghorwyr yn ei ofyn ac nid ydym yn hollol glir, am ei fod yn beth newydd. Mae'n sefyllfa ansicr, a dyna ein problem.

Alun Ffred Jones: To begin, I wish to ask the speakers to explain a few things that they have said. Cath Ranson said that they do the work 'in advance of guidance'. I take that to mean in advance of guidance from the Assembly Government. Could she explain exactly what she means by that?

Jim Woodcock made two references, and I believe that he was referring to the Assembly Government when he spoke about taking more of a co-ordinating role. What does he want the Assembly Government to do? He also asked about the situation regarding the spatial plan, as did Stan Yates. We understand the problem in that they are working in three different areas, but what is Mr Woodcock's concern about the spatial plan, in terms of the local development plan?

Glyn Davies: I ask for brief answers, because we do not have much time and other Members would like to ask other questions as well.

Alun Ffred Jones: Can I come back later?

Mr Woodcock: The problem with the spatial plan is that it was produced two or three years ago. It is supposed to set the strategic framework for our work and we must pay attention to that. At present, there are a number of groups, the sub-area groups to which Stan referred, that are putting the meat on the bones of that, and that is happening at the moment. At the same time, we are trying to develop our local plan. I understand that it is not a perfect world, and that we must accept that, but, in the Anglesey and Gwynedd area, there is yet another layer to the whole picture. It was announced last week that there is to be a new board to oversee the Môn a Menai programme. How will that fit in with our work on local development plans? It is a question that practitioners, officials and councillors are asking us, but we are not entirely clear, as it is new. It is an uncertain situation, and that is our problem.

[360] **Alun Ffred Jones:** Yr wyf wedi gofyn y cwestiwn hwnnw i'r Gweinidog, Andrew Davies, ond ni chefais ateb. Mae gennyf ddau gwestiwn syml arall. Deallaf mai rhai o fwriadau'r cynllun datblygu lleol yw cyflymu a symleiddio'r broses gynllunio, ond, hyd y gwelaf, mae mwy o ymgynghori yn ganolog i'r cynllun. Os ydych yn ymgynghori mwy, byddwch yn arafu'r broses, oherwydd mae ymgynghori â phobl yn iawn yn cymryd amser. Sut ydych yn cysoni dau fwriad y cynllun a'r galw i ymgynghori'n fwy?

[361] Ynghlwm wrth hynny, beth yw'r gwahaniaeth rhwng y cynllun datblygu unedol a'r cynllun datblygu lleol?

[362] **Mr Woodcock:** He is looking at you, Cath. [*Laughter.*]

[363] **Ms Ranson:** I was hoping to let other people answer on the difference between a UDP and an LDP. The proposals in the LDP require much deeper involvement, so it goes beyond consultation to working with others to develop, and then going back via consultation to check that our understanding is the same as people's inputs, that we have got them right, and to give people a chance to say, 'No, that was not what we meant; we meant this, so we object to what you have said'. So, there are two different ways in which we will be working with the community and with stakeholders. It is about involving them in how we move things forwards and then asking them whether they like what we have done. It is a constant dilemma of having more surveys, more evidence base, more involvement—more, more, more, quicker and faster—and all that to a specified timetable that is strongly project-managed. The difference in emphasis in the new-style planning system is the move to setting out at the beginning how you will go about it, when things should fall, the need to go back to the Assembly, and, if there is slippage of more than about three months on the timetable, to revisit the agreement, and to set out up front what resources authorities are putting into the plan-making process.

[364] **Tamsin Dunwoody:** I have two points. That was quite interesting. I do not want you to go into too much detail, because I know that time is constrained. First, you mentioned that everyone sees section 106 agreements as the be-all and end-all of every problem, but where you have a development that impacts on a community, I would like to know your views on how section 106 should be used to directly benefit that community, with direct involvement and consultation. That brings you back to the conflict that you picked up on, which is that you want greater Government guidance and direction, yet local decision-making is critical, particularly on such issues. How would you feel about, say, more rigid guidance on how section 106 agreements should be applied, particularly in large development areas, and who should be involved in the decision-making process on how those are used?

[365] **Glyn Davies:** I will take all the questions first, as that will be the easiest way. Mick and Elin, you both wanted to ask questions.

[366] **Mick Bates:** I have two points to make. One is that I am concerned about the transition: how are you handling the transition process from unitary development plan to local development plan? Secondly, thank you for your presentation—I listened with real interest to what you said about all the conflicts and challenges of co-ordination and capacity—and I ask each one of you what one thing you would alter to improve your lives and the lives of the people whom you look after.

[367] **Elin Jones:** That is a question to a politician.

[368] **Glyn Davies:** Mick can ask the question, if he wants to; you do not have to answer it.

Alun Ffred Jones: I have asked that question of the Minister, Andrew Davies, but I received no reply. I have two other simple questions. I understand that some of the aims of the LDP are to speed up and simplify the planning process, but, as far as I can see, greater consultation is central to the LDP. If you consult more, you will slow down the process, because consulting people properly takes time. So, how do you reconcile the two aims of the LDP with the call for more consultation?

Linked to that, what is the difference between the unitary development plan and the local development plan?

[369] **Elin Jones:** Yr wyf yn fwy cyfarwydd â chynlluniau datblygu unedol na chynlluniau datblygu lleol—yr wyf yn dod o Geredigion, i'r sawl ohonoch sydd ddim yn ymwybodol o hynny. Mae fy nghwestiwn am y broses ffurfiol o ymgynghori o dan UDP. Cyfeiriodd Cath Ranson yn ei hateb i Alun Ffred at y ffaith fod llawer o 'rhag-ymgyngori' a thrafod ymlaen llaw yn yr LDP. Yr wyf yn siwr fod hynny'n beth da, ond mae'n siwr o osod pwysau sylweddol ar adrannau mewn awdurdodau lleol bach—ac mae'r tri ohonoch yn dod o awdurdodau gweddol fach—o ran eu hadnoddau a'u gallu i ymgymryd â'r fath lefel o ymgynghori. A wnewch chi ddweud rhywbeth am yr adnoddau sydd ar gael i chi i wneud y gwaith trafod hwn yn effeithiol? Pa mor ddeinamig mae unrhyw LDP a'r broses, a sut mae polisiau cenedlaethol a newidiadau i bolisiau cenedlaethol yn effeithio ar hynny? Clywsom y Gweinidog y bore yma yn sôn am ddatganiad polisi cynllunio interim newydd ar wneud adeiladau yn fwy cynaliadwy o ran ynni; mae TAN 15 hefyd wedi'i gyhoeddi ac efallai bydd TAN 6 yn newid. Beth yw gwerth a rôl LDP erbyn hyn, pan mae cynifer o newidiadau polisi yn digwydd o fewn cyfnod LDP? Yr wyf yn dechrau cwestiynu rôl unrhyw fath o gynllun ar lefel leol, gan fod popeth yn newid drwy'r amser ac yn effeithio ar y cynllun, pa un a yw'n UDP neu'n LDP, ac yn ddrafft neu'n *deposit*.

[370] **Glyn Davies:** Rhaid i'r rhain fod y cwestiynau olaf. Rhaid i ni orffen ar ôl i ni glywed yr atebion hyn.

[371] **Ms Ranson:** Where to start? The expectation is that the local development plan will give us greater certainty in decision making, the outside world will have a better understanding of why decisions are made and it will be much clearer. When it comes to annual monitoring, the bit that will not show up is the applications that we do not get, because we have strong policies and people respect them. So, we can monitor how policies are used to support and to refuse decisions on applications that come in, but there will be many applications that we just do not get, because it is recognised that they will be non-starters.

12.10 p.m.

Elin Jones: I am more familiar with UDPs than LDPs—I come from Ceredigion, for those of you who were not aware of that. My question concerns the very formal process of consultation under the UDP. Cath Ranson referred in her answer to Alun Ffred to the fact that a lot of 'pre-consultation' and discussion goes on beforehand with the LDP. I am sure that that is a good thing, but it is bound to put substantial pressure on the departments of small local authorities—the three of you come from quite small authorities—in terms of their resources and their ability to undertake such a level of consultation. Could you comment on the resources that are available to you to undertake this discussion work effectively? How dynamic is any LDP and the process, and how do national policy and changes to national policy affect that? We heard the Minister this morning mentioning a new ministerial interim planning policy statement on making buildings more sustainable in terms of energy consumption; TAN 15 has also been published, and perhaps TAN 6 will be amended. What is the role and purpose of an LDP these days, given that so many policy changes occur within its lifetime? I am beginning to question the role of any kind of plan on a local level, when everything changes all the time and affects the plan, whether it is a UDP or an LDP, and a draft or a deposit.

Glyn Davies: These will have to be the last questions. We will have to finish after we have heard these answers.

[372] One of the problems with our local development plan, on managing development within Snowdonia, is that we are a national park and the whole nation wants a say in the future of Snowdonia. Those of you who are familiar with the Snowdonia Green Key initiative on sustainable transport in northern Snowdonia will know that, when the first consultation went out, it kicked off a whole new way of working, because it upset so many people. One thing that would have helped us is if the IT providers had got their act together on systems management for managing consultation and engagement and the papers, because we will be hugely dependent on e-government to get our message across. We will still have to provide papers for those who do not have access to computers and who are not comfortable with IT, but we need to become much more sophisticated in how we consult people. The disability equality schemes are coming in, and a key message that we get from disabled people is that they cannot cope with the quantity of papers that they get from local authorities in consultations. They need the process to be clean, lean and simple.

[373] **Glyn Davies:** Could you pick up on Tamsin's point on section 106 agreements? I do not want to pass on that.

[374] **Mr Woodcock:** Byddwn yn hoffi newid dau beth: ar y naill ochr, mae gennym *straitjacket* y prosesau statudol ac, ar yr ochr arall, mae gennym syniadau da am sut y dylai ardal ddatblygu, sut mae eisiau newid a bod yn hyblyg ac yn y blaen. Byddai'n dda pe bai modd, rhywsut neu'i gilydd, i ni wneud y *straitjacket* tipyn bach yn fwy hyblyg o ran yr holl brosesau y mae'n rhaid mynd drwyddynt i gael cynllun datblygu lleol. Ar yr ochr arall, hoffwn pe bai disgwyliadau'r gwleidyddion a phobl datblygu economaidd ac yn y blaen yn fwy—ni ddefnyddiaf y gair 'parchus', ond dylent fod yn ymwybodol o anghenion cynllunwyr. Yr ydym eisiau ceisio bod yn bositif. [*Chwerthin.*] Ni wn pam mae pobl yn chwerthin. Nid ydym yn ceisio bod yn negyddol, ond yr ydym yn gaeth i'r *straitjacket*. Mae mor syml â hynny. Nid oes modd i ni newid pethau, neu fe fyddem yn agored i adolygiad barnwrol.

[375] Mae'r ail bwynt ar yr holl faterion cydlynu y soniais amdanynt. Ar hyn o bryd, mae gennym gynlluniau darparu sy'n rhedeg i amserlenni gwahanol. Ni wn sut y mae hwnnw'n gwneud synnwyr oherwydd y mae gan bob awdurdod gynllun darparu ar wahân, ond yr ydym yn ceisio gweithio o fewn un strategaeth ranbarthol. Felly, hoffwn newid y ddau beth hwnnw.

[376] **Mr Yates:** On the question about section 106 agreements, many of the policies in the local development plan will make reference to the use of the section 106 agreements to achieve the said purpose. However, the purpose may relate to a number of things, for example, affordable housing, highway improvements and the provision of public open space, and we are now being asked to consider asking for a contribution towards public art from major developments. Those are just examples, and there is only a limited pot of money available. We have the task of trying to balance these competing demands in terms of what best represents community gain. So, I do not know the answer at this stage, but we are heading into a situation where there is a conflict between different requirements and different needs.

Mr Woodcock: I would like two things to change: on the one hand we have the straitjacket of the statutory processes and, on the other, we have good ideas on how an area should develop, how it wants to change and be flexible and so on. It would be good if, one way or another, we could make the straitjacket slightly more flexible in terms of all the processes that you have to go through to get a local development plan. On the other hand, I would like it if the expectations of politicians and economic development people and so on were more—I will not use the word 'respectful', but they should be aware of the planners' needs. We want to try to be positive. [*Laughter.*] I do not know why people are laughing. We are not trying to be negative, but we are constrained by this straitjacket. It is that simple. We cannot change things, or we would be open to a judicial review.

The second point is on the co-ordination issues that I mentioned. At present, we have delivery plans that run to different timetables. I do not see how that can make any sense because every authority has a separate delivery plan, but we are trying to work within one regional strategy. So I would like to change those two things.

[377] On resources, in Conwy, at least for the present, we have sufficient resources to go forward and produce the LDP in terms of finance and manpower, but what concerns me, and Cath mentioned this earlier, is that while we may have our staffing complement, those staff are inexperienced—four out of six have less than two years' experience in planning between them, let alone policy experience. So, there is a great need to supervise, guide and assist those staff.

[378] On the dynamism of the development plan process, reference was made to energy, particularly to renewable energy. I do not feel that the development plan system is a particularly dynamic process, because you have an adopted plan and then you go through the process of preparing a replacement plan. It may be four or five years before you replace the previously adopted plan. An awful lot of guidance is coming out of the Assembly at present, not only on LDPs, but in the form of technical advice. We can only build that advice into the development plan process at the appropriate stage. Very little of the new guidance in the TANs has gone into the LDP preferred strategy; it is more appropriate to the deposit plan, which you will not see until the end of 2007, or perhaps the beginning of 2008. Even then, it will not carry its full weight until the plan is adopted in 2009.

[379] **Tamsin Dunwoody:** May I pursue that, Chair?

[380] **Glyn Davies:** We do not have time.

[381] **Tamsin Dunwoody:** I have a specific question to be answered, Chair. Would you require more guidance on section 106 usage from the people involved in advance?

[382] **Mr Yates:** Yes.

[383] **Glyn Davies:** You wanted to make a point, Rosemary.

[384] **Ms Thomas:** There are a few things that it might be helpful to share with the committee, so that you do not get too pessimistic a view. Basically, plan preparation is not new. Local planning authorities have had a statutory requirement to produce development plans for a long time now. What we have done is revised the system and attempted to bring in a system that should, we hope, make for a shorter plan preparation and approval process. You have before you authorities that are in the early stages of that, and there is a learning curve going on. We have worked closely with authorities in preparing the guidance—if anyone is short of bedtime reading, there is a lot here.

[385] A point was also raised about evidence, research, surveys, and so on; plans should have been based on factual information, so, in a way, that should have been there already. I remind the committee that the Welsh Assembly Government has introduced plan rationalisation across all the requirements on local authorities. Therefore, while there is still a statutory requirement to have a development plan, we have attempted to help local authorities by rationalising the number of strategies that they have to prepare.

[386] On introducing a development plan process that is slightly more dynamic—and I pick up on Elin's point—we have talked about overly detailed policies and all the rest. We want to help local authorities to focus on the policies relating to their local area, and not repeat national policy. We produced a companion guide that goes through all our planning guidance, and tells local authorities, 'These are national policies, do not repeat that in your local development plan—complement that by putting in the policies that are specific to your area.' That is another mechanism that we have tried to use to help local authorities come up with a system for a slimmer plan, related to that area, rather than repeating policies that can be found elsewhere.

[387] Finally, on Tamsin's point on section 106 agreements, the Welsh Assembly Government is aware that some authorities in Wales are more effective in securing section 106 agreements than others. We are going to commission a piece of research on that, to find out what is going on in terms of section 106 agreements across the piece in Wales and what the barriers are to a greater take-up of them; we will then provide guidance, backed up by training, to local authorities. When we identify a problem that local authorities bring to our attention, such as housing, we put on tailor-made training for local authority members and officers, to attempt to allay their concerns.

[388] **Glyn Davies:** Thank you, Rosemary; that was helpful.

[389] **Mr Woodcock:** The guidance from the Assembly is excellent.

[390] **Glyn Davies:** Thank you all for coming along. We could have spent a lot of time talking about this issue. The aim was for the committee to understand more about the processes, and how things are progressing; this session has been helpful in that regard. However, I want to move on to the last item now, to give it sufficient time.

12.20 p.m.

**Craffu ar waith y Cyrff Cyhoeddus a Noddir gan y Cynulliad—Cyngor Cefn Gwlad Cymru
Assembly Sponsored Public Bodies Scrutiny—the Countryside Council for Wales**

[391] **Glyn Davies:** Croeso i John ac i Roger. Diolch am ddod yma. Dim ond tri chwarter awr sydd gennym. Gwn yn iawn nad ydyw tri chwarter awr yn ddigon i graffu fel yr ydym am wneud. O ran craffu ar waith Asiantaeth yr Amgylchedd, yr oeddem yn meddwl am y pwyntiau nad oeddem wedi'u harchwilio ddigon, a gwnaethom ystyried cael sesiwn arall ar y pwyntiau hynny. Mae'n bosibl y bydd hynny'n digwydd heddiw hefyd. I ddechrau, credaf eich bod am siarad am ryw 10 munud.

Glyn Davies: Welcome to both John and Roger. Thank you for coming along. We only have three quarters of an hour. I know that three quarters of an hour is not sufficient to carry out the kind of scrutiny that we would like to do. In terms of scrutiny of the Environment Agency, we thought of points that we had not gone into in as much detail as we would have liked, and considered holding another session on those points. That might be the case today. To begin with, I believe that you want to speak for around 10 minutes.

[392] **Mr Lloyd Jones:** You will be relieved to know that it will not be me that will be speaking for 10 minutes, but my chief executive, who will draw your attention to some of the relevant points from the briefing papers that you have already received.

[393] **Mr Thomas:** Good morning. I will very briefly concentrate on some highlights in the last year, and I guess that this will leave you to expose the lowlights through questions, but there we are. There is no doubt that the natural environment is threatened now in ways in which it has never been threatened before. Our timescale for responding effectively is becoming ever shorter. The challenge, we feel, as an organisation, is that we have to get everyone in Wales to understand, value and care for our natural heritage, and that is in the belief that we will all change our behaviours for something that we care about. In broad terms, we are aiming to raise the quality of the natural environment across the length and breadth of Wales, to persuade everyone of the fundamental underpinning role of the natural environment to our health and wellbeing, and to provide opportunities for enjoying the social and economic benefits.

[394] In the last year—the reporting year in question, 2005-06—we made a significant contribution towards achieving the Assembly Government’s strategic outcomes and progressing the sustainable development scheme. We delivered 23 and most of the twenty-fourth of our key targets. Highlights include the launch of open access under the Countryside and Rights of Way Act 2000, the mapping of habitats and species within our inter-tidal zone, the survey of the state of Wales’s designated sites—of course, the results of that survey revealed the parlous state of those designated sites—cementing Tir Gofal’s position as the European agri-environment scheme, and coming within a variance of less than 0.1 per cent of our £70 million budget. Also, we led the Welsh public sector in internal environmental management through gaining Green Dragon level 5 and ISO 14001 for our environmental management systems.

[395] I will just briefly cover, in more detail, some of those achievements under the headings in the reports provided for you. Those headings are an amalgamation across our remit letters over the last two years.

[396] On the biodiversity front, as I say, we have published a report on the condition of Wales’s sites of special scientific interest, about half of which are in unfavourable condition. However, we have progressed management statements during the year for most of those sites, in discussion with owner-occupiers, so that we will be able to bring them into what we would call favourable management. I think that to expect to achieve favourable condition in an area of such significant climate change is very difficult. However, we can get sites into favourable management and adjust that management for the species that happen to be there at any particular time.

[397] In terms of Tir Gofal, we signed up 356 new agreements, worked our way through 260 five-year reviews, and spent the £24 million budget completely. We think that this is a major contribution to agri-environment in Wales, and Tir Gofal is one of the major contributions to improving the quality of our natural heritage. Therefore, that was a significant achievement.

[398] We also participated very actively in the development, and, eventually, the launch, of the Wales environment strategy, working with the Assembly and other partners. We are fully engaged in the stakeholder engagement process that surrounds that.

[399] In terms of key challenges in securing a high-quality Welsh environment, we are very interested in developing ecological connectivity. Given the consequences of climate change, where we see species wanting to move, generally northwards, we need to ensure that we allow these migrations to occur, and that we create the opportunities for other species to come in behind them—so although our biodiversity will change, we nevertheless retain a high quality of biodiversity in Wales. We are mapping this, and we will be consulting shortly. I have a small map here; this is the sort of concept that we have in mind—we will connect designated sites throughout Wales to create these green highways. Part of the challenge of doing that will be to understand the gaps that exist in support schemes for landowners to create the right habitats and conditions for our wildlife. We will then use our experimental powers, as we did originally for Tir Cymen—which became Tir Gofal—to develop schemes that can plug these gaps.

[400] We will also play our part in implementing the Wales environment strategy. We have already made some progress there, through the development of the green space toolkit, which we have launched. That seeks to provide green space within 300m of everyone’s home in Wales, which, we believe, is an achievable target. We have also worked on the action plan to deliver favourable management conservation status at designated sites by 2010 for special areas of conservation, and by 2015 for the remaining sites of special scientific interest.

[401] On the legislative front, we have provided advice and have supported policy and strategy development in the Assembly. The biggest areas have been on the Wales spatial plan, and within the rural partnership. We have worked on emerging legislation, particularly the Marine Bill, the Common Land Bill, and the National Environment and Rural Communities Bill. We have provided training, especially on strategic environmental assessment, to local authorities, and have received good feedback on that. We have also responded to an enormous number of consultations—over 100—on policy and legislation from Government in Whitehall, Wales, and, to a lesser extent, Brussels. Key challenges for the future will be the delivery of the rural development plan measures, and the Marine Bill is also a particularly significant piece of legislation for Wales, on which we will be working closely with the Assembly.

[402] On access and recreation, open access was the big highlight for us last year. We led the implementation of the Countryside and Rights of Way Act 2000 in Wales. We had something to be proud of in Wales, because we delivered open access for less than a tenth of the cost, per unit of open access, of the implementation of the same legislation in England. Therefore, that was a significant result for Wales. It was because we in Wales work together in partnership—you will recall all the different competing interests, Chair, from those who did not want open access to those who fully embraced it. By working together, we have managed to do this much more efficiently than when the same legislation was introduced in England.

[403] We are also working on access to better information; we have supported the creation of the four local record centres in Wales. These centres will hold all the biodiversity information for Wales; it is encouraging to see that they are already being used extensively by local authorities and developers. Through our own grant aiding, and other support mechanisms to outsiders, we now require them to deposit their biodiversity information in the local record centres. Therefore, increasingly, there will be a single source of information, and everyone will be working off the same data.

[404] Challenges for the future include access to the coast, which the Assembly Government is keen to extend. We are working with the Assembly Government on that. We also have the internal challenge of launching a new CCW website, which will incorporate a search engine that operates intelligently, rather than simply on words; it strings together concepts, so that you do not have to wade through a lot of irrelevant information to find what you are seeking.

[405] On strategic partnerships, we played a huge role in the Heads of the Valleys project, and a staff member was seconded to that. Given the predominance of the local environment in what has emerged in the Heads of the Valleys, that has been a significant result for us. There is the environmental crime partnership with North Wales Police and South Wales Police. The North Wales Police partnership was, initially, unique in the UK—it has now extended elsewhere in Wales, and Scotland and England are now following suit, but in the last year, in total, we dealt with 156 cases of environmental crime in south Wales and 350 cases in north Wales. That is not to suggest, for a minute, that people are less diligent about the law and environmental crime in north Wales; it is just a question of where we are starting from. We have been much more active in north Wales for a much longer period of time.

12.30 p.m.

[406] On community and spatial planning, we are participating in all 22 community strategies being developed in Wales. We have environmental fora in 20 of those 22 areas. We work with partners, particularly the Environment Agency, to share the lead on those bodies in order to avoid duplication, essentially.

[407] Our key challenges for the future are strategic learning partnerships—Eco-Schools, which we are supporting very strongly, and Cynllun Noddi Myfyrwyr, which is our sponsorship of students, to learn about countryside management through the medium of the Welsh language and to then seek careers within Wales. We are also working on the concept of a Welsh institute of countryside management, because there is no career path for countryside managers—or wardens—in Wales at present. We hope that, working with partners, we can launch this as an effective means of providing education and common standards. It will also be an opportunity for us to move staff and manage staff between organisations so that, for example, when you go to Cwm Idwal in Snowdonia, instead of there being three or four wardens, there might only be one warden representing all of the bodies; the other three would be at sites which are presently unwardened. We will also continue to play a major part in the progress of the Wales environment strategy.

[408] Under our strategic research and investigation, as I mentioned at the beginning, Wales is unique in having mapped its inter-tidal zones. We have information about the biodiversity of the inter-tidal zone for the whole of the Welsh coast, which is of great importance in terms of future planning. Therefore, that is a first and something that the country should be proud of. We have also worked with disadvantaged groups. We undertook research into what prevented disadvantaged groups from engaging in outdoor activities. In fact, there are diverse barriers to participation, ranging very simply from not having the right sort of gear to wear—not having the latest Berghaus this or Low Alpine that. The conclusion of that work is that we are now developing a pilot project with community workers so that they can improve their clients' quality of life, and we are linking this with access and recreation opportunities.

[409] We are also continuing our work on linking environment and health. We did some work in this reporting year on perceptions of the links between environment and health. Although there are very strong perceptions of the link between the environment and wellbeing in Wales, people do not see the health link as strongly as we thought they might. We know from work done with such schemes as Walking the Way to Health, which was one of the schemes that we have been running with local authorities, and work done in Finland, that, in fact, there is much to be gained in terms of a natural health service as opposed to a national health service.

[410] Key challenges for the future will be the countryside survey in 2007. The countryside survey is a UK-wide survey of the state of the nation. It has not, in that past, been undertaken as a resolution that makes the data of any use in Wales, so we are, jointly with the Welsh Assembly Government, paying for a much greater resolution of the studies that will narrow it down to make the data useful. That will take place in 2007. This will then contribute to our baseline data on the state of the Welsh environment.

[411] In terms of sustainable development of land and sea—

[412] **Glyn Davies:** I have a comment to make. If we go on through the report as you are doing now—

[413] **Mr Thomas:** It is taking too long, is it?

[414] **Glyn Davies:** Half an hour will have gone. We have gone between 15 and 20 minutes now. I just want to leave a chance to have questions.

[415] **Mr Thomas:** All right; I will stop there.

[416] **Glyn Davies:** Have Members read the three other items? I would like to allow time for questions. It may be that we will have time to invite you back to go through the three sections that you have not covered yet. Does anyone have any comments to make, or want to ask any questions at this stage, on what Roger has said thus far?

[417] **Elin Jones:** You refer to three other items—

[418] **Glyn Davies:** Roger is going through the report that is before us, and there are another three items—

[419] **Mr Thomas:** There are just three more headings to cover.

[420] **Glyn Davies:** Yes. At the rate that we were going, it will probably have taken around half an hour, by the time we finish. That is what concerned me.

[421] What struck me, Roger, was a pretty fundamental point. I do not fully understand this issue of favourable management and favourable condition. We had a video link session with the European directorate-general on the environment last week, and the communication mentions the loss of biodiversity by 2010, which looks ridiculously ambitious to me. You must be linking in to EU objectives, and it is that, together with the different definition of favourable condition and favourable management. That needs to be clarified, certainly for me to understand how these things link up.

[422] **Mr Thomas:** Favourable condition is meant to cover the features for which a site was originally designated. The problem is that, in this era of significant impact from climate change, the conditions are no longer right for the species. So, although we can try to manage the site in conservation terms, we cannot control the weather. That is our difficulty, so we are trying to introduce this concept of favourable management, so that we manage the sites as best we can for the species that happen to be there at that particular time and then, through this green connectivity work that I was talking about, create an opportunity for things to be able to move around. One of the biggest problems facing our species is that, the last time there was any major need for them move in response to climate change, the extent of that change was nothing like as severe or rapid and we were not around to have developed everywhere, thereby preventing them from moving. Those are the twin challenges.

[423] **Mr Lloyd Jones:** I think that you are right, Chair, to identify this because, under the habitats regulations, we are meant to conserve species and habitats in situ and in perpetuity, including such things as calaminarian grassland, which is a transitory habitat. However, you must remember that the habitats directive was the product of 1980s-type thinking, whereas we are now looking at how we can keep the status of these areas so that species and habitats can move through them, rather than trying to conserve something in situ that actually wants to move somewhere else.

[424] **Glyn Davies:** The sense in what you say is absolute and unchallengeable, but is that definition accepted at the European Union level?

[425] **Mr Lloyd Jones:** We are working on it.

[426] **Glyn Davies:** We can play a part in that, because creating a straitjacket for biodiversity just does not work; it never has and it never will. Are there any other questions?

[427] **Mick Bates:** Thank you for the report; there is so much that is good in it. I have two main issues to raise with you. There is a lot of talk about sustainable development, and it should be a theme that runs right through your work. However, as yet, we do not have what I would term robust indicators, or even one indicator, to allow people to assess the value not only of your work but that of the Government, which is ultimately responsible for it. Where are you in your development of a single indicator or a set of understandable indicators? In using the word 'understandable', I mean to the general public.

[428] The other point is that I like your green connectivity, but that very often depends on developing co-operative schemes as opposed to a Tir-Gofal-type scheme, which is ultimately elitist as that only affects one holding. What work have you undertaken to see how you could co-ordinate a co-operative environmental scheme with the development of your green connectivity?

[429] **Mr Thomas:** I will deal with the second question first. We are in the early days of this, and that is the sort of concept that we are currently considering. The next stage of support schemes will have to be co-operative, because we will be talking about different sorts of measures for what I suspect are relatively small pieces of land. It will be different, therefore, but as we are working on it, I guess I will be reporting to you on the matter next year.

[430] On the indicators, there is now an agreed set of them, but the indicator that we would like to see in there is one that you have heard me mention before, which is the index of sustainable economic welfare, because that looks at economic activity in terms of GDP and then subtracts the bad things from it. The clearest example would be the Sea Empress disaster in Pembrokeshire, which caused GDP to shoot up. The ISEW indicator would actually subtract all that negative activity and give a much truer picture of the sustainability of the nation.

[431] **Mick Bates:** But that is not part of your report. You say that you prefer ISEW, but why have you not included that in your report as an example of an indicator that will measure Wales in such and such a way?

[432] **Mr Thomas:** We have already done that, and I would not want to repeat in the report every year what I put in the previous year's report. We are still working on that—

[433] **Mick Bates:** It is an annual thing.

[434] **Mr Thomas:** Yes, but you would not want to have the same report every year, would you?

[435] **Mick Bates:** No, but the indicator can vary from year to year, of course.

[436] **Mr Thomas:** Yes, but we are not using that indicator; we are trying to persuade Wales that it should have such an indicator. We cannot measure ISEW at the moment. It would take rather more than us to provide all the information and the data.

12.40 p.m.

[437] **Mick Bates:** Really?

[438] **Mr Thomas:** Yes.

[439] **Alun Ffred Jones:** Mae gennyf bedwar cwestiwn. A ydych am imi eu gofyn i gyd gyda'i gilydd?

[440] **Glyn Davies:** Ydwyf.

[441] **Alun Ffred Jones:** Ar y pwynt am gysylltiadau ecolegol, sydd ar y map hwn ac sydd yn syniad diddorol iawn, ai pen draw'r broses honno fyddai gwneud i ffwrdd gyda dynodiadau arbennig ar gyfer tiroedd, fel ein bod yn trin ein tirwedd yng Nghymru i gyd o dan yr un drefn? Ynteu a ydych yn gweld hwn fel rhywbeth sydd yn cael ei impio ar ben y sefyllfa bresennol?

[442] Bu ichi gyfeirio at y Mesur Morol, sydd yn fater pwysig iawn i'r pwyllgor hwn ac i'r Cynulliad yn gyffredinol. Yr awgrym yn Lloegr yw sefydlu un corff. Mae'r Gweinidog wedi dweud nad yw'n bwriadu gwneud hynny yng Nghymru. A ydych wedi cynghori'r Llywodraeth, neu wedi cynnig cyngor, ynglyn â sut y dylid gweithredu'r Mesur hwn a'i syniadau pan ddaw i rym? Mae'n ymddangos mai'r dewis arall yw rhannu'r cyfrifoldebau rhwng pawb, fel sydd yn digwydd ar hyn o bryd, ond efallai gyda mwy o reolaeth.

Alun Ffred Jones: I have four questions. Do you want me to ask them all together?

Glyn Davies: Yes.

Alun Ffred Jones: On the point about ecological connections, which are on this map and are an interesting idea, would the end result of this process be to do away with special designations for land, so that we treat our landscape in the whole of Wales under the same system? Or do you see this as something that would be grafted onto the current situation?

You referred to the Marine Bill, which is an important matter for this committee and for the Assembly in general. The suggestion in England is to establish one body. The Minister has said that he does not intend to do that in Wales. Have you advised the Government, or offered advice, on how this Bill and its ideas should be operated when it comes into force? It seems that the other option is to share the responsibilities between everyone, as happens at present, but perhaps with more control.

[443] Mae cynnydd o £1 miliwn i chi yn y gyllideb gyfalaf y flwyddyn nesaf, os cofiaf yn iawn. A yw hynny ar gyfer rhywbeth penodol ynteu a yw'n gynnydd cyffredinol?

There is an increase of £1 million for you in the capital budget next year, if I remember rightly. Is that for anything in particular or is it just a general increase?

[444] Ynglyn â'ch sylwadau ar y cynllun iaith Gymraeg, a oes gennych ffigurau ar gyfer y blynyddoedd diwethaf ynglyn â'r defnydd o'r Gymraeg neu'r niferoedd o staff sydd yn rhugl neu'n ddwyieithog, gan ddangos cynnydd, gostyngiad neu beth bynnag?

On your comments regarding the Welsh language scheme, do you have any figures for recent years on the use of Welsh or the numbers of staff who are fluent or bilingual, showing an increase, decrease or whatever?

[445] **Mr Thomas:** The first question was on this map. The intention there was to connect the designated sites—not to remove them, but to connect them all together. We may not have further designations but we certainly connect those that we already have. Otherwise, they just become oases that would gradually die out if climate change continues at its present pace.

[446] **Glyn Davies:** Would that involve any more designation?

[447] **Mr Lloyd Jones:** Not necessarily.

[448] **Mr Thomas:** I do not think so. In fact, the concept of mobile designations or designating species needs to be more in minds now, because things are moving around and they are important. It is the species that are—

[449] **Mr Lloyd Jones:** We have quite deliberately moved to concentrating on designated sites to try to raise the general standard throughout Wales, but you obviously have to put resources where they will be best used. That is the whole concept of connectivity.

[450] **Mr Thomas:** We have discussed the Marine Bill with the Minister and we are playing a full part with the Assembly in terms of its deliberations. However, the discussions have been about the content of the Marine Bill rather than about its delivery, ultimately. So, we cannot really comment on having a single body except to say that we know that the Assembly Government is not in favour of that.

[451] **Glyn Davies:** Have you been involved in any discussions about how it might be managed in-house?

[452] **Mr Thomas:** We have been involved in some preliminary discussions but the Government is waiting until the Marine Bill is published.

[453] On the extra money, was it £1 million or £2 million?

[454] **Mr Lloyd Jones:** It was £1 million.

[455] **Alun Ffred Jones:** I saw an increase of £1 million in the capital budget.

[456] **Mr Thomas:** Yes. There is a proposed increase in the budget. In total, it is £2 million for coastal access and the entire sum, at present, is for redistribution to access authorities—local authorities.

[457] **Alun Ffred Jones:** Iawn. Beth am y Gymraeg?

Alun Ffred Jones: Okay. What about the Welsh language?

[458] **Mr Lloyd Jones:** Mae un rhan o dair o'n staff yn rhugl yn y Gymraeg, mae un rhan o dair yn dysgu'r Gymraeg ac mae un rhan o dair yn Saeson.

Mr Lloyd Jones: A third of our staff are fluent in Welsh, a third are learning Welsh and a third are English speakers.

[459] **Alun Ffred Jones:** A oes unrhyw fath o gynnydd wedi bod dros y blynyddoedd?

[460] **Mr Lloyd Jones:** Flwyddyn ar ôl blwyddyn, mae cynnydd wedi bod, er na allaf ddweud wrthoch faint o gynnydd yw. Yr ydym yn gwneud y cwbl y gallwn i hybu'r iaith Gymraeg. Dyna un o'r rhesymau dros weithio gyda'r prifysgolion, er mwyn sefydlu'r graddau hyn er mwyn i bobl ddysgu'r holl elfennau o'r amgylchedd drwy'r Gymraeg. Mae hynny wedi bod yn llwyddiannus dros ben. Hyd yn hyn, mae pob un a aeth drwy'r broses wedi cael swyddi yng Nghymru.

[461] **Mr Thomas:** Bu inni golli llawer o Gymry Cymraeg gyda Tir Gofal, wrth gwrs.

[462] **Elin Jones:** On the map, very briefly, it seems that some of the connections are interesting, in that one seems to follow the A470 from the north-west to the south-east, and another seems to follow the Heads of the Valleys road. I do not know if that is useful or a challenge for CCW in the future.

[463] I have a question about the site management statements. I think that you are supposed to complete all of those by March 2007. Do the statements have a financial repercussion in terms of the financing of the management of SSSIs? I am trying to tease out the way in which that links to the new Tir Gofal window and funding possibilities for SSSIs, and the possibility of Tir Gofal linking with the site management statements. Is there an inter-relationship there or not?

[464] **Mr Thomas:** There is no link at the moment between site management statements and Tir Gofal. In the next window of Tir Gofal, there are additional points for applicants who have designated land, but site management statements are seeking to develop in conjunction with land owners. We concluded, after the designation of SACs, that the process used in that regard was not particularly helpful, and that joint discussion with landowners on how things should be managed for the future—a partnership with common objectives—was a much better way forward.

[465] **Elin Jones:** Are there financial incentives to site management statements, or are they just an agreed contract without any financial incentives?

[466] **Mr Lloyd Jones:** There could be—it depends on each individual circumstance. If we were expecting a farmer to do more on an SSSI than he was doing already, there is a possibility of a section 15 management agreement. I cannot give you a generic answer to that, because the whole point of site management statements is that they are specific to those sites. We have taken time over this because it is fundamentally important. You must talk with individual farmers to take into account the practicalities of what you expect them to do, and whether or not that chimes with what they want to do.

[467] **Glyn Davies:** You touched on the issue of access to the coast, which interests me. You noted, Roger, that I was opposed to open access, but my opposition at the time was because of compulsion. I am actually rather in favour of open access, as I always have been. As far as I can see, what we are talking about here is access to the coast by agreement, and a budget has been put in place for it, which is something that I am extremely keen on. You have a sum of money for this, which will be channelled through local authorities, but how will that mechanism work? Will local authorities use that money for some type of compensatory agreements, or is there some type of structure in place to deliver access to the coast by agreement?

Alun Ffred Jones: Has there been any kind of increase over the years?

Mr Lloyd Jones: Year on year there has been an increase, although I cannot tell you how much of an increase it is. We are doing everything that we can to promote Welsh. That is one of the reasons for working with the universities, in order to establish these degrees so that people can learn about all the elements of the environment through the medium of Welsh. That has been exceptionally successful. Thus far, everyone who has gone through the process has found a job in Wales.

Mr Thomas: We lost a number of Welsh speakers with Tir Gofal, of course.

[468] **Mr Thomas:** We have a project in place at the moment to work-up the way in which we deliver access to the coast, but the initial stages will be to create circular routes where people already go, and then gradually join everything up so that we ultimately have a coastal path around the whole of Wales. On the mechanism, as Alun Ffred said, there is £1 million of capital and £1 million of revenue, so there is £2 million in total tucked away.

[469] **Glyn Davies:** But do we know how that will be applied to deliver what you want?

[470] **Mr Thomas:** Not yet, because the project team is working on that at the moment, to see where the best places will be to get the earliest wins, the most actively used places and where we can help to get disadvantaged or disabled people out.

[471] **Glyn Davies:** This is important, because Wales is going down a different road from England, and nothing could please us more. If we could deliver the same thing in Wales by agreement rather than compulsion, it would be a huge score for the National Assembly for Wales. It would make me even more enthusiastic about it than I am now.

12.50 p.m.

[472] **Brynle Williams:** To return to what you said about the opening of the Tir Gofal window in the next couple of months, there will be additional points for people with SSI land. Will this apply to people who are already in the process of being accepted? Will they get additional points? The other thing that concerns me is—there are farmers seated here today—whether we are starting to play a game of favourites. If everyone has applied in a given period, surely everyone should be treated the same. I am just asking.

[473] **Mr Thomas:** I have no idea if this could apply retrospectively to applicants who are in the pipeline.

[474] **Mr Lloyd Jones:** I presume that those in the pipeline would have applied under the rules that were in place when they put the application in, and that the rules only apply to the new window. On your second point, there is, in fact, a points advantage now if you are a young farmer. This merely uses that principle, but we are acutely aware that Tir Gofal is funded, in part, out of modulated funds that are taken from all farmers. So, there has to be an element of fairness, in that all farmers have a chance of applying to Tir Gofal. The Minister said that he would ‘especially welcome applications from’—I believe that those were the words that he used.

[475] **Glyn Davies:** We went through this in the last meeting. We had an interesting discussion about exactly what the Minister had said, and we ended up understanding it quite well. Have you done any work on identifying exactly what proportion of Wales would want to go down the Tir Gofal route if there were no such things as windows? If we were not looking at the financial side, what kind of proportion would it be? Have you done any work on trying to identify what the proportion would be if there were no windows?

[476] **Mr Lloyd Jones:** No, because, to be blunt, our biggest concern so far has been dealing with the waiting list. That shows us that there is quite a lot of demand. We are also acutely aware that the demand for Tir Cynnal appears to have dropped off sharply after a year.

[477] **Glyn Davies:** There is a difference, however, in that the sums of money are very different. One can understand a potential applicant making the judgment between the money available and, not necessarily the bureaucracy involved, but the perception of what bureaucracy might be involved. That probably puts a few people off. However, it would be an interesting piece of work, because one of the main objections that you often hear has been that voluntary modulation applies to everyone, but only a certain proportion of people have access, simply because there are windows and you can only deal with a certain number. If, for example, the number of people who applied was only 40 per cent of those who could, they would clearly have the opportunity to apply, but would not be taking it. At the moment, they cannot apply because there is no window. It would have been an interesting piece of work to find out what percentage of potential applicants would apply if there was no window and it was open. It is a theoretical point.

[478] **Mr Lloyd Jones:** It is an interesting point.

[479] **Glyn Davies:** It is important.

[480] **Mr Lloyd Jones:** At the moment, our resources have to go to dealing with people on the waiting lists.

[481] **Glyn Davies:** However, it becomes more interesting when we are having a significant discussion at this meeting with the Minister about the direction of subsidy to farming and big sums of money are being talked about. It is more than theory.

[482] **Mr Lloyd Jones:** Absolutely, if there was a severe drop in the number of applicants in this window, we would need to ask why.

[483] **Glyn Davies:** Okay. Are there any other questions? We have five minutes left, but I will take this opportunity to end the meeting five minutes early. I thank you for coming along and helping us to understand your work and answering your questions. Thank you. I declare the meeting closed.

Daeth y cyfarfod i ben am 12.54 p.m.
The meeting ended at 12.54 p.m.