

Minutes

Date: Tuesday 31 July 2001

Time: 9.30am to 12.30pm

Venue: Committee Room, National Assembly Building

In attendance

Members

Glyn Davies, Chair	Mid and West Wales
Mick Bates	Montgomery
Jocelyn Davies	South Wales East
John Griffiths	Newport East
Carwyn Jones	Bridgend
Elin Jones	Ceredigion
Peter Rogers	North Wales
Janet Ryder	North Wales
Phil Williams	South Wales East
Brian Hancock	Islwyn
Rhodri Glyn Thomas	Carmarthen East and Dinefwr
Alun Cairns	South Wales West
Kirsty Williams	Brecon and Radnor

Officials

Huw Brodie	Head of Agriculture Department
Emyr Roberts (item 2)	Head of Economic Policy Division
Jasper Roberts (item 2)	Head of Rural Policy Division
Gareth Jones (item 3)	Head of Foot and Mouth Operations
Tony Edwards (item 3)	Chief Veterinary Officer for Wales
Rory O'Sullivan (item 3)	Head of Agriculture Policy Division

Secretariat

Adrian Crompton	Committee Clerk
Sian Wilkins	Deputy Committee Clerk

Item 1: Apologies, substitutions and declarations of interest

1.1 Apologies were received from Delyth Evans and Huw Lewis.

1.2 The Chair declared an interest as a partner in a farming business. Peter Rogers declared an interest as a farmer, Mick Bates as a partner in a farming business and Kirsty Williams that her spouse was a farmer.

1.3 The Chair welcomed members of the Economic Development Committee to the first part of the meeting. Kirsty Williams had also asked to join the meeting due to her constituency interest in the foot and mouth outbreak in the Brecon Beacons.

Item 2: Rural Recovery Plan - ARD 14-01(p1)

2.1 The Minister introduced the item saying that he endorsed the plan put together by the Task and Finish group of Rural Partnership, subsequently endorsed by the whole Rural Partnership, and thanked the members for their work. He identified the key measures detailed in the Rural Recovery Plan and said that its intention was to help affected businesses in the short term whilst providing assistance to put them in a strong position once the disease was eradicated.

2.2 He added that other measures being progressed were the Farming Futures Group, considering a long-term strategy for farming in Wales, and an intervention scheme for the light lamb market in the autumn.

2.3 He concluded that the package compared favourably with measures provided in England and that he had given instructions to Local Authorities to start handing out funds immediately even though the Special Grant Report was to be signed off by the Assembly in plenary session following the recess.

2.4 Work was ongoing to redistribute unspent funds from the original £12 million issued to local authorities. The Minister pointed out that the scope of the original fund had been more limited so the fact that an authority had not spent its full allocation did not necessarily mean it did not need assistance.

2.5 Some Members were critical of the way the original funds had been distributed and targeted. They also questioned what guidance had been issued to LAs over the use of funds and whether it was appropriate for urban LAs to have received further funding.

2.6 The Minister said that he would arrange for Members to receive a copy of the guidance that had been issued to LAs. He added that the disease had affected businesses in market towns and other urban centres as well as rural areas. Nonetheless, funding priority would be given to rural areas and Agencies would be asked to target funds accordingly.

2.7 On the subject of monitoring the use of funds the Minister confirmed that LAs had until December to commit funds and would then have to submit a return detailing how the grant had been spent. He

considered that central distribution of funds was inappropriate and urged LAs to put into effect systems that were both swift and secure. Any funds not used after December would be redistributed.

2.8 The Minister confirmed that agricultural businesses solely engaged in farming would be unable to receive support from the Special Grant as this would be viewed as state support by the EU. Any application for additional aid for farming would have to be made on a UK wide basis and at present this was not proposed.

2.9 Whilst the plan was recognised as substantial, several Members felt that it was not enough in total or for specific groups such as the small and medium sized enterprise sector. As an example, the Wales Tourist Board had bid for almost twice as much as the amount allocated to them under the Plan. The Minister pointed out that bids were often likely to exceed allocations and, in addition to the WTB's allocation, funds were available to support integrated tourism schemes.

2.10 The package was funded largely from the reallocation of underspends from other Assembly budgets and from some Barnett formula consequentials. Members expressed concern that this would have an impact on other areas within the Assembly's budget and additional funding from the Treasury should be sought. It was suggested that Wales relied more heavily on agriculture and tourism than other parts of the UK and so the use of the Barnett formula was inappropriate.

2.11 One Member suggested that, in meeting the crisis following the F&M epidemic, the committee should emphasise the case for additional resources from the Treasury to be allocated according to overall effect on the rural economy in Wales, including rural tourism, as a proportion of the total effect throughout the UK rather than as a consequential budget under the Barnett formula. The Chair said he did not wish to take a vote but felt that most committee members would support this principle.

2.12 The Minister reminded Members that DEFRA funded cleaning and disinfecting as well as the Treasury paying compensation to farmers. £100m had already come from the Treasury for this so it was not correct to say that Wales had received no additional funds from central government.

2.13 Some Members were concerned that the lead Agencies identified in the plan were not specialists in rural development. The Minister explained that he did not expect the lead agencies to work alone but in partnership with others with the necessary local knowledge.

2.14 A Member made specific reference to the area of South Powys and asked whether there was scope for additional help from Europe, given that this area was outside the Objective 2 boundary. The Minister said that he would investigate the matter further.

2.15 Officials explained that the WDA had been given the lead for the Community Regeneration Fund as it was designed to build on the Market Towns Initiative. It was intended that projects funded under the scheme would be locally-led. Whilst they would be assessed on their contribution to community economic regeneration, it was also hoped that they would contribute to the wider social benefits seen in

Communities First projects. The application of the fund would also be influenced by the work commissioned from the Wales Co-operative Centre on rural retail services due to be submitted to the Rural Partnership in October.

Action: Guidance issued to local authorities on the distribution of Special Grant to be circulated to committee members – **Secretariat/Economic Policy Division**

Item 3: Minister's Report - ARD 14-01(p2)

3.1 The Minister confirmed that a further 800 sheep on the Brecon Beacons had been blood-tested with 61 testing positive for foot and mouth antibodies.

3.2 Following action by the Intervention Board to issue revised guidelines and ensure the necessary health and safety standards for workers in abattoirs, the Minister announced his intention to resume operation of the Over Thirty Months Scheme in Wales in early August.

3.4 The Minister was asked to explain the consequences of implementing a policy of vaccination to control the spread of the disease. The Minister made the following points:

- Vaccination would hinder efforts to re-establish exports;
- For ring vaccination to be effective, the size of the infected area had first to be established. In the Brecon Beacons this had not yet been done;
- Vaccination was not 100% effective in sheep;
- Meat from vaccinated animals would have to be labelled as such and was likely, therefore, to carry a lower market price;
- Vaccination would have an impact on tourism in the Brecon Beacons as areas would have to be fenced off and walkers prohibited from areas where the status of the disease was unclear;
- Although the current slaughter policy was unpleasant, it had been proven to work.

3.5 Members of the committee urged the Minister to recognise the need to engage in an open and informed debate with those who held a different view on vaccination.

3.6 The Minister confirmed that the introduction of a vaccination policy would require European approval of a request from the UK government. The Assembly could ask the UK government to consider such a request.

3.7 The committee noted that, although some products were imported to the UK from countries where foot and mouth was present, these came from regions within those countries identified as foot and mouth free. Such imports were made on the basis of strict packaging and labelling controls and demanded a lower market price.

3.8 In the Netherlands, a ring vaccination policy had been followed. If the country's disease-free status

was restored, it could begin to export again as all vaccinated animals had been slaughtered. The success of the ring-vaccination policy in the Netherlands reflected the fact that the disease was detected early and its spread limited. In the UK, the situation had been more difficult as the disease had gone undetected for several weeks allowing its spread across the country. The committee noted that a policy of ring vaccination around all outbreaks would have led to more culling than had been the case under the current test and cull policy.

3.9 Assembly officials were in discussion with the Department of the Environment, Food and Rural Affairs about possible ways of culling only those animals in the Beacons testing positive for foot and mouth antibodies, rather than entire flocks. Members noted, though, that hopes were not high on this front and the containment and testing requirements of such a policy would have resource implications that would affect how the disease could be combated in other areas. The policy would also go against current veterinary advice, which remained that speed of action was vital to halt the spread of the disease.

3.10 The infectivity of the disease and the fact that antibody levels declined after nine months meant that it was possible for the disease to continually circulate within sparsely populated flocks such as those in the Beacons unless firm preventive action was taken.

3.11 The Minister was asked if he had considered speaking to farmers about the possibility of compensation for loss of market arising from vaccination. He confirmed that private storage aid and the cull schemes were the only options being considered at present. Steps would be taken to help re-establish hefted flocks as soon as possible. The committee noted that, if vaccinated animals were not culled, the European Commission would require further extensive blood testing to establish that the disease had been eradicated before considering lifting the export ban.

3.12 As well as dealing with diseased animals at the centre of the outbreak in the Beacons, officials confirmed that blood testing was taking place on the outer margins of the area to try to establish the extent of the outbreak.

3.13 The Minister was asked if consideration had been given to using cattle as sentinel animals amongst sheep flocks and to comment on the suggestion that infected animals had been exported to France before the disease was thought to have originated in the UK. Cattle were being used but with limited success as sheep appeared more susceptible to the particular virus strain. The French authorities had confirmed that their testing of imported animals in September had been incorrect. Officials were confident that foot and mouth had not been present in the UK prior to the initial outbreak in Heddon on the Wall.

3.14 The Minister was asked if he could say when the disease was first thought to have spread to the hills. Tests so far suggested that the disease had been present on the Beacons for some time, probably since animals were turned out in the spring. Testing had already begun in other hill areas. This would be a large exercise but initial results suggested that the disease was not endemic in upland areas.

3.15 No abattoir was available to slaughter animals within the Brecon Beacons infected area. Officials

confirmed that they had raised this issue already with DEFRA and would do so again.

3.16 The Minister was asked about the steps necessary to permit exports from uninfected regions in Wales. In addition to Commission approval, the agreement of Member States would have to be secured through the Standing Veterinary Committee. The Minister confirmed that there was little prospect of approval whilst the disease remained on the Beacons.

3.17 Officials confirmed that some tests of culled animals in Anglesey had shown signs of Foot and Mouth, including a case in animals from one of the farms that had initially refused the cull.

3.18 In discussion of the suspension of compensation for the costs of cleansing, the following points were made:

- Preliminary cleansing and disinfecting was continuing, only final cleansing had been suspended. As a result, cleansing and disinfecting had stopped or was stopping on 141 farms and had not commenced on a further 43;
- Details of costs in Wales had been provided to DEFRA for analysis. It was hoped that an announcement on the way forward could be made soon. Initial consideration of the figures indicated that average clean-up costs in Wales were lower than in England and that some of the figures quoted in the media were over-inflated;
- The suspension would have no impact on the lifting of Form D notices. Once final cleansing had been completed, restocking could take place even if some Form D notices remained in the area. The Chief Veterinary Officer was asked to provide a note on progress towards lifting Form Ds in North Powys.

3.20 The Minister was asked about recent reports of the intentional infecting of farms. The Minister stressed that farmers should maintain the highest standards of bio-security to prevent the unintentional spread of the disease. He also appealed to anyone reporting suspicious cases of infection to provide the names of those involved and supporting evidence.

3.21 The Minister confirmed that there had been no known cases of walkers contributing to the spread of foot and mouth. Local authorities had been asked to monitor the effect of footpath closure and to assess the risks of opening paths.

3.22 In discussion of the clear up of the Eppynt site, the Minister was asked to ensure that all relevant information was made freely available to those concerned in order to facilitate understanding. The Chief Veterinary Officer had recently written to local residents explaining the clean-up process. Ash was being removed in sealed trucks and being transported to Gloucestershire for disposal.

3.23 The European Commission had agreed a UK application for a private storage aid scheme to buy up

autumn lambs. Officials were also looking into a scheme to deal with light lambs without a potential market. The Minister was urged to make details available as soon as possible.

3.24 A waste disposal site near Wrexham, had announced it did not intend to take any further carcasses after the end of August. The Minister was asked to confirm this. He replied that this was an operational matter to be agreed between the operators of the site and the Intervention Board. Within the Assembly, Ministerial responsibility lay with the Minister for the Environment.

3.25 The Minister confirmed that there were no plans to impose a 10 kilometre exclusion zone around the fields used for the National Eisteddfod at the end of the festival. Rumours circulating to this effect were false.

Action: note on progress towards lifting Form Ds in North Powys. (A copy of the note provided is at annex 1) - **Chief Veterinary Officer**

Item 4: Farming Futures - ARD 13-01(p2)

4.1 The committee agreed to postpone discussion until the autumn.

Item 5: Minutes of the last meeting - ARD 13-01(min)

5.1 The minutes of the last meeting were agreed.

Secretariat

August 2001

Annex 1

FMD OUTBREAK: NOTE OF POSITION ON LIFTING OF FORMS D

1. The Protection Zones (PZs) around the Llanfair Caereinion outbreaks were lifted yesterday.
2. The sampling and auditing of the Berriew/Churchstoke cluster is now complete. A handful of queries remain to be resolved which we hope to clear up today. The necessary paperwork is being prepared and will be despatched to Page St as soon as it is ready. All being well, we should be in a position to lift these PZs next week.
3. The work on the Grosmont cluster is complete. Three PZs have been lifted around FMD2001/272/429 and 490. The remaining three in this cluster are dependent on the work being completed on the English side of the border. The division expects to complete this by the end of next week.
4. Work on the Brecon cluster based on FMD2001/1385 is complete but any further action will depend on the situation elsewhere on the Beacons.

5. Sampling is almost complete around the Hay on Wye/Painscastle cluster.
6. At Newbridge, one final sampling visit is being carried out today.
7. Similarly on the Black Mountains, one final sampling is taking place today.
8. Sampling is continuing in the Talgarth cluster.

W A Edwards
Chief Veterinary Officer
3 August 2001