

Environment and Sustainability Committee

E&S(4)–06–13 paper 2

Memorandum on the Business, Enterprise, Technology and Science (BETS) - Rural Affairs

Environment and Sustainability Committee – 21st February 2013

Introduction

This paper provides responses to the request for information in advance of the Environment & Sustainability meeting on 21st February 2013.

1. Supplementary budget

Should the supplementary budget have implications for your portfolio, the Committee would appreciate details of any changes to a BEL level of detail.

a) Fly Grazing - £0.150m (BEL 2831)

- Fly grazing has had a major and destructive impact on many communities and individuals across South Wales and is often linked to other nuisance and illegal activity including intimidation.
- Finding a resolution to the anti social practice of fly grazing and bringing those irresponsible owners who abandon or illegally graze their horses to account comes at a cost. The legal advice required to successfully bring cases to court have and continue to attract considerable costs. This has led to those agencies bringing prosecutions to look for assistance from the Welsh Government to assist in meeting these costs.
- I have taken the lead to find a solution to this issue which has been highlighted as a Welsh Government priority by providing support for the engagement of one legal team with technical expertise to represent the enforcement authorities. This maximises the chances of obtaining successful prosecutions and will result in economies of scale as background and preliminary briefing has been reduced.
- The majority of fly grazing incidents have occurred in Cardiff, the Vale of Glamorgan and Bridgend where local authority officials, the police and

charitable organisations have taken a very robust approach. The public sector agencies (Bridgend and Vale of Glamorgan Councils, South Wales Police) plus the RSPCA working in partnership over the last 12 months have led the way in obtaining orders under existing legislation which is enabling them to take action against those unscrupulous traders at the centre of the fly grazing issue.

- The co-ordinated and joined up approach of enforcement agencies has facilitated the sharing of intelligence leading to a robust response and helping to bring those responsible to account.
- Partnership working and a joined up legal approach will ensure that those individuals who continue to operate in such a way will be brought to task and their activities curtailed.
- In the case of the problem being displaced to other areas of Wales and beyond (a very real possibility) there is now expertise and best practice guidance which can be shared with local authorities to enable them to tackle the situation.

b) Allocations to/from Central Reserves

Non Cash Allocations - £0.023m (BEL 2830)

- An additional allocation has been made from the Central Reserve to cover additional depreciation for capital assets in relation to the existing fisheries vessels.

c) Reallocation of Budgets

- **Rural Development Plan (£20.295m)** – the reduction in 2012-13 has been utilised to meet other priorities in the portfolio. The expenditure was reprofiled for the following reasons:
 - The funds have become available this financial year in two main areas: Glastir and Axis 3.
 - In respect of Glastir, it is well known that the initial take up was not as high as had been anticipated. This was due to a number of factors, most notably the extensions to the Tir Gofal (excluding any capital works elements), Tir Cynnal and Tir Mynydd schemes and uncertainty over the impact of future CAP Reform and associated greening proposals on Glastir.
 - Following my stock-take a number of changes have been made to Glastir which will improve take-up in future years. Following the Council

agreement of the EU budget I expect the detail on future CAP reform and greening, including equivalence for agri-environment schemes such as Glastir, to become clearer in coming months. This will make it easier for farmers to make decisions about entering the scheme.

- On Axis 3, which aims to improve the quality of life in rural areas and promote the diversification of the rural economy, there has been an enhancement and extension round for Axis 3 projects which has enabled them to re-profile to future years.
- **Young Entrants Support Scheme (YESS) (£1,705k) (BEL 2794)** – as this is primarily a capital scheme the funds have been reallocated from revenue to capital but remain within the Scheme.

2. Fisheries enforcement vessels

The Committee would appreciate an update on the procurement process relating to these vessels, including details of the value for money considerations that you have made as part of the process and the source of funding that will be used to procure the vessels.

- Officials are currently planning for future demands, including CFP reform and possible reduced support from the Royal Navy and the Marine Management Organisation. Research is underway into the use of new technology to manage compliance, with possible pilot testing to be considered, as well as planning for additional assets including a possible larger more capable at-sea asset.
- This planning includes the procurement exercise for the replacement of the sea-going assets of the Welsh Government. A business case is being finalised for consideration by Ministers on the most appropriate solution. An indicative budget from within BETS has been allocated for the initial review and procurement exercise in the financial year 2013-14.

3. Electronic sheep identification database (EID)

The Committee would appreciate an update on progress with this programme, including the latest financial information.

- We accepted the offer of ScotEID from the Scottish Government with access being gained in October 2012. It has been necessary to construct a hosting environment separate from the main Welsh Government infrastructure in order to undertake necessary functional and other tests. The ScotEID system is now functioning and testing is underway. The outcome of these tests will inform the ongoing option appraisal as part of the formulation of an EIDCymru Business Case. The project plan identifies

that the option appraisal and business plan will be completed by the end of April 2013.

- The business case will fully assess the available options, to include updating the current paper based system, developing ScotEID into EIDCymru and building/procuring a bespoke Welsh system, together with providing robust costings.
- Work has taken place to define the requirements through the Working Smarter Livestock Identification project. A draft EIDCymru Core Functional Requirements document has been produced and presented for comment to the Livestock Identification Advisory Group for comment on 8 February.
- I have written to Secretary of State Owen Paterson to seek an assurance that the recently announced Defra system will mirror EIDCymru in its ability to exchange information on Cross Border moves. My officials are pressing these important issues with Defra and they will also take this matter up with the successful company from the current Defra procurement process.

4. Rural Development Plan Underspend

The Committee would appreciate an update on the current status of RDP spend and any adjustments that are planned.

- As part of the ongoing management of the programme I will be working with the PMC in undertaking a comprehensive review of RDP finances in March, when I have more detail on the Glastir take-up. I will write to the Committee once that review has been completed.