

Agenda – Economy, Trade, and Rural Affairs Committee

Meeting Venue:	For further information contact:
Hybrid – Senedd Committee Rooms 1&2	Robert Donovan
Combined and Video Conference via	Committee Clerk
Zoom	0300 200 6565
Meeting date: 29 September 2022	SeneddEconomy@senedd.wales
Meeting time: 09.30	

Private pre-meeting (09.15–09.30)

Public Meeting (09.30)

1 Introductions, apologies, substitutions and declarations of interest

(09.30)

2 Paper(s) to note

(09.30)

2.1 Letter from the Minister for Rural Affairs and North Wales, and Trefnydd

(Pages 1 – 2)

Attached Documents:

The Animals, Food, Plant Health, Plant Propagating Material and Seeds
(Miscellaneous Amendments etc) Regulations 2022

2.2 Letter from the Minister for Rural Affairs and North Wales, and Trefnydd

(Pages 3 – 4)



Attached Documents:

The Aquatic Animal Health (Amendment) Regulations 2022

2.3 Letter from the Minister for Economy

(Pages 5 – 7)

Attached Documents:

UKCA Conformity Assessment and Certification

Letter from the Minister for Economy to the Wales Construction Federation Alliance

2.4 Letter from the Chair of the Legislation, Justice and Constitution Committee to the Minister for Climate Change

(Pages 8 – 12)

Attached Documents:

The Official Controls (Plant Health) (Frequency of Checks) Regulations 2022

Response from the Minister for Climate Change

2.5 Letter from the Minister for Rural Affairs and North Wales, and Trefnydd to the Chair of the Legislation, Justice and Constitution Committee

(Pages 13 – 15)

Attached Documents:

Meeting of the Inter-Ministerial Group for Environment, Food and Rural Affairs at the Royal Welsh Show – 20 July 2022

2.6 Letter from the Chair of the Equality and Social Justice Committee to the Minister for Social Justice

(Pages 16 – 29)

Attached Documents:

Cost of Living

Response from the Minister for Social Justice

2.7 Letter from the Minister for Economy

(Pages 30 – 31)

Attached Documents:

Ministerial Forum for Trade – 5 July

2.8 Letter from Wales Environment Link

(Pages 32 – 38)

Attached Documents:

Water Resources (Control of Agricultural Pollution) (Wales) Regulations 2021

Letter from the Chair of Wales Environment Link to the Minister for Rural Affairs and North Wales, and Trefnydd

Response from the Minister for Rural Affairs and North Wales, and Trefnydd

Correction regarding the date for the Alternative Measures process of the Water Resources (Control of Agricultural Pollution) (Wales) Regulations 2021

Letter from the Chair of the Economy, Trade and Rural Affairs Committee to Wales Environment Link

2.9 Letter from the Minister for Economy

(Pages 39 – 59)

Attached Documents:

Welsh Government's response to the Committee's Cost of Living Pressures report

3 Motion under Standing Order 17.42(ix) to resolve to exclude the public for the remainder of the meeting

(09.30)

4 Agriculture (Wales) Bill – Agree Approach to Scrutiny

(09.30–10.00)

(Pages 60 – 75)

Attached Documents:

Approach to Scrutiny

Letter from the Business Committee to the Chair

Agriculture (Wales) Bill – Proposed timetable

5 Agriculture (Wales) Bill – Technical Briefing from Welsh Government

(10.00–11.00)

(Pages 76 – 82)

James Owen, Senior Responsible Owner (Bill)

Hannah Fernandez, Policy lead (SLM and Future Support)

Fiona McFarlane, Policy (Forestry)

Claire Lawson, Policy (Snares and Glue Traps)

Dorian Brunt, LS Agriculture

Bill Cordingley, LS Wildlife (Forestry, Snares and Glue Traps)

Attached Documents:

Research brief

Break (11.00–11.10)

6 Legislative Scrutiny Refresh

(11.10–12.10)

7 Farm Rapporteur Visits: Feedback from Members

(12.10–12.20)

Ein cyf/Our ref: MA-LG-1797-22

Paul Davies MS
Chair
Economy, Trade and Rural Affairs Committee

paul.davies@senedd.wales

12 July 2022

Dear Paul,

**The Animals, Food, Plant Health, Plant Propagating Material and Seeds
(Miscellaneous Amendments etc.) Regulations 2022**

I wish to inform the Committee I am giving consent to the Secretary of State for Environment, Food and Rural Affairs to lay The Animals, Food, Plant Health, Plant Propagating Material and Seeds (Miscellaneous Amendments etc.) Regulations 2022 on 12 July 2022.

The Regulations make minor technical amendments to retained direct EU law relating to official controls, to ensure that it operates effectively following the withdrawal of the United Kingdom from the European Union.

The amendments are summarised below:

- Part 2 of this instrument makes operability amendments to secondary legislation in England relating to the marketing of seed and fruit planting material to EU references which are no longer appropriate, and which were overlooked in earlier amending instruments. These amendments are necessary to ensure that this legislation continues to function effectively following the withdrawal of the UK from the EU.
- Part 3 of this instrument makes various operability amendments to retained direct EU legislation applying in relation to Great Britain relating to animal health and welfare, food and plant health, the majority of which were overlooked in earlier amending instruments, while some correct minor technical errors. These amendments are necessary to ensure that this legislation continues to function effectively following the withdrawal of the UK from the EU.

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- The majority of the amendments are to change EU references, such as references to the Union and Member States, in the original European legislation to the GB language of Great Britain and relevant authorities in Great Britain, as well as removing redundant provisions applicable to EU institutions no longer applicable in GB.
- Part 4 of this instrument revokes two retained decisions and a retained regulation in the area of plant health, which are no longer considered necessary

I would like to draw to your attention that Regulations 7 and 9 create concurrent functions.

The changes consist of removing the model Export Health Certificates (EHCs) from the annexes of the relevant legislation and replace them with ‘*a form published by the Appropriate Authority from time to time*’, meaning future changes to the model EHCs become an administrative process.

Similar concurrent functions in the sphere of Animal Health and Welfare were previously approved on the basis there is a mutual interest for all administrations in the application of coherent disease prevention. It makes sense to exercise these functions jointly because they need to work for the whole of the UK, or Great Britain (where there is freedom of movement). Furthermore, they are exercised in the context of a functioning Common UK Animal Health and Welfare Framework.

It is important to note that Welsh Ministers retain the power to not consent to the Secretary of State and to publish their own EHCs for animals and animal products entering Wales. However, officials envisage this would only happen in exceptional circumstances. This concurrent function is therefore appropriate and mirrors what already happens in other legislation and administrative processes to publish other EHCs for importation of animals and animal products into Great Britain as a whole.

It is normally the policy of the Welsh Government to legislate for Wales in matters of devolved competence. However, in certain circumstances there are benefits in working collaboratively with the UK Government where there is a clear rationale for doing so. On this occasion, I am giving my consent to these Regulations, which make corrections in relation to, and on behalf of, Wales for reasons of efficiency and expediency, and to ensure consistency and coherence of the statute book. The amendments have been considered fully and there is currently no divergence in policy. Our position on the protection of animals during transport is consistent with that of the UK Government.

I am copying this letter to the Legislation, Justice and Constitution Committee.

Regards,



Lesley Griffiths AS/MS

Y Gweinidog Materion Gwledig a Gogledd Cymru, a'r Trefnydd
Minister for Rural Affairs and North Wales, and Trefnydd

Paul Davies MS, Chair
Economy, Trade and Rural Affairs
Senedd Cymru
SeneddEconomy@senedd.wales

20 July 2022

Dear Paul

I wish to inform Committee members of the granting of consent to the UK Government making and laying The Aquatic Animal Health (Amendment) Regulations 2022.

The Regulations intersect with devolved policy and will apply to Wales. The provisions could be made by Welsh Ministers in exercise of our own powers. The Regulation will extend to England, Scotland and Wales and a similar request for consent has been sent to Scottish Ministers.

The Regulations will be made by the Secretary of State, in exercise of the powers conferred by section 38 of the Fisheries Act 2020.

Officials, as part of the UK Aquatic Animal Health Policy Group, have been considering the functioning of the retained and domestic legislation, to improve the regime to make it more flexible, efficient and less burdensome. A number of improvements have been identified including enabling changes more quickly to the following Lists:

- i. lists of aquatic animal species which act as vectors for listed aquatic animal diseases;
- ii. lists of aquatic animal species which are susceptible to listed diseases; and

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- iii. the lists of species which can be imported into Great Britain from certain countries, as well as zones within these countries they can be imported from.

The amendments will provide better protection for Great Britain's aquatic animal health status, and significantly reduce the resources required to make these changes.

Legislation made under the Fisheries Act is covered by a 'carve out' within the Government of Wales Act 2006 (Amendment) Order 2021, as such the creation of these concurrent-plus functions would not impinge on the Senedd's ability to legislate in this area in future, if it so wished.

The Regulation is due to be laid before Parliament on 19 July 2022 with a commencement date of 15 August 2022.

Although the Welsh Government's general principle is that the law relating to devolved matters should be made and amended in Wales, on this occasion, it is considered appropriate for the substance of the amendments to apply to Wales as there is no policy divergence between the Welsh and UK Government in this matter. This ensures a coherent and consistent statute book with the regulations being accessible in a single instrument. I consider that legislating separately for Wales would be neither the most appropriate way to give effect to the necessary changes nor a prudent use of Welsh Government resources given other important priorities.

I have written similarly to Huw Irranca-Davies MS, the Chair of the Legislation, Justice and Constitution Committee (LJCC).

Yours sincerely



Lesley Griffiths AS/MS
Y Gweinidog Materion Gwledig a Gogledd Cymru, a'r Trefnydd
Minister for Rural Affairs and North Wales, and Trefnydd

Vaughan Gething AS/MS
Gweinidog yr Economi
Minister for Economy

Paul Davies MS
Chair: Economy, Trade and Rural Affairs Committee
Senedd Cymru

seneddeconomy@senedd.wales

20 July 2022

Dear Paul,

Thank you for your letter of 30 June in relation to UKCA Conformity Assessment and Certification.

I can confirm that I have responded directly to the Wales Construction Federation Forum in relation to their concerns raised in their letter and attach a copy for your information.

Yours sincerely,



Vaughan Gething AS/MS
Gweinidog yr Economi
Minister for Economy

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Ein cyf/Our ref VG/00937/22

Ed Evans
Chairman
Wales Construction Federation Alliance

ed.evans@cecawales.co.uk

19 July 2022

Dear Ed,

Thank you for your letter of 10 June in relation to UKCA Conformity Assessment and Certification.

Sorry I've not been able to respond sooner, my officials have been working to establish the latest position with UK Government, as this is largely a reserved matter.

Since receipt of your letter, you may have seen that the UK Government has announced some easements in relation to product conformity assessments, which is available [here](#).

The new measures of most relevance are:

- Any conformity assessment activities undertaken by EU bodies before the end of 2022 will be considered as the basis for UKCA marking next year.
- Removing the need to re-test existing imported stock which will allow CE marked products that are manufactured and imported into the UK by the end of 2022 to be sold, without the need to meet UKCA requirements. This will remove the current need for retesting and recertification for products that are imported whilst the UK recognised CE requirements.
- Continuing to accept spare parts onto the GB market.
- Extending labelling measures to make it cheaper and logistically easier for businesses to continue to supply goods to Great Britain.
- Manufacturers of construction products under AVCP system 3 – such as radiators, sealants and tile adhesives – whose products are tested by an EU notified body before 1 January 2023 will be able to obtain a UKCA mark without having to retest through a UK-approved body.

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The UK Government are aware that some businesses are having difficulty in finding a UK approved body able to test to certain designated standards, and of issues around approved bodies' capacity to test products. They have advised that they are and will provide further guidance in due course.

They have also confirmed that they continue to engage with industry stakeholders, including conformity assessment bodies and UKAS, to monitor testing capacity and capability and understand the actions required to respond to any challenges that arise.

Yours sincerely,

A handwritten signature in black ink that reads "Vaughan Gething". The signature is written in a cursive style with a large initial 'V' and a long, sweeping tail on the 'g'.

Vaughan Gething AS/MS
Gweinidog yr Economi
Minister for Economy

**Legislation, Justice and
Constitution Committee**

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Julie James MS
Minister for Climate Change

25 July 2022

Dear Julie

The Official Controls (Plant Health) (Frequency of Checks) Regulations 2022

Thank you for your letter of 28 June in which you notified us of your intention to consent to The Official Controls (Plant Health) (Frequency of Checks) Regulations 2022 (the Frequency of Checks Regulations) which were subsequently laid in the UK Parliament on 30 June 2022. We considered your letter at our meeting on 4 July, and then on 11 July, we considered your letter of 5 July in which you confirmed you had given your consent. As mentioned in the debate on the associated Plant Health etc. (Fees) (Amendment) (Wales) (EU Exit) (No.2) Regulations 2022, this series of regulations highlights the complexity of law making in Wales following our exit from the EU. We would therefore be grateful if you would address the following questions:

1. What consultation took place with Welsh stakeholders on the Frequency of Checks Regulations and the policy change implemented by them?
2. What, if any, concerns were raised by these stakeholders and how were these addressed?
3. Can you clarify whether these policy changes relate to the plant health common framework and, if so, were they considered through relevant framework processes?
4. Can you clarify whether the Frequency of Checks Regulations come within the scope of the *United Kingdom Internal Market Act 2020*?

5. Can you confirm that the Frequency of Checks Regulations result in a divergence from EU standards that were in place at the end of the transition period and explain how any implications of this divergence will be assessed?

I would be grateful to receive a response by 22 August 2022.

I am copying this letter to the Chair of the Economy, Trade and Rural Affairs Committee.

Yours sincerely,

Huw Irranca-Davies

Huw Irranca-Davies
Chair

Julie James AS/MS
Y Gweinidog Newid Hinsawdd
Minister for Climate Change



Llywodraeth Cymru
Welsh Government

Huw Irranca-Davies MS
Chair,
Legislation, Justice and Constitution Committee
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19th August 2022

Dear Huw,

Thank you for your letter of 25 July 2022 regarding consent to The Official Controls (Plant Health) (Frequency of Checks) Regulations 2022 (the Frequency of Checks Regulations) and the plenary debate following which you raised the following questions:

1. What consultation took place with Welsh stakeholders on the Frequency of Checks Regulations and the policy change implemented by them?

The initial consultation with stakeholders on the method for determining the frequency of risk targeted plant health import inspections took place between 26 May - 4 August 2021 and was targeted at members of the Plant Health Advisory Forum, which includes Welsh stakeholders. The consultation considered the levels of identity checks and physical inspections required on regulated plant health goods imported into GB.

A follow up consultation took place between 3 December 2021 and 28 January 2022 on a revised method, as a result of responses to the initial consultation.

Welsh Government officials engaged with Welsh stakeholders directly on the follow up consultation, including FUW, Tyfu Cymru/Grow Wales and the Wales Plant Health Evidence and Advisory Group (WPHEAG) which represents a range of stakeholders in Wales, including industry.

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2. What, if any, concerns were raised by these stakeholders and how were these addressed?

The responses received to the initial consultation were generally supportive of a GB focused risk-based frequency of checks regime. Stakeholders highlighted concerns on the exclusion of plants for planting from the proposed approach and the delay before goods from the EU could benefit from this proposal. To address these concerns the second consultation included a revised methodology which applied to a much wider range of goods, including plants for planting as well as produce (e.g., fruit, vegetables and cut flowers).

Welsh stakeholders supported the concept of the risk-based approach to inspections and supported reviewing inspection frequencies. In response to the consultation the Welsh Plant Health Evidence and Advisory Group made the following suggestions or queries:

WPHEAG comment	How this was addressed
That the conditions under which plant passports and phytosanitary certificates are issued may need to be reconsidered, if inspection frequencies decrease.	The UK Plant Health Risk Group will continuously review risks to plant biosecurity and identifying actions needed to mitigate the most significant risks. These include keeping our regulatory regime up to date, carrying out focused surveillance and inspections, contingency planning, research, and awareness raising as well as identifying areas where intervention would not be helpful or justified.
Recommendation that inspection methods are reviewed and researched. Resources need to be allocated to developing new inspection methods that utilise the most recent technologies.	This was acknowledged in the consultation response document. As a UK Plant Health Service, we will be seeking to improve front line diagnostic services.
That the details of the methods used to establish frequencies of inspections should be published.	This was addressed through details of the methods being included in the regulation itself.

3. Can you clarify whether these policy changes relate to the plant health common framework and, if so, were they considered through relevant framework processes?

These policy changes relate to the plant health common framework and the processes set out within the framework were adhered to in their development. This included the proposed changes to the frequency of checks regime being discussed by groups within the framework structure. This included the Plant Health Advisory

Forum which discussed the proposals in October 2021 and the UK Plant Health Risk Group in February 2022, both of which WG and the other UK nation officials attend.

4. Can you clarify whether the Frequency of Checks Regulations come within the scope of the United Kingdom Internal Market Act 2020?

Before a plant can be sold in Great Britain it will need to satisfy certain regulatory requirements. This includes those set out in the Frequency of Checks Regulations, relating to the import of plants. England, Scotland and Wales are choosing to align their Frequency of Checks Regulations and there is no divergence in approach. As UKIMA applies to the sale of goods and services it may be that certain plants imported and subject to the Frequency of Checks Regulations are then sold elsewhere in Great Britain due to UKIMA.

5. Can you confirm that the Frequency of Checks Regulations result in a divergence from EU standards that were in place at the end of the transition period and explain how any implications of this divergence will be assessed?

The Regulations extend to England, Scotland and Wales, and following the UK's exit from the EU the recommendation was to retain the risk targeted approach, used in the EU. When the regulations are in place the level of checks will be reviewed annually and can be amended upwards or downwards as necessary to reflect any changes in the level of risk, which would result in a divergence from the EU. Any evidence of a serious plant health risk would lead to more urgent action being taken outside of the annual review process (e.g. immediately increasing inspection levels). Any implications of divergence from the EU will be assessed by the UK Plant Health Risk Group.

I am copying this letter to the Chair of the Economy, Trade and Rural Affairs Committee.

Yours sincerely,



Julie James AS/MS
Y Gweinidog Newid Hinsawdd
Minister for Climate Change

Huw Irranca-Davies MS

Chair

Legislation, Justice and Constitution Committee

Huw.Irranca-Davies@senedd.wales

4 August 2022

Dear Huw,

In accordance with the inter-institutional relations agreement, I wish to notify you a further meeting of the Inter-Ministerial Group for Environment, Food and Rural Affairs was held on 20 July at the Royal Welsh Show.

The meeting was attended by Edwin Poots MLA, Minister of Agriculture, Environment and Rural Affairs, Northern Ireland Government; George Eustice MP, Secretary of State for Environment, Food and Rural Affairs, UK Government; David TC Davies MP, Parliamentary Under-Secretary of State for Wales; Lord Malcom Offord, Parliamentary Under-Secretary of State to the Scotland Office; Mairi McAllan, Minister for Environment and Land Reform, Scottish Government; Mairi Gougeon, Cabinet Secretary for Rural Affairs and Islands, Scottish Government.

I chaired the IMG where I presented on Welsh Government's proposals for a Sustainable Farming Scheme.

Ministers also discussed the implications of the invasion of Ukraine and wider increased costs on agri businesses, including a presentation on the modelling of the impact of agri-inflation in Wales. I noted Governments were working well at official level and suggested it would be good if Governments could do more modelling and analysis together. I also raised with the UK Government whether actions could be taken forward on VAT on red diesel and fertiliser.

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A discussion of retained EU Law and the proposed Brexit Freedoms Bill followed where the UK Government outlined the rationale for the legislation. Concerns were raised regarding how devolved aspects of the Bill would be addressed. The Gene Technology (Precision Breeding) Bill was also discussed, particularly, the implications for Devolved Administrations and the need for much greater engagement.

Ministers then discussed the development of the borders Target Operating Model for future border checks with a particular emphasis on timescales for implementation, the importance of biosecurity and the proposed trusted trader approach.

The UK Government also provided an update on progress regarding the negotiations for the Convention of Biological Diversity COP 15 and the planned summit in Montreal later this year.

Finally, the UK Government confirmed the exclusion to the Internal Market Act on single use plastics had now been granted.

We agreed our next meeting would be held on Monday 12 September in Scotland.

A communique regarding this meeting will be published on the UK Government website at <https://www.gov.uk/government/publications/communique-from-the-inter-ministerial-group-for-environment-food-and-rural-affairs>.

I am copying this letter to the Climate Change, Environment, and Infrastructure Committee and to the Economy, Trade and Rural Affairs Committee.

Lesley Griffiths AS/MS
Y Gweinidog Materion Gwledig a Gogledd Cymru, a'r Trefnydd
Minister for Rural Affairs and North Wales, and Trefnydd



Llywodraeth Cymru
Welsh Government

Regards,

A handwritten signature in black ink that reads "Lesley Griffiths". The signature is written in a cursive, flowing style.

Lesley Griffiths AS/MS
Y Gweinidog Materion Gwledig a Gogledd Cymru, a'r Trefnydd
Minister for Rural Affairs and North Wales, and Trefnydd

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Equality and Social Justice Committee

Jane Hutt MS
Minister for Social Justice

4 August 2022

Dear Jane,

Welsh Government action on the cost of living crisis

The rising cost of living is likely to dominate public discourse in the Autumn as we approach a very difficult winter. While acknowledging the action taken by the Welsh Government to try to alleviate these pressures, publicly available information and data relating to key aspects of the support is limited. In order for us to better understand the scale and effectiveness of support and monitor the situation going forward we would welcome a response to the following questions.

Winter Fuel Support Scheme

- Please can you set out the take-up rate for the Winter Fuel Support Scheme, including how many households were eligible for support, and how many households received support in each local authority.
- Please can you also set out the total value of payments made to households in each local authority under the scheme.
- What data has the Welsh Government collected on eligibility for, and take-up of the Winter Fuel Support Scheme by socio-economic status or protected characteristic? Please can you share this information with the Committee.

Cost of Living Support Scheme

- Please set out how many households within each local authority are eligible for the Cost of Living Support Scheme, and how many have received a payment through the scheme to date.
- Please can you provide the Committee with final take-up figures, and the total value of payments made to households in each local authority when you have final data available for the Scheme after it closes on 30 September.
- What data, if any, is the Welsh Government collecting on eligibility or take-up of the Cost of Living Support Scheme broken down by socio-economic status or protected characteristic? Please could you provide the Committee with whatever information is available once the scheme closes.

- Once data is available, please provide details of how many households in each local authority were helped by the discretionary element of the Cost of Living Support Scheme, and the total value of the payments made to households in each local authority via this element of the scheme.

Discretionary Assistance Fund - Emergency Assistance Payments

- By local authority, how many applications have been made for Emergency Assistance Payments in 2020, 2021 and to date during 2022?
- Please set out how many Emergency Assistance Payments have been made through the Discretionary Assistance Fund to households in each local authority for 2020, 2021 and to date during 2022. Please can you set out the number of households that have received 2, 3, 4 or 5 Emergency Assistance Payments in each year?
- Please provide the total value of Emergency Assistance Payments made to households in each local authority for 2020, 2021 and so far during 2022.

Discretionary Assistance Fund – support for off-grid households with fuel costs

- By local authority, how many applications were made to the Discretionary Assistance Fund for support for off-grid fuel costs in 2020, 2021 and to date during 2022?
- How many payments have been made to households in each local authority to help with off-grid fuel costs through the Discretionary Assistance Fund in 2020, 2021 and 2022? Please can you set out the number of households that have received 2, 3, 4 or 5 payments relating to off-grid fuel in each year?
- Please provide the total value of payments made through the Discretionary Assistance Fund for off-grid fuel costs by each local authority in 2020, 2021 and so far during 2022.

I am copying this letter to Paul Davies MS, Chair of the Economy, Trade and Rural Affairs Committee and would welcome a response within the usual timescales.

Yours sincerely,



Jenny Rathbone MS

Chair of the Equality and Social Justice Committee
Welsh Parliament



Eich cyf/Your ref LN3452

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Chair of the Equality and Social Justice Committee
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18 August 2022

Dear Jenny,

Thank you for your letter on the 4 August on Welsh Government action on the cost of living crisis. As you are aware the Welsh Government is committed to doing everything we can to support those in Wales hardest hit by the current cost of living crisis. I welcome the committee's acknowledgment of the actions we have taken and continue to take to alleviate the pressures caused by the cost of living crisis.

In your letter you asked a number of questions in relation to Winter Fuel Support Scheme, the Cost of Living Support Scheme and the Discretionary Assistance Fund – Emergency Assistance Payments and support for off-grid households with fuel costs.

Winter Fuel Support Scheme

In your letter you asked if I could set out the take-up rate for the Winter Fuel Support Scheme, including how many households were eligible for support, and how many households received support in each local authority. The Welsh Government forecast turnout for the first Winter Fuel Payment Scheme in 21/22 was estimated at 350,000 households. This number was based on the number of persons in receipt of an eligible DWP benefit in Wales. We now know this figure was overestimated due to difficulties in accurately identifying individual fuel liable households from all benefit households within the DWP data. Officials now estimate 220,000 households were eligible for support through the 21/22 scheme. Unfortunately, as the estimates were based on national data we do not have data on the number of households eligible by local authority area.

You also asked for the total value of payments made to households in each local

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

Back Page 18
We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

authority under the scheme. This information is included at Annex A below.

Finally on the Winter Fuel Support Scheme you asked what data the Welsh Government collected on eligibility for, and take-up of the Winter Fuel Support Scheme by socio-economic status or protected characteristic. I can confirm that no data was collected by authorities on a household's socio-economic status or protected characteristic as this was not considered to be relevant to the administration of the scheme.

Cost of Living Support Scheme

In your letter you asked how many households within each local authority are eligible for the Cost of Living Support Scheme, and how many have received a payment through the scheme to date. Please see the tables at Annex B on the estimated number of properties eligible for the scheme identified using the criteria based on the council tax information in January 2022. The number of eligible households is an estimate based on the position when the Scheme was introduced. The payments are correct as at Monday, 8 August. I can confirm that it was estimated that a total of 1,013,142 households were eligible for the scheme and as at 8 August 2022, 982,715 had received a payment.

You also asked if I could provide an update on final take up figures and the total value of payments made to each local authority after the scheme closes on 30 September. I can confirm that I will provide an update in October 2022.

In terms of your request on what data, if any, the Welsh Government is collecting on eligibility or take-up of the Cost of Living Support Scheme by socio-economic status or protected characteristic. I can confirm that no specific data is being collected on socio-economic status or protected characteristics in relation to the Cost-of-Living Support Scheme. The criteria for eligibility comprises being resident in a property that sits within council tax Band A to D or in receipt of our Council Tax Reduction Scheme (any band).

In the absence of detailed income data on every household, property choice is the closest indicator of relative wealth and income circumstances, albeit we recognise it is not a perfect measure. The use of lower banded properties and the receipt of CTRS as qualifying criteria ensures that the Scheme is generally targeted towards households on lower incomes.

Finally on the Cost of Living Support Scheme, you have asked if I will provide details, once data is available, of how many households in each local authority were helped by the discretionary element of the Cost of Living Support Scheme, and the total value of the payments made to households in each local authority via this element of the scheme. I can confirm that I will provide information on this in April 2023 as the discretionary scheme can run to 31 March 2023.

Discretionary Assistance Fund - Emergency Assistance Payments

In your letter you asked how many applications, by local authority, have been made for Emergency Assistance payments in 2020, 2021 and 2022. You also asked how many Emergency Assistance Payments have been made through the Discretionary Assistance Fund to households in each local authority for 2020, 2021 and to date during 2022. I have included this information at Annex C. These tables also include the total value of Emergency Assistance Payments made to households in each local authority for 2020, 2021 and 2022. The 2022 data is as at 11 August 2022.

You also asked how many households have received 2, 3, 4 or 5 payments in each year. This information is included at Annex D.

Discretionary Assistance Fund – support for off-grid households with fuel costs

In your letter you asked how many applications, by local authority, were made to the Discretionary Assistance Fund for support for off-grid fuel costs in 2020, 2021 and to date during 2022. You also asked how many payments have been made to households in each local authority to help with off-grid fuel costs through the Discretionary Assistance Fund in 2020, 2021 and 2022 and for the total value of payments made through the Discretionary Assistance Fund for off-grid fuel costs by each local authority in 2020, 2021 and so far during 2022. This information is also included in the tables at Annex C. The 2022 data is as at 11 August 2022

It should be noted that support for off-grid fuel was introduced in 2021, so there is no information for 2020. In addition, due to the value of the amount awarded, applicants are allowed to make only one application for support with off-grid fuel costs per year. There is therefore no data for the number of applications per household as requested as all approved applicants will receive only one payment.

I am copying this letter to Paul Davies MS, Chair of the Economy, Trade and Rural Affairs Committee

Yours sincerely,

A handwritten signature in black ink that reads "Jane Hutt". The signature is written in a cursive style with a long horizontal stroke above the first letter "J".

Jane Hutt AS/MS

Y Gweinidog Cyfiawnder Cymdeithasol
Minister for Social Justice

Annex A - Winter Fuel Support Scheme payments made to households, by local authority area

Council	Applications Paid	Value
Neath Port Talbot CBC	10746	£2,340,038
Rhondda Cynon Taff	14716	£3,093,831
Gwynedd	5180	£1,091,895
Denbighshire county council	4734	£1,176,690
Blaenau Gwent County Borough Council	5506	£1,151,799
Conwy County Borough Council	5422	£1,137,767
Carmarthenshire County Council	8523	£1,789,920
Bridgend County Borough Council	8666	£1,820,219
Cardiff Council	21940	£4,606,031
Ceredigion County Council	2879	£603,897
Flintshire County Council	6680	£1,400,712
Caerphilly	11211	£2,375,608
Newport City Council	8533	£1,792,919
Merthyr Tydfil County Borough Council	4707	£991,961
Pembrokeshire Council Council	4575	£1,000,184
Swansea	13806	£2,896,340
Powys cc	3811	£800,675
Torfaen County Borough Council	5806	£1,337,500
Monmouthshire County Council	2320	£501,653
Wrexham	7431	£1,521,225
Vale of Glamorgan	6479	£1,374,754
Ynys Mon	3109	£650,308
Total	166780	£35,455,926

Annex B - Cost-of-Living Support Scheme

Estimated number of eligible households by local authority and indicative funding allocation

	Estimated number of eligible households	Funding allocation (£)
Isle of Anglesey	23,714	3,557,100
Gwynedd	39,907	5,986,050
Conwy	38,878	5,831,700
Denbighshire	32,465	4,869,750
Flintshire	46,575	6,986,250
Wrexham	43,168	6,475,200
Powys	37,461	5,619,150
Ceredigion	19,719	2,957,850
Pembrokeshire	37,708	5,656,200
Carmarthenshire	63,046	9,456,900
Swansea	81,037	12,155,550
Neath Port Talbot	56,810	8,521,500
Bridgend	50,095	7,514,250
Vale of Glamorgan	33,428	5,014,200
Rhondda Cynon Taf	92,884	13,932,600
Merthyr Tydfil	23,900	3,585,000
Caerphilly	67,676	10,151,400
Blaenau Gwent	30,241	4,536,150
Torfaen	34,679	5,201,850
Monmouthshire	20,204	3,030,600
Newport	50,642	7,596,300
Cardiff	88,905	13,335,750
Wales Total	1,013,142	151,971,300

Payment Summary by Authority, at 7 August 2022

		Cumulative Total	
		Awards (no)	Value (£)
Isle of Anglesey	CTRS Bands A-I	14,676	2,201,400
	Bands A-D	7,288	1,093,200
	Total	21,964	3,294,600
Gwynedd	CTRS Bands A-I	8,652	1,297,800
	Bands A-D	30,834	4,625,100
	Total	39,486	5,922,900
Conwy	CTRS Bands A-I	8,121	1,218,150
	Bands A-D	25,634	3,845,100
	Total	33,755	5,063,250
Denbighshire	CTRS Bands A-I	5,268	796,950
	Bands A-D	21,074	3,161,100
	Total	26,342	3,958,050
Flintshire	CTRS Bands A-I	9,349	1,402,350
	Bands A-D	34,534	5,180,100
	Total	43,883	6,582,450
Wrexham	CTRS Bands A-I	7,893	1,183,950
	Bands A-D	28,076	4,211,400
	Total	35,969	5,395,350
Powys	CTRS Bands A-I	6,588	988,200
	Bands A-D	23,600	3,540,000
	Total	30,188	4,528,200
Ceredigion	CTRS Bands A-I	5,343	801,450
	Bands A-D	13,905	2,085,750
	Total	19,248	2,887,200
Pembrokeshire	CTRS Bands A-I	4,721	708,150
	Bands A-D	22,182	3,327,300
	Total	26,903	4,035,450
Carmarthenshire	CTRS Bands A-I	12,270	1,840,500
	Bands A-D	45,578	6,836,700
	Total	57,848	8,677,200
Swansea	CTRS Bands A-I	15,810	2,371,500
	Bands A-D	52,912	7,936,800
	Total	68,722	10,308,300
Neath Port Talbot	CTRS Bands A-I	15,045	2,256,750
	Bands A-D	39,043	5,856,450
	Total	54,088	8,113,200
Bridgend	CTRS Bands A-I	10,061	1,509,150
	Bands A-D	33,981	5,097,150
	Total	44,042	6,606,300
Vale of Glamorgan	CTRS Bands A-I	1,744	261,600
	Bands A-D	28,086	4,212,900
	Total	29,830	4,474,500
Rhondda Cynon Taf	CTRS Bands A-I	21,890	3,283,500
	Bands A-D	66,868	10,030,200
	Total	88,758	13,313,700

Merthyr Tydfil	CTRS Bands A-I	4,957	743,550
	Bands A-D	16,395	2,459,250
	Total	21,352	3,202,800
Caerphilly	CTRS Bands A-I	13,737	2,060,550
	Bands A-D	47,532	7,129,800
	Total	61,269	9,190,350
Blaenau Gwent	CTRS Bands A-I	7,248	1,087,200
	Bands A-D	19,388	2,908,200
	Total	26,636	3,995,400
Torfaen	CTRS Bands A-I	9,081	1,362,150
	Bands A-D	23,561	3,534,150
	Total	32,642	4,896,300
Monmouthshire	CTRS Bands A-I	4,864	729,600
	Bands A-D	13,599	2,039,850
	Total	18,463	2,769,450
Newport	CTRS Bands A-I	10,012	1,501,800
	Bands A-D	34,339	5,150,850
	Total	44,351	6,652,650
Cardiff	CTRS Bands A-I	27,111	4,066,650
	Bands A-D	53,604	8,040,600
	Total	80,715	12,107,250
Wales Total			
Wales Total	CTRS Bands A-I	224,441	33,672,900
	Bands A-D	682,013	102,301,950
	Total	982,715	141,229,130

Annex C - Discretionary Assistance Fund

Emergency Assistance Payments and support for off-grid households with fuel costs - Applications, paid claims and values by local authority, by year

2020

Local Authority	EAP Applications	Paid	Value	Off-grid fuel apps	Off-grid fuel paid	Value
Blaenau Gwent	11849	6732	£534,140.00			
Bridgend	14279	8302	£542,944.00			
Caerphilly	21063	12693	£929,075.00			
Cardiff	45752	27444	£1,778,002.10			
Carmarthenshire	13334	7910	£541,362.97	1		
Ceredigion	1998	1133	£74,906.80			
Conwy	9052	5265	£436,938.00			
Denbighshire	9882	5483	£381,007.20			
Flintshire	10713	6433	£439,894.81			
Gwynedd	8645	5044	£334,374.11			
Isle of Anglesey	4622	2628	£172,680.00			
Merthyr Tydfil	12017	7090	£600,090.00			
Monmouthshire	3509	2106	£218,430.00			
Neath Port Talbot	16237	9452	£658,512.44			
Newport	23970	14084	£911,335.00			
Pembrokeshire	6301	3559	£229,670.60			
Powys	3828	2188	£217,730.00			
Rhondda, Cynon, Taff	29985	17276	£1,115,572.00			
Swansea	25899	15358	£1,035,172.95			
Torfaen	11197	6732	£452,410.62	1		
Vale of Glamorgan	10970	6726	£445,961.93			
Wrexham	15833	9422	£621,318.40			
TOTAL	310935	183060	£12,671,528.93	2	0	0

2021

Local Authority	EAP Applications	Paid	Value	Off-grid fuel apps	Off-grid fuel paid	Value
Blaenau Gwent	14242	8145	£564,446.49	17	14	£1,380.00
Bridgend	17393	10009	£698,986.12	12	6	£610.00
Caerphilly	23332	13550	£959,144.00	14	2	£120.00
Cardiff	50785	29518	£2,049,850.60	158	130	£14,030.00
Carmarthenshire	15530	9241	£682,102.42	204	161	£35,084.40
Ceredigion	2622	1545	£115,285.00	78	63	£13,280.00
Conwy	9755	5715	£402,733.50	26	19	£3,000.00
Denbighshire	11041	6495	£458,613.28	21	15	£2,250.00
Flintshire	12455	7458	£533,211.80	30	14	£2,140.00
Gwynedd	10087	6042	£429,858.56	60	35	£3,900.00
Isle of Anglesey	5075	3074	£216,698.54	31	20	£2,820.00
Merthyr Tydfil	13706	8005	£547,068.00	3	1	£70.00
Monmouthshire	4140	2378	£163,085.00	11	8	£1,490.00
Neath Port Talbot	20122	11773	£821,545.00	28	8	£1,240.00
Newport	26877	15494	£1,067,130.20	17	4	£450.00
Pembrokeshire	7802	4531	£328,876.58	174	127	£20,600.00
Powys	4449	2579	£189,925.00	86	73	£17,020.00
Rhondda, Cynon, Taff	35030	20030	£1,381,807.03	26	9	£1,110.00
Swansea	28201	16694	£1,147,201.30	37	16	£3,200.00
Torfaen	12734	7585	£534,429.30	27	15	£1,260.00
Vale of Glamorgan	12321	7276	£512,570.00	5	2	£200.00
Wrexham	18760	11041	£794,928.62	19	8	£680.00
TOTAL	356459	208178	£14,599,496.34	1084	750	£125,934.40

2022 – to 11 August 2022

Local Authority	EAP Applications	Paid	Value	Off-grid fuel apps	Off-grid fuel paid	Value
Blaenau Gwent	12469	7937	£551,130.00	1		
Bridgend	13841	9083	£635,999.10	15	15	£1,620.00
Caerphilly	19426	12743	£900,740.00			
Cardiff	38729	25149	£1,746,524.00	77	63	£5,560.00
Carmarthenshire	12042	8169	£608,203.21	160	141	£33,160.00
Ceredigion	2199	1452	£112,721.40	78	70	£16,310.00
Conwy	7849	5184	£360,388.70	11	11	£2,390.00
Denbighshire	8925	5930	£422,887.61	11	11	£1,310.00
Flintshire	10513	7177	£518,180.00	21	19	£3,310.00
Gwynedd	8050	5208	£370,635.18	46	45	£6,280.00
Isle of Anglesey	3875	2633	£189,970.00	18	17	£2,810.00
Merthyr Tydfil	11495	7365	£506,580.00	6	4	£280.00
Monmouthshire	3393	2227	£154,512.30	6	6	£960.00
Neath Port Talbot	15945	10654	£742,550.00	32	30	£2,820.00
Newport	23654	15336	£1,072,694.17	1		
Pembrokeshire	6492	4299	£316,299.00	80	72	£13,680.00
Powys	4009	2669	£199,912.00	106	97	£21,730.00
Rhondda, Cynon, Taff	30127	19316	£1,340,117.88	1	1	£250.00
Swansea	23559	15788	£1,079,169.10	6	5	£890.00
Torfaen	10152	7045	£500,500.00	66	59	£4,850.00
Vale of Glamorgan	10353	7033	£500,040.00	3	3	£570.00
Wrexham	15845	10528	£767,525.00	9	8	£920.00
TOTAL	292942	192925	£13,597,278.65	754	677	£119,700.00

Annex D - Discretionary Assistance Fund - Emergency Assistance Payments

Number of households that have received 2, 3, 4 or 5 Emergency Assistance Payments in 2020, 2021 and to date in 2022.

Year	2 Paid	3 Paid	4 Paid	5 Paid
2020	13732	10462	7657	12534
2021	20572	18577	8491	7919
2022	26451	17786	6750	3535



Huw Irranca-Davies MS
Chair of Legislation Justice and Constitution Committee
SeneddLJC@assembly.wales

Paul Davies MS
Chair of Economy Trade, and Rural Affairs Committee
SeneddEconomy@senedd.wales

8 August 2022

Dear Huw, Paul,

I am writing further to my letter of 4 July and in accordance with the inter-institutional relations agreement, to inform you that I attended the Ministerial Forum for Trade on the 5 July.

The meeting was attended by Penny Mordaunt, Minister of State for Trade Policy; Ivan McKee, Scottish Minister for Business, Trade, Tourism and Enterprise; and Gordon Lyons, Northern Ireland Executive Minister for the Economy.

During the meeting, we discussed and agreed the revised terms of reference for the group. There were also updates on the Memorandum of Understanding that the Department for International Trade have concluded with some US states as well as an update on the UK-India free trade negotiations.

I reiterated that the Welsh Government is supportive of international trade and that here in Wales we have a great deal of expertise that can be drawn on to support negotiations, particularly in relation to the United States which is an important market for Wales.

I also emphasised our concerns in relation to animal welfare and standards with regards to India and that the UK government must not create an unlevel playing field.

Please note, following the agreement of the revised terms of reference, the group will now transition into the Inter-ministerial Group (Trade) but continue to serve the same function. A joint communique will be published on the UK government webpage.

I will write to you again to inform you of the date of the next meeting.

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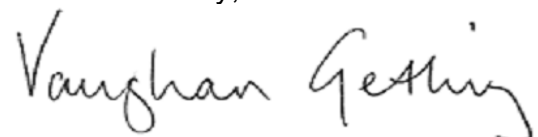
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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Yours sincerely,

A handwritten signature in black ink that reads "Vaughan Gething". The signature is written in a cursive style with a prominent dot over the 'i' in "Gething".

Vaughan Gething AS/MS
Gweinidog yr Economi
Minister for Economy

Chair of the Economy, Trade and Rural Affairs Committee, Paul Davies MS
Welsh Government
Tŷ Hywel
Cardiff Bay
CF99 1NA

01 September | 2022

Dear Paul,

Re: Agricultural Pollution Regulations report

Wales Environment Link encloses a letter to the Minister for Rural Affairs regarding recommendations 1 and 8 of the Committee's report on the Water Resources (Control of Agricultural Pollution) (Wales) Regulations 2021.

We would like to share this letter with Committee members, along with the Minister's response.

Yours sincerely



Karen Whitfield
Co-Director

Swyddfa Caerdydd

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Lesley Griffiths MS
Minister for Rural Affairs and North Wales, and Trefnydd
Welsh Government
Tŷ Hywel
Cardiff Bay
CF99 1NA

24 June | 2022

Dear Minister,

Re: Agricultural Pollution Regulations

Thank you for meeting with us recently to discuss food security and stability payments. We would very much appreciate the opportunity to meet you again when the Agriculture (Wales) Bill has been laid. We note that the Economy, Trade and Rural Affairs Committee has published its report on the review of the Water Resources (Control of Agricultural Pollution) (Wales) Regulations 2021. We would particularly like to respond to Recommendation 1 of this report: “The Welsh Government should re-introduce the derogation which allowed qualifying grassland farms to spread up to 250 kg/ha of nitrogen.”

The farming unions have recommended that a derogation for farms with over 80% grassland be introduced, as this had previously been under consideration based on a derogation available under the EU until 2016. NFU Cymru claims that, as the regulations currently stand, they amount to “de facto destocking on many Welsh farms”. Dwr Cymru/Welsh Water is concerned that the 170kg spreading limit would result in biosolid excess that would need to be managed, though this assumes no change in the use of other sources of nitrogen because of the regulations.

WEL did not provide evidence on this question to the Committee as we were not directly asked about it. The report, therefore, only reports the issues as raised by the farming unions and Dŵr Cymru and does not appear to consider the impact of restoring this derogation on water pollution. The report contains no analysis of the “destocking” issue and how this may be affected by other changes in practice. It also does not consider whether an element of stock reduction or biosolid diversion is justifiable for the control of water pollution and sustainability of a healthy soil bank.

We know from the collaborative, NERC funded University and CEH RePhoKus studies that there is already an accumulation of “legacy phosphate” in soils in livestock farming areas which will potentially take decades to reduce, even without adding more phosphate. RePhoKus published a [May 2022 Report](#) on the river Wye, which has its extensive upper reaches in Wales. The relative contribution of agricultural pollution compared with sewage pollution is higher in areas where livestock farming predominates and population is sparse, so the findings are relevant to other areas of Wales. The report makes several important recommendations on animal stocking and controlling inputs of phosphorus that we urge the Welsh Government to consider.

The Regulations appear to use nitrate as a proxy for phosphate: managing nitrate should also reduce levels of phosphate. However, it should be noted that different manures have different ratios of nitrate to phosphate. Poultry manure, with its relatively high levels of phosphorus, may need to be managed more carefully – particularly in areas that already have high levels of legacy phosphate. The Committee has not considered the extent of pasture on farms with IPU or intensive pig farms in Wales. Upland pasture areas must also be carefully considered as they have shallow soils and poorer grass growth, so slurry cannot be injected into the soil and plant uptake of nutrients is lower. These areas are particularly at risk if a derogation is reintroduced.

WEL’s strongly feels that the derogation should not be reintroduced, and that Welsh Government should work with both the farming and water industries to find alternative ways of managing waste. If scientific evidence shows that a certain amount of destocking is necessary to protect our environment, then it should be considered. Farmers that are following the Maximum Sustainable Output (MSO) model have been able to do this with benefits to their farm business and the environment.

Water industry biosolid disposal also needs careful consideration. We cannot ‘destock’ humans, but there is now [evidence](#) that biosolids produced by wastewater treatment plants now contains microplastics and forever chemicals. If that is the case, how safe is it to keep spreading this on the land? Research and investment in alternatives must be undertaken if we are to deal with human waste sustainably, without introducing new, irreversible contamination of soils.

If the Minister is considering reintroducing the derogation, this should not be a blanket reintroduction. It should only be reintroduced in those areas where phosphorus or nitrogen balance assessments show that it will not result in phosphorus and/or nitrate in rivers exceeding permitted levels. We urge the Welsh Government to examine the scientific research on this topic before considering any derogation.

We would also like to raise a point regarding the Committee's Recommendation 8: "The Welsh Government should prioritise any suitable alternative proposals that utilise technology rather than closed periods for spreading, or 'farming by calendar.'" We note that the report does not detail any viable technological solutions that can managing the issue of slurry spreading at times of the year when wet weather conditions and low vegetation growth mean that anything spread on the land is at risk of being washed into rivers or lakes. WEL is not opposed to a viable technological fix, if this available. However, until a technological solution is proven, we cannot support the removal of closed periods for spreading.

As mentioned, we would be very grateful to be able to arrange a date to meet with you again in October, once the Agriculture (Wales) Bill has been laid. We also enclose Wildlife and Countryside Link's [evidence on the UK Gene Editing Bill](#), following your enquiry at our meeting, along with WWF Cymru's [Nitrogen Report](#). We hope these are both helpful.

Yours sincerely,



Arfon Williams, RSPB Cymru



Andrew Tuddenham, National Trust

Co-Chairs of WEL Land Use Working Group

Swyddfa Caerdydd

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Lesley Griffiths AS/MS
Y Gweinidog Materion Gwledig a Gogledd Cymru, a'r Trefnydd
Minister for Rural Affairs and North Wales, and Trefnydd



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref LG/00381/22

Liz Smith

Liz@waleslink.org

10 Aug. 2022

Dear Liz,

Thank you for your letter of 24 June, regarding the Economy, Trade and Rural Affairs Committee review of the Water Resources (Control of Agricultural Pollution) (Wales) Regulations 2021. Outlining Wales Environment Link's concerns with Recommendation 1 '*The Welsh Government should re-introduce the derogation which allowed qualifying grassland farms to spread up to 250kg/ha of nitrogen*' and Recommendation 8 '*The Welsh Government should prioritise any suitable alternative proposals that utilise technology rather than closed periods for spreading, or 'farming by calendar'*'.

Welsh Government takes seriously the risks caused by agricultural pollution. Any changes or technological solutions proposed through the Regulation 45 'Alternative Measures' process must be able to demonstrate the ability to more effectively deliver the outcomes than the measures currently in the Regulations.

We are currently considering the committee's report and recommendations and will have regard to your representations, together with any other representations we may receive, before responding formally to the Committee in due course. If you have not already done so, you may also wish to bring the views of WEL on these matters to the attention of the Committee.

Your sincerely,

Lesley Griffiths AS/MS
Y Gweinidog Materion Gwledig a Gogledd Cymru, a'r Trefnydd
Minister for Rural Affairs and North Wales, and Trefnydd

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Lesley Griffiths AS/MS
Y Gweinidog Materion Gwledig a Gogledd Cymru, a'r Trefnydd
Minister for Rural Affairs and North Wales, and Trefnydd



Llywodraeth Cymru
Welsh Government

Paul Davies MS
Chair
Economy, Trade and Rural Affairs Committee

Paul.davies@senedd.wales

22 August 2022

Dear Paul,

RE: Correction regarding the date for the Alternative Measures process of the Water Resources (Control of Agricultural Pollution)(Wales) Regulations 2021

During the evidence provided to the Economy, Trade and Rural Affairs Committee on I incorrectly stated the deadline for the submission of proposals via the Regulation 45 Alternative Measures process was the 1 September 2022. The correct date is the 1 October 2022 and I welcome any submissions made under this process.

Officials have previously been in contact with the committee clerks and the record has been corrected.

Regards,

Lesley Griffiths AS/MS
Y Gweinidog Materion Gwledig a Gogledd Cymru, a'r Trefnydd
Minister for Rural Affairs and North Wales, and Trefnydd

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Karen Whitfield
Wales Environment Link

23 September 2022

Dear Karen,

Thank you for your letter regarding the Agricultural Pollution Regulations report and sight of the letter from Wales Environment Link to the Minister regarding the report and her response.

I welcome your further engagement on this important topic and sight of the detail you gave to the Minister. I have shared this with Members and am sure they will find it interesting.

The Committee bases its reports on evidence gathered during the relevant Inquiry. We did examine all the evidence submitted to the Inquiry on Derogations and reflected what we had received in the report.

I look forward to seeing the Minister's response to our report.

Kind regards,



Paul Davies MS
Chair: Economy, Trade and Rural Affairs Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg | We welcome correspondence in Welsh or English.

Vaughan Gething AS/MS
Gweinidog yr Economi
Minister for Economy

Agenda Item 2.9



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref MA/VG/2667/22

Paul Davies MS
Chair
Economy, Trade and Rural Affairs
Committee
seneddeconomy@senedd.wales

7 September 2022

Dear Paul,

I am grateful to the Economy, Trade and Rural Affairs Committee for its report on Cost-of-Living Pressures. I would like to thank the Committee's members for their work.

I have set out my response to the report's individual recommendations below.

Yours sincerely,

Vaughan Gething AS/MS
Gweinidog yr Economi
Minister for Economy

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We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Written Response by the Welsh Government to the report of the Economy, Trade and Rural Affairs Committee entitled Cost-of-living Pressures

Detailed responses to the report's recommendations are set out below.

Recommendation 1

The Committee recommends that

The Welsh Government should work with external organisations to ensure that robust Wales-level data on key cost-of-living metrics is regularly collected and published. It should consider innovative ways to make headline data easily accessible to users, for example developing a dashboard or other alternatives.

Response: Accept

We will continue to work with relevant organisations to ensure that Wales-level data on key cost-of-living metrics are made available wherever possible. Welsh Government have already collaborated with the Office for National Statistics and Citizens Advice to present latest trends, insights and plans on cost of living data to our statistics user panels for both public sector and third sector organisations. We have worked with the Department for Work and Pensions to achieve an increased sample for Wales on the Family Resources Survey, the basis of official statistics on income poverty for the UK. This will enable more detailed analysis for Wales on issues related to poverty and aspects of cost of living in the future. Since 2020 we have published data on Emergency Assistance Payments made from the Discretionary Assistance Fund, originally as part of an overview of the impacts of COVID-19 on society, and we will continue to update this data on StatsWales on a regular basis in order to provide timely insight on the cost of living crisis. Welsh Government are also developing a fuel poverty data dashboard which will incorporate data from internal and external sources including other government departments and Ofgem.

Welsh Government agree with the need to bring together key information to make relevant data more accessible to users, and will explore the best ways of doing this in future, such as via our Chief Statistician's blog.

Financial implications – None

Recommendation 2

The Committee recommends that

The Welsh Government, and in particular its Equality, Race and Disability Evidence Unit should ensure that disaggregated cost-of-living data for Wales is regularly available, in order that the impacts of cost-of-living pressures on different socio-economic groups and protected characteristics can be understood and factored into policy decisions.

Response: Accept

The Welsh Government's Equality, Race and Disability Evidence Units' overarching aim is to improve the availability, quality, granularity and accessibility of evidence about individuals with protected and associated characteristics so that the Welsh Government fully understand the level, types and impact of inequalities across Wales. One of the Unit's priorities is to improve the data on the impact of cost of living pressures for those with protected characteristics. Further scoping work is currently underway to better understand how this information should be collected. It is likely to involve analysis of existing data, such as the National Survey for Wales and the Department for Work and Pensions' (DWP) Family Resources Survey, as well as primary qualitative research, involving those with lived experiences, to provide a more in-depth understanding of the pressures and their consequences.

Welsh Government statisticians have worked with DWP to achieve an increased sample for Wales on the Family Resources Survey, the basis of official statistics on income poverty for the UK. This will enable more detailed analysis for Wales on issues related to poverty and aspects of cost of living in the future. In particular, it will improve on the current situation by allowing for more breakdowns of income poverty by household and protected characteristic, including some intersectionality.

The Equality, Race and Disability Evidence Units' are committed to continuing to working closely with colleagues in statistical services on this programme of work.

Financial implications – None. Any additional costs will be drawn from existing programme budgets.

Recommendation 3

The Committee recommends that

The Welsh Government should build on its distributional analysis of who will benefit from its cost-of-living support by publishing analysis of how its schemes are supporting groups with protected characteristics such as gender, disability, and ethnicity.

Response: Accept

Implementing the recommendation would have major benefits but we are unable to commit to doing this immediately or in full as there are no suitable data sources currently available. Improving and accessing new data sources is likely to require significant investment, the cost of which is currently unknown. It will therefore be necessary to implement the recommendation progressively over time as data becomes available.

Financial implications – As above.

Recommendation 4

The Committee recommends that

The Welsh Government should publish data on take-up of the Winter Fuel Support Scheme as soon as possible, broken down by local authority, and by protected characteristic where possible. It should also proactively publish data for other current and future cost-of-living support measures once this becomes available.

Response: Accept

We will publish Winter Fuel Support Scheme data broken down by local authority in Autumn 2022. Data was not collected on protected characteristics as this was not considered necessary for the administration of the scheme. Data is already published regularly on the number of Emergency Assistance Payments made from the Discretionary Assistance Fund, and we will publish data at least annually where we have it available.

Financial implications – None. Any additional costs will be drawn from existing programme budgets.

Recommendation 5

The Committee recommends that

The Welsh Government should publish a summary of lessons learnt from its early cost-of-living support schemes such as the Winter Fuel Support Scheme, and set out how this has informed development of subsequent schemes.

Response: Accept

The Winter Fuel Support Scheme (WFSS) 2021/22 was developed following consequential funding from the UK Government's Household Support Fund, supplemented by Welsh Government funding. It was anticipated that the scheme would be a one-off payment to address the immediate, short term, financial pressures faced by households.

As a result, no formal arrangements were made to evaluate the scheme. However, a review of lessons from the first scheme informed the development of the subsequent Welsh Government Fuel Support Scheme 2022/23. The main lessons were:

1. Our previous qualifying criteria meant that many low-income households were not eligible for support. Following feedback from our stakeholders we have extended the eligibility criteria to support more vulnerable households with this vital support.

This includes:

- Supporting a wider cohort of benefit households

- Measures to support households with pass-through energy costs
- Support for households using off-grid fuel.

2. The payment window for the 2022/23 scheme has been extended to allow individuals a wider opportunity to claim and Local Authorities more time to identify eligible residents and to process payments.

3. Following feedback that better communication was required, throughout January 2022 we were able to re-purpose our 'claim what's yours campaign' to promote our fuel support scheme through tv, radio and social media advertising which resulted in improved take-up.

4. To simplify for recipients, we are exploring how to make it easier for people known to local authorities and eligible to receive the payment to do so without having to make a direct application. This is a work in progress.

Financial implications – None

Recommendation 6

The Committee recommends that

The Welsh Government should build on the success of the Claim What's Yours benefit take-up campaign: It should set out details of planned promotional activity for this campaign, and prioritise funding and resource to reach as many people as possible over the coming months.

Response: Accept

Through its long-term commitment to funding advice services the Welsh Government is ensuring people maximise their income. For example, all those engaging with a service funded by the Welsh Government's Single Advice Fund (SAF) are offered welfare benefit entitlement checks. Since January 2020, SAF services have helped people to claim over £65m of additional income.

The Welsh Government recognises however that many people who are not claiming money that is rightly theirs will not be engaging with advice services. This is why it launched the Claim What's Yours campaign. The campaign's creative messages have proven an effective means of reaching people to encourage them to find out more about their financial entitlements by contacting Advicelink Cymru.

We are continuing to deliver the campaign's messages via digital channels and, with appropriate funding being made available, we will again deliver the messages through all platforms in the autumn/winter of 2022/23.

It is important to emphasise that maximising welfare benefit take-up must be a priority for all those involved, not just the Welsh Government. We need the UK Government to do more to raise awareness of all the welfare benefits delivered by the Department

for Work and Pensions, and to fund the advice services that people need to navigate the social security system.

Financial implications – To ensure there is sufficient benefit advisor resources within Advicelink Cymru to meet the response generated by the campaign Welsh Government increased its funding (and repurposed other funding) within the SAF.

Recommendation 7

The Committee recommends that

The Welsh Government should set out the details and timescales for the work its Income Maximisation Task and Finish Group will undertake and commit to publishing any outputs.

Response: Accept

A new Income Maximisation Task and Finish Group has been established, by joining the former Income Maximisation Benefit Take-up Working Group and Debt Task and Finish Group. By merging both groups we are able to focus on households in Wales who are struggling with the rising cost of living and those who are still dealing with the impacts of the Covid-19 pandemic which are likely to be one and the same.

Our aim is to help people access financial help to which they are entitled to and support them to do so. We will also help those struggling to maintain their financial commitments to repay debts and to look at pathways out of debt. A copy of the Terms of Reference is attached.

The first meeting was held on 25 May 2022 and the next meeting is to be held on 6 September. As part of our work with the group individual Task and Finish Groups have been established, one of which is collaborating with key stakeholders on the 'Design and Delivery of a Welsh Benefit System.' We anticipate that a Benefit Charter will be drafted by the end of the year

Another Task and Finish Group will look to develop a delivery model that will use available Local Authority data sources to target Pension Credit information to households who may be missing out.

Financial implications – None

Recommendation 8

The Committee recommends that

The Welsh Government should accelerate work to bring together means-tested support schemes for low-income households through a Welsh benefits system. The new system must ensure greater consistency in local authorities' delivery, and move towards a position where people who need one form of support are

automatically passported to other sources of assistance that they are eligible for.

Response: Accept

One of the strategic objectives of the Income Maximisation Action Plan published in November 2020 is to ensure families in Wales are supported to claim all the financial support they are entitled to. As part of this the Welsh Government has worked with local authorities to develop the Best Practice Toolkit: Simplifying Application Processes for Local Authority Administered Benefits published in March 2021. The toolkit looks at what more we

can do to simplify and streamline the application processes for devolved welfare benefits to make it easier and quicker for people to apply for support. Further work will now be taken forward to test the extent of adoption of the best practice within the toolkit set within the context of the significant work local authorities have undertaken to support communities and individuals during the Covid-19 pandemic.

One of the lessons of the development of the Best Practice tool kit was the complexity of the Welsh Benefit landscape and different approaches to administration within each local authority, including barriers relating to IT.

We will continue working with local government to improve their processing systems, to achieve greater consistency and to explore the potential automatic passporting where possible.

Financial implications – Local Authority delivery partners use different computer systems to administer the payments they are responsible for. A move towards a ‘passported’ approach will require local authorities to financially invest in their IT systems, and some local authorities may need to implement new IT systems. These changes will, therefore, need to be kept reasonably practicable with costs met from future budgets.

Recommendation 9

The Committee recommends that

As part of its work on developing the Welsh benefits system, the Welsh Government should work towards developing a one-stop shop portal through which households across Wales can apply directly to their local authority for the different means-tested schemes that are available.

Response: Accept

A single portal through which a person can access all the payments they are eligible for has the potential, for people with appropriate digital skills, to offer a streamlined and person-centred claimant journey.

We recognise however that some local authorities already have a one-stop shop approach for their residents to access services, including claiming financial support.

Care must be taken to avoid developing and implementing a new portal that may duplicate existing local authority digital access to services.

We will explore the development of the portal with our stakeholders and partners and determine what the costs would be.

Financial implications – The development of a ‘one-stop shop portal’ will require investment in a new IT infrastructure that can link effectively with the IT systems within local authority delivery partners. Any solution should offer the best value-for-money with costs met from future allocated budgets.

Recommendation 10

The Committee recommends that

The Welsh Government should provide an assessment of how successfully local authorities have used the best practice toolkit so far and consider taking further steps such as developing statutory guidance if there is evidence to do so.

Response: Accept

Since its launch in May 2021, we have worked with local authorities to overcome some of the barriers to streamlining services that need to be explored further.

A further reminder for local authorities has been included as part of the Charter for the Design and Delivery of a Welsh Benefits System. We will hold a workshop in the Autumn with local authorities to review how the toolkit has been embedded within local authorities, its dissemination, and usage.

In developing the toolkit the Welsh Government explored the potential for the development of statutory guidance to achieve better alignment between (and within) local authorities in the administration of Welsh benefits. It should be noted that even where statutory guidance is issued a public authority can generally depart from the guidance if it is reasonable to do so. In general, therefore it was felt that a more collaborative approach with local government was preferred to ensure that the approach reflected local practices and administrative procedures.

Financial implications – None

Recommendation 11

The Committee recommends that

The Welsh Government should explore the feasibility of extending the eligibility criteria of its means-tested schemes to support low-income households with living costs, to support those households who are just missing out. It should report back to the Committee with its findings.

Response: Accept

Claiming Welsh Government financial support is easier for people in receipt of a means-tested benefit, but it is important to emphasise that many Welsh Government payments are not ring-fenced only to households in receipt of a means-tested benefit. They are available to all low-income households. For example, anyone resident in Wales aged over sixteen who is in financial need can apply for assistance from the Welsh Government's Discretionary Assistance Fund. Help towards council tax bills is available to low-income households from the Council Tax Reduction Scheme. Low-income households can also get help with paying their health care costs (e.g. NHS dental treatment, sight tests, glasses, and contact lenses.)

The Welsh Government understands the importance of its financial support having a well-defined eligibility criterion that removes the need for discretionary decision making. This approach was adhered to in the design of the Winter Fuel Support Scheme with payments being available to households in receipt of a working-age means-tested benefit. However, it is recognised that people with income above the threshold for claiming a means-tested benefit are struggling financially. Therefore, the range of qualifying benefits for the next Welsh Government Fuel Support Scheme has been extended to include non-means tested benefits and includes all those who are benefitting from the Council Tax Reduction Scheme.

The purpose and scope of the next iteration of the Warm Homes Programme will be set out when the Senedd returns from the summer recess. The eligibility criteria will be designed to ensure domestic dwellings needing energy efficiency improvements are able to access support through the programme.

The Welsh Government will consider the Committee's recommendation when designing the detail of the eligibility criteria to ensure the points raised are addressed.

Financial implications – Further extending access to the means-tested schemes to more households would have significant financial implications.

Recommendation 12

The Committee recommends that

The Welsh Government should outline how its Discretionary Homelessness Prevention Grant will help to mitigate the reduction in Discretionary Housing Payments (DHP); and whether the amount spent on this programme is sufficient to fully mitigate lower levels of DHP.

Response: Accept

The Department for Work and Pensions (DWP) provides funding for Discretionary Housing Payments (DHP) to Welsh and English local authorities to mitigate the impacts of welfare reforms, including helping people affected by the benefit cap, local housing allowance changes and the bedroom tax. These payments can be used to help prevent tenants from getting into rent arrears and are especially important at a time when people are facing a cost-of-living crisis.

In 2022-23, the DWP reduced DHP funding available to Welsh local authorities by £2.3 million (or c. 27%) compared to 2021-22. This was on top of an £1.86 million (or 18%) reduction in 2021-22 compared to the previous year. Given the cost-of-living crisis and the freeze on LHA rates, Welsh Ministers wrote to the UK Government to outline our disappointment at these significant cuts at a time when we would have expected this budget to be increased to meet the scale of the challenge facing households.

In 2021-22, the Welsh Government topped-up the DHP fund by £4.1m to mitigate the budget reduction to recognise the importance of this fund, particularly in the context of COVID and other household financial pressures.

In 2022-23, the Welsh Government has provided an extra £6m to local authorities for a Discretionary Homelessness Prevention Fund, to continue to help mitigate the impact of DHP budget reductions by the DWP. Following feedback from local authorities, we are providing this discretionary funding - rather than topping up DHPs again - to offer greater flexibility in its use, including to support those not in receipt of housing-related benefits.

It will be up to local authorities to determine the most effective targeted use of this funding to prevent and relieve homelessness, within their existing legal framework and rules. This can cover preventative measures such as offering a rent guarantee, paying for rent arrears as part of a package of action to sustain a tenancy, as well as topping up their DHP funding pot.

Welsh Government officials will monitor local authorities' use of this funding at the mid-year point to assess actual and forecast spend. We will re-distribute funding as required to ensure all the funds are fully utilised within the financial year.

Financial implications – £6m from the existing Homelessness Prevention Budget.

Recommendation 13

The Committee recommends that

The Welsh Government should set out its plans to provide further cost-of-living related support to households at the start of the 2023-24 financial year, and how it will prioritise support to address the scale of the situation.

Response: Accept

The Warm Homes Programme provides support and advice to all Welsh households as well as home energy efficiency measures to eligible households. The next iteration of the Warm Homes Programme is expected to be launched in 2023.

The initial budget allocation is £35 million in the 2023-24 financial year towards improving domestic energy efficiency in low-income households. The programme is designed to provide support to lower income households experiencing difficulty maintaining a warm home at an affordable cost.

Ahead of the forthcoming UK Budget, we will continue to press the UK Government to do more in relation to the cost-of-living crisis. The Minister for Finance and Local Government has written to the Chancellor alongside the other Devolved Government finance Ministers outlining a range of measures the UK Government should support to address the cost-of-living crisis, recognising that most of the levers to tackle the crisis are in the UK Government's hands.

Financial implications – None

Recommendation 14

The Committee recommends that

Welsh Government should drive the accreditation of all Welsh public sector organisations as Real Living Wage employers, in particular delivering this for workers in Welsh local authorities and health boards.

Response: Accept in Principle

The Welsh Government leads by example as an accredited Real Living Wage employer and we take every opportunity to encourage more employers in the public, private and third sectors to pay the Real Living Wage. This includes delivering on our commitment to introduce the Real Living Wage in social care – an uplift which is estimated to cost £43.2m in 2022/23 and which represents a significant financial commitment from the Welsh Government to supporting the Real Living Wage.

We recognise the important leadership role public bodies have as employers, as policymakers and as funders of other organisations and we continue to encourage public bodies – many of whom already have minimum rates of hourly pay that exceed the Real Living Wage – to plan for a journey that will see them become Real Living Wage accredited employers.

The NHS in Wales is already a living wage employer. While local authorities are responsible for setting their own pay, a range of local authorities have already positively opted into being a living wage employer. In addition, the Welsh Government provides support to Cynnal Cymru, as the Real Living Wage accreditation body in Wales, to support the work they do to promote the Real Living Wage and its benefits to employers, workers and communities.

Financial implications – None. Any additional costs will be drawn from existing budgets.

Recommendation 15

The Committee recommends that

Welsh Government should consider what lessons can be learnt from voluntary regulation schemes for private sector employers like the Cardiff Bay community

jobs compact, and how it could support replicating the benefits of this approach in other parts of Wales.

Response: Accept

We welcome local and grass roots initiatives that promote values and behaviours which are consistent with fair work. Local initiatives have an important role in successfully championing fair work, diffusing best practice, and normalising fair work as typical rather than exceptional practice. We are keen that a wide range of organisations – social partners, individual employers and non-governmental organisations – all play their part in contributing in whatever way they can to promoting and encouraging fair work.

Financial implications – None. Any additional costs will be drawn from existing budgets.

Recommendation 16

The Committee recommends that

Welsh Government should commission labour market research to better understand the reasons behind high rates of economic inactivity; levels of in-work poverty; and the circumstances of those identifying as self-employed. With input from the Ministerial Economic Advisory Board, it should then develop a plan of action to address the long-term implications for the Welsh economy.

Response: Accept

We acknowledge the importance of labour market data in understanding issues for the Welsh economy. We will produce a paper summarising existing data on the themes referred to in the recommendation and assess what further labour market research could be commissioned to improve our understanding and our subsequent policy response. The Ministerial Economic Advisory Board has already been tasked with considering the long-term challenges for the Welsh economy and it is recognised that the cost-of-living crisis is amplifying those challenges.

Financial implications – None. Any additional costs will be drawn from existing budgets.

Recommendation 17

The Committee recommends that

Welsh Government should work with social partners to consider what more can be done to support increasing numbers of workers experiencing mental ill-health as a result of cost-of-living pressures.

Response: Accept

Working constructively to address challenges such as cost of living pressures and what could practically be done to support workers, goes to the heart of our commitment to social partnership.

Welsh Government will encourage social partners to have a regular agenda item at partnership meetings on cost-of-living pressures and the impact on staff to ensure regular and ongoing dialogue to jointly assess potential longer-term impacts.

We will work with trade union social partners to ensure that issues of mental-ill health due to cost of living pressures are raised with employers at the earliest opportunity and encourage social partners to use discretionary elements of their sick pay provisions, as happened in some areas (e.g. NHS and Local Government) with Long Covid, to ensure those experiencing mental ill health due to cost of living pressures are not further disadvantaged by loss of pay due to sickness absence.

Welsh Government will share positive initiatives to disseminate best practice across sectors.

Financial implications – None. Any additional costs will be drawn from existing budgets.

Recommendation 18

The Committee recommends that

Welsh Government should outline how implementing the recommendations of Senedd Committee reports on Fuel Poverty and the future of Hospitality, Tourism and Retail will help address the cost-of-living pressures faced by many Welsh workers, and what mechanisms it will use to evaluate progress.

Response: Accept in Principle

We are providing significant support to the hospitality, tourism and retail sectors to help protect and create jobs and so help address the cost-of-living pressures faced by many Welsh communities. We are providing £116m of targeted non-domestic rates support to businesses in the retail, leisure, and hospitality sectors for the duration of 2022-23. This support is in addition to our existing £240 million package of permanent rates reliefs which the retail sector also benefits from. We are also creating 125,000 apprenticeships over this Senedd term and investing £366m over the next three year in the apprenticeship programme. Many of these apprenticeships will be in the retail, leisure, and hospitality sectors.

We also continue to make representations to the UK Government recognising that most of the levers to tackle the cost-of-living crisis are in the UK Government's hands. The MFLG has written jointly with the Scottish and Northern Irish Finance Ministers to the Chancellor of the Exchequer on 15 July to set out some of the key areas which require attention as part of the preparations for the forthcoming UK Budget, including support for business. Amongst the points made in the letter, it was noted the cost-of-

living crisis is not evenly distributed, and the focus should be on providing targeted support to those most adversely impacted, rather than reducing broad-based taxes.

Welsh Government officials have also met with their UK Government counterparts to discuss how the UK Government can use the range of levers at its disposal to provide wider support to businesses, including the hospitality, tourism, and retail sectors. There also needs to be greater certainty to businesses on the future direction of business taxation and the Welsh Government should have additional budgetary flexibility to support investment.

With regards to leisure and tourism, Visit Wales has a regular programme of research and evaluation that is related to some of the recommendations in the report. Visit Wales collects and analyses data on a range of supply and demand measures to inform decisions and conducts independent evaluations of significant investment schemes.

In relation to retail, the progress with implementing the committee recommendations will be confirmed in an Action Plan being developed with the Sector following publication of the Retail Vision earlier this year.

Financial implications – As above.

Recommendation 19

The Committee recommends that

The Welsh Government should explore using its levers around public sector pay and conditions to increase fair work in Wales including: by improving sick pay where this is needed for workers delivering public services, starting with longer-term arrangements for social care workers; and supporting those with the lowest earnings via pay settlements.

Response: Accept in Principle

The Welsh Government is using every lever it has, to promote and encourage fair work and we recognise the important leadership role the devolved public sector has in leading by example and role modelling fair work practices.

Devolved public services operate in a spirit of social partnership, where employers and trade unions work constructively, and workforce matters are addressed in that context. In relation to social care, we have established the Social Care Fair Work Forum, which brings together social partners with the purpose of exploring the further steps that can be taken to improve working conditions in social care.

Financial implications – None. Any additional costs will be drawn from existing budgets.

Recommendation 20

The Committee recommends that

Welsh Government must ensure its plans to support off-grid households through this winter are robust. This should include either extending the ability for off-grid households to access support via the Discretionary Assistance Fund or the Fuel Voucher scheme.

Response: Accept

The Welsh Government have several support measures in place for off-grid households as part of the overall approach to addressing the cost-of-living crisis and the increasing costs of energy this Winter. The 22/23 Welsh Fuel Support Scheme, Fuel Voucher Scheme and Discretionary Assistance fund already provide support to off-grid households that meet the eligibility requirements. Eligibility for financial support through the DAF is not means tested and is there to support people experiencing severe financial difficulties to access emergency financial help. We have extended DAF support for off-grid households throughout the summer and winter to the end of March 2023.

A budget of £30m has been allocated towards improving domestic energy efficiency in low income-households, including off grid properties, through a range of Welsh Government programmes.

Financial implications – No costs above those already allocated.

Recommendation 21

The Committee recommends that

Welsh Government must develop a long-term scheme to support off-grid households as outlined in the Equality and Social Justice Committee report on Fuel Poverty and the Warm Homes Programme.

Response: Accept

Evidence published from the 2018 Welsh Housing Conditions Survey highlighted homes in rural areas tend to be less energy efficient than dwellings in urban areas.

The challenges faced by those living in rural Wales are being addressed within the current Warm Homes Programme. Lessons from the current programme and learning from the public consultation are informing the proposed policy direction of the new programme expected to be launched in 2023.

Financial implications – None

Recommendation 22

The Committee recommends that

Welsh Government should work with third sector partners to scope out and if appropriate deliver a programme similar to Northumberland's Warm Hubs.

Response: Accept

Officials will explore with local authorities and third sector partners what further measures can be put in place to provide additional support throughout the winter, including the provision of warm community spaces to help people keep warm over the coming months.

Financial implications – Exploration work will be completed from existing budgets.

Recommendation 23

The Committee recommends that

The Welsh Government should commission detailed research around the “rural premium” and the different effects of the increased cost-of-living in rural and urban communities.

Response: Accept

The Welsh Government recognises that rural households often incur a rural premium which means they pay disproportionately more for goods and services than their urban counterparts. The cost-of-living crisis has not changed this, though all households are spending more of their income on essentials such as energy, food and fuel.

At the present time, projections around the impact of the cost-of-living crisis are changing on a weekly basis. It is important that we are able to draw on existing research such as the Welsh Index of Multiple Deprivation (which has previously supported the publication of A guide to analysing deprivation in rural areas), the National Survey for Wales and policy specific data to inform our approach to addressing the impact of the crisis for vulnerable households.

We will also continue to undertake research and analysis of the rural experience as well as utilise existing data to inform our policy development.

For example, as part of the consultation exercise on the next iteration of the Warm Homes Programme, a consultation workshop was held which specifically considered rural issues. The findings are helping to inform the next iteration of the Warm Homes Programme is expected to come into effect in spring 2023.

Similarly, our decision to invest in the Fuel Bank Foundation *Fuel Voucher and Heat Fund Scheme* has been informed by our understanding of energy use in rural areas, fuel poverty estimates and geographical data on standing charges for people on pre-payment meters in North and South Wales.

We will explore opportunities for research and analysis with colleagues in the Welsh Government's Knowledge and Analytical Services which could help boost our understanding of the impact of the rural premium in rural communities.

Financial implications – None

Recommendation 24

The Committee recommends that

Welsh Government should consider establishing an emergency support funding programme, using similar mechanisms to the COVID support programmes, to help the businesses most acutely affected through the peak of the cost-of-living pressures. This could be either in the form of grants, low cost loans or a combination of the two.

Response: Accept

The Welsh Government has *provided around £400 million since November 2021* to help families with rising household bills – putting money direct into staff and consumers' pockets, which had been requested by many parts of business.

In 2022-23, the Welsh Government continues to support SMEs by providing £116m of targeted non-domestic rates support to businesses in the retail, leisure and hospitality sectors. We will continue to examine options.

Only the UK Government has the financial firepower to change the bigger picture and urgent action is needed now to support households and business facing such uncertainty.

As outlined in the response to recommendation 18, we will continue to make representations to the UK Government through the established channels, recognising that most of the levers to tackle the crisis are in the UK Government's hands.

Financial implications – Any significant additional business support would require additional funding being passed to the Welsh Government via the UK Government but would also need to be weighed against other measures required to assist with the cost-of-living burden. The measures implemented for our Covid response were supported by significant additional Barnett consequential in 2020-21 and 2021-22 which has not been repeated in 2022-23.

Recommendation 25

The Committee recommends that

Welsh Government should consider supporting businesses to invest in efficiency savings which will help them lower fuel and energy costs and reduce their carbon footprint.

Response: Accept

The Welsh Government accepts the recommendation that we should consider supporting businesses to invest in efficiency savings so that they may lower fuel and energy costs and reduce their carbon footprints. This consideration will take account of the significant support we are already providing businesses to become more fuel efficient.

We share the Committee's view (para 98) that cost-of-living challenges should not reduce efforts to achieve net zero carbon. As the Committee points out, increasing costs of fuel increase the need for businesses to invest in measures to promote energy efficiency and on-site renewable power generation to achieve the complementary objectives of reducing financial costs and carbon impacts. We shall therefore consider how to further incentivise and support these interventions to help businesses to be more sustainable in the long run.

Financial implications – May include the use of capital receipts.

Recommendation 26

The Committee recommends that

The Minister for Economy should keep the Committee updated with progress around the work to identify money expected to be returned as a result of the Welsh Government's post-completion monitoring of COVID business support funding.

Response: Accept

Due to ERF and Covid support being delivered over a period of two years, we expect the monitoring to continue over a prolonged period. While the aim and expectation are that the vast majority of funding has been used to support business survival and job protection, in the minority of cases where claw back is required, we will continue to report as part of the wider set of metrics

Financial implications – None. Recommendation relates to monitoring and reporting of funding.

Recommendation 27

The Committee recommends that

The Welsh Government should consider using business rates relief to support the most affected businesses until inflation returns to a level close to the Bank of England's target.

Response: Accept in Principle

The Welsh Government is providing £116m of targeted non-domestic rates support to businesses in the retail, leisure, and hospitality sectors for the duration of 2022-23. This support is in addition to our existing £240 million package of permanent rates reliefs. As a consequence of our relief schemes, more than half of the non-domestic rates tax-base is benefitting from full relief in 2022-23, fully funded by the Welsh Government. We also have a duty to ensure stability of funding for local public services, from which we all benefit, where the pressure of heightened inflation will also be felt. All the non-domestic rates revenue raised in Wales is provided to local government to support the delivery of vital local services.

In 2021-22 and 2022-23, the Welsh Government took the decision to freeze the non-domestic rates multiplier. This was to prevent increases in rates bills for ratepayers with a residual liability, after the application of any reliefs, and provide continued support to all businesses during these challenging times.

The next non-domestic rates revaluation in Wales will take effect on 1 April 2023 and will be based on property values as of 1 April 2021. We moved the revaluation date to 2023 because of the pandemic: this means that the rateable values on which rates bills are based will better reflect the impact of Covid-19. Rateable value changes as a result of the April 2023 revaluation are not yet known.

The revaluation of non-domestic hereditaments is carried out independently of the Welsh Government by the Valuation Office Agency (VOA). The VOA will publish a new rating list in draft by the end of this year. Following the 2023 non-domestic rates revaluation, the Welsh Government will review the impact on the tax-base and consider whether transitional support is appropriate going forward.

Financial implications – As outlined above.

Agenda Item 4

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Agenda Item 5

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