Environment and Sustainability Committee

Meeting Venue:
Committee Room 3 - Senedd

Meeting date:
Wednesday, 22 April 2015

Meeting time:
09.30

Cynulliad Cenedlaethol Cymru
National Assembly for Wales

For further information please contact:
Alun Davidson
Committee Clerk
0300 200 6565
SeneddEnv@Assembly.Wales

Agenda

1 Introductions, apologies and substitutions

2 Natural Resources Wales: Annual Scrutiny - Evidence from Stakeholders (Industry) (09:30 - 10:00) (Pages 1 - 21)

Steve Wilson, Director of Wastewater Services, Dŵr Cymru
David Clubb, Director, Renewables UK Cymru
Celine Anouilh, Director, Chartered Institution of Wastes Management

E&S(4)-11-15 Paper 1

3 Natural Resources Wales: Annual Scrutiny - Evidence from Stakeholders (Environment NGOs) (10:00 - 10:40) (Pages 22 - 81)

Dr Sharon Thompson, Head of Conservation, RSPB Cymru
Rachel Sharp, Chief Executive Officer, Wildlife Trusts Wales
Gareth Clubb, Director, Friends of the Earth Cymru

E&S(4)-11-15 Paper 2
E&S(4)-11-15 Paper 3
E&S(4)-11-15 Paper 4

Break (10:40 - 10:50)

4 Natural Resources Wales: Annual Scrutiny - Evidence from Stakeholders (Land Management) (10:50 - 11:30) (Pages 82 - 88)

Rachel Lewis-Davies, Rural Affairs Adviser, NFU Cymru
Rhian A Nowell-Phillips, Deputy Director Agricultural Policy, FUW
Martin Bishop, National Manager for Wales, Confor
Tegryn Jones, Chief Executive, Pembrokeshire Coast National Park Authority

E&S(4)-11-15 Paper 5
E&S(4)-11-15 Paper 6

5 Natural Resources Wales: Annual Scrutiny - Evidence from Stakeholders (Fishing Organisations) (11:30 - 12:00) (Pages 89 - 91)

Dr Stephen Marsh-Smith, Executive Director, Wye and Usk Foundation
Salmon and Trout Association

E&S(4)-11-15 Paper 7

6 Papers to note (Pages 92 - 104)

Financial scrutiny - Farming and Food portfolio: Response from the Deputy Minister for Farming and Food (Pages 105 - 113)

Document is Restricted

National Assembly for Wales
Environment and Sustainability Committee
NRW 2015 – 99
Natural Resources Wales – Annual Scrutiny 2015
Response from Dŵr Cymru

Dŵr Cymru
Welsh Water

Written Evidence to the National Assembly for Wales' Environment and Sustainability Committee

Natural Resources Wales - Annual Scrutiny 2015

April 2015

Dŵr Cymru Welsh Water's experience of working with and/or accessing services from Natural Resources Wales and how it is delivering its statutory functions

1. Introduction

These comments are from Dŵr Cymru Welsh Water, the statutory water and sewerage undertaker that supplies over three million people in Wales and some adjoining parts of England. We are owned by Glas Cymru, a single purpose, not-for-profit company with no shareholders where all financial surpluses are returned to customers. Between 2001 and 2015, we have returned some £250 million to our customers through customer dividends, social tariffs and accelerated investment. We provide essential public services to our customers by supplying their drinking water and then carrying away and dealing with their wastewater. In this way, we make a major contribution to public health and to the protection of the Welsh environment. Our services are also essential to sustainable economic development in Wales. Welsh Water supports £1 billion per annum of economic activity in Wales and some 6,000 jobs.

We are grateful to have the opportunity to respond to the Committee's call for evidence to support the annual scrutiny of Natural Resources Wales (NRW).

2. Findings

2.1. NRW Policy

We appreciate the mature and positive relationship that has built up over time with colleagues from NRW and we strongly identify with NRW's strategic vision and aspiration to achieve environmental outcomes that are good for the people and economy of Wales. The aspiration to

align land, air and water ecosystems to ensure that Welsh wildlife and landscapes are enhanced is highly commendable and one that we fully support. It will, though, undoubtedly take some time to achieve this objective while the legacy bodies genuinely amalgamate. We recognise that, perhaps, due to the level of organisational change that NRW has undergone and the long term nature of delivering sustainable environmental change, it is still early days in measuring change on the ground.

Our dealings with NRW on the occasions that we have discussed policy issues have been positive. We are keen to see that NRW continues to demonstrate a more holistic approach to delivering environmental objectives, with wider environmental issues such as reducing carbon emissions being matters of particular importance when setting future policy. It is important that the costs of achieving tighter environmental standards (e.g. for power and chemicals) which are borne by the water bill payers in our operating area, are properly considered and factored into policy setting. We remain encouraged that NRW, through their strong focus on "place" continue to push for catchment-based solutions and that all polluters pay their share.

We note that the Welsh Government has proposed using the Environment (Wales) Bill to confer on NRW experimental powers to test and trial new approaches to natural resource management. We are hopeful that NRW will embrace this flexibility and use it to help deliver co-dependant actions, for example by trialling general binding rules, bringing trickle irrigation within the scope of abstraction licencing, exploring catchment consenting and introducing restrictions on the use of certain pesticides, particularly in catchments where elevated levels are being recorded in raw water used for potable supplies.

At present, most of the policies operated by NRW for the benefit of the environment in Wales remain the same as they were prior to the creation of this body. As we operate in both England and Wales, having consistency of policy across our operating area helps us achieve our objectives and also establishes a consistent platform by which we are able to provide a high quality service to our customers, deliver outcomes which benefit the environment and secure compliance with legal and regulatory obligations. Whilst we understand and accept that over time there may be a greater divergence in policy, it is important that it is driven from a position of improving the environment in Wales, but also recognising that our costs are borne by the water bill payers of Wales and the areas in England that we operate within.

2.2. NRW Services

We recognise that NRW is facing budgetary pressures and continues to look for opportunities to make cost savings. However, this should not be at the expense of discharging core functions such as monitoring the Welsh environment and there needs to be a careful balance struck. NRW quite rightly prides itself on being an organisation whose decisions are based on evidence and there will continue to be a need for it, as well as others including ourselves, to justify actions and investment decisions on solid evidence based criteria. There is probably further potential and

opportunities to reduce costs through seeking to work with others around co-delivery of activities and projects.

We recognise that this has been a period of transition and we are hopeful that response times and standards of service continue to match those achieved in Wales before the formation of NRW and remain similar to those achieved across the UK sector.

2.3. Engagement with Welsh Water

We appreciate the way in which NRW is committed to working with us and to date this has worked well. Engagement between our two organisations is both structured and informal and takes place frequently at all levels of our organisations. This has facilitated an excellent working knowledge of the challenges faced by each organisation and we have been able to discuss matters openly and constructively and liaise with NRW's officers on a range of different issues.

Local engagement has been particularly positive and has allowed constructive discussion and facilitated progressive decision making in a way that benefits the environment and the people of Wales. We are able to obtain excellent advice on detailed technical matters, e.g. approaches to improving compliance with the various environmental directives such as the revised Bathing Waters Directive as well as permit compliance and pollution reduction initiatives. We have also been able to gain useful support on some of our sustainable and catchment approaches, such as the river Dee phosphate removal strategy.

We recognise that as NRW continues to reorganise and seek further efficiencies, we have a responsibility to work constructively with it to make sure that there is consistent application of policy across Wales. We hope to see an improving environmental picture by focussing our joint resources in the right priority areas.

Both Welsh Water and NRW are similar sized organisations, with many shared goals; it is important therefore that we engage at all levels of our respective organisations to ensure that we see better environmental outcomes through mutual understanding at both strategic and local levels.

2.4. NRW Charges

We are pleased to see the reduction in abstraction licence charges that NRW has implemented for the coming year, but there is scope for NRW to demonstrate greater transparency over the services and functions that its licence charges support. We believe that there is an opportunity

for NRW to demonstrate better value for money in the services it provides. We would like to see NRW publish its cost information so that all parties who pay charges can see how such funding is used. We are sure that this is something that all stakeholders would welcome.

There is also potential for NRW to go further in the use of incentive mechanisms to encourage more sustainable behaviours from permit holders and charge payers. Charges and permits are important economic levers and there could be important linkages with the draft River Basin Management Plans which have recently been the subject of consultation.

2.5. Water Framework Directive (WFD) Engagement

NRW has been receptive to exploring our ideas about the benefits of more actively coordinating the investment and other actions planned by co-deliverers during the WFD's second cycle, a concept which has come to be known as "co-dependency".

We remain keen to continue working with NRW to see if more could be done to co-ordinate "co-dependent" actions between all sectors. This will enable Wales to achieve the best overall value for its investment in the environment by maximising the number of water-bodies in Wales achieving good status.

The WFD presents NRW with a chance to show that it can deliver better outcomes for Wales. The amalgamation of the different constituent organisations within NRW presents an opportunity to draw on the knowledge, skills and experience that existed within each of the bodies absorbed into the NRW and we feel that there is still potential to build on what has been achieved to date and to fully utilise this expertise.

We had hoped to see that the River Basin Management Plans, which are just emerging, would show more evidence of balance between environmental improvements and recognition of the cost and practicality of delivering these within Wales by all sectors affected i.e. not just water bill payers. There is still more work to be done collectively to agree programmes of work that are affordable but we remain committed to work constructively with NRW and others in achieving this objective.

3. Summary

We remain very supportive of having a single body in Wales that takes a holistic view on natural resource management. Understanding impacts upon the environment and managing that through an ecosystems services approach is to be welcomed.

Consistency between the different area teams has always been an issue for us but we appreciate that this is not an easy matter to resolve. We however appreciate the efforts made by senior NRW staff to address this concern and we will continue to engage with staff at all levels within the organisation with a view to tackling these problems and finding the best solutions.

National Assembly for Wales
Environment and Sustainability Committee
NRW 2015 – 99
Natural Resources Wales – Annual Scrutiny 2015
Response from Dŵr Cymru

End

National Assembly for Wales

Environment and Sustainability Committee

NRW 2015 – 70

Natural Resources Wales – Annual Scrutiny 2015

Response from RSPB Cymru

1. Introduction

1.1. In its first two years, NRW has maintained services and responded effectively to incidents such as the storms of 2014. With the creation of a new body on this scale the focus has been on establishing internal systems and managing immediate risks. In this context, it is perhaps inevitable but none the less concerning that we have not seen a coordinated response to the long term threat of the loss of our biodiversity emerging. We have therefore focused this evidence on the areas where we perceive improvements could be made.

1.2. Evidence shows that nature in Wales is in trouble[1]. Welsh Government and Natural Resources Wales (NRW) have both acknowledged biodiversity decline as a major threat to the well-being of nature as well as to the people of Wales[2,3].

1.3. As such we would expect them both, but in particular NRW as the Government sponsored independent body with principal responsibility for the environment, to prioritise measures to address this major challenge by putting in place and delivering a well-thought out and funded plan of action to meet nature's needs on land and at sea. In doing so, NRW would be ensuring Wales' contribution to the international and EU target to halt and reverse the loss of biodiversity by 2020.

2. Where is Welsh statutory nature conservation now?

2.1. Despite calls from RSPB Cymru and others, we have not seen Welsh Government make the clear strategic policy commitment that would provide NRW with a strong mandate to spearhead the nature conservation action which is urgently needed to halt and reverse declines in Wales' biodiversity.

2.2. Welsh Government has continued to target its own and NRW's resources into developing the concept of 'Natural Resource Management' almost to the exclusion of biodiversity and nature conservation. We accept that there is merit in the development of this new approach, particularly if it adopts the UN Convention on Biological Diversity principles[4] in their entirety, and succeeds in joining up plans and policies to enable people across sectors to work more sustainably with and for the environment. However, natural resource management will not be wholly sufficient to halt the loss of our wildlife. Nature conservation interventions (such as protection and targeted management of key sites and species) will remain essential and consequently, must be a key element of natural resource management. To manage natural resources sustainably, we need to maintain and enhance biodiversity – as set out in the well-being goals of the recently passed Well-being of Future Generations (Wales) Bill, which will become law following Royal Assent.

2.3. However, despite the clear need for nature conservation action, the focus of the proposed new natural resource management approach has thus far been at the expense of the action needed to improve the state of nature in Wales. In short, nature conservation is at risk of disappearing as a priority from the statutory sector altogether.

3. What needs to change to deliver improved nature conservation?

[1] State of Nature report, 2013 found 60% of the 3,148 species assessed have declined over the last 50 years and 31% declined strongly. In Wales, the report showed marked declines for butterfly species and over half of Wales' flowering plants, and twice as many birds suffered contractions to their Welsh ranges between 1970 and 1990 compared to species whose ranges increased. http://www.rspb.org.uk/Images/stateofnature_tcm9-345839.pdf

[2] NRW Corporate Plan 2014-17, pp19 - http://naturalresources.wales/media/3298/corporate-plan-2014-17.pdf

[3] Welsh Government Ministerial Statement, 'Shaping a more prosperous and resilient future' Autumn 2013, pp.4,12 – http://gov.wales/docs/desh/publications/131115natural-resource-management-policy-statement-en.pdf

[4] Convention on Biological Diversity, 12 Principles of the Ecosystem Approach – https://www.cbd.int/ecosystem/principles.shtml

3.1. NRW needs a core purpose and direction to enable it to reclaim nature conservation. Loss of biodiversity is driven primarily by human pressures (habitat destruction, pollution, over exploitation). Our current economic model is predicated on environmental/natural resources being very significantly undervalued. The true costs of many activities are externalised, allowing a profit to be generated but essentially relying on the public purse picking up the cost of environmental (and social) impacts. Nature is often given little or no value in decision making, so is often sacrificed for short term financial gain. NRW's statutory purpose is too complex and obscure to allow it to clearly set out the needs of nature which are often long term.

3.2. The core purpose with which NRW was invested in 2013 does not enable the body to clearly prioritise action for the environment above other purposes and duties. The forthcoming Environment (Wales) Bill has the power to correct this problem. However, to date our discussions with Welsh Government leave us worried that the gap in NRW's remit for nature will not be repaired by the forthcoming Bill. Instead it seems that Welsh Government may focus NRW's purpose on a definition of 'Sustainable Management of Natural Resources', which yet again will leave NRW with many competing priorities, and implies a further de-prioritisation of nature conservation within its operations, powers and duties. We cannot afford for this to happen – for nature's sake and our own. NRW must have a clear, strong purpose that enables it to prioritise action and use its legal powers and duties for biodiversity. **We advocate a core purpose for NRW to achieve the 'Resilient Wales' well-being goal from the Well-being of Future Generations Bill – "to maintain and enhance a biodiverse natural environment with healthy functioning ecosystems".** Once enacted the Well-being of Future Generations Bill will provide a sustainable development and well-being context for NRW, as one of the named public bodies in the Act. This legal context will ensure that NRW is operating sustainably, giving the body power to claim a unique primary purpose as a true environmental champion in the statutory sector, with a focus on environmental activities.

3.3. NRW needs the budget and direction from Welsh Government to act for nature. The starting point for this action is through Welsh Government providing NRW with sufficient funds to fulfil its legal duties and deliver its nature objectives, either itself or through funding partnerships and external stakeholders to undertake work. Additionally, direction from Government in its remit letter must place action for biodiversity front and centre as a priority.

3.4. NRW must be fully independent of Welsh Government and actively demonstrate to the people of Wales how it makes its big decisions for our natural environment. We would expect to see a clear and transparent decision-making process with information being shared with stakeholders without recourse to Freedom of Information Act or similar requests. NRW should actively explain their position and approach and be proactive about nature conservation in public fora. We expect NRW to employ their substantial powers, e.g. in relation to planning law, vigorously and in full without political interference to protect and enhance biodiversity. In incidences where there may be conflict between economic development and nature conservation we expect NRW to clearly articulate and champion the nature conservation case to Welsh Government and civil society. This has the effect of ensuring that decisions are made based in the best available information and that there is transparency in difficult cases.

3.5. It should be noted that once the Well-being of Future Generations Bill is enacted and its provisions commence from April 2016, NRW will be legally bound under Section 7 of the Act to explain – 'why the body considers that meeting its objectives will contribute to the achievement of the well-being goals'. NRW will therefore have a future legal obligation to increase its transparency regarding actions in pursuit of the 'Resilient Wales' goal to maintain and enhance biodiversity and ecosystems and should take steps to move towards this new way of operating as a priority.

4. What evidence is there that NRW's new direction is leaving nature conservation by the wayside?

4.1. **Remit letter** – in his letter in February 2015, Natural Resources Minister, Carl Sargeant put social and economic priorities ahead of environmental priorities for NRW[5]. While there are some

[5] Welsh Government Remit Letter to NRW, February 2015 - http://gov.wales/docs/desh/publications/150210natural-resources-wales-remit-letter-en.pdf

positive actions within the 'Good for the Environment' section, there is no mention of action for biodiversity, no calls for improvement of status of priority species, no direction to better monitor and manage our protected sites so they are in favourable condition and form the backbone of the best nature Wales has, and no explicit instructions to fund projects to recover nature.

4.2. **Wales' Biodiversity Strategy** –The Welsh Government has made clear that it now sets policy direction and NRW is an advisory and delivery body. However this has led to confusion and delay in the production of a clear strategy for the recovery of nature in Wales. The Nature Recovery Plan issued for consultation by Welsh Government in November last year was a disappointment. It did not contain clear and focussed targets for nature recovery or a funded plan of action to achieve those targets, which NRW could take forward and spearhead. Instead, the concept of Natural Resource Management was identified as a mechanism that would drive recovery. There was little or no explanation of how this new practice would actually deliver the species and habitat conservation work required. Neither was there explicit reference to the role of biodiversity in delivering sustainable ecosystems, which in turn provide ecosystem goods and services, and underpin natural resources. In the absence of any clear, coherent strategic direction on what the priorities are for the recovery of nature, it becomes an increasingly difficult task for NRW and its delivery partners to focus work on halting and reversing biodiversity declines.

4.3. **Core purpose** – a key barrier that has prevented NRW from focusing on nature conservation is the breadth of the core purpose with which the body was established in 2013 – "to ensure that the environment and natural resources of Wales are sustainably maintained, sustainably enhanced and sustainably used, now and in the future."[6] NRW is the lead statutory body in Wales an environmental remit, and as such needs a purpose that focuses on action for the environment, and contains biodiversity as its top priority. It is our view that NRW's primary purpose is to ensure that a biodiverse natural environment with healthy functioning ecosystems is maintained and enhanced in Wales.

4.4. Such a purpose would position NRW clearly as an environmental body tasked with driving forward change in order to meet the 'Resilient Wales' well-being goal, which will be adopted following the enactment of the Well-being of Future Generations (Wales) Bill 2015. In meeting such a primary purpose, NRW would be protecting the building blocks of Wales' natural environment, whilst having secondary purposes that would provide sustainable benefits for the people and economy of Wales. We must remember that if NRW doesn't take the lead in protecting and enhancing biodiversity, we are in serious danger of jeopardising the social and economic benefits.

4.5. **Protected Site Management** – (see point 5.2 below). Despite being our finest wildlife sites, very many of our Sites of Special Scientific Interest (SSSIs), Special Areas of Conservation (SACs) and Special Protection Areas (SPAs) are not being managed to protect and maintain the interest for which they were identified. Whilst many of these sites are now entering Glastir, the resources to secure protection, engagement with land owners and Section 15 payments (where Glastir is not appropriate) are in very short supply. There is an urgent need to deliver a clear focused plan of action to secure the future of our wildlife crown jewels, however this does not appear to be a priority for NRW thus far.

4.6. **Funding** – whilst NRW has yet to publish their full grant programme, it would appear that strategic nature conservation has been side-lined in NRW's external funding operations. Place-based regeneration projects (which may well have ancillary benefits for nature) appear to have received a greater proportion of the funding than previously, reducing the share to those projects and organisations which take a strategic evidence-based approach to species and habitat recovery.

4.7. In the latest round of NRW funding, NRW have moved away from the principle of full cost recovery for NGOs as set out in the Welsh Government's Third Sector Scheme[7] and have set a 7% cap on eligible core costs for joint partnership and project work. This adds significant

[6] Natural Resources Body for Wales (Establishment) Order 2012, Part 2, Section 4 (1) – http://www.senedd.assembly.wales/documents/s8831/The%20Natural%20Resources%20Body%20for%20Wales%20Establishment%20Order%202012.pdf

[7] Welsh Government Third Sector Scheme and its Annex, the Code of Practice for funding the Third Sector January 2014 http://gov.wales/docs/dsjlg/publications/comm/140130-third-sector-scheme-en.pdf

administration and in many cases, NGOs are now delivering projects at a deficit, which is clearly unsustainable and creates an unequal relationship between the voluntary sector and statutory sector.

4.8. The discontinuation of the Resilient Ecosystems Fund has also removed funding for nature conservation. We understand that there is a proposal to support nature recovery through a future Welsh Government 'Nature Fund' within the RDP (Rural Development Fund) however, there are challenges to this as the RDP is complex, limits costings for land management actions (based on agricultural income forgone) and may not be accessible to all. This loss of funding for biodiversity itself as well as to nature conservation bodies is having a pronounced negative impact on nature's future by excluding certain projects and on-going management activities from funding[8], and in some extreme cases, is also threatening the very future of some specialist conservation charities in Wales.

4.9. The solution to these issues include ensuring that NRW has a clearly prioritised role in delivering nature conservation and has sufficient budget allocated from Welsh Government to achieve their nature conservation and biodiversity duties and responsibilities, which they use to deliver nature conservation directly or in partnership with others.

4.10. **Staffing and organisational culture** – we are concerned that the balance of staff resource against NRW's duties is disproportionate. Specialist knowledge and expertise within nature conservation and biodiversity related disciplines have been lost through the various staff redundancy rounds and not been replaced, for example, there is currently no upland ecologist, no biodiversity advisor to senior management for strategic planning and policy development, and fewer taxonomic experts. NRW is also lacking resource / expertise to demonstrate its independence from Government, for example there is no longer a liaison officer to the Assembly who can communicate policy issues to the Senedd/AMs directly.

5. Are there other areas of concern with NRW's current operation?

5.1. **Independent and transparent decision-making** – there remains an ongoing concern over how conflicts of interest that were publically visible between the legacy bodies of NRW are dealt with internally within this one organisation. Welsh Government is also taking a very active role in the development of the two-year old organisation, both in terms of developing policy direction for natural resource management and an area based approach, and creating a legislative foundation for these processes and changing NRW's powers and functions through the forthcoming Environment (Wales) Bill. This naturally leads to questions over how independent NRW is.

5.2. **Site Condition** – we are concerned that NRW is unable to provide an up-to-date assessment of the condition of Wales' network of designated sites. The most recent assessment of condition was conducted nearly 10 years ago by CCW in a rapid review in 2006[9], and this exercise was by no means comprehensive due to evidence gaps. We see no evidence of a systematic plan being in place at NRW to monitor feature condition and specifically make progress towards the outcomes and milestones set in the current plan, the Environment Strategy for Wales 2006[10]. We acknowledge the important work being conducted for Natura 2000 sites through the Natura 2000 Programme and monitoring of condition of SACs under Article 17 of the EU Habitats Directive, but this is a requirement under European law and we believe that domestic legislation and policy should be used to embed Wales' work towards improving condition and coherence of a network of internationally and nationally important protected sites. We believe the Environment (Wales) Bill and Nature Recovery Plan should make firm legislative and policy commitments respectively, to help NRW progress and take action to improve site condition across the range of site designations, by working both directly and with partners.

[8] The move from CCW's legacy Strategic Partnership Fund to NRW's new Joint Working Partnership fund has seen RSPB Cymru's funding for comparable nature conservation projects reduced from £121,500 (2014-15) to £67,500 (2015-16).

[9] http://www.ccgc.gov.uk/landscape--wildlife/protecting-our-landscape/special-landscapes--sites/protected-landscapes/sssis/sssi--report/condition-of-features.aspx [Accessed: 8/4/15]

[10] Environment Strategy for Wales, 2006, pp.36-40 – http://gov.wales/docs/desh/publications/060517environmentstrategyen.pdf

Wildlife Trusts in Wales – Natural Resources Wales Scrutiny Evidence

1. Introduction

Thank you for the opportunity to give evidence to the Committee's annual scrutiny of Natural Resources Wales (NRW).

Wildlife Trusts Wales (WTW) is the representative organisation for the six Wildlife Trusts in Wales – Brecknock, Gwent, Montgomeryshire, North Wales, Radnorshire and South and West Wales - working together in partnership to protect wildlife for the future. This evidence is submitted on behalf of the all the Wildlife Trusts in Wales.

WTW has previously responded to the many consultations relating to the formation of, and proposed arrangements for, establishing and directing a new body for the management of Wales' natural resources. WTW also gave evidence to the committee regarding Natural Resources Wales (NRW) and its statutory purpose and remit.

WTW was generally supportive of the formation of a single *environmental* body as we hoped it would create significant opportunities to benefit nature conservation; principally that:

a) the ethos of NRW was intended to be about the ecosystem approach, a strategy for the integrated management of land, water and living resources that promotes conservation and sustainable use in an equitable way, as endorsed by the Convention of Biological Diversity[1]
b) the nature conservation of Countryside Council for Wales (CCW), Forestry Commission Wales (FCW) and Environment Agency Wales (EAW) would be magnified within the new organisation (e.g. more natural flood alleviation measures being introduced) with NRW becoming a strong, independent, environmental champion with a clear purpose of protecting, conserving and enhancing the environment.
c) the re-investment of the expected £158m[2] savings from the merger over 10 years, to be targeted towards nature conservation and research and monitoring .
d) allowing cross departmental co-operation to facilitate key biodiversity management projects such as Newborough Forest managed by FCW and dunes managed by CCW.

We are aware that merging the three legacy bodies Countryside Council for Wales (CCW), Forestry Commission Wales (FCW) and Environment Agency Wales (EAW) was a substantial task and achievement. The Wildlife Trusts in Wales see themselves as natural partners for NRW as we complement many of their responsibilities such as nature conservation and education. As such, we have had, and continue to have, exceptionally good and constructive operational relationships with the former legacy bodies' offices locally and now NRW local officers. We have also noticed some benefits from the formation of NRW. For example:

a) conservation staff from EAW and CCW working as one team
b) it can be easier to get NRW staff with different skills out on site and to get the combined support for actions.

However, it has now been two years since NRW's launch and while there have been a number of positives that have resulted from the merger, **we had hoped to see more**

[1] https://www.cbd.int/ecosystem/
[2] http://www.bbc.co.uk/news/uk-wales-politics-19844497

progress with NRW becoming a strong, independent, environmental champion. However, this has not yet materialised.

At the time of merger, we expressed fundamental concerns that the new body might not be a single environmental body but one that puts socio-economic considerations ahead of environmental protection. We were also concerned that CCW's voice and the conservation elements of EAW and FCW would be diluted or lost. Our evidence to this inquiry is that **not only have these concerns been realised, but further concerns, that are even more worrying, have emerged.**

Wales needs a clear environmental champion with a strong purpose of protecting, conserving and enhancing the environment. Currently, NRW is not that champion.
Our concerns relate to the following:

- NRW is not acting as an independent environmental body.
- NRW is putting perceived (rather than evidenced) socio-economic considerations ahead of environmental protection. For example, by not objecting (but rather suggesting mitigation measures) to developments that have an adverse impact upon the environment.
- If NRW sees environmental considerations as a tradable consequence of development as this would result in an increase in the loss of biodiversity.
- If NRW does not object to inappropriate planning applications, due to a perceived '*wider statutory purpose'*, it is being interpreted as a definitive statement that there are no material environmental issues by Local Planning Authorities. By not objecting NRW is allowing Local Planning Authorities to routinely dismiss non-statutory conservation organisations concerns because the statutory body does not object. Also, a lack of access to expert advice from NRW specialist staff will hinder organisations wishing to challenge inappropriate development.
- NRW's imposed socio-economic cultural change has led to a feeling that NRW's environmental and conservation advice, specialisms and expertise are being eroded and ignored. We have been informed that this is having an impact upon staff morale and that this was evidenced recently in an internal staff survey.
- The nature conservation, planning and land management experience within NRW is being lost through specialist conservation or planning staff:
    - leaving
    - having their responsibilities broadened
    - being given different responsibilities or reallocated to different divisions with no back filling of that specialism

  We believe that this weakens NRW's capacity to deliver its legal obligations to further nature conservation. The impact of this is to make the organisation less effective in its various roles.
- The reduction or cessation of funding to specialist conservation organisations further exacerbates the lack of availability of conservation expertise in Wales.
- That the nature conservation budget within NRW is being significantly reduced meaning that it cannot meet its statutory duties.
- That NRW is not prioritising funding for research and monitoring of biodiversity. For example, the removal of the £12,000 that supported Professor Tim Birkhead's 40-year long-term study of Guillemots on Skomer Island.
- Environmental organisations do not feel a sense of partnership with NRW and even the Joint Working Partnerships are more akin to contractual arrangement between organisations rather than a true partnership. This is disappointing considering that, over the years, conservation organisations have built up close working relationships and excellent partnerships with the three legacy bodies, especially CCW. **This former relationship gave a 1:4 return on investment (e.g. external match funding and volunteering hours). Under the new funding arrangements there will be less added value.**

- The way in which NRW funding is administered is wholly unhelpful (e.g. constant conflicting advice within limited criteria), not transparent and was not undertaken in consultation with the third sector. **The most worrying outcome has been the imposition of a capped overhead rate of 7% for projects** - as NRW only fund half of the project costs, this means NRW is funding 3.5% of the overhead rates. This is forcing third sector organisation to run projects at a loss which is not sustainable.

The evidence for the above concerns is listed below in either reference to documents or annexed. We have also highlighted concerns from NRW staff about the change in culture and direction that NRW is taking.

As Wales' statutory nature conservation body, **NRW is required to show clear, strong and strategic leadership that recognises the need to protect our environment and understand how biodiversity underpins the ecosystem based approach**. This has not emerged and NRW risks losing credibility as an independent environment body.

We believe that the relationship between non-government nature conservation bodies and NRW will only blossom when we have confidence that NRW will:

- safeguard and enhance the natural environment
- maintain and enhance their conservation expertise
- champion biodiversity research and monitoring

We have listed a number of recommendations and questions at the end of the paper to aid this purpose.

2. Independence from government

Natural Resources Wales is a Welsh Government sponsored body and receives an annual remit letter from the Minister for Natural Resources.

We believe that to be credible and effective, NRW needs to demonstrate a significant and recognisable degree of independence from government, not least in relation to, and exercise of, its statutory roles for independent assessment and advice under EU and UK law. This is the case for instance, where an agency exercises regulatory powers over government (e.g. Environment Agency) or has quasi-judicial powers (e.g. through a statutory or advisory role related to the planning system, or the protection and designation of sites or areas of national conservation significance) for which the Welsh Government is the ultimate decision maker. A lack of independence in such cases could leave the Welsh Government open to challenge under EU legislation or the Human Rights Act. Moreover, environmental policies should be informed by sound scientific evidence, which in turn requires an independence of judgement. Reviews of Environmental Governance elsewhere (for example the Macrory Report 2004, relating to Northern Ireland) have highlighted this need for formal independence from government.

Welsh Government also requires NRW to be an independent and expert organisation so that it can deliver on their aspirations to create resilient ecosystems (as in the goals in the Well-being of Future Generations Bill). Having independent advice on environmental impacts in planning nationally and locally is critical to achieving the FG Bill.

However, from the outset there appears to have been significant pressure placed on NRW from Welsh Government to be an enabler of development[3] and thus put perceived (rather than evidenced) socio-economic considerations ahead of environmental protection.

[3] See wording of the Welsh Governments 'Frontloading The Development Management System' consultation[3]
http://gov.wales/docs/desh/consultation/141006frontloading-consultation-document-en.pdf

This was highlighted in the BBC Wales Report last year regarding the Circuit of Wales. CCW originally objected to the development and stated that they were reminded to ask for the application to be 'called in'. NRW originally maintained this objection (Appendix 1). The Wales Report highlighted emails (Annex 1) from the then Natural Resources Minister, Mr Alun Davies AM, who appeared to put pressure on NRW to change its advice:

*"NRW would be taking an **entirely different approach to planning matters** and would be seeking to **adopt a positive approach, working with applicants to deliver developments…** I do not believe that the **current NRW position does reflect the totality of the statutory duties and the demands of the remit letter provided to NRW by the Welsh Government**."*

NRW subsequently worked extensively with the developer to overcome the objections. We are informed that NRW wrote the mitigation strategy, which is usually undertaken by the developer. The resulting strategy, in our view, is inadequate as the mitigation and compensation proposed is not sufficient to balance the loss of over 200ha of important habitat.

The BBC Wales Report obtained evidence that showed NRW staff were frustrated at being asked to change their recommendation, from objection to no objection, despite no new evidence coming to light[4].

It would appear that this was not an isolated incident. Another email (Annex 2) again highlighted by the Wales Report, showed that a senior Welsh Government official wrote to NRW asking them:

*"**if anything we might want to do relating to other 'residual' CCW objections** within the planning system… Is **there anything that we should be doing if it appears that the main risk to such developments are the environmental objections raised by CCW**?"*

*"That objections were based on "**CCW's purpose and statutory functions. NRW, of course, has a wider statutory purpose"***

"constitutes a reputational risk that nothing has changed with the establishment of NRW…".

The email also states that Welsh Government will *"consider and address…the significant weight accorded by Planning Officers to the views of statutory consultees…"*

We believe that this means that NRW should either mitigate away concerns and/or not object to planning applications that have an adverse impact upon the environment.

Another such 'residual' CCW objection that was overturned was the Land and Lakes development on Anglesey. We are therefore concerned that CCW's objections were overturned in favour of economic benefits.

However, as the statutory nature conservation body, **it is not for NRW to take a wider view of decisions to include economic, social and environmental – but for the decision maker such as the Local Planning Authority to balance competing interests**.

Our experience has been that economic considerations are outweighing social and environment considerations, so these are not sustainable decisions. Therefore, NRW are not acting as a specialist independent and transparent environmental adviser and cannot give Welsh Government the independent advice that it requires.

The above raises addition concerns, namely:

[4] http://www.bbc.co.uk/news/uk-wales-26762807

- How NRW will look at fresh applications, especially Welsh Government proposed or funded projects that adversely impact the environment. For example, the proposed M4 'black route' that will directly impact 9kms of the Gwent Levels SSSIs and the River Usk SSSI and SAC?.
- If NRW, as the statutory nature conservation body, does not object then who is left to defend statutory habitats, species and sites and the wider environment from inappropriate development - nature conservation charities (see Section 6 – Planning and Transparency)?

3. Remit

We believe that the role of NRW should be, as the **Statutory Nature Conservation Body**, to contribute to sustainable development by delivering a healthy natural environment that contributes to sustainable development and therefore the well-being of the people and the economy of Wales.

However, as explained above, a narrative has emerged suggesting that NRW has a different remit from CCW, FCW and EAW. The narrative states that NRW '***has a wider statutory purpose'*** and should take an '***entirely different approach to planning matters'***. We believe that this means either not objecting to adverse planning applications or mitigating away concerns.

That NRW has '***a wider statutory purpose'"***is a political narrative in order to support development at the expense of the environment, and not a legal reality. However, the purpose of the body, as set out within Article 4 (1) of the Establishment Order[5], states:

The purpose of the Body is to ensure that the environment and natural resources of Wales are

(a) sustainably maintained;
(b) sustainably enhanced; and
(c) sustainably used.

(2) In this article—

(d) "sustainably" ("yn gynaliadwy") means—
(i) with a view to benefitting, and
(ii) in a manner designed to benefit, the people, environment and economy of Wales in the present and in the future;

(b) "environment" ("amgylchedd") includes, without limitation, living organisms and ecosystems.

This provision indicates that, in fulfilling its purpose (which must include the discharge of its statutory duties), NRW must balance the interests of people, the environment and the economy. But this drafting is very broad and seems to set out principles rather than impose a specific duty. **We, therefore, feel that NRW's duty should be strengthened in the proposed Environment Bill**.

As Article 4 (5) sets out that "*Paragraph (1) does not give the Body power to—*

a) do anything that it would not otherwise have the power to do, or
*b) **exercise any of its functions in a manner contrary to the provisions of any other enactment or any EU obligation**(2).*

Article (4)(5)(b) indicates that all CCW obligations and duties are still legal. In addition, NRW's conservation duty[6], subject to exceptions (e.g. pollution control), imposes upon NRW

[5] Natural Resources Body for Wales (Establishment) Order 2012 (Establishment Order) http://www.assembly.wales/Laid%20Documents/SUB-LD-8922%20-%20The%20Natural%20Resources%20Body%20for%20Wales%20(Establishment)%20Order%202012-30052012-234816/sub-ld-8922-e-English.pdf

an absolute duty to exercise its functions to further nature conservation. We believe this means that, similar to the 'Sandford Principle' regarding designated landscapes:

"***If it appears that there is a conflict between those purposes, {NRW} shall attach greater weight to the purpose of conserving and enhancing the natural beauty, wildlife and cultural heritage of the area."***

However, the narrative that NRW's remit has changed appears to have come from Welsh Government to the NRW leadership and cascaded downwards through the organisation. However, as explained above, NRW's legal remit is still the same as that within CCW, EAW and FCW – to "*further nature conservation and the conservation and enhancement of natural beauty and amenity"*. Also, NRW is subject to the same legal nature conservation duties and obligations that all public bodies are subject to through European Directives such as the Birds and Habitats Directive, the Water Framework Directive, the Wildlife and Countryside Act 1981 (as amended), the Natural Environment and Rural Communities Act (NERC) 2006 etc.

In addition, and especially with a reduction in staff numbers, NRW staff are being stretched too far and asked to take on too much, especially in areas outside the expertise of the three legacy bodies such as fuel poverty and energy efficiency.

It should not be the role of NRW to achieve sustainable development in its entirety but to contribute to it by delivering a healthy natural environment that contributes to sustainable development and therefore the well-being of society and the economy. We believe that it is possible in many, if not most cases, for NRW to be able to improve environmental management that will also provide economic and social gains and therefore contribute to the delivery of meaningful sustainable development. This can be achieved by maximising the potential ecosystem services from the natural environmental. However, NRW are not taking these opportunities to take an ecosystems based approach to solving the demands of modern society.

An example of this is the **Circuit of Wales**, where the development would remove over 200ha of peatland. NRW, along with Welsh Government who gave financial backing to the scheme, should have followed the 12 Convention on Biological Diversity (CBP) principles[7] and first asked, based on the ecosystem approach, whether this was suitable site for this development. If the answer iwas no, NRW should have maintained CCW's original objection and suggested that the development should either:

- find a more suitable venue in Wales or
- be broken up into a number of smaller components to minimise impacts and relocated to a number of the employment allocations in the LDP

In this way, the economic benefits to Wales will remain as the development goes ahead but the people of Blaenau Gwent still benefit from the ecosystem services that the 200ha of peatlands provide them (flood alleviation, carbon storage and healthy environment to enjoy for their own health and well-being). Instead NRW has not objected and the 200ha of peatland will be lost forever along with the benefits it provides for the local community. While there will be some economic gain there will be no social, cultural or environmental gain.

[6] Natural Resources Body for Wales (Functions) Order 2013 - **"Nature conservation duties 5A.**—(1) The *Body must exercise its functions so as to further nature conservation and the conservation and enhancement of natural beauty and amenity.*

[7] The 12 CBD principles can be found at https://www.cbd.int/ecosystem/principles.shtml

4. Compliance

As a country within the UK, Wales is subject to EU law, and is party to a number of international environmental treaties and conventions. These legislative measures cover all environmental sectors, including water, air, nature, waste, noise, and chemicals, and others which deal with cross-cutting issues such as environmental impact assessment, access to environmental information, public participation in environmental decision-making and liability for environmental damage. This body of law is continually under assessment with significant developments such as updates on existing laws from European case law.

Achieving better and timely implementation of EU environment legislation will help avoid or reduce the incidence of environmental infringements and non-compliance. This could help resolve issues at the source and therefore not risk expensive infraction proceedings.

We believe that NRW needs to demonstrate credibility and demonstrate compliance with our international obligations, in an area where public interest and confidence is crucial. However, this will be made difficult with the loss of specialist staff (see below – Nature Conservation experience).

5. Nature conservation expertise and resources

Instead of being magnified within NRW, the nature conservation duties of CCW, FCW and EAW appear to have been eroded within NRW. **We are aware that there has been a loss of nature conservation specialists within NRW throughout Wales from the three legacy bodies**. **It would be of interest to see a breakdown of those who have or are leaving under voluntary severance and their area of expertise and legacy body.**

Where conservation staff have been retained, many of their remits have been broadened (therefore they will be less effective in their conservation roles) or have been allocated completely different responsibilities and with no back-filling of that specialism. For example, Stanner Rocks, one of three key NNRs in Radnorshire. For several decades these have been managed by Andrew Ferguson (a former CCW member of staff) who retired in December 2013 and has not been replaced. As elsewhere in Wales, these internationally important sites need very specific management. They also require detailed specialist and technical monitoring to ensure that their features and interest are maintained. NRW (and before them CCW) were aware of Mr Ferguson's impending retirement, but no adequate strategy appears to have been put in place to protect this extremely important site.

We also understand, from several reliable sources, that the NRW budget has been cut, and we are also concerned that the nature conservation budgets may have suffered disproportionately. As a result we do not believe NRW has the resources and capacity (including conservation staff) to fulfil its statutory responsibilities. For example, we are aware that the budget to manage the National Nature Reserves, which are owned or managed by NRW, was £1.8m at its peak during the latter years of CCW and even at that time the resource available was not entirely adequate to meet their aspirations. NRW has cut the budget to just over £1m. Taking additional substantial commitments and inflation into account we can only conclude that the NNRs are seriously threatened and site infrastructure in particular provisions for visitors will begin to fail almost immediately. As a consequence of the lag effect the inevitable ecological impact of management neglect will only become apparent in years to come thus disguising the consequences of this budget cut.

This has, and will continue to have, a significant impact upon the ability of NRW to deliver its statutory duties in terms of nature conservation advice, planning, land management and research and monitoring. **Conversations with NRW staff, especially those with specific specialisms, reveal that they are demoralised and feel that they have no choice but to leave NRW.** We believe that this is reflected in a recent internal staff survey.

<u>It is important to note that the reduction or cessation of funding to specialist conservation organisations further exacerbates the availability of conservation expertise in Wales</u>.

We are also aware that there are a number of occasions when specialist internal advice was ignored, not sought, or that CCW advice was overturned. This includes:

- **Circuit of Wales -** A CCW objection which highlighted significant ecological concerns and suggested that the application be 'called in' (as it raised concerns of local/county importance) was originally upheld and then withdrawn by NRW. EAW also originally objected to this development. NRW also did not request the application to be 'called in' (See Section 3 – Independence from Government).
- **Land and Lakes –** CCW objected[8] to the development because the scale of the development would have a "severe detrimental impact" on an Area of Outstanding Natural Beauty (AONB). Natural Resources Wales said it did not object to the proposal in principle but was concerned about the impact on the Area of Outstanding Natural Beauty[9]. This suggests that NRW can highlight concerns but not use the term 'object to developments' (See Section 7 – Planning and Transparency).
- **Development Plans -** We know that CCW planners used to, in their representations on Unitary Development Plans (UDP), address the 'need' for a development if the development adversely impacted the environment such as a SSSI. However, NRW now only make representation on the environmental impact. For example, at the Cardiff Local Development Plan examination NRW gave evidence on the environmental impact of a business park on the Wentlooge Levels SSSI but did not address the 'need' for the development even though 'need' was absolutely central to the developers' arguments. NRW is currently not using CBD principles to question whether the development is needed and whether it is an appropriate site before entering into any mitigation discussions. NRW seems to be by-passing these first two critical CBD steps.
- **Mid-Wales public Inquiry –** following a third party objection to NRW a proof of evidence was changed at the public inquiry removing reference to current government policy on energy[10]. This highlights the inconsistency of remits and a lack of understanding of planning process (e.g. once a position is taken at an inquiry, a change should not be made unless clear evidence emerges to justify that decision).
- **Llanrwst flood alleviation** - our concern is that on this site flood mitigation work took place in the fish spawning season when thousands of eggs should have been laid in one of the most important nursery streams for salmon and sea trout in Wales. Reported by the BBC[11]: "NRW said its Fisheries Officer has visited the area five or six times over the last year" and that NRW's "*initial advice was not to conduct the work during spawning season, but they were told this would jeopardise the whole scheme* {as there was a funding deadline}. This is clear evidence where economic factors have over-ridden environmental and social concerns.
- **Sawmill Pool –** A development site was found to have an otter den (known as a holt). Against the recommendations from their ecological consultant the developer cleared the site (in breach of EU regulations) and applied for retrospective planning permission. CCW objected to the development, but this objection was withdrawn by NRW[12]. We believe that previously, CCW would have prosecuted.
- **NRW internal co-ordination/advice systems** – **Forestry** – We are told that there is no formalised system of internal consultation on any commercial letting contract within NRW (e.g. for open cast coal, wind energy, small-scale hydro, on the Forest Estate). This represents a missed opportunity to build in sustainability (appropriate restoration, protection of air quality, protection of water and discharges) at the contract level, providing early warning to developers on the level of mitigation and

[8] http://www.walesonline.co.uk/news/local-news/ccw-oppose-holyhead-holiday-park-2506258
[9] http://www.bbc.co.uk/news/uk-wales-24355528
[10] http://www.ynnicymru.org.uk/blog/peter-minto-brought-nrw-disrepute/
[11] http://www.bbc.co.uk/news/uk-wales-31165871
[12] All the planning documents relating to the case are here:http://planning.powys.gov.uk/portal/servlets/ApplicationSearchServlet?PKID=107092

enhancement that would be expected. Given the amount of forestry land that can potentially be used for windfarms, open cast, coal bed methane and potentially fracking, this is especially important. This may help avoid major situations such as **Celtic Energy** which avoided its restoration liabilities.

There is also often no dialogue within the forestry section. For example, when money is taken for enhancement works on areas of land, this can prejudice any statutory consultee comments NRW intend to make on development /common land proposals at a later stage. This happened on areas of land that were proposed as common exchange land in the Circuit of Wales application, limiting NRW's ability to object to the proposed land exchanges

- **Local Operations – Forestry** – A Local Wildlife Trust consulted NRW regarding the restoration of a grassland site, identified by CCW as important, through the removal of mature scrub. The Felling Licence Team (FLT) at NRW informed the Wildlife Trust that they (the FLT) could not take advice from the NRW grassland specialists because they were supposed to make an independent decision and that they could not accept advice from other NRW colleagues. This seems contrary to the original purpose of forming NRW to promote communication and sharing of expertise and knowledge.

This is especially concerning as it has been proven that environmental considerations are not a constraint on economic activity in general (Davidson Review 2006[13], the review identified that stakeholders' perceptions of gold-plating were often misplaced).

The lack of willingness for NRW to safeguard our environment is a move in the wrong direction if Wales is to deliver on its aspirations within a Living Wales, the Well-being of Future Generations Bill, Nature Recovery Plan, Pollinator Action Plan and the Environment Bill. It was also hinder Welsh Government's current environmental legal commitments such as the Water Framework Directive and the EU Environment Strategy aim to halt the loss of biodiversity by 2020.

The aim of NRW must be to safeguard and enable the recovery of biodiversity which provides the building blocks required to take an ecosystem based approach. We believe that NRW would agree that a healthy natural environment where biodiversity loss has been halted and reversed would be a key test to monitor whether Wales becomes a sustainable nation. However, this philosophy is not borne out in its approach to development, monitoring, research and site management.

6. Planning and transparency

When setting up the new body, the then Minister made a commitment to the Environment and Sustainability Committee[14] that NRW would ensure transparency in the decision-making processes of a new body and that all assessments and advice on which decisions would be made would be published. Therefore, we expect NRW to make their planning decisions more transparent and make public all internal advice, along with a rationale for the final decision taken in such cases. We have not seen this to date. Therefore, there remains an ongoing concern over how conflicts of interest, that were publically visible between the legacy bodies, are dealt within NRW.

If NRW does not object to inappropriate development, this leaves charities/the third sector in a position where they are the only organisations who will form this independent advice (See Section 3 – Independence from Government).

13 http://webarchive.nationalarchives.gov.uk/20121212135622/http://www.bis.gov.uk/files/file44583.pdf

14 See Committee Report - the business case for a single environment body, May 2012http://www.senedd.assembly.wales/documents/s7329/The%20business%20case%20for%20a%20single%20environment%20body%20-%20Report%20-%20May%202012.pdf

Previously, organisations that wished to protect biodiversity and conserve protected sites from inappropriate development relied on:

- CCW/EAW to object to inappropriate development
- expert advice and evidence from CCW/EAW to use in their defence of important sites

However, the expert advice from NRW conservation staff, for the reasons mentioned above, is now unavailable to assist organisations wishing to challenge inappropriate developments.

We are concerned about this lack of ***transparency*** and accountability within NRW will contribute to the net loss of biodiversity and forms potential conflicts between the different functions of the new body. These are important issues in the modern devolved Wales, especially as the UK is a signatory to the **Aarhus Convention**[15] and the **EU biodiversity strategy to 2050**[16]**.**

Also, as NRW is the statutory nature conservation body, if it does not object to a planning application, **due to its perceived new '*wider statutory purpose (rather than on nature conservation grounds)*'**, local authorities may deem environmental objections from non-statutory environmental bodies as groundless or not material and therefore approve inappropriate developments. Therefore, given the weight that Local Planning Authorities give to NRW comments, NRW is effectively making the environmental planning decision on their behalf.

We are concerned that in current and future applications NRW will attempt to mitigate problems rather than object to them. See Section 6 – Nature Conservation expertise for examples.

Objection or not objection – Another area of confusion, based on feedback from Local Authority Planners to the old EA(W) comments, NRW has agreed that one of the following would be used:

- No Objection
- Objection until.....
- Objection unless.....
- Objection
- No interest

However, "No Objection" means that NRW have reviewed the limited information in the planning application and there is no reason in principle why the development is not acceptable, but until they have seen the permit application (if required) and provided that appropriate mitigation is used they cannot give a definitive answer. Following that introductory paragraph, NRW details their concerns, and gives all the responsibility to the planning authority - who are the Competent Authority at the planning stage.

[15] The Aarhus Convention establishes a number of rights of the public (individuals and their associations) with regard to the environment namely, the right to access environmental information, a right to environmental justice and a right to public participation in decision making - http://ec.europa.eu/environment/aarhus/

[16] The 2020 headline target: "*Halting the loss of biodiversity and the degradation of ecosystem services in the EU by 2020, and restoring them in so far as feasible, while stepping up the EU contribution to averting global biodiversity loss*"; the second is the 2050 vision: "*By 2050, European Union biodiversity and the ecosystem services it provides – its natural capital – are protected, valued and appropriately restored for biodiversity's intrinsic value and for their essential contribution to human wellbeing and economic prosperity, and so that catastrophic changes caused by the loss of biodiversity are avoided*."

We are informed that by NRW that the Local Authority Planners have been trained to understand what "No Objection" means, and it is the planners' responsibility to train the councillors on the planning committee. However, the words "No Objection" are being taken out of context - by both planning officers and councillors - and **we consider that they are being taken as an indication of approval of the application**. NRW will then, post planning permission consider an environmental permit (e.g. Poultry sheds). However, a scenario could easily arise that, a business secured a planning application based on a 'no-objection' from NRW but then was refused an Environmental Permit. This would not be helpful for the business. It is important to remember that planning consent is in perpetuity, but a permit may be amended or withdrawn at some time in the future.

Examples of the above include

Wrexham Prison - The application site was regarded by many experts to be of SSSI quality for invertebrates such as Grizzled Skipper, a Welsh Priority Species (Section 42 NERC Act). The site was also important for Barn Owls (Schedule 1, W&CA 1981) and Great Crested Newt, a European Protected Species ('Habitat Regulations' 1994). However, the application was not opposed by NRW despite some unusual and concerning planning decisions.

Firstly, the application was processed with insufficient ecological information, particularly with regard to invertebrate species and Great Crested Newt, resulting in what is considered by many experts (including former CCW staff) to be inadequate mitigation for the adverse impact of the development. Secondly, although mitigation included a conservation area, there was no plan for the funding of its management beyond an initial five-year post-construction period. Furthermore, part of this mitigation land was then sold by Wrexham County Borough Council to a developer to pay for the management of the remainder of the mitigation land, thus effectively trading mitigation sites with an overall net loss to biodiversity. This was all done with the support of NRW.

Even if the development should not have been opposed outright, NRW should have insisted upon more rigorous ecological surveys, a smaller footprint for the prison (as around half of the land-take is for possible future expansion) and a properly funded and guaranteed mitigation plan with funding secured from the MoJ directly, rather than via a third party. Currently, there is still no mitigation plan for a European Protected Species beyond the initial five-year period.

Poultry Sheds in Radnorshire - Pollution from these developments has been identified by NRW and others as having a significant impact on designated sites and Water Framework Directive (WFD) obligations. We know that since 2008, 134 planning applications have been consented in Powys by the Local Authority (who received comments from CCW and EAW and now NRW). This equates to millions of chickens, and the waste that arises from these sheds contains significant amounts of nitrogen, phosphorous and ammonia which are released into the environment either through:

- ventilation systems of the poultry sheds released dust (which contains complex mixture of organic and inorganic particles, faecal material, feathers, dander mites, bacteria, fungi and fungal spores) which contains nitrogen, phosphorous and ammonia and can be deposited on designated sites some distance away.
- being spread on fields as manure which in turn, after rainfall, can run into rivers.

Nitrogen, phosphorous and ammonia are in a form that is quickly absorbed by both terrestrial and aquatic plants. In turn, this causes nutrient enrichment which can cause eutrophication, for example:

- in freshwater lakes and rivers, nutrient enrichment causes an explosion of algae (known as algal blooms) that absorb oxygen from the water and starve other other plants and animals of oxygen.

- in terrestrial environments via deposition, such as wildflower grasslands and ancient woodlands and hedgerows, the extra nutrients allows one or two species to dominate at the expense of other species – thus losing biodiversity and species richness.

It is apparent that the culmination of poultry units in this area is having a significant impact on nationally and internationally important sites (e.g Marcheini, Gilfach and Gamallt & River Ithon SSSI, River Wye and Elan Vole Woodlands SACs)(**See Appendix 2** – Alan Loveridges letter to Radnorshire Wildlife Trust).

However, while NRW Officers are giving the right ecological advice to Local Planning Authorities they are not objecting. For example, NRW advice to Powys County Council Planning regarding application P/2014/1246, states:

"***NRW does not object*** *to the proposal as submitted but we are concerned about the* ***potential cumulative effects that the proposal may have on the notified features of designated sites from airborne and water pollutants****…the proposed development is located in close proximity to the* ***River Wye SAC, River Ithon SSSI****….The* ***River Ithon already shows high levels of phosphate and given the number of poultry units located within the catchment, we consider that there is a potential risk of significant cumulative effects on the water quality of the River Ithon SSSI / River Wye SAC***."

They continue that all the poultry sheds in the area "*will be* ***contributing to what is an already high background level of ammonia and nitrogen deposition*** *in this part of Powys*".

Whilst NRW recommended that Powys County Council should undertake an 'appropriate assessment' to assess whether the application may have a cumulative impact upon the European sites, they did not object. However, if the development, as NRW suggests, will have an adverse cumulative impact on the European site is approved, Wales risks breaching the Habitats Regulations[17] and Directive[18] and the potential for infraction proceedings against Welsh and UK Governments as a result.

The NRW letter also states that:

"The ***existing high ammonia and nitrogen levels in this part of Powys could hinder the progress towards achieving these targets*** {target – 95% of all SSSIs into Favourable Conservation Status 2015}".

It is worth noting that, as of 2006, only 47% of SSSIs were in favourable status[19]. As Section 28G authorises under the Wildlife and Countryside Act 1981 (as amended), NRW (and the Local Planning Authority) have a duty to take reasonable steps, consistent with the proper exercise of the authority's functions, to further the conservation and enhancement of the flora, fauna or geological or physiographical features by reason of which the site is of special scientific interest.

A letter from Professor Steve Ormerod (a leading UK freshwater expert) raised the issue of cumulative impact of poultry sheds on the water quality of designated sites in Radnorshire. In his reply, Professor Peter Mathews recognised these concerns but also highlighted:

"*We are mindful of the economic benefits that these units bring and we are keen to find ways of ensuring that we can reconcile those benefits with protection of the environment*" (see **Annex 3** – Letter from Professor Peter Mathews to Professor Steve Ormerod).

[17] http://jncc.defra.gov.uk/page-1379
[18] http://ec.europa.eu/environment/nature/legislation/habitatsdirective/index_en.htm
[19] Sites of Special Scientific Interest (SSSIs) in Wales Current state of knowledge Report for April 2005 – Mar 2006 http://www.ccgc.gov.uk/PDF/SSSIs_Report%20SMALL.pdf

This raises the question; at what point is a material consideration of cumulative impact on nationally or internationally designed sites such that the NRW will object to planning applications or refuse Environmental Permits for such developments?

7. Biodiversity offsetting

As mentioned above, NRW appears to be moving towards a concept known as 'biodiversity offsetting' (as evidenced by the Circuit of Wales proposals). Biodiversity offsets are conservation activities that are designed to give biodiversity benefits to compensate for losses - ensuring that when a development damages nature (and this damage cannot be avoided) new, bigger or better nature sites will be created (this was not the case in the Circuit of Wales).

However, it is seen by many conservation organisations as justification to destroy nature rather than to halt the loss of biodiversity. We are concerned that:

- certain habitats or species cannot be easily replaced or replicated ecologically - spatially or temporarily.
- developers and land-users will just carry out an activity leading to a loss of biodiversity by simply paying for the damage caused
- A lack or governance (e.g. long term monitoring, enforcement) will lead to failure

Biodiversity offsetting is intended to give benefits that compensate for losses but this does not always happen, and frequently difficulties arise when the compensation habitat does not have the same value or interest as that which is being lost (as per Circuit of Wales proposals). The above was recently confirmed by peer reviewed evidence (Curran et al 2014[20]) which stated that biodiversity offsetting leads to a net loss of biodiversity, and represents an inappropriate use of the otherwise valuable tool of ecosystem restoration.

Therefore, we would be concerned if NRW continues to see environmental considerations as a tradable consequence of development. Then we will see an increase in the loss of biodiversity.

8. Conflicts of interest

The Wildlife Trusts would like greater clarity on how NRW issues permits to itself or Welsh Government; for example, species licencing (as previously, CCW granted licences to FCW or EAW).

9. Research funding

We have seen inexplicable decisions to cut important research studies. For example, the removal of the £12,000 that supported Professor Tim Birkhead's 40-year long-term study of guillemots on Skomer Island. Guillemots, as a higher level predator are a good indicator of marine ecosystem health in Wales' only Marine Conservation Zone and the various international designations around the Pembrokeshire coast, including Pembrokeshire Marine Special Area of Conservation (SAC) and the Pembrokeshire Islands Special Protection Area (SPA). Such studies can help answer questions about fishing intensity and climate change (as a result of warming seas the movement of the guillemots' prey, such as sand eels, has been witnessed in Scotland).

While this is an important piece of research – long term data sets are the most valuable – it highlights a worrying lack of priority that NRW gives to researching and monitoring of biodiversity. NRW should be an evidence based organisation and this requires long-term, scientific studies. The cessation of this grant suggests misplaced priorities in NRW's funding priorities.

[20] Curran M,Hellweg S, Beck J (2014) Is there any empirical support for biodiversity offset policy? Ecological Applications, 24(4), pp. 617–632 Ecological Society of America

The Wildlife Trusts would like clarity on the budget dedicated to the research and monitoring of biodiversity and how this compares with the CCW budget.

10. Partnership and procedure

NRW staff seem to be overwhelmed due to cuts in their budget and resources (such as appropriate staffing levels). This has resource implications for delivering satisfactory services. For example, there have been significant delays in the Section 15 grant renewal because NRW simply do not have the capacity to deal with it.

The original NRW business plan cost savings would be gained from efficiencies, not from **reducing front-line services (nor in reducing grants). We expected to see the re-investment of the expected 158m[21] million savings** from the merger over 10 years targeted towards nature conservation. This has not happened.

We believe that NRW considered removing all elements of grant funding to the third sector. Thankfully, this did not happen, and this is important considering that:

- conservation organisations undertake much of the conservation work within and outside designated sites and also educate the public on environmental issues (all statutory responsibilities[22])
- conservation organisations create significant added value by using public money to match fund money from elsewhere and though the use of volunteer time (e.g. **1:4 return on investment - for every £1 of money the Wildlife Trust received from the legacy bodies we delivered £4 of additional benefit e.g. attracting external match funding and volunteering time**).

It is worrying that the NRW leadership is not working in true partnership and this gives the impression that it does not value the third sector. Even with the advent of Joint Working Partnership (JWP), the Wildlife Trusts and other eNGOs do not feel a sense of partnership with NRW. It has been criticised by many as neither joint working nor partnership – it is more like a contractual arrangement between organisations. This is disappointing considering that, over the years, the Wildlife Trusts and other conservation organisations built up close working and excellent partnerships with the three legacy bodies, especially CCW.

This former relationship gave a 1:4 return on investment but under the new funding arrangements there will be little added value. Although organisations are appreciative of the tight deadlines to which the NRW funding team had to meet, the manner and way this **funding was administered was wholly unhelpful, not transparent and not in consultation**. There was constant conflicting advice within limited criteria. But the most worrying outcome has been the **imposition of a capped overhead rate of 7% for projects**. It is simply not sustainable for organisations to deliver projects without covering costs. It has to be remembered that charities are also businesses and have running costs. We were informed after the decision that '*someone*' decided on this as they had heard that this was the overhead figure for EU Life funding. This hap-hazard decision process is very worrying when it has such an impact on the overall viability of the third sector in Wales. What this person failed to recognise is that EU funding covers up to 75% of costs and is a source of funding that allows organisations have time to secure the remain match funding. The NRW grant

[21] http://www.bbc.co.uk/news/uk-wales-politics-19844497

[22] For example, all Public Bodies are required conserve and enhance biodiversity via the Natural Environment and Rural Communities Act 2006 (section 40), All Public Bodies are section 28G authorities and thus required to must conserve and enhance SSSIs via the Wildlife and Countryside Act (WCA) 1981 (as amended by the Countryside and Rights of Way Act 2000), and Local Authorities are required to educate the public, especially school children, on the provisions of the WCA Act (see Section 25 'Functions of local authorities' of the WCA 1981)

only covers 50% of costs the remaining costs coming from the third sector. However, **this new condition means that the figure is much nearer to 70-75% of costs being met by the third sector.**

Also, NRW's financial management small grants (REF) are unlike any grant system the Wildlife Trust has previously experienced. The system had very little flexibility which creates problems for Wildlife Trusts, other conservation organisations and probably NRW too. For example, most grant funders will let you delay claiming for something, with a reasoned explanation such as weather related delays, as long as it isn't an actual risk to completion. If you are late claiming from NRW, even by a day, NRW may not look at your claim for months which causes operational and significant financial difficulties for the Wildlife Trusts and contractors.

It is worth noting that Welsh Government guidance[23] recently produced for the Third Sector Scheme dated January 2014 describes good practice between the Welsh Government and the Third Sector. It is of concern that NRW is not demonstrating compliance with this guidance.

It would be interesting to examine the overall budget of the three legacy bodies for grants to external partners compared to NRW's budget.

11. Connecting people to nature

The NRW Corporate Plan includes statements on helping people to understand how important the environment and our natural resources are. Connecting people to 'what nature does for us' is a central tenant to the ecosystem approach and natural resource management. Sustaining a Living Wales states that "*We will work with partners to identify ways in which we can reconnect people and communities with the natural environment*".

However, we feel that the majority of communications from NRW to the public are based on the former EAW remit. If Wales is to overcome the significant environmental, economic and social problems (obesity, depression, social isolation and stress, including work place stress), people need to be inspired to connect with nature. Therefore, we recommend that the NRW Communications Team promotes more wildlife and nature stories.

12. Marine

As with terrestrial matters we are concerned that there is an over-riding focus on economic concerns when considering development by NRW within the marine environment.

NRW is responsible for conservation of Wales's marine environment and licencing of activities. NRW's own report (CCW Marine Science Report No 12/06/03) in 2012 states that less than 50% of Marine Protected Areas are in favourable conservation status. This is particularly concerning given the requirement under the Marine Strategy Framework Directive to have Good Environmental Status of all European Seas by 2020.

Our main concern with the marine work of NRW is the resourcing and budgeting to fulfil their statutory duties to ensure a healthy marine environment. Given that there is a lot of scope for growth in sectors such as marine renewables and aquaculture, we welcome the Minister's statement, in his financial scrutiny to the Committee, that he is looking into cost recovery of licencing and consulting on marine projects. We would like clarification on this and a commitment that the costs recovered would be used to manage and conserve Wales's marine resources.

[23] Welsh Government Third Sector Scheme January 2014
http://gov.wales/docs/dsjlg/publications/comm/140130-third-sector-scheme-en.pd

13. Sector representation

As part of the Well-being of Future Generations Bill, Local Service Boards (LSB) and Well-Being Plans will be a statutory requirement. LSBs will deliver the Well-being Plans, and NRW will be the only organisation representing the environment on these boards. We therefore have concerns that NRW will not (for the reasons highlighted above) or cannot (depending on the expertise of the NRW representative appointed) adequately represent environmental and conservation considerations.

14. **Questions**

a) We would be like to see a breakdown of those who have or are leaving NRW (including under voluntary severance) and their area of expertise and legacy body. How is this expressed as a percentage of total legacy staff numbers.

b) With a loss of specialist staff how does NRW intend to undertake its statutory nature conservation duties including giving advice on land management, planning (planning applications and Local Development Plans) and legislation.

c) How will NRW maintain, manage and monitor its suite of designated sites including NNRs and how has the budget changed (including as a percentage of overall spending) over the last 5 years.

d) What was the overall grants funds for external partners for the three legacy bodies and what is the total sum of grant funds now available?

e) How much is spent on nature conservation and how has this changed (including as a percentage of overall spending) over the last 5 years.

f) How does NRW ensure that its comments are taken into account by Local Planning Authorities especially when planning decisions could negatively impact upon designated sites?

g) How does NRW ensure that its forestry estate throughout Wales maximises its biodiversity potential? Will these be incorporated into Forest Design Plans across Wales and when will the revised Forest Design Plans be available.

h) How will NRW ensure it has done all that it can to set the highest quality targets that will achieve Favourable Conservation Status (SSSI) and Good Ecological Status (Water Framework Directive) for Wales.

i) What is NRW research budget and how is it prioritised?

2. Recommendations

a) NRW needs to demonstrate a significant and recognisable degree of independence from government, not least in relation to, and exercise of, its statutory roles for independent assessment and advice under EU and UK law and planning and land management.

b) As the **Statutory Nature Conservation Body**, NRW has an absolute duty to exercise its functions to further nature conservation. As such, NRW should deliver a healthy natural environment that promotes to sustainable development and thus contributes the well-being of people and the economy of Wales; this can be achieved by;

i. Realigning the NRW Corporate and Business Plan, and Welsh Governments annual remit letter, to prioritise and spearhead action for the environment above other purposes and duties including protecting, conserving and enhancing the natural environment.

ii. Integrating the 'Sandford Principle into its all operations including planning advise ; "If it appears that there is a conflict between those purposes, (NRW)

shall attach greater weight to the purpose of conserving and enhancing the natural beauty, wildlife and cultural heritage of the area".

iii. Making comments on planning applications, without political interference, in order robustly protect and enhance biodiversity. This requires clear and transparent decision-making in consultation with stakeholders (e.g. appropriate environmental non-governmental organisations) with information being shared with stakeholders (without recourse to Freedom of Information Act).

iv. Delivering a clear focused plan of action to implement the Lawton Review in Wales.

c) A review should be undertaken, in consultation with stakeholders including environmental NGOs, regarding NRWs planning responsibilities including advising on Local Development Plans and planning applications. This should include the requirement to address the 'need' for a development, if that development has a detrimental impact on nature conservation. The review should recommend best practice when giving planning advice, for example, NRW should not state 'no objection' when there are conservation concerns, when they request an appropriate assessment is undertaken, the application does not contain sufficient information to make a decision, or when they have yet to determine whether a environmental permit would or would not be granted.

d) The Welsh Government use the Environment Bill to amend the purpose of NRW to better reflect, and achieve, EU Biodiversity 2050 targets, the principles within the Lawton Review and the **'**Resilient Wales' well-being goal from the Well-being of Future Generations Bill – "to maintain and enhance a biodiverse natural environment with healthy functioning ecosystems".

e) The re-investment of the expected £158m million savings from the merger over 10 years, to be targeted towards nature conservation and research and monitoring.

f) Welsh Government must providing NRW with sufficient funds to fulfil its legal duties and deliver its nature objectives. This includes funding and working with, external stakeholders to undertake work.

g) There should be an independent review of environmental governance in Wales.

h) The Welsh Government should set up a Biodiversity Commission with a Biodiversity Commissioner similar to the Future Generations Commissioner.

i) NRW should set up a new version of FERAC (Fisheries, Ecology and Recreation Advisory Committee) with independent advisors guiding the organisation on its functions and actions.

j) The NRW Corporate Plan must include the Biodiversity 2020 and 2050 targets along with interim targets and CBD principles. This should be formalised within the Environment Bill.

k) NRW should carry out an audit of its staff to ensure that there is not bias within one area (e.g. commercial forestry) as opposed to nature conservation.

l) NRW should make its planning decisions more transparent and make public all internal advice, along with a rationale for the final decision taken in such cases.

m) NRW should only advise on those areas that they have statutory expertise in, i.e. environmental rather than socio-economic matters.

n) NRW should review the grant funding arrangements of stakeholders, including overhead allowance (including a comparison with NRW overheads) in consultation with stakeholders. This should help to create a more efficient system, with clear guidance, that delivers for conservation and reduces bureaucracy and administration costs.

o) A review of grant funding relationships should make it more of an equal partnership with NRW (similar to the arrangements with CCW) rather than a contractor and contractee relationship.

p) The NRW Communications Team should promote more wildlife and nature stories.

q) There should be greater clarity on how NRW issues permits to itself or Welsh Government; for example, species licencing (as previously, CCW granted licences to FCW or EAW)

r) We would like a commitment that the costs recovered from licencing and consulting on marine projects would be used to manage and conserve Wales's marine resources

.

ANNEX 1 – EMAIL EXCHANGE BETWEEN ALUN DAVIES AM AND NRW

From: Hillier, Graham
Sent: 14 June 2013 15:11
To: Davies, Keith
Cc: Evans, Martyn P.; O'Shea, Gareth; Townsin, Carol; George, Jessica
Subject: RE: Circuit of Wales

Thanks Keith – I agree it would be useful to have a quick discussion beforehand. I'd suggest we include all attendees (hence copied to Gareth and Martyn too). In Jessica's absence, I'll **ask Carol** to try to identify a mutually convenient hour on Monday (thanks Carol).

I'd like each of us to come prepared with a view on things like:

- clarity on what are the key issues,
- what may be possible in terms of finding a way forward, (process and solutions)
- the degree to which we're confident of the science/evidence behind our current position (vs 'scrubland' interpretation, for example),
- clarity over our duties, remit, purpose and aspirations, and
- what we need WG to do to make things clearer/easier in the future

I'm sure we'll be asked to withdraw our objection, so we need to be clear on how we should respond.

Thanks all,
Graham

Cyfarwyddwr Gweithredol Gweithrediad-au'r De/Executive Director for Operations South
Cyfoeth Naturiol Cymru/Natural Resources Wales
Ffôn/Tel: 02920 468879
Ffôn symudol/Mobile: 07769 915953
E-bost/E-mail: graham.hillier@cyfoethnaturiolcymru.gov.uk
/ graham.hillier@naturalresourceswales.gov.uk
Gwefan/Website: www.cyfoethnaturiolcymru.gov.uk / www.naturalresourceswales.gov.uk
Ein diben yw sicrhau bod adnoddau naturiol Cymru yn cael eu cynnal, eu gwella a'u defnyddio yn gynaliadwy, yn awr ac yn y dyfodol.
Our purpose is to ensure that the natural resources of Wales are sustainably maintained, enhanced and used, now and in the future.

From: Hillier, Graham
Sent: 14 June 2013 12:46
To: 'Davies, Alun (Assembly Member)'
Cc: George, Jessica
Subject: RE: Circuit of Wales

Thanks Alun;

A meeting for 11am on Tuesday with you and the Developer would be good, and we'll host it here in Ty Cambria, Newport Road, if that's still OK with you. I've asked a couple of colleagues to join me, to both hear your views and better inform mine.

Please let me know if you or the developer's rep need directions.

Many thanks – look forward to seeing you on Tuesday.
Graham.

Cyfarwyddwr Gweithredol Gweithrediad-au'r De/Executive Director for Operations South
Cyfoeth Naturiol Cymru/Natural Resources Wales
Ffôn/Tel: 02920 468879
Ffôn symudol/Mobile: 07769 915953
E-bost/E-mail: graham.hillier@cyfoethnaturiolcymru.gov.uk
/ graham.hillier@naturalresourceswales.gov.uk
Gwefan/Website: www.cyfoethnaturiolcymru.gov.uk / www.naturalresourceswales.gov.uk
Ein diben yw sicrhau bod adnoddau naturiol Cymru yn cael eu cynnal, eu gwella a'u defnyddio yn gynaliadwy, yn awr ac yn y dyfodol.
Our purpose is to ensure that the natural resources of Wales are sustainably maintained, enhanced and used, now and in the future.

From: Davies, Alun (Assembly Member) [mailto:Alun.Davies@Wales.gov.uk]
Sent: 13 June 2013 14:39
To: Hillier, Graham
Subject: Re: Circuit of Wales

Thank you Graham. This second letter does begin to move us in the right direction. I do appreciate that and I am grateful to you for taking the time to review these matters.

However **I remain very concerned with the processes at work within NRW in this matter. In addition I do not believe that the current NRW position does reflect the totality of the statutory duties and the demands of the remit letter provided to NRW by the Welsh Government**.

It would be very useful to meet. Could I suggest 11.00am on Tuesday? I would be content to meet at Newport Road or alternatively we could meet at the Assembly in the Bay. I will also invite a representative of the developers to join us and I hope that between us we can agree a way forward.

Thank you for your help in this matter.

Alun

Alun Davies

On 13 Jun 2013, at 12:08, "Hillier, Graham" <Graham.Hillier@cyfoethnaturiolcymru.gov.uk> wrote:
Dear Alun;

As promised in my previous e.mail, please find attached a copy of our letter offering supplementary information to the local planning authority, following our original planning response.

I trust this is helpful and goes some way to addressing your concerns, while still taking account of our statutory duties.

We would be happy to arrange to meet with you next week if this would still be helpful (Tuesday would be slightly easier for me than Thursday, but we'll obviously try to work around your availability). Please let us know if you'd still like to go ahead, and if so your availability and preferences in terms of timing and venue – you'd be very welcome at our Newport Road office if that helps.

Regards,
Graham

Cyfarwyddwr Gweithredol Gweithrediad-au'r De/Executive Director for Operations South
Cyfoeth Naturiol Cymru/Natural Resources Wales
Ffôn/Tel: 02920 468879
Ffôn symudol/Mobile: 07769 915953

E-bost/E-mail: graham.hillier@cyfoethnaturiolcymru.gov.uk
/ graham.hillier@naturalresourceswales.gov.uk
Gwefan/Website: www.cyfoethnaturiolcymru.gov.uk / www.naturalresourceswales.gov.uk
Ein diben yw sicrhau bod adnoddau naturiol Cymru yn cael eu cynnal, eu gwella a'u defnyddio yn gynaliadwy, yn awr ac yn y dyfodol.
Our purpose is to ensure that the natural resources of Wales are sustainably maintained, enhanced and used, now and in the future.

From: Hillier, Graham
Sent: 12 June 2013 23:28
To: Davies, Alun (Assembly Member)
Cc: George, Jessica
Subject: RE: Circuit of Wales

Dear Alun;

Thanks for your note, and I understand your sentiments. For your information, we have today issued a further letter to the Planning Authority with some supplementary information, which has been provided with the intention of helping to identify potential solutions and (I believe) offering a more positive approach, including the desire to work together.

I'll ensure a copy of the note is sent to you tomorrow. Perhaps we could then arrange a convenient time to meet (eg Tuesday) next week, if this would still be useful.

Best regards,
Graham.

Sent from Windows Mail

From: Davies, Alun (Assembly Member)
Sent: 12 June 2013 17:37
To: Hillier, Graham
Subject: Circuit of Wales

Dear Graham,

I have received a copy of the NRW response to the planning application for the Circuit of Wales in my constituency.

I am very disappointed with the approach that NRW has taken in this matter. **I felt that NRW would be taking an entirely different approach to planning matters and would be seeking to adopt a positive approach, working with applicants to deliver developments that will enhance the sustainability of communities across Wales.** This has clearly not happened in this case.

I am very anxious that this development goes ahead and does so in a way that enhances the community of Blaenau Gwent in the widest sense. I would therefore seek an urgent meeting with you to discuss these matters. I can be available in Cardiff either Tuesday or Thursday next week. **I would like to use this opportunity to discuss with yourself and the developers how we can move forward in an agreed way.**

I look forward to hearing from you.

Alun

Alun Davies AM
Blaenau Gwent

ANNEX 2 – EMAIL FROM WELSH GOVERNMENT REGARDING NRWS WIDER STATUTORY PURPOSE AND RESIDUAL CCW OBJECTIONS

From: Davies, Prys (Head of Energy, Water & Flood) [mailto:Prys.Davies@Wales.GSI.Gov.UK]
Sent: 29 May 2013 14:21
To: Davies, Ceri; Owen, Trefor
Cc: Clarke, Carys (ESH - DT); Fudge, Laura (DES - DT); Pride, Jennifer (ESH - CCWD); Eccles, David (ESH - CCWD); Davies, Teresa (ESH - Planning); Thomas, Rosemary F (ESH - Planning); Daw, Chris (Energy Programme); Boddington, Wendy (Energy Water & Flood)
Subject: Renewable Energy Project in Bedlinog and wider issues

Ceri/Trefor,
Hope you're both well. I write regarding a proposed renewable energy development in Bedlinog which I think raises more general issues on which I'd welcome your thoughts.
The specific development is a proposed 3 turbine wind farm in Bedlinog. The attached correspondence from Awel Aman Tawe, who advise on the project, to Gareth Jones sets out some of the background. It is a project that is supported by the Ynni'r Fro Programme and as you can see, has a not insignificant community element to it. I'm not particularly close to this project (the WG interest here rests with Jenifer Pride in Gretel's team) but I understand that there is considerable community support for this proposal. However, it appears that the officials at Merthyr Tudful Council are minded to reject the application. The rejection appears to be largely based on the submission, in 2012, by CCW, which objected to the development on the grounds of visual impact and impact on the historic landscape (also attached) - the LPA appears to be attaching significant weight to the opinions of one of its statutory consultees. Tegni, the company who has helped the Community Council with the development, has also noted the difficulty of progressing projects in Wales and has noted its intention to relocate to Scotland. Notwithstanding the merits or otherwise of the concerns raised by CCW and other issues raised in the Planning Officer's report (which I can send you if required), the timing here is unfortunate. This is the type of project (small scale; community element; apparent support by the local community; in a deprived area) that Ministers, particularly the Minister for NR&F, want to see going ahead (The Minister for NR&F is also scheduled to visit the project in early June and will expect us to explore what can be done in this particular instance given that this is a project which receives financial support from WG). It also constitutes a reputational risk that nothing has changed with the establishment of NRW - I know that isn't the case but the impact of 'transitional' decisions such as this could be quite damaging.
Whilst some of these are for us in WG to consider and address (e.g. the significant weight accorded by Planning Officers to the views of statutory consultees), I'd be very grateful for a word with you regarding two issues raised by this case which raises issues for NRW/WG:
[1] Firstly, the nature of the specific objections by CCW were based on CCW's purpose and statutory functions. NRW, of course, has a wider statutory purpose, which made me wonder whether there might be an opportunity for NRW to set out is views on the development taking into account its wider environmental, economic and social purpose. I hasten to add that I have not explored this with legal or planning colleagues - and whether it is feasible given where we are in the Planning process - but would welcome views.
[2] Secondly, and related to the above, is what if anything we might want to do relating to other 'residual' CCW objections within the planning system. Is there anything that we should be doing if it appears that the main risk to such developments are the environmental objections raised by CCW? Dave Eccles, who works on the Ynni'r Fro Programme, is doing a quick assessment to see what other developments might be covered by this 'transitional arrangement'.
I'd be keen to have a quick telecon or meeting with you given Ministerial expectations/priorities in this area and consider whether there are any steps that we should take as a result of the above.
Prys
Prys Davies
Dirprwy Gyfarwyddwr: Is-adran Ynni, Dŵr a Llifogydd /
Deputy Director: Energy, Water and Flood Division
Llywodraeth Cymru / Welsh Government

Ffon / Phone - 029 2082 5031
Symudol / Mobile - 07792615467

ANNEX 3 – LETTER FROM PROFFESSOR MATTHEWS TO PROFESSOR STEVE ORMEROD

Mr Steve Ormerod
Professor of Ecology/Chair of RSPB Council
Cardiff School of Biosciences
Biosi 2 (Room 6.04)
Cardiff University
Cardiff
CF10 3AX
12 February
Dear Mr Ormerod,
Thank you for your email of 28 January 2015, concerning pollution of the River Wye by poultry units. We are in regular contact with Mr Loveridge and I can assure you that we are working with him to address his concerns.

We take a risk-based approach to our regulation and it is true that these types of development generally receive a lighter touch approach compared with high risk developments such as incinerators, landfill sites and major industrial processes. This is entirely in accordance with policy across UK regulators.

This is quite a complex area and we have a number of overlapping roles. We regulate poultry units with more than 40,000 birds under the Environmental Permitting Regulations (EPR) which implement the relevant European Directive for this sector. The Regulations provide for exemptions and Statutory Guidance issued jointly by DEFRA and the Welsh government provides that exemption to units with less than 40,000 birds, however the units are subject to planning regulations. We have some responsibilities as a statutory consultee under the planning regime and as the lead authority for the Water Framework Directive.

We regularly raise concerns at the planning stage about the potential impact on protected sites and Water Framework Directive objectives. Unfortunately these issues are not generally sufficient to object to planning permission unless the development is contrary to a strategic plan. For the sites that we permit there is an agreed impact significance threshold, which applies to certain key emissions. Where the impact of an individual development is below this threshold, the impact is considered to be insignificant. The current policy in Wales and England is that if the individual impacts are below these thresholds then cumulative impacts are not taken into account. We also use the same significance thresholds when commenting on planning applications for poultry units regardless of size.

For units with greater than 40,000 places, there is also European guidance which specifies the pollution control techniques to be applied for substances such as dust. Where a development meets the requirements of this guidance then there are generally no legal grounds to refuse the application or to require stricter controls.

The dichotomy that arises is that when we look at a single case there will rarely be specific grounds to refuse an EPR application or to object to a planning application. However, when we look at it in a holistic way, poultry rearing is just one of very many issues such as large dairy herds, agricultural fertilizer application or proposed infrastructure developments?

Notwithstanding all these issues, there are currently a significant number of these developments (both above and below 40,000 poultry places) being proposed in Powys and **we agree that we need to begin to take a strategic approach rather than look at each development in isolation**. **We are mindful of the economic benefits that these units bring and we are keen to find ways of ensuring that we can reconcile those benefits with protection of the environment.** We will be establishing a small project team that will consider the developing situation and its implications across our whole remit as statutory planning consultee, regulator, conservation body, and lead authority for Water Framework Directive. Although our direct regulatory powers have limitations we will work closely with colleagues at Powys County Council to develop a more integrated approach. We will also reflect

on what advice we can give to Welsh Government on this issue and any thoughts you might have would be welcome

Yours sincerely,

PETER MATTHEWS
Cadeirydd, Cyfoeth Naturiol Cymru
Chairman, Natural Resources Wales

phone 01597 870351
44janice@gmail.com

Pencwm, St Harmon, Rhayader
Powys, LD6 5NG

6 November 2014

Julian Jones, Chris Ledbury and Ray Woods,
Radnorshire Wildlife Trust

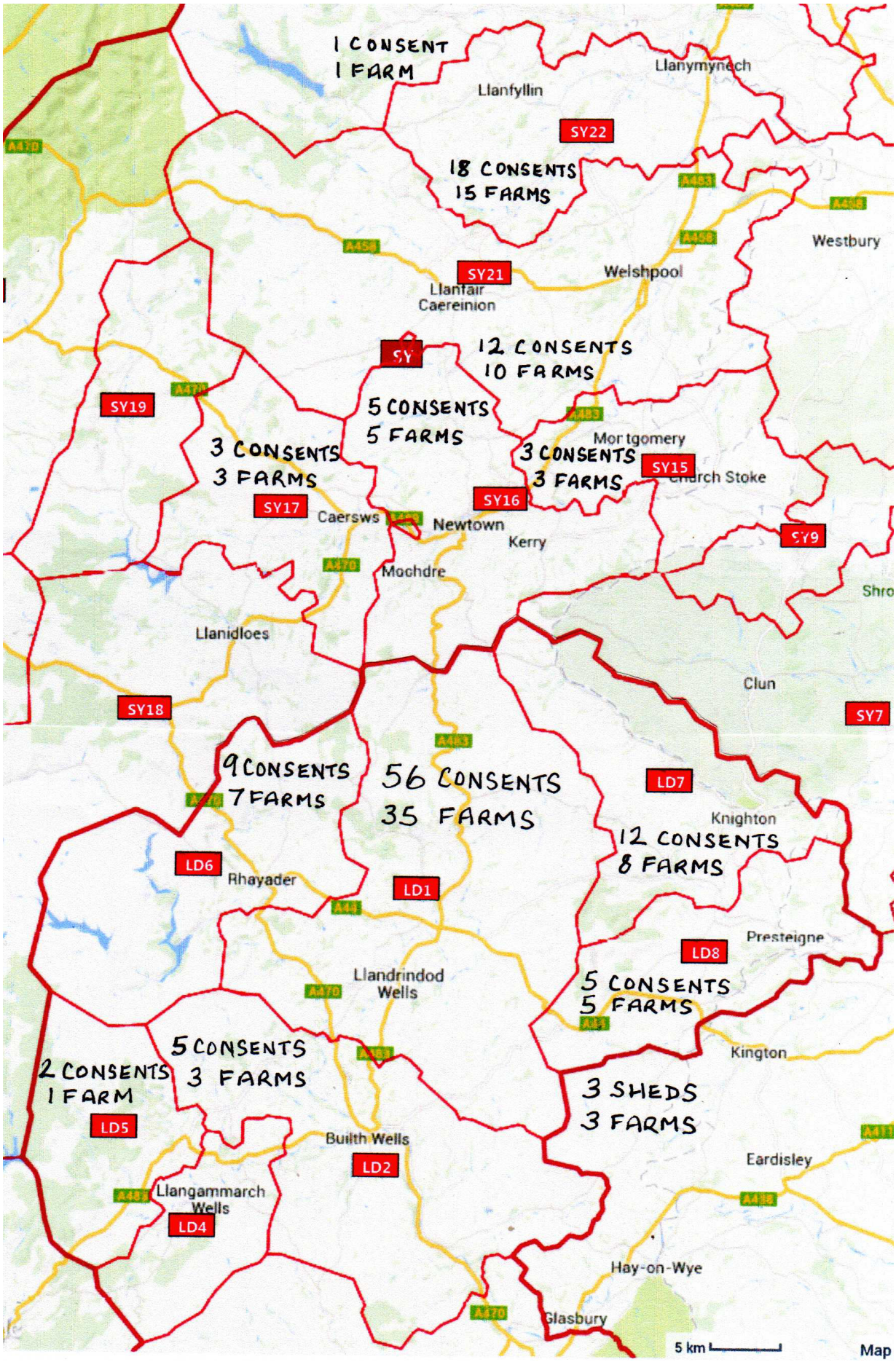
Dear Julian, Chris and Ray,

Air Quality and poultry units

We have completed an analysis of chicken shed planning applications in Powys since 1 January 2008 (please ask for a copy of our report, if required). There may well be more!

number consented		**134**
including:		
consented	133	
refused, then consented on appeal	1	
number of farms	**99**	
number of broiler units (over 1,674,000 birds)	**16**	
number of broiler farms	**11**	
refused		**2**
determination outstanding		3
others		20
including:		
outline consent, replaced by full consent	4	
variation	4	
withdrawn	3	
withdrawn, re-applied, then consented	5	
withdrawn, re-applied, then withdrawn	1	
refused, re-applied, then consented	3	
total number of applications since 1 Jan 2008		159

post code	# of consents	# of farms
HR	3	3
LD1	56	35
LD2	5	3
LD5	2	1
LD6	9	7
LD7	12	8
LD8	5	5
SY10	1	1
SY15	3	3
SY16	5	5
SY17	3	3
SY21	12	10
SY22	18	15
	134	99



Poultry units consented in Powys since 01.01.08 illustrated by postcode area

We have now analysed the cumulative impact of poultry sheds. The map at page 4 illustrates 16 existing planning consents in this area since 1 January 2008.

I have used SCAIL to calculate the depositions at the 5 SSSIs and 3 European Sites within 5/10km of the proposed unit respectively. The results on pages 5 to 7 can be summarised as:

	Average deposition as percentage of average Critical Load from 16 consented units
Ammonia	561%
Nitrogen	336%
Acid	105%

These percentages represent only the impact of these 16 poultry units and do not include significant pre-existing background deposition.

It is apparent that the cumulative impact of poultry units in this area is having a significant impact on Protected Sites.

The impact of the 16 poultry units in this area on **Marcheini, Gilfach and Gamallt** is:

	Deposition from 16 units	Critical Load
Ammonia	4.83	1.0
Nitrogen	25.03	3.0
Acid	1.70	0.6

===

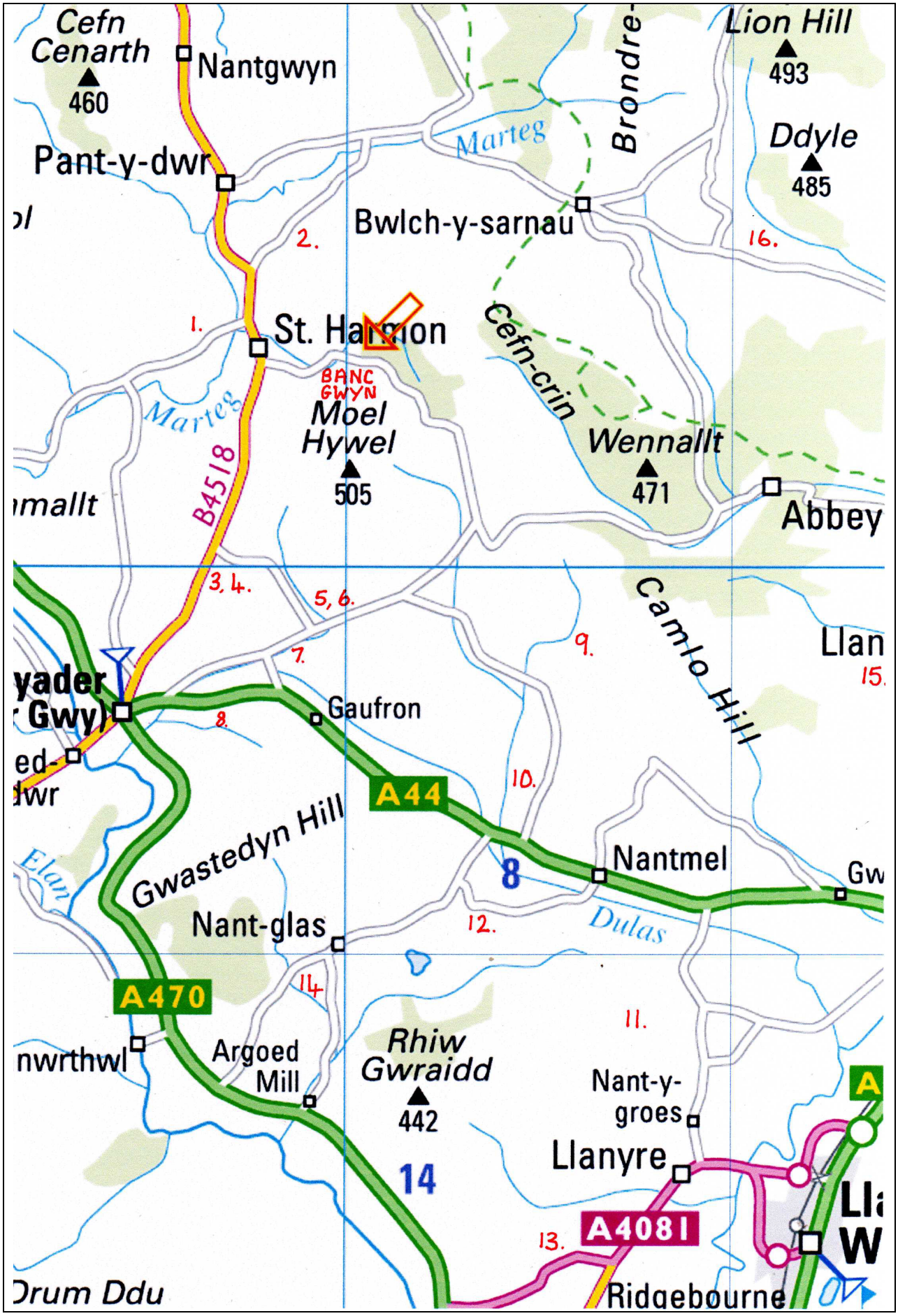
In addition, Environment Agency H1 Annex B requires modelling of depositions from the proposed unit at Banc Gwyn because they would be over 4% (SACs and SPAs) or 20% (SSSIs):

- Ammonia deposition at three European Protected Sites;
- Nitrogen deposition at one European Site and one UK Protected Site;
- Acid deposition at two European Protected sites

Please ask if you have any questions.

Yours sincerely,

Alan Loveridge



16 Poultry units neighbouring Banc Gwyn, St Harmon

Powys County Council planning application P/2014/0009 - proposed poultry unit at Banc Gwyn, St Harmon
Calculation of cumulative impact of poultry units

Cumulative impact of Ammonia Deposition by 16 neighbouring units

					Ammonia deposition (µg/m³)								
	farm	post code	grid reference	planning application	Cae Coed - Gleison	Marcheini Gilfach & Gamallt	Caeau Wern	Upper Nantserth	Cors Cae'r Neuadd	Elenydd-Mallaen	River Wye	Elan Valley woodland	average
					SSSI	SSSI	SSSI	SSSI	SSSI	SPA	SAC	SAC	
1	Shettingau	LD6 5LG	298222 272746	P/2008/1206	11.05	2.39	0.08	0.14	0.17	0.34	0.17	0.06	
2	Glan Marteg	LD6 5LY	299474 274329	P/2009/0725	0.28	0.28	0.09	0.10	0.28	0.21	0.11	0.06	
3	Llwyngwilym	LD6 5NS	298593 270049	P/2008/1109	0.82	0.91	1.04	3.00	0.32	0.89	0.88	0.62	
4	Llwyngwilym 2	LD6 5NS	298609 269922	P/2009/1238	0.21	0.24	0.30	0.80	0.08	0.24	0.25	0.17	
5	Beili Ddol	LD6 5NS	299903 269571	P/2009/0558	0.20	0.18	1.48	0.34	0.09	0.17	0.23	0.14	
6	Beil Ddol 2	LD6 5NS	299545 269697	P/2010/0751	0.17	0.15	0.67	0.32	0.07	0.15	0.18	0.12	
7	Llwyncwtta	LD6 5NT	299016 268949	P/2009/0367	0.14	0.17	0.37	0.37	0.07	0.17	0.33	0.17	
8	Cefnceido	LD6 5NU	298670 268255	P/2010/0232	0.14	0.18	0.29	0.35	0.07	0.19	0.73	0.24	
9	Glenalders	LD6 5PE	302620 269067	P/2010/0235	0.10	0.08	0.62	0.11	0.06	0.08	0.24	0.07	
10	Llwyn Lane	LD6 5PE	302280 266919	P/2010/1141	0.05	0.05	0.20	0.07	0.03	0.07	1.07	0.06	
11	Gwynsan	LD1 6EE	303571 264096	P/2010/1026	0.03	0.03	0.06	0.04	0.02	0.05	0.30	0.04	
12	Cefnllyn	LD1 6EW	301668 265640	P/2008/0964	0.06	0.06	0.17	0.08	0.04	0.12	1.65	0.09	
13	Cerrigroes	LD1 6EU	303496 261335	P/2009/0414	0.02	0.02	0.04	0.03	0.02	0.05	0.56	0.04	
14	Nantglas church	LD1 6PD	299159 264193	P/2010/1086	0.02	0.02	0.04	0.03	0.01	0.13	0.31	0.08	
15	Esgairwy	LD1 6PG	307137 268683	P/2013/0736	0.02	0.02	0.04	0.02	0.02	0.02	1.76	0.02	
16	Pen Bryncennau	LD1 6PT	305195 274545	P/2010/0869	0.05	0.05	0.06	0.04	0.04	0.04	0.18	0.03	
				Total	13.36	4.83	5.55	5.84	1.39	2.92	8.95	2.01	5.61
	Banc Gwyn	LD6 5NG	300283 272216	P/2014/0009	0.20	0.16	0.15	0.10	0.08	0.10	0.08	0.05	0.12
				Total	**13.56**	**4.99**	**5.70**	**5.94**	**1.47**	**3.02**	**9.03**	**2.06**	5.72
				Critical Level	1.0 for initial assessment, ref EA document H1 Annex B								
	Percentage of ammonia deposition over Critical Level				**1356%**	**499%**	**570%**	**594%**	**147%**	**302%**	**903%**	**206%**	**572%**

Numbers in blue are the ammonia "Process Contribution" of the 16 poultry units consented since 1 January 2008

The deposition numbers on this page do not include pre-existing background deposition, or consents prior to 2008.

The average ammonia deposition of these 16 consented poultry units is 5.61, which is 561% of the critical level of 1.0.

The proposed broiler unit at Banc Gwyn would contribute an average additional 0.12 ammonia deposition

The average deposition of ammonia, including Banc Gwyn, would be 572% of critical load

At three European sites, the deposition of ammonia from the proposed broiler unit at Banc Gwyn would exceed the 4% of critical level when further modelling is required

Powys County Council planning application P/2014/0009 - proposed poultry unit at Banc Gwyn, St Harmon
Calculation of cumulative impact of poultry units

Cumulative impact of Nitrogen Deposition by 16 neighbouring units

					Nitrogen deposition (kg/ha/yr)								
	farm	post code	grid reference	planning application	Cae Coed - Gleison	Marcheini Gilfach & Gamallt	Caeau Wern	Upper Nantserth	Cors Cae'r Neuadd	Elenydd-Mallaen	River Wye	Elan Valley woodland	average
					SSSI	SSSI	SSSI	SSSI	SSSI	SPA	SAC	SAC	
1	Shettingau	LD6 5LG	298222 272746	P/2008/1206	57.40	12.40	0.42	0.73	0.88	1.80	0.88	0.31	
2	Glan Marteg	LD6 5LY	299474 274329	P/2009/0725	1.50	1.50	0.47	0.52	1.50	1.10	0.57	0.31	
3	Llwyngwilym	LD6 5NS	298593 270049	P/2008/1109	4.30	4.70	5.40	15.60	1.70	4.60	4.60	3.20	
4	Llwyngwilym 2	LD6 5NS	298609 269922	P/2009/1238	1.10	1.20	1.60	4.20	0.42	1.20	1.30	0.88	
5	Beili Ddol	LD6 5NS	299903 269571	P/2009/0558	1.00	0.93	7.70	1.80	0.47	0.88	1.20	0.73	
6	Beil Ddol 2	LD6 5NS	299545 269697	P/2010/0751	0.88	0.78	3.50	1.70	0.36	0.78	0.93	0.62	
7	Llwyncwtta	LD6 5NT	299016 268949	P/2009/0367	0.73	0.88	1.90	1.90	0.36	0.88	1.70	0.88	
8	Cefnceido	LD6 5NU	298670 268255	P/2010/0232	0.73	0.93	1.50	1.80	0.36	0.99	3.80	1.20	
9	Glenalders	LD6 5PE	302620 269067	P/2010/0235	0.52	0.42	3.20	0.57	0.31	0.42	1.20	0.36	
10	Llwyn Lane	LD6 5PE	302280 266919	P/2010/1141	0.26	0.26	1.00	0.36	0.16	0.36	5.60	0.31	
11	Gwynsan	LD1 6EE	303571 264096	P/2010/1026	0.16	0.16	0.31	0.21	0.10	0.26	1.60	0.21	
12	Cefnllyn	LD1 6EW	301668 265640	P/2008/0964	0.31	0.31	0.88	0.42	0.21	0.62	8.60	0.47	
13	Cerrigroes	LD1 6EU	303496 261335	P/2009/0414	0.10	0.10	0.21	0.16	0.10	0.26	2.90	0.21	
14	Nantglas church	LD1 6PD	299159 264193	P/2010/1086	0.10	0.10	0.21	0.16	0.05	0.68	1.60	0.42	
15	Esgairwy	LD1 6PG	307137 268683	P/2013/0736	0.10	0.10	0.21	0.10	0.10	0.10	9.10	0.10	
16	Pen Bryncennau	LD1 6PT	305195 274545	P/2010/0869	0.26	0.26	0.31	0.21	0.21	0.86	0.93	0.16	
				Total	69.45	25.03	28.82	30.44	7.29	15.79	46.51	10.37	29.21
	Banc Gwyn	LD6 5NG	300283 272216	P/2014/0009	1.00	0.83	0.78	0.52	0.42	0.52	0.42	0.26	0.59
				Total	70.45	25.86	29.60	30.96	7.71	16.31	46.93	10.63	29.81
				Critical Load	10.00	3.00	10.00	8.00	10.00	10.00	10.00	10.00	8.88
	Percentage of nitrogen deposition over Critical Load				**705%**	**862%**	**296%**	**387%**	**77%**	**163%**	**469%**	**106%**	336%

Numbers in blue are the nitrogen "Process Contribution" of the 16 poultry units consented since 1 January 2008

The deposition numbers on this page do not include pre-existing background deposition, or consents prior to 2008.

The average nitrogen deposition of these 16 poultry units is 29.21, which is 329% of the average critical load of 8.88.

The proposed broiler unit at Banc Gwyn would contribute an average additional 0.59 nitrogen deposition

The average deposition of nitrogen, including Banc Gwyn, would be 336% of critical load

At one Euorpean site, the deposition of nitrogen from the proposed broiler unit at Banc Gwyn would exceed the 4% of critical load when further modelling is required
At one SSSI, the deposition of nitrogen from the proposed broiler unit at Banc Gwyn would exceed the 20% of critical load when further modelling is required

Powys County Council planning application P/2014/0009 - proposed poultry unit at Banc Gwyn, St Harmon
Calculation of cumulative impact of poultry units

					Acid deposition (kEq H+/ha/yr)								
	farm	post code	grid reference	planning application	Cae Coed - Gleison	Marcheini Gilfach & Gamallt	Caeau Wern	Upper Nantserth	Cors Cae'r Neuadd	Elenydd-Mallaen	River Wye	Elan Valley woodland	average
					SSSI	SSSI	SSSI	SSSI	SSSI	SPA	SAC	SAC	
1	Shettingau	LD6 5LG	298222 272746	P/2008/1206	3.900	0.840	0.028	0.049	0.059	0.120	0.059	0.021	
2	Glan Marteg	LD6 5LY	299474 274329	P/2009/0725	0.100	0.100	0.032	0.035	0.100	0.074	0.038	0.021	
3	Llwyngwilym	LD6 5NS	298593 270049	P/2008/1109	0.290	0.320	0.360	1.100	0.110	0.310	0.310	0.220	
4	Llwyngwilym 2	LD6 5NS	298609 269922	P/2009/1238	0.074	0.081	0.110	0.280	0.028	0.081	0.088	0.059	
5	Beili Ddol	LD6 5NS	299903 269571	P/2009/0558	0.067	0.063	0.520	0.120	0.032	0.059	0.081	0.049	
6	Beil Ddol 2	LD6 5NS	299545 269697	P/2010/0751	0.059	0.053	0.240	0.110	0.024	0.053	0.063	0.042	
7	Llwyncwtta	LD6 5NT	299016 268949	P/2009/0367	0.049	0.059	0.130	0.130	0.024	0.059	0.110	0.059	
8	Cefnceido	LD6 5NU	298670 268255	P/2010/0232	0.049	0.063	0.100	0.120	0.024	0.067	0.260	0.081	
9	Glenalders	LD6 5PE	302620 269067	P/2010/0235	0.035	0.028	0.220	0.038	0.021	0.028	0.081	0.024	
10	Llwyn Lane	LD6 5PE	302280 266919	P/2010/1141	0.018	0.018	0.067	0.024	0.011	0.024	0.380	0.021	
11	Gwynsan	LD1 6EE	303571 264096	P/2010/1026	0.011	0.011	0.021	0.014	0.007	0.018	0.110	0.014	
12	Cefnllyn	LD1 6EW	301668 265640	P/2008/0964	0.021	0.021	0.059	0.028	0.014	0.042	0.580	0.032	
13	Cerrigroes	LD1 6EU	303496 261335	P/2009/0414	0.007	0.007	0.014	0.011	0.007	0.018	0.200	0.014	
14	Nantglas church	LD1 6PD	299159 264193	P/2010/1086	0.007	0.007	0.014	0.011	0.004	0.046	0.110	0.028	
15	Esgairwy	LD1 6PG	307137 268683	P/2013/0736	0.007	0.007	0.014	0.007	0.007	0.007	0.610	0.007	
16	Pen Bryncennau	LD1 6PT	305195 274545	P/2010/0869	0.018	0.018	0.021	0.014	0.014	0.014	0.063	0.011	
				Total	4.712	1.696	1.950	2.091	0.486	1.020	3.143	0.703	1.98
	Banc Gwyn	LD6 5NG	300283 272216	P/2014/0009	0.067	0.056	0.053	0.035	0.028	0.035	0.028	0.018	0.04
				Total	4.779	1.752	2.003	2.126	0.514	1.055	3.171	0.721	2.02
				Critical Load	5.070	0.600	5.070	1.090	0.840	0.870	0.490	1.120	1.89
	Percentage of acid deposition over Critical Load				**94%**	**292%**	**40%**	**195%**	**61%**	**121%**	**647%**	**64%**	**106%**

Numbers in blue are the acid "Process Contribution" of the 16 poultry units consented since 1 January 2008

The deposition numbers on this page do not include pre-existing background deposition, or consents prior to 2008.

The average acid deposition of these 16 poultry units is 1.98, which is 105% of the average critical load of 1.89.

The proposed broiler unit at Banc Gwyn would contribute an average additional 0.04 acid deposition

The average deposition of acid, including Banc Gwyn, would be 106% of critical load

At two European sites, the deposition of acid from the proposed broiler unit at Banc Gwyn would exceed the 4% of critical level when further modelling is required

Cyngor Cefn Gwlad Cymru
Countryside Council for Wales

CADEIRYDD/CHAIRMAN: MORGAN PARRY **PRIF WEITHREDWR/CHIEF EXECUTIVE: ROGER THOMAS**
Anfonwch eich ateb at/Please reply to: Richard Jones
Ffôn/Tel: 029 20 772400
Ffacs/Fax: 029 20 772412
Ebost/Email: r.jones@ccw.gov.uk

Rhanbarth De a Dwyrain / South & East Region
Plas yr Afon/Rivers House
Parc Busnes Llaneirwg/St Mellons Business Park
Ffordd Fortran/Fortran Road
Llaneirwg / St Mellons
CAERDYDD / CARDIFF
CF3 0EY

Mr S Smith
Head of Planning
Planning Control Section
Council Offices
High Street
Blaina
NP13 3XD

Our Ref: DCT-12-061238/C.09.91.01/RB/CW
Your Ref: SS/C/2013/0062

22 March 2013

Dear Mr Smith

LAND NORTH OF RASSAU INDUSTRIAL, RASSAU, EBBW VALE
THE CIRCUIT OF WALES

TOWN AND COUNTRY PLANNING ACT 1990

Thank you for your consultation of the 20 February regarding the above 'Circuit of Wales' application.

The Countryside Council for Wales (CCW) objects to the application and recommends that it be refused.

CCW note the information that has been provided within the Environmental statement and supporting documents. Whilst we appreciate the nature and scale of the proposal is likely to bring positive benefits in terms of economic regeneration to the area, we are of the view that a development of this nature in this location would result in significant environmental impacts. The proposed development is located on an area of open moorland which is adjacent to the Brecon Beacons National Park. The proposal will have an adverse effect on the heritage and special qualities of this national landscape designation.

Our reasons for our objection are outlined below.

PLANNING POLICY

The proposal we believe is contrary to National Planning Policy. The ES concludes that the proposal is consistent with and will have a positive impact in terms of those policies which promote economic regeneration (ES para 17.5.). However in terms of environmental policies the main justification appears to be that the proposal has been through an EIA process.

As the proposal is likely to have significant direct and indirect environmental impacts (as outlined below), CCW are of the opinion it is contrary to national policy in particular PPW para 4.4.3.

We also note that the proposed development is outside of the settlement boundary and not an allocated site within the recently adopted Blaenau Gwent Local development Plan (LDP). The LDP was subject to examination during 2012 and was found to meet the test of soundness.

The proposal is contrary to a number of the policies within the LDP. For example it would not satisfy the following policies of the LDP;

Policy SP10 and 11 - The nature and scale of the proposal would not protect or enhance the Natural or the Historic Environment.

Policy DM14 – The proposal would be at variance with this policy which is aimed at promoting Biodiversity Protection and Enhancement.

BRECON BEACONS NATIONAL PARK

This is a proposal for a major development immediately adjoining the Brecon Beacons National Park (BBNP), a national landscape designation.

The protection and conservation of national parks is enshrined in planning policy and various strategic documents. Planning Policy Wales Section 5.3.6 states*:*

‘ National Parks …. must be afforded the highest status of protection from inappropriate developments. In development plan policies and development management decisions.…… In National Parks and AONBs, development plan policies and development management decisions should give great weight to conserving and enhancing the natural beauty, wildlife and cultural heritage of these areas.

In terms of development proposals adjacent to the Park , the Brecon Beacons National Park Authority (BBNPA) Unitary Development Plan (UDP), as adopted in March 2007 that is of relevance to landscape character and visual amenity:

“If the special qualities of the National Park are to be protected, careful control needs to be exercised over development that straddles the Park boundary or is conspicuous from within the Park. The NPA is consulted by neighbouring planning authorities on applications likely to affect the Park…. “

CCW have considered the likely impact on the National Park under the following headings.

i) Landscape and Visual

The site is on upland moorland that is common land. The boundary with the BBNP in this locality is only a line on a map, the contiguous large expanses of common land moorland within the BBNP continuing over Mynydd Llangynidr and Mynydd Llangatwg. This moorland is spread across a gently undulating visually connected tranquil plateau that dips to the south and will have direct views from many locations of the proposed motor racing circuit and its ancillary buildings and associated structures and activities.

We note from the Landscape and Visual Impact Assessment (LVIA) undertaken as part of the ES has concluded that 5 of the 15 viewpoints were considered to observe a significant level of effect on visual amenity as a result of the construction of the Circuit of Wales. Three of these are directly located within the National Park (Mynydd Llangynidr, Mynydd Llangattock and Cairn-y-Bugail).

Although it is appreciated that this is an outline application, the description and analysis of predicted and residual effects in the LVIA do not give enough confidence that they will be as stated in the ES and we feel that tone adopted is speculative with phrases used such as 'likely to be limited.' Moreover it is inappropriate to consider that the screening of one part of the site by a building that forms part of the development will lessen impact. To take one example, the Viewpoint 13 footpath north of Llangyndir reservoir. The ES (p391 13.5.25) recognises the high sensitivity of the receptors (but erroneously given as medium in the summary table 13.11), but suggests that the medium magnitude of effect is not significant. We would suggest that the changes in this view are significant and adverse. No allowance has been made for the sequential views experienced by users of Public Rights of Way and open access land adding to the magnitude of effects. We also disagree that seeing the construction elements of the proposal within the context of existing built structures (E.g. pylons) lessen the cumulative impact.

No visual assessment of the proposed 12 ha solar PV park on the National Park has been carried out.

CCW is strongly of the view that the proposal will be widely seen and heard from these moorlands and beyond and will have a major adverse impact on the character and special qualities of Mynydd Llangynidr and Mynydd Llangatwg parts of the Brecon Beacons National Park.

ii) Common Land

Grazing and management practice on common land occurs based on rights owned by farmers surrounding the common, and attached to their farms/fields. The owner of the land may carryout other activities where they do not impact on the use of the common rights. These rights and common practices have developed over hundreds of years since medieval times and have had a fundamental influence on the shape and form of the landscape, of both the commons themselves and the surrounding farms that the rights are attached to.

As part of a process to progress a development, this proposal would involve the release (i.e termination) of a proportion of the common rights applying to common land Unit CL15. The contiguous commons are grazed by multiple flocks, traditionally shepherded and hefted to a certain part of the hill. It is important to understand that a change on one part of the common can affect the graziers on another part of the common, potentially causing difficulties for the management of the remaining common land.

The Circuit of Wales proposal will also generate additional traffic flows across the commons (see comments on traffic below). For example the Llangynidr mountain road B4560, is an unfenced road over the Common over which sheep roam freely and it is not suitable for an increase in traffic..

It is clear that grazing on these Commons is already precarious. There has been a process of graziers abandoning grazing of the common, due mainly to the increasing age of graziers and/or the profitability of that part of their farming business. Mynydd Llangynidr and Mynydd Llangatwg have also been subject to a series of developments over the years that have destroyed or severed farms on the south of the hill (coal workings, construction of the A465 Heads of the Valleys Road and the Rassau Industrial Estate). CCW is particularly concerned that this has a real likelihood of causing several of the few remaining graziers to abandon grazing, followed shortly by the remaining graziers who turn out on the plateau

Grazing by Commoners on these moorlands is essentially in maintaining the wider landscape and vegetation cover within the Brecon Beacons National Park. The loss of commons grazing both within the area affected by the proposed development and in the wider landscape would have a very significant loss with respect to the strategic objectives of the Brecon Beacons National Park Management Plan with a progressive and permanent change in vegetation and landscape and loss of cultural heritage, common grazing practice having being part of this landscape for many hundreds of years. There would also be implications for Mynydd Llangatwg which is designated as a Special Area of Conservation and a Site of Special Scientific Interest for its heath vegetation (see comments below).

In addition, the proposed development is situated on a registered urban common where the public have a have rights of access for air and exercise to that land. If built the proposal would result in a significant reduction in the availability of access land for local people and visitors to the area.

iii) Noise and Tranquillity

We note that in paragraph 3.89 of the Environmental Statement Volume 3: Non-technical Summary, it suggests that operational noise will result from motorsport, helicopter, amplified music, building service and traffic but that this is deemed to be acceptable and no mitigation measures are planned apart from a Noise Management Plan to limit the duration and frequency of these activities.

The ES considers noise impacts in terms of the noise generated from the motorsports activities and increased traffic to and from the site in respect of human receptors in the local area. Little reference is made to the effect of noise on the BBNP and how the increased noise will affect its tranquility qualities. With the prevailing winds being from the South West it is clear that noise will be carried into the Park and will affect walkers on Mynydd Llangynidr, Mynydd Llangattock and Cairn-y-Bugail.

As a result, CCW are concerned that the proposed development in this location will have a negative impact on the tranquillity qualities of the BBNP.

iv) Lighting

The BBNP has recently been granted prestigious International Dark Sky Reserve status making it Wales' first International Dark Sky Reserve.

The ES states that the less than half of the site will require lighting and the effects of lighting can be mitigated for through appropriate design and lighting types. We are concerned that a development of this scale and nature with the various motor circuits, hotels, retail and business centres would inevitably require security lighting at night and other lighting when operational. The likely effects particularly on the BBNP have not been fully assessed.

v) Traffic

In use, the intention is to attract up to 90 000 thousand motor racing enthusiasts to watch events and use facilities, most of whom will enviably drive to the site. It is very likely that motorists from the north will travel to and from the site via Llangynidr and the B4560 rather than using the upgrade Heads of the Valleys Road. The traffic generation will therefore increase on the Beaufort, Llangynidr (B4560) and Llangattock roads, as a result and some will use their spare available time in the area to visit near by places. The additional traffic volumes and noise generated within the BBNP will erode the public enjoyment of the national park landscape, particularly in the more tranquil parts affected.

Prif Swyddfa/Headquarters
MAES-Y-FFYNNON, PENRHOSGARNEDD, BANGOR, GWYNEDD LL57 2DW FFÔN/TEL: 01248 385500 FFACS/FAX: 01248 355782
http://www.ccw.gov.uk

There is also a likelihood of increased traffic impacting on grazing practice on Mynydd Llangynidr and Mynydd Llangatwg, with significant consequences to the Brecon Beacons National Park landscape and the long term management of biodiversity, including the heath land within the Usk Bat Sites Special Area of Conservation.

HISTORIC AND LOCAL LANDSCAPE

i) Historic Landscape

The proposal will have a direct impact on 4 Historic Landscape Character Areas (HLCAs) classed from severe to very severe. The HLCAs are:

Trefil TramRoad

Nant Milgatw Fieldscape

Nat Milgatw Uplands

Twyn Bry-March Bronze Age Funerary Landscape

Also a moderate impact (in terms of non-physical indirect visual effect) on 2 landscapes listed on the Register of Historic Landscapes in Wales:

Blaenavon

Gelligaer Common

The ES concludes that the impact on historic landscape is acceptable despite the ES concluding that there would be moderate to very severe impact on HCLAs and two nearby registered historic landscapes. a generally tries to play down the impact of the development on historic landscape.

ii) Special Landscape Area

The proposal lies within and would have a significant adverse effect on the Trefil and Garnlydan Special Landscape Area (Blaenau Gwent). The March 2009 Blaenau Gwent SLA Proposals Final Report identify that the primary landscape qualities and features include:

- Essentially part of the Brecon Beacons landscape
- Fine contrasting panoramic views, north to Pen-y-Fan, south across the Heads of the Valleys
- Remote, large scale, bleak and generally tranquil.

The open upland common land part of the SLA is a continuation of the Mynydd Llangynidr and Llangatwg moorlands.

USK BAT SITES SAC

The heath land on Mynydd Llangatwg is a designated feature of the Usk Bat Sites SAC , with the consequent legal requirements under Section 61 of the Habitats and Species Regulations 2010 (as amended) to assess impact of proposals likely to have a significant effect on the SAC.

The ES does not identify the potential for significant impact and further consideration is needed prior to determination to assess the traffic flows that will be generated across these commons and the extent to which they will compromise future grazing. This would need to involve discussion with the graziers. CCW advise that the planning authority should assume that the impact on the Usk Bat sites SAC heath land feature on Mynydd Llangatwg is significant until such time as objective information on traffic flows and any other matters that could reasonably affect grazing over the commons are available and can be assessed further with respect to impacts.

Allied to the above, the effect of nutrient deposition from vehicle emissions from the increased traffic likely to be using the B4560 on the SAC habitats has not been assessed.

BIODIVERSITY

The proposed development would result in the loss of some 200 ha of moorland habitats including BAP priority habitats. This would result in a significant loss of biodiversity although as the extent of individual habitat loss is not quantified it is not possible to determine the exact nature of this loss.

However, the ES states that during the construction phase there will be a significant loss of upland heath (H18c), flush/mire (M6c), mire and Purple Moor Grass pasture (M23b) vegetation communities. These are all BAP priority habitats.

CCW note that circa 139 ha of moorland immediately to the west of the site will be managed for its upland habitat as compensation but again no details of individual habitats are provided to allow assessment on how this land may compensate for the loss of habitats on site. Also the ES states that the northern part of the application site, north of the gas mains, will not be within the development footprint and will be managed to improve the condition of its upland habitats through Common Management Plans.

The mitigation for habitat loss outlined in the ES is to improve the quality of the habitat both within the site not directly affected by the development and for areas outside of the application. However, this mitigation is not secured or quantified.

The ES also identifies that there will be a significant effect on upland breeding birds, reptiles and invertebrates.

CCW are of the view that loss of habitats and species associated with these habitats is likely to be substantial and the ES has not shown that this can be adequately mitigated.

SUSTAINABILITY AND CLIMATE CHANGE

The main issue is loss and disturbance to peat and peaty soils. The ES states that approximately 24% of the development supports peat over a depth of 0.5m with a max depth recorded of 1.7m.

Because of the nature of the development and the need to reconfigure the site for the racing tracks and associated developments, the majority of the peat (235.16 ha/703, 453 cubic metres) would be removed and dewatered (to be used for on-site landscaping or sold for horticultural industry).

CCW regards the potential damage to peat land habitats and carbon stores a key environmental issue. Development on peat has the potential to directly damage peat which this proposal would do but also indirectly through the effects of changes to site hydrology leading to drainage, drying out and subsequent oxidation of peat. The proposed area of the development is the source for both the Rivers Sirhowy and River Ebbw and the ES acknowledges that in terms of impact on habitats one of the most significant would be on watercourses within the site.

The ES calculates that 10,500 tonnes of carbon dioxide would be released as a result of the construction and haulage activity. This figure does not take into account the contribution from the operation of the development both from motorsport activity itself and the increased traffic generation that would result from people accessing the site.

CCW advise that to accurately determine greenhouse gas emissions, the Scottish wind farm carbon calculator is used. It has an up to date set of references and uses emissions equations (derived from the ECOSSE study) for carbon dioxide and methane that are able to take into account site-specific factors such as site temperature and pH - much more appropriate than the Tier 1 accounting procedure used in the present analysis. The calculator has been developed over a number of years to aid the preparation of figures on the carbon impacts of development on peatlands.

http://www.scotland.gov.uk/Topics/Business-Industry/Energy/Energy-sources/19185/17852-1/CSavings/CC-271

The extraction of peat from the site and its supply to the horticultural industry is assumed to have no carbon emissions, as these emissions should be accounted for by the horticultural industry, rather than this development. CCW is concerned that on account of this fact and that the calculations do not take account of those emissions generated from the operation of the site, the figures presented do not accurately represent the true amount of greenhouse gas emissions likely to be released as a result of this proposal.

The ES claims that with good biodiversity management of sequestrating habitats and proposed offsetting measures, the carbon dioxide releases can be mitigated in the long-term however there is not sufficient information to substantiate this claim.

In addition, measures to offset the release of carbon dioxide include better management of unaffected habitats within and adjacent to the site to allow better carbon sequestration and tree planting. However, CCW believe this would only offset a very small part of the carbon release (circa 3%). In the worst case scenario where managed peat soils have no or little sequestration capacity it would take 89 years to offset the anticipated carbon dioxide release (ES para 11.7.3).

CCW are strongly of the view that the loss of peat soils and associated release of greenhouse gases is unacceptable.

CONCLUSION

For the reasons outline above, CCW objects to this application and recommended that it be refused.

Should your authority be minded to approve this application however, in order that all environmental impacts of the proposed development can be fully assessed, we advise that additional survey work and assessments are carried out prior to determining the application in the following areas:

- An assessment of the effects of noise on the tranquillity of the BBNP
- An assessment of the landscape and visual effects of the 120 000m2 of solar panels on the BBNP.
- An assessment of traffic coming through the national park and over Mynydd Llangynidr, in particular an assessment of the emissions on the heath vegetation feature of the Usk Bats Sites SAC
- Further work to demonstrate how the loss of Biodiversity Action Plan habitats will be mitigated / compensated.
- Further work to assess the greenhouse gas releases associated with construction and operation of the proposed development.

Prif Swyddfa/Headquarters
MAES-Y-FFYNNON, PENRHOSGARNEDD, BANGOR, GWYNEDD LL57 2DW FFÔN/TEL: 01248 385500 FFACS/FAX: 01248 355782
http://www.ccw.gov.uk

Finally, we are minded to write to the Welsh Government to advise them that we consider this application raises planning issues of more than local importance and recommend that it be called in for their determination. We are of the opinion that issues of significance in this context are;

- Departure from national planning policy
- The implications for the Brecon Beacons National Park
- The loss of Biodiversity including BAP habitats and peat soils resource

If you require further information or clarification in relation to our objection please feel free to contact us.

Yours sincerely

Chris Uttley
Regional Operations Manager
Uwch-reolwr Gweithrediadau Rhanbarthol

National Assembly for Wales
Environment and Sustainability Committee
NRW 2015 – 75
Natural Resources Wales – Annual Scrutiny 2015
Response from Friends of the Earth Cymru

April 2015

Submission to the Environment Committee

in its scrutiny of

Natural Resources Wales

cyfeillion y ddaear cymru
friends of the earth cymru

Natural Resources Wales

Introduction

1. Friends of the Earth Cymru had an open mind about the formation of Natural Resources Wales (NRW) and the dissolution of its constituent bodies.

2. However, such serious concerns have arisen about NRW – particularly over governance, its independence from government, transparency, planning and integrity and honesty – that we consider the time has come to reconsider whether or not the current model is an appropriate one.

3. Professor Neil Kay conducted a review of environmental governance of the environmental agencies in Scotland in 2007[1]. It is worth quoting one section from Professor Kay's paper:
"the lack of possible major gains from conventional merger are only one part of the problem… not only could subsequent problems be difficult to rectify (say by demerger), they could be difficult to identify in the first place given the nature of public bodies compared to private, and the lack of closely comparable bodies in a Scottish context for comparison purposes. ***Not only could the merger be a mistake, it could be a merger that would simply be perpetuated indefinitely*** *because the combined bureaucracy would make it more difficult to identify where things have gone wrong. If you want to pursue the policy objectives that SEPA and SNH set out in their remit, then if you did not have a distinctive SEPA and SNH you would probably want to invent them. That being the case, and looking at the balance of the argument,* ***I would argue that there is no net case that can be made for a conventional merger between SEPA and SNH. It is something that could be expected to deliver few, if any benefits, entails severe risks on a number of counts, and is likely to destroy value for a number of reasons outlined above.****"*

4. The UK Government's triennial review of the Environment Agency and Natural England in 2013[2] also concluded that the two agencies should be retained as separate public bodies with separate purposes and functions. The review included an assessment of their compliance with principles of good corporate governance[3].

5. The Environment and Sustainability Committee's report on the single environment body (NRW) in May 2012[4] identified concerns regarding transparency and the resolution of conflicts (separation of functions), and the loss of relationships between stakeholder organisations and (specialist) staff.

6. We regret that many of Professor Kay's fears – and indeed those of this Committee – have come to pass in the case of NRW. The question is: will this merger "be perpetuated indefinitely" even though it appears to have delivered few benefits, entails severe risks and is likely to have destroyed value?

---

[1] www.gov.scot/resource/doc/921/0088306.doc
[2] https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/209382/triennial-rev-ea-ne.pdf
[3] https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/209383/principles-corporate-governance-ea-ne.pdf
[4] http://www.senedd.assembly.wales/documents/s7329/The%20business%20case%20for%20a%20single%20environment%20body%20-%20Report%20-%20May%202012.pdf

7. We recommend that there should be an independent review of environmental governance in Wales before the problems experienced manifest themselves in further environmental degradation, and before half of the staff of NRW have left (as is projected to happen within three years if the staff survey is to be believed – see paragraph 37). Such a review should consider the current arrangements alongside the risks identified in the Environment and Sustainability Committee's report on the single environment body in May 2012, and the reviews of environmental governance and non-departmental bodies in England and Scotland.

8. This recommendation is not least because there are relatively few jurisdictions throughout Europe that have adopted the approach of placing regulatory and conservation environmental functions in one body. Northern Ireland and Sweden appear to be two such, and Northern Ireland is a case study in failures of environmental governance that surpasses all.

9. A useful indicator of good governance would be an assessment of NRW's interpretation of and delivery of its purpose, duties and functions. Another would be an assessment of governance arrangements for compliance with legal obligations where potential conflicts of interest might occur (identified as potential risks in the creation of NRW) such as self-consenting and permitting, and the assessment of NRW's own projects and plans under EU regulations such as the Environmental Impact Assessment Directive, the Strategic Environmental Assessment Directive and Habitats Directive.

10. An independent review of environmental governance would also be timely to inform the proposed Environment Bill, the draft of which included several provisions on the remit of NRW. Such a review should be set within the context of international, European and other environmental obligations, as well as new Welsh legislation, particularly the Well-being of Future Generations (Wales) Bill[5].

Governance – The purpose of Natural Resources Wales

11. The Welsh Government established NRW under two legal orders. Although the remit of the body did not fundamentally change from that of the legacy bodies, a new statutory 'purpose' was created[6], which requires NRW to ensure that:
"the environment (which includes without limitation living organisms and ecosystems) and natural resources of Wales are sustainably maintained, enhanced and used for the benefit of the people, environment and economy of Wales in the present and in the future"

12. The Establishment Order[7] makes clear that the purpose does not give the body power to (a) do anything that it would not otherwise have the power to do, or (b) exercise any of its functions in a manner contrary to the provisions of any other enactment or any EU obligation. In simple terms, this

[5] http://www.assembly.wales/laid%20documents/pri-ld9831%20-%20well-being%20of%20future%20generations%20%28wales%29%20bill/pri-ld9831-e.pdf Part 2 (6)
[6] The Natural Resources Body for Wales (Establishment) Order 2012, Part 2 (4) – Purpose of the Body : http://www.legislation.gov.uk/wsi/2012/1903/article/4/made
[7] http://www.assembly.wales/Laid%20Documents/SUB-LD-8922%20-%20The%20Natural%20Resources%20Body%20for%20Wales%20(Establishment)%20Order%202012-30052012-234816/sub-ld-8922-e-English.pdf

indicates that the purpose does not override the core statutory duties and functions that the body must fulfil under UK and EU law.

13. Whilst there is provision in the Establishment Order for the Minister to provide guidance to the body on the interpretation of its purpose in the delivery of its functions (Part 2.5 - Guidance with respect to the Body's purpose), no such guidance exists.

14. Notwithstanding our call for a review of environmental governance in Wales, the Committee might like to explore the absence of guidance on the statutory purpose of NRW, especially given that there is *"No shared understanding of what NRW is trying to achieve in its involvement in planning and development cases… staff are unclear whether they should be interpreting NRW purpose in their advice"* (see paragraph 27).

Governance – Economic considerations

15. NRW has confirmed that it employs a grand total of two economists and one social scientist[8]. Part of the responsibility of these three staff members is presumably to weigh up the competing economic and social concerns of developments alongside the environmental impacts assessed by the 1,500 or so staff with particular specialist environmental expertise.

16. NRW has voluntarily adopted the Regulators' Code. This is a way of working designed by the UK Government for use by statutory bodies in England[9]. NRW describes how the Regulators' Code: *"is not statutory in Wales, although Welsh Government requires us to have regard to it… therefore we will adopt the Regulators' Code resulting in this being embedded into our regulatory approach"*[10].

17. The Regulators' Code, which NRW has 'embedded into its regulatory approach', states that: *"When designing and reviewing policies, operational procedures and practices, regulators should consider how they might support or enable economic growth for compliant businesses and other regulated entities"*[11].

18. The Committee may wish to explore to what degree it is desirable for the statutory environmental conservation body in Wales to be a vehicle for 'supporting or enabling economic growth', and how any conflicts between that (voluntarily adopted) economic growth function and its statutory environmental conservation function are resolved in practice.

19. The Committee may also wish to explore whether or not an organisation employing two economists (*vis a vis* 1,500 or so staff with environmental expertise) has the relevant expertise to discharge a function to support or enable economic growth.

[8] http://www.senedd.assembly.wales/documents/s23273/Paper%205.pdf
[9] https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/300126/14-705-regulators-code.pdf
[10] http://senedd.cynulliad.cymru/documents/s36821/03.02.2014%20Gohebiaeth%20-%20Cyfoeth%20Naturiol%20Cymru%20at%20y%20Cadeirydd.pdf page 18 of 19
[11] https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/300126/14-705-regulators-code.pdf para 1.2

20. There is disquiet in the conservation sector that a focus on facilitating developments has led NRW to downgrade ecological and conservation concerns. Evidence supporting this contention is presented below (particularly with relation to the Circuit of Wales – see paragraphs 30-33). It has also been eloquently stated by several other respondents to this call for evidence (see for example, that of Ivor Rees[12]).

21. Finally, we have grave concerns that the combination of the factors above has been used as a way to absolve Ministers from taking responsibility for weighing up the environmental, social and economic consequences of development. We consider the appropriate model to be for the environmental specialist to provide environmental information to the Minister, who then weighs up the environmental, social and economic consequences of development. It appears that NRW is to some extent becoming that *de facto* decision-making body – despite the tremendous imbalance in expertise – as a result of the creeping encroachment of economic considerations in the recommendations made and decisions taken by NRW. It means that contentious decisions are potentially determined away from the proper unit of democratic accountability: the Minister.

22. Emyr Roberts has stated publicly that *"we need to get the best possible solution for the environment"*[13]. It is difficult to reconcile getting the best possible environmental outcome when the organisation is moving towards a permissive approach for developments in pursuit of economic growth.

23. It is worth quoting the late Morgan Parry in his role as NRW Board Member in regard to the issue of economic consideration:
"I know that staff are finding it difficult to do anything other than give the same answer [on Circuit of Wales] as we would have done before vesting day. We are after all, required to advise planning authorities on the impacts of projects on protected landscapes, wildlife and other environmental assets, Nothing in our mission, our purpose or our business plan changes the balance of evidence we are required to consider in providing advice. We are not required to advise on the positive benefits for the economy and society and in my view we shouldn't do that. That's for the developer, the local chamber of trade, the CBI and all the other groups who promote economic development. It's then up to the planning authority, as the democratically elected authority, to balance the competing views and come to a decision. How they do that is influenced by Planning Guidance, from WG. The only way our advice on issues such as Circuit of Wales is going to change is if we are directed by Government to have regard for other factors over and above the environmental ones. And that, I believe, would be a very sad day. As long as our advice was factually correct, based on sound evidence, and was consistent with our remit, and acknowledged the economic and social dimensions of the applicant's proposal, I think we should support the staff. I also think we should patiently and modestly set out our opinion in the public domain, and emphasise the economic and social value of the national park, and if we did so we would retain public and political support, even if we make life a little difficult for the Government of the day"[14].

[12] http://www.senedd.cynulliad.cymru/documents/s38763/NRW%202015%20-%2028%20Ivor%20Rees%20Saesney%20yn%20Unig.pdf
[13] http://www.bbc.co.uk/news/uk-wales-26827018
[14] https://naturiaethwr.files.wordpress.com/2014/02/cyngormorganparry1.pdf

Governance - Planning

24. NRW has a wide range of duties and functions. However, its role as a statutory adviser within the planning system is to provide independent and specialist advice to decision makers in government on the environmental impacts of proposed developments, and to provide advice on mitigation measures. It already has a statutory socio-economic duty, which does come into play in its advisory role, but its core duties relate to the environment, which after all, is its field of expertise. NRW's role in providing impartial specialist advice in this context is critical to good environmental governance within a sustainable development framework. NRW does not determine planning applications.

25. Correspondence from the Welsh Government indicates that it expected NRW's new statutory purpose to mean that the body would take a more permissive approach to development[15]. Alun Davies was also clearly of this opinion, complaining that *"the current NRW position [regarding the Circuit of Wales] does not reflect the totality of the statutory duties and the demands of the remit letter provided to NRW by the Welsh Government"*[16].

26. NRW sought independent legal advice from a QC on this point, which was presented in a paper to the Board of NRW on Principles for Planning Advice in December 2013:
"Economic benefits which impact on the environment and natural resources do not satisfy the statutory purpose unless NRW considers that the development is sustainable"[17].

27. That same Board paper also highlights that staff involved in planning in NRW – by December 2013 at least – had:
"No shared understanding of what NRW is trying to achieve in its involvement in planning and development cases… staff are unclear whether they should be interpreting NRW purpose in their advice"[18].

28. The logical conclusion to be drawn from this legal opinion is that it is NRW's specific (prescriptive) duties and powers, rather than the new purpose, which are likely to be determinative of decisions we make with respect to planning, and that any legal challenge would focus on compliance with these specific duties.

29. An anonymous spokesperson from NRW recorded the following statements for BBC's *Wales Report* in March 2014:
"From day one of the new organisation it was clear that the Welsh Government Ministers and officials expected to have a strong day to day influence on the decisions and advice of Natural Resources Wales… Ministers and senior Welsh Government officials put pressure on NRW staff not to object to developments and not to support requests for applications not be called in… Officials

[15] See email from Prys Davies to Ceri Davies and Trefor Owen here:
http://gov.wales/docs//decisions/2014/environment/140801atisn8610doc2.pdf
[16] https://naturiaethwr.files.wordpress.com/2014/06/ati-request.pdf
[17] http://naturalresourceswales.gov.uk/content/docs/pdfs/our-work/board-meeting-agendas-minutes-and-papers/18-december-2013/paper-10-strategic-principles-for-planning-advice.pdf?lang=en
[18] http://naturalresourceswales.gov.uk/content/docs/pdfs/our-work/board-meeting-agendas-minutes-and-papers/18-december-2013/paper-10-strategic-principles-for-planning-advice.pdf?lang=en

have gone so far as to tell developers what NRW's position on a development plan will be, even before an application is submitted… NRW's Executive Team have not challenged the pressure being applied by the Welsh Government, and they themselves have put substantial pressure on staff to come up with the right answer for the Welsh Government, even where there is no evidence to support it."

30. NRW's failure to get to grips with its planning obligations is exemplified in one of the worst cases by the Circuit of Wales application. For chapter and verse on the case, the Committee is invited to read the following articles:
https://naturiaethwr.wordpress.com/2014/01/15/cylchdaith-rasio-blaenau-gwent-i/
https://naturiaethwr.wordpress.com/2014/01/23/cylchdaith-rasio-blaenau-gwent-ii/
https://naturiaethwr.wordpress.com/2014/03/26/cylchffordd-rasio-blaenau-gwent-iii/
https://naturiaethwr.wordpress.com/2014/03/28/cyfweliad-emyr-roberts/
https://naturiaethwr.wordpress.com/2014/06/06/dylanwad-alun-davies/
https://naturiaethwr.wordpress.com/2014/11/24/cylchffordd-rasio-blaenau-gwent-mwy-fyth-o-lygredd/
https://naturiaethwr.wordpress.com/2015/01/09/cylchffordd-rasio-blaenau-gwent-beth-sydd-a-chnc-iw-guddio/

31. A very brief synopsis of each article follows:
    - NRW made a sudden U-turn on its strong opposition to the development based on an agreement with the developer of dubious quality that explicitly states it is not a legal contract. The Welsh Government has already spent £2 million on helping the scheme get to fruition and has promised £15 million more in the future.
    - Concerns about the noise impact of the development on the National Park simply vanished from consideration by both NRW (from whom this formed one of the five bases of objection) and the Welsh Government. This was despite the Head of Environmental Health and Chief Planning Officer for Blaenau Gwent recommending refusal on this ground alone.
    - One of the NRW Board Members (Harry Legge-Bourke), and at least two senior NRW staff members (Emyr Roberts and Graham Hillier) appear to have broken the Nolan principles through their actions relating to the Circuit of Wales.
    - It appears that local authorities can give planning permission for a scheme the scale of the Circuit of Wales without obtaining input from the statutory environmental adviser (NRW).
    - Alun Davies probably broke the Ministerial Code through attempting to influence NRW's planning advice on Circuit of Wales (this has subsequently been borne out through Sir Derek Jones' report).
    - NRW concealed Board papers about the Circuit of Wales that raised serious environmental concerns *after* the date on which NRW had described the environmental factors as being of no greater than local significance. NRW appears to have a problem with transparency and openness (see below).

32. The Committee may wish to explore NRW's explanation for many of the questions that are posed about its role in permitting the Circuit of Wales and in planning matters generally.

33. The Committee may wish to commission or recommend the establishment of an independent investigation of the Circuit of Wales affair.

34. The Committee may wish to explore the problems that could stem from planning authorities granting planning permission for environmentally damaging schemes prior to receiving advice from the statutory environmental advisor, and explore means of redressing this planning inconsistency[19].

35. The Committee may wish to consider at a later date whether or not the current arrangements for Planning Inspectorate Wales – in light of its relationship with the Welsh Government – fulfil the requirements of Article 6.1 of the European Convention on Human Rights[20].

Governance – Staff survey

36. We understand that the Committee has received a copy of the NRW staff survey. It reveals that there are serious problems with the management of NRW.

37. 17% of staff want to leave the organisation either as soon as possible or within the next 12 months. A further 30% see themselves staying for 'at least a year' but not three years. For any organisation – but particularly one employing many hundreds of highly specialist staff – these results must be horrifying. It leaves slightly more than half the 2,000 or so staff as wanting to remain with NRW for at least 3 years, or a desired[21] attrition rate of 1 staff member per work day.

38. Clearly there are serious management problems within the organisation:
    - 9% of staff have *personally* experienced bullying or harassment at work *in the last 12 months*
    - Just 20% of staff feel that the organisation is managed well
    - 26% think that senior managers are sufficiently visible
    - 22% have confidence in the decisions made by senior managers
    - 14% think that change is managed well in the organisation
    - 17% think that changes made by the organisation are usually for the better
    - 26% feel they have the opportunity to contribute to decisions that affect them
    - 33% feel safe to challenge the way things are done in the organisation
    - 15% think that different parts of the organisation work well together

39. Based on the figures above it would not be overstating things to suggest that there is a management crisis in the organisation. After all, only 23% of staff believe that senior managers will take action on the results outlined above. It is highly unusual in such circumstances for such a crisis to emanate from anywhere other than the top of the organisation.

40. The Committee may wish to explore why staff feel so disenfranchised from their organisation. The Chair and Chief Executive may not be the most illuminating witnesses in this regard; consideration should be given to interviewing (possibly *in camera*) rank and file staff members.

Transparency

[19] See https://naturiaethwr.wordpress.com/2014/03/28/cyfweliad-emyr-roberts/ for fuller details
[20] See https://naturiaethwr.wordpress.com/2014/11/24/cylchffordd-rasio-blaenau-gwent-mwy-fyth-o-lygredd/ for fuller details
[21] From the point of view of staff

41. It is worth quoting extensively from a paper presented to the Board of NRW[22] by the Communications Directorate in October 2013 in order to set out the context in which some of NRW's failures can be scrutinised:
"Good communications is essential in helping Natural Resources Wales deliver its priorities, outcomes and services…
The reasons why we need to communicate effectively can be summarised as:
a) To fulfil a specific legal or statutory requirement to provide public information about our work. For example, public consultations around sites that we designate or sites that we regulate.
b) ***As an integral 'tool' for achieving our outcomes; recognising that communications is a powerful delivery tool in its own right.***
c) To help the public understand our work, especially where they are directly affected. For example, community relations work around sites such as Newborough, ***or contentious sites****…*
Natural Resources Wales needs to establish itself as a credible organisation with a clear purpose, vision and priorities. ***It needs to be open in the way it operates, establish trust in the way it works*** *and build a strong profile.*
Public respect and trust in public bodies and Government has declined due to a number of high-profile issues. This means that all public organisations are under heightened scrutiny and need to be more transparent and open in their communications than ever before. Honesty, transparency and accessibility will form the foundation of our communications.
The organisation has made good progress in the first six months in achieving its communications objectives. ***Notable achievements include… Reputational management around issues such as Circuit of Wales"***

42. The UK Government has a clear drive towards transparency. It states that :
"openness and transparency can save money, strengthen people's trust in government and encourage greater public participation in decision-making"[23].

43. The Welsh Government *"has followed the principles of openness in government for many years"*[24]. Regrettably, the Welsh Government's Code of Practice on Public Access to Information is no longer available on the Welsh Government website, although an archived 2007 version is available[25]. Principle 1 of the Code is 'maximising openness': "*We will be as open as possible"*.

44. Natural Resources Wales itself *"aims to be as open and transparent as possible"*[26]. In this endeavour, it has adopted the Information Commissioner's model publication scheme.

45. The purpose of the scheme:

[22] See "Our approach to Corporate Communications" here: http://naturalresources.wales/media/3585/october-16th-2013.zip
[23] https://www.gov.uk/government/topics/government-efficiency-transparency-and-accountability
[24] http://gov.wales/about/foi/?lang=en
[25] http://webarchive.nationalarchives.gov.uk/20080814090248/http://new.wales.gov.uk/cisd/publications/codeaccessinfo2007/codee.pdf?lang=en
[26] http://naturalresources.wales/about-us/contact-us/request-information/publication-scheme/?lang=en

"is to make the maximum amount of information readily available at minimum inconvenience and cost to the public"[27].

46. It appears that transparency is a difficult concept for some in NRW. An email from the late Morgan Parry to fellow Board Member Madeleine Havard states:
"*Emyr clearly thinks he doesn't need to respond to requests from the Board. I spoke to Peter M earlier and he says Emyr was reluctant to [send a copy of the final Circuit of Wales submission] because of his paranoia about putting things in the public domain, FoIs etc"*[28].

47. NRW appears to have concealed at least one Board paper. A paper exists (obtained under Freedom of Information provisions) that is not recorded on the Board Papers section of the NRW website, which raised serious environmental concerns over the Circuit of Wales *after* the date on which NRW had described the environmental factors as being of no greater than local significance[29].

48. The Committee may wish to explore the reasons for this paper not being a public document, and to ascertain whether or not other examples of such unpublished Board papers exist.

49. At present the Disclosure Log (a list of responses to information requests) is not operational on the NRW website[30]. We hope that it is being updated to take account of the following criticisms[31]:
    - NRW does not publish the information revealed under Information regulations in the same location as it lists the information requests. This is very poor practice.
    - NRW requires people to send an email to the information team in order to obtain information that has previously been revealed by Information regulations. This is extremely poor practice: one of the principal purposes of Information regulations is that anyone should be able to freely examine information that has been revealed, not have to sift through information requests and email the body in order to examine them.
    - NRW itself determines whether or not it will make public information requests:
      "Please note that the disclosure log does not list everything that has been released under the Access to Information Legislation. The criteria for disclosing responses include:
        - *A substantial public interest*
        - *Demonstration of internal procedures*
        - *Demonstration of how public money has been spent or information concerning resources"*

50. The Committee might like to explore who is best placed to determine whether or not there is 'substantial public interest' in information disclosed by Information regulations: the public themselves or the body that is under scrutiny.

51. The Committee may also wish to confirm that the information disclosure practices of NRW – practices which have no parallel within the public sector in Wales in their ability to obfuscate and

[27] https://ico.org.uk/media/for-organisations/documents/1153/model-publication-scheme.pdf p3
[28] https://naturiaethwr.files.wordpress.com/2014/02/emyr-paranoia.pdf
[29] https://naturiaethwr.files.wordpress.com/2014/11/130831-circuit-of-wales-update-2-sept.pdf
[30] http://naturalresources.wales/about-us/contact-us/request-information/disclosure-log/?lang=en No information available as of 14:00 on 10 April
[31] https://naturiaethwr.wordpress.com/2015/01/09/cylchffordd-rasio-blaenau-gwent-beth-sydd-a-chnc-iw-guddio/

conceal – will be updated to the standards of being *"as open and transparent as possible"* that NRW itself espouses, that some in the organisation rail against but that the public rightly expects.

52. NRW appears to make a virtue of failing to provide broadcast interviews:
"Throughout recent months the [Circuit of Wales] case has received substantial local and national media coverage. NRW has provided information to the media when requested but generally declined interviews"[32].

53. This, again, seems poor practice and appears designed to avoid being held accountable for topics that NRW finds uncomfortable. It also appears to be counter to the approach apparently adopted by the Communications Directorate, notably that "*all public organisations are under heightened scrutiny and need to be more transparent and open in their communications than ever before".*

54. The Committee may wish to enquire as to the rationale for declining interviews on subjects of *"substantial local and national"* interest.

Integrity and honesty

55. The Nolan Principles are a set of ethical standards expected of public office holders. They apply to anyone who works as a public office-holder, including all people appointed to work in non-departmental public bodies[33].

56. There can be little doubt that they apply to the Chief Executive and Chair of the largest non-departmental environmental body in Wales.

57. Evidence has arisen that appears to show the Chief Executive to have misled the public on national radio. In an interview on Radio Cymru[34], the following exchange occurred:
"John Walter: But there was no pressure on you to change your mind [on NRW's original opposition to the Circuit of Wales application], and having changed your mind, do you think that your relationship, and your image, has been tarnished?
Emyr Roberts: There was no pressure on us at all…
JW: …from no one, from the local authority or from Welsh Government?
ER:… no, not at all…
JW:… no one spoke to you at all, [it was] only your decision as an agency?
ER: Plenty of people spoke to us, but…
JW:… the Government and the local authority?
ER: ***The Government didn't speak to us at all, the local authority didn't speak to us at all… There was no pressure on us****"*[35].

58. The Chair of NRW, Peter Matthews, also appears to have misled the public and Members of this Committee. Appearing before this Committee on 7 May 2014 he said:

[32] https://naturiaethwr.files.wordpress.com/2014/11/130831-circuit-of-wales-update-2-sept.pdf
[33] https://www.gov.uk/government/publications/the-7-principles-of-public-life
[34] John Walter, 26 March 2014
[35] https://naturiaethwr.wordpress.com/2014/03/28/cyfweliad-emyr-roberts/

"Let me make it clear to this committee, and in public, that ***there is no political interference or pressure on what we do from anyone****… I would say that the idle speculation driven in the media is unfounded, and I take this opportunity of rebutting it completely"*[36]
"We let the executives get on, so decisions—and I do not want to mention any particular decisions—that have been a bit controversial where some people have been disappointed with the decision we took and some people have been pleased with the decision we took have been determined by our own technical people on the basis of evidence that they have given. ***I have not applied pressure; Emyr has not applied pressure; and the Minister has not applied pressure to us****. We have gone about our business as a professional, wise organisation, using the evidence that is available to us"*[37].

59. But it is manifestly clear that pressure *was* applied on Natural Resources Wales. The inquiry by Sir Derek Jones into the Alun Davies affair found:
"The Minister for Natural Resources and Food should therefore ensure that his interactions with NRW could not be regarded as an attempt to influence NRW's exercise of its professional responsibilities or lead to a perception that NRW had been unduly influenced"[38].
"The content of Mr Davies' emails indicates that he was taking a very clear position on the Circuit of Wales application"[39].
"The focus of the emails is a criticism of the approach that NRW was taking towards the Circuit of Wales application… Mr Davies says 'I am very anxious that this development goes ahead'*… the emails could therefore give rise to the perception either that Mr Davies was using his Ministerial portfolio responsibilities to influence the way in which the Circuit of Wales application was dealt with by NRW; or, if that were not the intention, the effect could nevertheless be the same"*[40].

60. The First Minister himself stated that: *"it is clear to me that the Ministerial Code was breached"*[41].

61. An email from a senior Welsh Government official to two Directors of NRW in May 2013 asks:
"… what if anything we might want to do relating to other 'residual' CCW objections within the planning system. Is there anything that we should be doing if it appears that the main risk to such developments are the environmental objections raised by CCW"[42].

62. It should be noted that CCW objected to the Circuit of Wales development on environmental grounds.

---

[36] http://www.senedd.assembly.wales/documents/s27378/7%20May%202014.pdf para 41
[37] http://www.senedd.assembly.wales/documents/s27378/7%20May%202014.pdf para 46
[38] http://www.assembly.wales/deposited%20papers/dp-1432-11-16%20report%20to%20carwyn%20jones%20am,%20first%20minister,%20from%20derek%20jones,%20permanent%20secretary,%20regarding%20observance%20of%20the/dp-1432-11-16.pdf para 47
[39] http://www.assembly.wales/deposited%20papers/dp-1432-11-16%20report%20to%20carwyn%20jones%20am,%20first%20minister,%20from%20derek%20jones,%20permanent%20secretary,%20regarding%20observance%20of%20the/dp-1432-11-16.pdf para 58
[40] http://www.assembly.wales/deposited%20papers/dp-1432-11-16%20report%20to%20carwyn%20jones%20am,%20first%20minister,%20from%20derek%20jones,%20permanent%20secretary,%20regarding%20observance%20of%20the/dp-1432-11-16.pdf para 59
[41] http://www.bbc.co.uk/news/uk-wales-politics-28111244
[42] http://gov.wales/docs//decisions/2014/environment/140801atisn8610doc2.pdf Email from Prys Davies (WG) to Ceri Davies and Trefor Owen (NRW), 29 May 2013

63. Emyr Roberts' contention that *"the local authority didn't speak to us at all"* is flatly contradicted by a letter from the Director of Operations (south Wales), Graham Hillier, to Alun Davies on 28 June 2013:
"At our meeting on 18 June I promised you an update on progress by today. This follows several meetings held between the applicant's consultants, ourselves and Blaenau Gwent CBC over the last 10 days"[43].

64. New additional information has subsequently come to light to indicate that officials in NRW anticipated that Alun Davies would try to persuade them to drop NRW's objection to the development[44]. We look forward to sharing that information with the Committee.

65. The Nolan principles require holders of public office to observe:
"Integrity: Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them or their work…
Honesty: Holders of public office should be truthful"[45].

66. The Committee may wish to explore how, in light of the facts outlined above, the insistence by Emyr Roberts and Peter Matthews that NRW came under no pressure from Welsh Government or any other source (in relation to the Circuit of Wales), and that the local authority made no contact with NRW, squares with the Nolan principles of integrity and honesty.

[43] https://naturiaethwr.files.wordpress.com/2014/03/circuit-of-wales-outline-planning-proposal.pdf
[44] "we opposed the [Circuit of Wales] proposal initially because of the environmental impact. But what happened then, the local authority Blaenau Gwent gave outline permission to the application and we looked at the situation and decided that the best way of getting the best outcome for the environment was to work together with the developer…" Emyr Roberts https://naturiaethwr.wordpress.com/2014/03/28/cyfweliad-emyr-roberts/
[45] https://www.gov.uk/government/publications/the-7-principles-of-public-life/the-7-principles-of-public-life--2

National Assembly for Wales
Environment and Sustainability Committee
NRW 2015 – 78
Natural Resources Wales – Annual Scrutiny 2015
Response from NFU Cymru

NFU Cymru Consultation Response

To : SeneddEnv@assembly.wales

Circulation:

NFU Cymru response to the Environment and Sustainability Committee - Scrutiny session of Natural Resources Wales (NRW)

NFU Cymru welcomes the opportunity to provide evidence to the Environment and Sustainability Committee to contribute to its annual scrutiny of Natural Resources Wales.

NFU Cymru is the professional body that represents farmers and growers across Wales and across all sectors. Our aim is to establish the background conditions in which farm businesses can be profitable and develop. Without profitability we believe that our shared goal of sustainability – in economic, environmental, social and cultural terms – cannot be realised.

NFU Cymru has followed the progress of the NRW closely since its inception in 2013. The period of transition has led to significant uncertainty for the farming industry as the three organisations, each with its own organisational culture and identity, have been brought together with the aim of ensuring that the environment and natural resources of Wales are maintained, sustainably enhanced and sustainably used now and in the future.

We would highlight that farmers own and manage 80% of the land area of Wales. Alongside our primary role of producing food, farmers now and back through the centuries have created and managed our treasured landscape which supports a diverse range of species, habitats and ecosystems providing an array of environmental goods and services. Against this backdrop the key challenge for NRW, in meeting its objectives, remains how to effectively engage with the 18,000 or so small rural farm businesses across Wales. These businesses tend to be sole traders or partnerships that find themselves operating in a highly complex regulatory context – of which environmental management is just one of a number of important facets. This is a stark contrast from ‘big business’ who operate on sufficient scale to be able to employ teams of staff to ensure environmental compliance and manage their relationship with regulators.

NFU Cymru would express concern that the merger of three organisations and subsequent restructuring has led to the loss of a number of key personnel, particularly those who were employed previously by Environment Agency Wales. Others with suitable expertise and experience, whilst still employed within NRW, appear to be consigned to different roles and are less accessible to farmers who would have, in the past, approached them for advice on regulation and best practice. The issue of where to access advice has been compounded by the fact that the NRW website remains under development and is incomplete as an information resource.

In terms of making progress on this issue, we would refer the Committee to the findings and recommendations of the Working Smarter Review of better regulation of Welsh farming undertaken by Gareth Williams in 2011. The Review refers to the Welsh Government Farm Liaison Service (FLS) which provides a 'one-stop-shop' service offering advice to farmers on schemes and regulations. A key recommendation of this review was to increase the FLS resource to support farming customers. NFU Cymru is of the view that a similar service with knowledgeable and trusted staff within NRW providing practical advice and support on both regulation and best practice across a range of issues would deliver beneficial outcomes. We believe that SEPA in Scotland have made efforts to provide this level of support to their farmers.

We would also highlight the opportunities presented by the Rural Development Plan 2014-2020, including the Human and Social Capital Measure and scheduled programmes such as Farming Connect which offer opportunities to improve engagement with farmers. We would stress that what is needed is an approach that is evidence-based, co-ordinated and targeted with clear communication between the organisations involved. This hitherto has been lacking and there is an opportunity for Welsh Government departments and NRW to make collaborative efforts to deliver synergistic benefits.

We would add that it has been the long held view of NFU Cymru that the best outcomes on a range of environmental issues can be achieved through voluntary, partnership approaches. NFU Cymru welcomed the opportunity to work with NRW, Dwr Cymru – Welsh Water and other partners on the development of an innovative project to help reduce levels of the grassland herbicide MCPA in the River Teifi and Upper River Wye catchment areas. This initiative supports farmers to try alternative methods of controlling rushes and weeds through offering the free hire of weed-wiper equipment using Glyphoshate between April and October 2015. NFU Cymru looks forward to seeing how the project progresses over the coming months.

NFU Cymru is pleased to be represented on the NRW Land Management Forum chaired by Board Member Harry Legge-Bourke. This has provided a useful platform for providing updates on some of the work streams undertaken by NRW relating to the land-based sectors. Our concern here would be that the extent and scale of NRW's new role is such that it is not possible to cover and adequately discuss all areas to the level of detail required. In some instances, work streams have progressed to the stage of implementation with limited stakeholder representation.

The National Habitat Creation programme, is one such example. Designed to deal with the impact of 'coastal squeeze' of designated habitats as a result of rising sea levels through the provision of compensatory habitats, the programme has the potential to impact significantly on landowners. It is disappointing that, in this instance, farmers received correspondence without any prior stakeholder engagement and we were, therefore, unable to raise awareness or provide information resulting in significant concerns and worries for those farmers affected. We acknowledge that NRW have since engaged with the Unions' on this issue.

Another key area of concern would be the SSSI Designation and Appeal Process. In our experience this is not a fair process and it is heavily weighted against landowners/occupiers who wish to appeal new designations on their land. In addition, farmers have found it costly and more importantly difficult to employ specialists who can interpret the detailed JNCC Guidelines on designation qualifying criteria. NFU Cymru has put forward proposals to NRW on where this process can be improved with key measures including improved efforts to contact occupiers/owners of potential sites at an early stage; the appointment of liaison officers with appropriate interpersonal skills and knowledge to act as a point of contact throughout the process; together with a fully independent process to confirm new designations– possibly through the Planning Inspectorate Wales - that does not involve NRW Board members who are not perceived as independent. There is also a need for NRW to be transparent with stakeholders on the number of new designations coming forward.

NFU Cymru is also represented on the Water Framework Directive (WFD) Liaison Panels where, we would highlight, landowner representation is essential. Going forward, NRW must be challenged to work with stakeholders to find local solutions to local issues as opposed to generic solutions. There is also a need to recognise that environmental action on the ground will be dependent on buy-in from farmers so there is a clear role for NRW and Welsh Government to take final decisions and not be led by individual stakeholders who have no ongoing involvement in active land management.

Conversely, the Hydropower Stakeholder Group demonstrates where stakeholder engagement has led to improved outcomes. NFU Cymru is pleased that NRW have listened to our concerns and opted to introduce a tiered system of charging for abstraction licence applications for hydropower schemes following earlier proposals that would have seen the fees for all applications increase from £135 to £1500, challenging the viability of many of the smaller farm scale hydro developments. A further outcome of this Groups' work has been significant streamlining and efficiencies of the permitting process.

We would reiterate, that since some 80% of the land area of Wales is devoted to agriculture, the need to engage stakeholders from the outset, in all aspects of NRW work which relate to land in private ownership is vital. NFU Cymru would also stress the need for ongoing representation of farming and the agricultural sector at NRW Board level. This will be absolutely crucial going forward to ensure that the full impact and implications of proposed changes to the legislative framework can be fully represented and understood.

The proposed Environment Bill, for example, seeks to bring changes to the legislative framework through the development of a joined-up approach to managing our natural resources in a sustainable way. Whilst it is understood that behind proposals lies the concept of Natural Resource Management and a move to Area-Based Planning, there remains very little information available on how the Natural Resource Management approach will be delivered and what it will mean in practical terms for farmers.

The Bill also seeks to make sure the legislation is right for Wales and is aligned to Welsh Government priorities. NFU Cymru is aware that General Binding Rules have been put forward as a method of improving regulatory approaches to a range of environmental issues in a number of recent Welsh Government consultations.

We would take this opportunity to reiterate that NFU Cymru does not support the introduction of general binding rules which would set out rules for an activity working alongside proportionate penalties. Farmers in Wales are already governed by a raft of regulations together with Cross Compliance to deliver baseline standards. Those participating in agri-environment schemes also follow the rules set out in the Whole Farm Code. It is our view that the introduction of General Binding Rules would effectively result in the introduction of another layer of regulation and NFU

Cymru would conclude that it would be premature for NRW to have any additional regulatory powers at this stage.

To conclude, as stakeholders representing the interests of agricultural businesses across Wales, we would observe that the transition to NRW has not been without its problems. Whilst we can point to examples where our experience of working with NRW has been positive, there remain many aspects and examples where improvements can be made. Far more focus is required on effective engagement at all levels. At Board, Strategic and Implementation level, the need for significant landowner representation cannot be over-stated in all areas relating to land in private ownership; at the grassroots, a strategy for effective engagement in the form of pro-active advice and guidance provision to the 18,000 SMEs who manage 80% of the land area of Wales is essential if we are to deliver the ambition of the Welsh Government and the requirements of EU Directives in future. NFU Cymru looks forward to working with NRW to this end.

National Assembly for Wales
Environment and Sustainability Committee
NRW 2015 – 65
Natural Resources Wales – Annual Scrutiny 2015
Response from Confor

Environment and Sustainability Committee.

Annual Scrutiny of NRW

April 9th 2015

As a trade organisation representing the whole forest industry our submissions to the Environment and Sustainability annual scrutiny of NRW must be viewed in the context of our own, and our members, interactions with NRW which are mostly restricted to matters concerning the forestry portfolio of NRW.

1, Communications with NRW

Members still report ongoing issues with day to day working communications between themselves and NRW, they report examples of phone calls and emails still going unanswered for sometimes weeks. Many of these concern questions which often have commercial implications for them that our members need an answer to urgently. They are able to provide examples which do seem to be concentrated to employees at the less senior levels of NRW, however as these examples do contain business specific information we are not able to share them in a public format but we would be happy to share these with NRW in a more confidential forum.

In contrast communication at senior level are well above what would be expected, for example, emails to senior staff posted to them out of normal working hours are often responded to very quickly, sometimes responses are received back before normal working hours resume which is above expectations.

2, Consistency of standards across NRW

There are concerns by members on consistency of the interpretation of H&S and environmental standards by NRW staff on working sites, members report some staff seem overzealous in their interpretation compared to other NRW staff who take a lighter touch approach, this subject was also emphasised at the Customer Liaison meeting in March.

3, Regulation

NRW as a competitor in marketing timber is an ongoing issue; there is a sense of unfair competition partly due to the scale at which NRW is capable of operating at which the private sector cannot emulate. Large scale forest design plans instead of individual felling licences or the ability to mobilise expertise at a country wide scale should enable NRW to reduce the cost of forest management when judged on a cost per cu m of timber produced. The private forestry sector would like to take advantage of the benefits that NRW enjoy by using NRW in house expertise or greater co-operation to be able to operate at scale and so reduce costs.

We would also like to explore ways that the private sector can have a lighter touch regulation which would also reduce the burden of cost on the private sector?

For example, we have previously asked for the level of detail on felling licence applications to be reviewed, whilst we still have not received a positive response to this it is being actively discussed and we look forward to an satisfactory conclusion.

In the UKFS and forest and water guidelines there is a requirement for consultation and assessment when contemplating clear felling which exceed 20% of the total forest area within acid sensitive

catchment areas. An example has been brought to our attention where owners were told it was unlikely they would receive permissions to fell as the 20% figure had been exceeded, it seems that NRW was the owner that had taken this quota.

The guidance on this is not that there is an absolute limit but that when felling is likely to exceed that figure an assessment should be carried out and mitigation measures stated whereby the impact could be resolved. We have brought this subject up before with NRW and were told it was extremely unlikely this threshold would ever be reached.

As there are often multiple owners of forests in these areas and the requirements in UKFS are to consult adjacent owners, there should be a greater level of transparency from NRW on their forest design plans, the timing of harvesting plans and how those may impact on adjacent owners. There is a real need for someone to coordinate activities to ensure that the industry does not fall foul of regulations. As NRW is the legislative authority and should have information on what all private sector owners propose to do are they the obvious public body to perform the function of coordinating all forestry activities in catchment areas and disseminating that information to adjacent owners.

4, Private sector involvement with Policy and Strategy Planning

Annoyance around private sector involvement in policy, strategy and action plans that are subsequently not taken forward, sometimes due to a change of circumstances or a change in emphasis or instruction from elsewhere. We can understand the reason but the private sector does put a large amount of time and money into working with NRW and WG and it is frustrating when that work comes to nothing.

All the items above are either being discussed with NRW at a senior level or will be taken to scheduled meeting between the sectors, the private forestry sector believes we have the systems in place to resolve much of this and is committed to working with NRW for the benefit of the whole industry.

5, Habitat creation programme

There are concerns about the Habitats Creation programme that NRW is pushing forward, this has the potential to incur large costs to purchase land and change the use of that land for the purpose of creating specific habitats which may be lost in the future, whilst not a forestry matter we are concerned that the costs of this programme will divert funds from others areas of NRW work and would like assurance that if pursued the habitats creation programme will be funded from other sources, preferably from outside the NRW budget.

6, Accounts

We have previously called for a greater transparency in the published NRW accounts, the diversity of the remit of NRW means it is difficult to judge the performance in regard to managing the PFE and marketing of timber.

We suggest that the accounts show an income and expenditure figure for timber and non-timber items and that these are broken down into categories that are easily understood and judged by the general public.

We are told that NRW incurs costs which the private sector may not, public access for example and we accept this may be true, but as NRW is a competitor in the marketing of timber we do need to compare like with like and itemising income and expenses associated with timber production is a direct comparison. As the NRW landholding is large and diverse there are many costs like the management or overheads costs for the renewable programme or facilities for public benefit like visitor centres which are not associated with timber production and if included can obscure an objective comparison with the private sector.

Martin Bishop, Confor National Manager for Wales, Rheolwr Genedlaethol i Gymru .

1 Woodfield House, Bryn-y-gwenin, Abergavenny, NP7 8ABTel: 01873 857969 Mob: 07876 029482 Email: martin.bishop@confor.org.uk

Martin Bishop, National Manager for Wales, Rheolwr Genedlaethol i Gymru .
1 Woodfield House, Bryn-y-gwenin, Abergavenny, NP7 8AB
Tel: 01873 857969 Mob: 07876 029482 Email: martin.bishop@confor.org.uk

The Wye & Usk Foundation

Registered Charity No. 1080319

Brecon
LD3 0PQ

Wye and Usk Foundation (WUF) Response to Senedd Annual Scrutiny of Natural Resources Wales

Background

1.1 WUF was formed in 1995 to meet a need in fisheries and riverine management – the actual delivery of improvements such as habitat restoration, fish passes and the like. WUF is restoring two of Wales' best known salmon rivers, both EU Special Areas of Conservation, covering approximately 6000 Km2 (including Herefordshire). We have raised and spent approximately £1.5million annually and have engaged and trained our own skilled workforce. Our fisheries letting scheme brings in an addition £1.75million to the rural economy and we have created and sustained an estimated 65 FT job equivalents.

1.2 The Wye is one of the few salmon rivers showing an actual year on year improvement (based on 5 year average catches) and WUF has developed several original restoration techniques including the successful amelioration of acid rain, quick and effective ways increasing habitat cover and so on, now widely used in the restoration of rivers across England and Wales. We have 24 FT staff and offices in Talgarth.

Natural Resources Wales

2.1 WUF has worked with a series of historic Agencies: National Rivers Authority, Environment Agency (EA), Natural England (NE), Environment Agency Wales, Countryside Council for Wales, Forestry Commission (FC England and Wales) either as partners or in their regulatory capacity. The author recalls previous incarnations: the Nature Conservancy Council and Welsh Water (as a fisheries agency). Today we work with NRW and its English counterparts (EA, NE, FC)

2.2 There were commonalities, not least the apparent need to reorganise every 5 or so years, adding or splitting off component functions. However in all cases the quality of the local staff has always played a very significant part in the success or failure of the relationship between stakeholders and the agency of the day.

2.3 For a country the size of Wales, it is probably difficult, even if it was desirable, to maintain separate environmental organisations (ie the three legacy bodies). We therefore applaud the creation of the Single Body despite the significant tensions between the constituents and in particular, the adoption of the "Ecosystem Approach". We hope it signals a much more environment friendly approach by the forestry section, formerly a serial water polluter.

2.4 Wales' environmental legacy includes significant 'chronic' damage from the industrial revolution. More recently, unmanaged agricultural intensification and plantation forestry is now a significant cause of environmental problems on top of developmental pressures. Add Climate change and a reducing budget plus the 'baggage' of each legacy body and it is appreciated that NRW have very significant challenges ahead of them.

2.5 Important EU Directives set standards for rivers (the Water Framework Directive), protected sites (Habitats Directive) and our own SSSIs standards all presuppose high ecological standards while the principle of ecosystem services for the nation's benefit rely on either our citizens and stakeholders caring sufficiently for the environment or effective legislation (or ideally both). A brief look at the litter thrown from cars on Wales' scenic highways, into our rivers and down our cwms and valleys suggests that environmental concerns are not paramount for our citizens.

2.6 Another challenge for any environmental agency is being both regulator and service deliverer. Historic changes have tended to shed delivery services and focused more on regulation, there being no greater example than in 1989 when the National Rivers Authority was created to oversee inland fisheries and regulate the water industry. Today the challenge of delivery of inland fisheries for example, against historic expectations, with virtually no budget is a cause of much criticism.

2.7 With the offer of early retirement to reduce the size of the organisation, it is a concern that it may not always be the least useful staff member who retires.

The National Assembly's Environment and Sustainability Committee: Responses to date

3.1 Scrutiny of the written responses submitted to date (9th April) include a large number from the freshwater angling community. Almost without exception, they are highly critical of NRW and since this is WUF's area of expertise we feel it appropriate to comment. The concerns include: reduced catches of salmon and sea trout, (obviously), increased percentage catch by the estuary and marine net fisheries, water quality, damage by fish eating birds and even invasive weeds. Many seem oblivious to the fact that NRW has only been in existence for two years when they refer to the long term element of these declines. We referred earlier to inherited 'baggage' and these criticisms were evident before NRW was formed.

3.2 Surprisingly, there was no concern that fishing licence money was being deployed to run NRW and not directly to the 'sharp end' of fisheries, nor that, as there were more visitors to Wales from England than vice versa, licence money was attributed to the home address of the purchaser rather than where they fished and that the sustainable fisheries funding was no longer ring fenced for that purpose.

3.3 Overwhelmingly however, the principal criticism is about the closure of all salmon hatcheries across the country. Allegations of failure to consider all available evidence, undue cost cutting and so on have been levied, unfairly in our view. There is no evidence that any welsh hatchery out preforms natural reproduction. Wales has one "index" river, the Dee where salmon are counted in and smolts (emigrating salmon juveniles) are counted out. It is possible to compare the success of natural spawning with that of reared fish. There are other similar monitored rivers in Ireland, England and Scotland and results are collated centrally: all confirm this.

3.4 The Wye suffered a thirty five year decline from the year (1974) when a hatchery was introduced. We believe that from that date, the essentials of fishery management were abandoned in the mistaken, almost religious belief that hatcheries would cure all fishery issues. Barriers to migration were built without passes

and an entire tributary system witnessed the extinction of salmon. However, the PR machine of the day promoted hatcheries and another river recovering from industrial pollution like our own Taff, the Tyne, had a hatchery.

The cause of the recovery of both these rivers was removal of the pollution barrier; the perception by anglers was that restoration was by hatcheries. A favourable rate of return of salmon and sea trout in the '80s appeared to endorse that view. Hatcheries do not work as well as natural spawning and NRW were brave to tackle this "Elephant in the room".

3.5 There will have been important lessons learnt on the PR aspect of this action: never assume that because you act on the best available science, logic and economics, you will carry the support of anglers.

Further Comments

3.5 The inland fisheries of Wales today deliver an important contribution to our economy and is a truly natural resource, but it is a shadow of what could be the case if we had viable fish populations. Farming delivers £217 million to the rural economy with a grant of £360 million. Fisheries: about £75 million with a grant of about £2.6 million. We are missing an important potential gain here.

4.1 It is likely that NRW is or will be pressed just to find funding to manage its basic functions, let alone any significant environmental challenges. We suggest that what is available is used to ensure the regulatory side of the business is prioritised. Delivery of some functions could be (further) transferred to willing and competent partners. We refer specifically to the functions **of Biodiversity, Fisheries and Recreation** but include other aspects.

4.2 Rivers trusts (such as WUF), Wildlife trusts and other NGOs raise funds from supporters, other trusts and draw project funding from Lottery, EU, Landfill and many other sources. With a partnership with NRW in regulatory mode, much of these difficult issues could be managed successfully and much more cost effectively. While NRW has espoused the virtues of partnerships, why has this not happened more comprehensively to date?

4.3 NRW are nearly but not as critical about NGOs as the criticism they themselves receive. Separating regulation ("Bad Cop") from delivering NGOs ("Good Cops") is not the most attractive prospect yet it offers an ideal solution for Wales. Would anglers criticise NRW so much if they were more responsible for outcomes? It would however be necessary to develop certain NGO capacities in parts of Wales.

4.4 NRW has been by far the bravest fisheries regulator to date: NRA failed to tackle the hatchery issue in totality when given the chance in 1993, despite compelling evidence of poor value and survival. Perhaps critics need to understand that on top of national funding shortages, a massive organisational upheaval is taking place. It could and should lead to a more integrated service but ultimately will it have the necessary independence to guard and protect our hugely important national environmental assets and ecosystem services?

Dr Stephen Marsh-Smith OBE Chief Executive, Wye and Usk Foundation

Agenda Item 6

Environment and Sustainability Committee

Meeting Venue:	**Committee Room 3 – Senedd**
Meeting date:	**Thursday, 26 March 2015**
Meeting time:	**09.30 – 11.30**

Cynulliad Cenedlaethol Cymru
National Assembly for Wales

This meeting can be viewed on Senedd TV at:
http://senedd.tv/en/2713

Concise Minutes:

MeetingTitle

Assembly Members:	**Alun Ffred Jones AM (Chair)** **David Rees AM (In place of Mick Antoniw AM)** **Jeff Cuthbert AM** **Russell George AM** **Llyr Gruffydd AM** **Julie Morgan AM** **William Powell AM** **Jenny Rathbone AM** **Paul Davies AM (In place of Antoinette Sandbach AM)** **Joyce Watson AM**
Witnesses:	**Carl Sargeant AM, The Minister for Natural Resources** **Sarah Dawson, Welsh Government** **Neil Hemington, Welsh Government** **Tony Clark, Welsh Government** **Graham Rees, Welsh Government** **Matthew Quinn, Welsh Government**
Committee Staff:	**Alun Davidson (Clerk)** **Catherine Hunt (Second Clerk)** **Peter Hill (Deputy Clerk)**

TRANSCRIPT

View the meeting transcript.

1 Introductions, apologies and substitutions

Apologies were received from Antoinette Sandbach and Mick Antoniw. Paul Davies and David Rees attended as a substitute.

2 Planning (Wales) Bill: Stage 2 - Consideration of amendments

In accordance with Standing Order 26.21, the Committee disposed of the following amendments to the Bill:

Amendment 74 (William Powell) was agreed in accordance with Standing Order 17.34(i).

Amendment 75 (William Powell) was agreed in accordance with Standing Order 17.34(i).

Amendment 76 (William Powell) was agreed in accordance with Standing Order 17.34(i).

Amendment 77 (William Powell) was agreed in accordance with Standing Order 17.34(i).

Amendment 78 (William Powell)

In favour	Against	Abstain
William Powell	Jeff Cuthbert	
	Paul Davies	
	Russell George	
	Llyr Gruffydd	
	Julie Morgan	
	Jenny Rathbone	
	David Rees	
	Joyce Watson	
1	8	0
Amendment 78 was not agreed		

Amendment 115 (Russell George)

In favour	Against	Abstain
Paul Davies	Jeff Cuthbert	
Russell George	Llyr Gruffydd	
	Julie Morgan	
	William Powell	
	Jenny Rathbone	
	David Rees	
	Joyce Watson	
2	7	0
Amendment 115 was not agreed		

Amendment 191 (Llyr Gruffydd)

In favour	Against	Abstain
Paul Davies	Jeff Cuthbert	
Russell George	Julie Morgan	
Llyr Gruffydd	Jenny Rathbone	
Alun Ffred Jones	David Rees	
William Powell	Joyce Watson	
5	5	0
As the vote was tied, the Chair used his casting vote in the negative (in accordance with SO 6.20 (ii)). Therefore amendment 191 was not agreed.		

Amendment 79 (William Powell)

In favour	Against	Abstain
Paul Davies	Jeff Cuthbert	
Russell George	Julie Morgan	
Llyr Gruffydd	Jenny Rathbone	
Alun Ffred Jones	David Rees	
William Powell	Joyce Watson	
5	5	0
As the vote was tied, the Chair used his casting vote in the negative (in accordance with SO 6.20 (ii)). Therefore amendment 79 was not agreed.		

Amendment 80 (William Powell)

In favour	Against	Abstain
Paul Davies	Jeff Cuthbert	
Russell George	Julie Morgan	
Llyr Gruffydd	Jenny Rathbone	
Alun Ffred Jones	David Rees	
William Powell	Joyce Watson	
5	5	0
As the vote was tied, the Chair used his casting vote in the negative (in accordance with SO 6.20 (ii)). Therefore amendment 80 was not agreed.		

Amendment 57 (Carl Sargeant) was agreed in accordance with Standing Order 17.34(i).

Amendment 116 (Russell George)

In favour	Against	Abstain
Paul Davies	Jeff Cuthbert	
Russell George	Julie Morgan	
Llyr Gruffydd	Jenny Rathbone	
Alun Ffred Jones	David Rees	
William Powell	Joyce Watson	
5	5	0
As the vote was tied, the Chair used his casting vote in the negative (in accordance with SO 6.20 (ii)). Therefore amendment 116 was not agreed.		

Amendment 41 (Carl Sargeant) was agreed in accordance with Standing Order 17.34(i).

Amendment 192 (Llyr Gruffydd)

In favour	Against	Abstain
Paul Davies	Jeff Cuthbert	
Russell George	Julie Morgan	
Llyr Gruffydd	Jenny Rathbone	
Alun Ffred Jones	David Rees	
William Powell	Joyce Watson	
5	5	0

As the vote was tied, the Chair used his casting vote in the negative (in accordance with SO 6.20 (ii)). Therefore amendment 192 was not agreed.

Amendment 193 (Llyr Gruffydd)

In favour	Against	Abstain
Paul Davies	Jeff Cuthbert	
Russell George	Julie Morgan	
Llyr Gruffydd	Jenny Rathbone	
Alun Ffred Jones	David Rees	
William Powell	Joyce Watson	
5	5	0
As the vote was tied, the Chair used his casting vote in the negative (in accordance with SO 6.20 (ii)). Therefore amendment 193 was not agreed.		

Amendment 117 (Russell George)

In favour	Against	Abstain
Paul Davies	Jeff Cuthbert	
Russell George	Julie Morgan	
Llyr Gruffydd	Jenny Rathbone	
Alun Ffred Jones	David Rees	
William Powell	Joyce Watson	
5	5	0
As the vote was tied, the Chair used his casting vote in the negative (in accordance with SO 6.20 (ii)). Therefore amendment 117 was not agreed.		

Amendment 86 (Russell George)

In favour	Against	Abstain
Paul Davies	Jeff Cuthbert	
Russell George	Llyr Gruffydd	
	Julie Morgan	
	William Powell	
	Jenny Rathbone	

	David Rees	
	Joyce Watson	
2	7	0
Amendment 86 was not agreed.		

Amendment 194 (Llyr Gruffydd)

In favour	Against	Abstain
Paul Davies	Jeff Cuthbert	
Russell George	Julie Morgan	
Llyr Gruffydd	Jenny Rathbone	
Alun Ffred Jones	David Rees	
William Powell	Joyce Watson	
5	5	0
As the vote was tied, the Chair used his casting vote in the negative (in accordance with SO 6.20 (ii)). Therefore amendment 194 was not agreed.		

Amendment 195 (Llyr Gruffydd)

In favour	Against	Abstain
Paul Davies	Jeff Cuthbert	
Russell George	Julie Morgan	
Llyr Gruffydd	Jenny Rathbone	
Alun Ffred Jones	David Rees	
William Powell	Joyce Watson	
5	5	0
As the vote was tied, the Chair used his casting vote in the negative (in accordance with SO 6.20 (ii)). Therefore amendment 195 was not agreed.		

Amendment 196 (Llyr Gruffydd)

In favour	Against	Abstain
Paul Davies	Jeff Cuthbert	
Russell George	Julie Morgan	
Llyr Gruffydd	Jenny Rathbone	
Alun Ffred Jones	David Rees	

William Powell	Joyce Watson	
5	5	0
As the vote was tied, the Chair used his casting vote in the negative (in accordance with SO 6.20 (ii)). Therefore amendment 196 was not agreed.		

Amendment 197 (Llyr Gruffydd)

In favour	Against	Abstain
Paul Davies	Jeff Cuthbert	
Russell George	Julie Morgan	
Llyr Gruffydd	Jenny Rathbone	
Alun Ffred Jones	David Rees	
William Powell	Joyce Watson	
5	5	0
As the vote was tied, the Chair used his casting vote in the negative (in accordance with SO 6.20 (ii)). Therefore amendment 197 was not agreed.		

Amendment 58 (Carl Sargeant) was not moved.

Amendment 59 (Carl Sargeant) was not moved.

Amendment 81 (William Powell) was not moved.

Amendment 5 (Carl Sargeant)

In favour	Against	Abstain
Jeff Cuthbert	Paul Davies	
Julie Morgan	Russell George	
Jenny Rathbone	Llyr Gruffydd	
David Rees	Alun Ffred Jones	
Joyce Watson	William Powell	
5	5	0
As the vote was tied, the Chair used his casting vote in the negative (in accordance with SO 6.20 (ii)). Therefore amendment 5 was not agreed.		

Amendment 6 (Carl Sargeant)

In favour	Against	Abstain
Jeff Cuthbert	Paul Davies	
Julie Morgan	Russell George	
Jenny Rathbone	Llyr Gruffydd	
David Rees	Alun Ffred Jones	
Joyce Watson	William Powell	
5	5	0
As the vote was tied, the Chair used his casting vote in the negative (in accordance with SO 6.20 (ii)). Therefore amendment 6 was not agreed.		

Amendment 82 (William Powell) was not moved.

Amendment 198 (Llyr Gruffydd) was agreed in accordance with Standing Order 17.34(i).

Amendment 199 (Llyr Gruffydd)

In favour	Against	Abstain
Paul Davies	Jeff Cuthbert	
Russell George	Julie Morgan	
Llyr Gruffydd	Jenny Rathbone	
Alun Ffred Jones	David Rees	
William Powell	Joyce Watson	
5	5	0
As the vote was tied, the Chair used his casting vote in the negative (in accordance with SO 6.20 (ii)). Therefore amendment 199 was not agreed.		

Amendment 200 (Llyr Gruffydd)

In favour	Against	Abstain
Paul Davies	Jeff Cuthbert	
Russell George	Julie Morgan	
Llyr Gruffydd	Jenny Rathbone	
Alun Ffred Jones	David Rees	

William Powell	Joyce Watson	
5	5	0
As the vote was tied, the Chair used his casting vote in the negative (in accordance with SO 6.20 (ii)). Therefore amendment 200 was not agreed.		

Amendment 201 (Llyr Gruffydd)

In favour	Against	Abstain
Paul Davies	Jeff Cuthbert	
Russell George	Julie Morgan	
Llyr Gruffydd	Jenny Rathbone	
Alun Ffred Jones	David Rees	
William Powell	Joyce Watson	
5	5	0
As the vote was tied, the Chair used his casting vote in the negative (in accordance with SO 6.20 (ii)). Therefore amendment 201 was not agreed.		

Amendment 7 (Carl Sargeant) was agreed in accordance with Standing Order 17.34(i).

Amendment 8 (Carl Sargeant) was agreed in accordance with Standing Order 17.34(i).

Amendment 9 (Carl Sargeant) was agreed in accordance with Standing Order 17.34(i).

Amendment 60 (Carl Sargeant) was not moved.

Amendment 10 (Carl Sargeant) was agreed in accordance with Standing Order 17.34(i)

Amendment 202 (Llyr Gruffydd)

In favour	Against	Abstain
Paul Davies	Jeff Cuthbert	
Russell George	Julie Morgan	
Llyr Gruffydd	Jenny Rathbone	
Alun Ffred Jones	David Rees	
William Powell	Joyce Watson	
5	5	0
As the vote was tied, the Chair used his casting vote in the negative		

(in accordance with SO 6.20 (ii)). Therefore amendment 202 was not agreed.

Amendment 203 (Llyr Gruffydd)

In favour	Against	Abstain
Paul Davies	Jeff Cuthbert	
Russell George	Julie Morgan	
Llyr Gruffydd	Jenny Rathbone	
Alun Ffred Jones	David Rees	
William Powell	Joyce Watson	
5	5	0
As the vote was tied, the Chair used his casting vote in the negative (in accordance with SO 6.20 (ii)). Therefore amendment 203 was not agreed.		

Amendment 204 (Llyr Gruffydd)

In favour	Against	Abstain
Paul Davies	Jeff Cuthbert	
Russell George	Julie Morgan	
Llyr Gruffydd	Jenny Rathbone	
Alun Ffred Jones	David Rees	
William Powell	Joyce Watson	
5	5	0
As the vote was tied, the Chair used his casting vote in the negative (in accordance with SO 6.20 (ii)). Therefore amendment 204 was not agreed.		

Amendment 205 (Llyr Gruffydd)

In favour	Against	Abstain
Paul Davies	Jeff Cuthbert	
Russell George	Julie Morgan	
Llyr Gruffydd	Jenny Rathbone	
Alun Ffred Jones	David Rees	
William Powell	Joyce Watson	
5	5	0

As the vote was tied, the Chair used his casting vote in the negative (in accordance with SO 6.20 (ii)). Therefore amendment 205 was not agreed.

Amendment 11 (Carl Sargeant) was agreed in accordance with Standing Order 17.34(i)

Amendment 12 (Carl Sargeant) was agreed in accordance with Standing Order 17.34(i)

Amendment 13 (Carl Sargeant) was agreed in accordance with Standing Order 17.34(i)

Amendment 14 (Carl Sargeant) was agreed in accordance with Standing Order 17.34(i)

Amendment 15 (Carl Sargeant) was agreed in accordance with Standing Order 17.34(i)

Amendment 16 (Carl Sargeant) was agreed in accordance with Standing Order 17.34(i)

Amendment 17 (Carl Sargeant) was agreed in accordance with Standing Order 17.34(i)

Amendment 18 (Carl Sargeant) was agreed in accordance with Standing Order 17.34(i)

Amendment 19 (Carl Sargeant) was agreed in accordance with Standing Order 17.34(i)

Amendment 20 (Carl Sargeant) was agreed in accordance with Standing Order 17.34(i)

Amendment 21 (Carl Sargeant) was agreed in accordance with Standing Order 17.34(i)

Amendment 22 (Carl Sargeant) was agreed in accordance with Standing Order 17.34(i)

Amendment 118 (Russell George)

In favour	Against	Abstain
Paul Davies	Jeff Cuthbert	
Russell George	Julie Morgan	
Llyr Gruffydd	Jenny Rathbone	
Alun Ffred Jones	David Rees	
William Powell	Joyce Watson	
5	5	0
As the vote was tied, the Chair used his casting vote in the negative (in accordance with SO 6.20 (ii)). Therefore amendment 118 was not		

agreed.

Amendment 119 (Russell George)

In favour	Against	Abstain
Paul Davies	Jeff Cuthbert	
Russell George	Julie Morgan	
Llyr Gruffydd	Jenny Rathbone	
Alun Ffred Jones	David Rees	
William Powell	Joyce Watson	
5	5	0
As the vote was tied, the Chair used his casting vote in the negative (in accordance with SO 6.20 (ii)). Therefore amendment 119 was not agreed.		

Amendment 120 (Russell George)

In favour	Against	Abstain
Paul Davies	Jeff Cuthbert	
Russell George	Julie Morgan	
Llyr Gruffydd	Jenny Rathbone	
Alun Ffred Jones	David Rees	
William Powell	Joyce Watson	
5	5	0
As the vote was tied, the Chair used his casting vote in the negative (in accordance with SO 6.20 (ii)). Therefore amendment 120 was not agreed.		

Amendment 42 (Carl Sargeant) was agreed in accordance with Standing Order 17.34(i)

Amendment 121 (Russell George)

In favour	Against	Abstain
Paul Davies	Jeff Cuthbert	
Russell George	Julie Morgan	
Llyr Gruffydd	Jenny Rathbone	
Alun Ffred Jones	David Rees	
William Powell	Joyce Watson	
5	5	0

As the vote was tied, the Chair used his casting vote in the negative (in accordance with SO 6.20 (ii)). Therefore amendment 121 was not agreed.

Amendment 43 (Carl Sargeant) was agreed in accordance with Standing Order 17.34(i)

Amendment 23 (Carl Sargeant) was agreed in accordance with Standing Order 17.34(i)

Amendment 24 (Carl Sargeant) was agreed in accordance with Standing Order 17.34(i)

Amendment 25 (Carl Sargeant) was agreed in accordance with Standing Order 17.34(i)

Amendment 83 (William Powell)

In favour	Against	Abstain
Paul Davies	Jeff Cuthbert	
Russell George	Julie Morgan	
Llyr Gruffydd	Jenny Rathbone	
Alun Ffred Jones	David Rees	
William Powell	Joyce Watson	
5	5	0
As the vote was tied, the Chair used his casting vote in the negative (in accordance with SO 6.20 (ii)). Therefore amendment 83 was not agreed.		

Amendment 55 (Carl Sargeant) was agreed in accordance with Standing Order 17.34(i)

Amendment 26 (Carl Sargeant) was agreed in accordance with Standing Order 17.34(i)

Amendment 84 (William Powell)

In favour	Against	Abstain
Paul Davies	Jeff Cuthbert	
Russell George	Julie Morgan	
Llyr Gruffydd	Jenny Rathbone	
Alun Ffred Jones	David Rees	
William Powell	Joyce Watson	
5	5	0
As the vote was tied, the Chair used his casting vote in the negative		

(in accordance with SO 6.20 (ii)). Therefore amendment 84 was not agreed.

Amendment 27 (Carl Sargeant) was agreed in accordance with Standing Order 17.34(i)

Amendment 28 (Carl Sargeant) was agreed in accordance with Standing Order 17.34(i)

Amendment 44 (Carl Sargeant)

In favour	Against	Abstain
Jeff Cuthbert	Paul Davies	
Julie Morgan	Russell George	
Jenny Rathbone	Llyr Gruffydd	
David Rees	Alun Ffred Jones	
Joyce Watson	William Powell	
5	5	0
As the vote was tied, the Chair used his casting vote in the negative (in accordance with SO 6.20 (ii)). Therefore amendment 44 was not agreed.		

Amendment 56 (Carl Sargeant) was agreed in accordance with Standing Order 17.34(i).

3 Minister for Natural Resources: Financial scrutiny session

The Minister and officials responded to questions from members of the Committee.

The Minister for Natural Resources agreed to:

- Provide the Committee with a profile of the projected savings resulting from the creation of Natural Resources Wales;
- Update the Committee on whether the £3.9 million allocated to the Nature Fund in 2014-15 will be spent; and
- Provide a note on the role that stakeholders have played in developing the Wales data hub.

4 Papers to note

4.1 Correspondence from the Minister for Natural Resources

Members noted the correspondence.

4.2 Correspondence from the Deputy Minister for Farming and Food

Members noted the correspondence.

4.3 Marine policy in Wales: Correspondence from Natural Resources Wales

Members noted the correspondence.

4.4 Natural Resources Wales annual scrutiny: Correspondence from Emyr Roberts

Members noted the correspondence.

Rebecca Evans AC / AM
Y Dirprwy Weinidog Ffermio a Bwyd
Deputy Minister for Farming and Food

Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref: SF/RE/0918/15

Alun Ffred Jones AM
Chair
Environment and Sustainability Committee
National Assembly for Wales

15 April 2015

Dear Alun Ffred

Thank you for your letter of 19 March I am pleased to provide a response in advance of the scrutiny session with you on 20 May. I have addressed each of your questions in detail below.

Bovine TB

The reasons for the £8 million net revenue underspend from TB eradication shown in the Supplementary Budget

A proportion of the underspend identified (£3 million) relates to the Welsh Government's share of the TB EU income received in respect of the successful implementation of the 2013 UK TB Eradication Plan. TB EU income is received in retrospect following scrutiny and audit of TB financial claims by European Commission auditors and the European Court of Auditors. Funding levels are based on the actual numbers of cattle tested and slaughtered in any given year in Wales, England and Northern Ireland.

Given that I have sufficient allocation within my budget to implement measures associated with the TB Eradication Plan, I have identified the EU income as an underspend, as in previous years.

The Welsh Government continues to use the TB Eradication budget to good effect and we are taking forward new initiatives and pilots in order to assess the effectiveness of various approaches. It is fully recognised that no single approach will lead to TB eradication and we need to tackle bovine TB from all angles in order to get on top of it, which is why we have developed a comprehensive approach.

We continue to monitor and evaluate policies in light of the latest information so that we continue to implement those which have the greatest long term impacts on the disease. This includes scrutinising all costs, ensuring value for money, and identifying savings wherever possible.

Bae Caerdydd • Cardiff Bay
Caerdydd • Cardiff
CF99 1NA

English Enquiry Line 0300 0603300
Llinell Ymholiadau Cymraeg 0300 0604400
Correspondence.Rebecca.Evans@wales.gsi.gov.uk

In the last few years the TB Eradication budget has been used to offset overspends against the TB Slaughter Payments and Receipts BEL which is a demand led budget. In 2014/15, given the reduction in the number of cattle slaughtered in Wales, I expect that the TB Slaughter Payments and Receipts budget will be sufficient to meet demand and therefore the TB eradication budget will not be called upon to meet compensation overspends.

If any action planned in 2014-15 not been undertaken and what impact will this have

Annual TB Eradication Plans covering Wales, England and Northern Ireland have been in place since 2010 and each year they have been updated in order to include enhanced measures. We have recently received notification of the European Commission's approval of the 2015 UK TB Eradication Plan.

I can confirm that all measures committed within the 2014 TB Eradication Plan have been met, including the strengthening of the Pre-Movement Testing exemptions and other cattle control measures.

Work is underway to develop policies to meet commitments given in the 2015 TB Eradication Plan. However, the costs relating to these enhancements will principally fall within the 2015/16 financial year.

There is no specific action that was planned for this financial year but was not undertaken.

Will this underspend have an impact on future years' budgets for both TB slaughter and TB eradication

As I mentioned above, the TB Slaughter Payments and Receipts BEL is a demand led budget and is therefore difficult to accurately forecast. Given the decreases seen over recent years, it is anticipated that the revised budget of £9.8 million will meet demand for 2015/16 (after £1.8 million was surrendered from this budget).

However, we remain cautious over future demand. One large, high cost TB breakdown has the potential to increase the pressure on this budget substantially. We maintain close contact with the Animal Plant Health Agency (APHA) in order to have early notification of such breakdowns.

We must not become complacent and there remains more to do to further bear down on the disease. As such, we continue to develop our actions to tackle all sources of bovine TB infection, learning from others' experiences, new technologies and research.

Although their remit has now been expanded following successful pilots, initiatives such as Cymorth TB and the work of the TB Epidemiologist are still in their infancy and will continue to evolve and develop as time goes on. There are likely to be increased budgetary pressures associated with these developments, not only for the TB Eradication budget, but also in respect of knock on impacts on the TB Slaughter Payments and Receipts budget as we find more disease.

The portfolio budget in 2015/16 for TB Eradication is to reduce from £10 million to £8 million to help with other pressures. We envisage that the revised budget will be sufficient to meet the costs of currently profiled initiatives.

There is no indication that the underspends will result in any detrimental impact on the overall objectives of the TB Eradication Programme.

Common Agricultural Policy

Reason for the £6.2 million reduction in the 'Delivering the Programmes within the RDP' Action

£4 million of the reduction was part of the in year savings target requested by the Finance Minister in order to provide additional funding to the NHS in Wales.

The remaining £2.2 million was transferred to Capital in order to contribute to fund the £6.9 million essential CAP Reform ICT infrastructure developments. This investment is essential in order to be compliant with the European Commission draft regulations and to make payments.

In order to achieve these reductions all budgets across my portfolio were scrutinised and it was agreed that the £6.2 million of revenue budget could be saved from the current RDP this year due to predicted programme spend, without impacting on programme delivery.

If any action planned in 2014-15 has not been undertaken and what impact this will have.

Will any of this action be carried over to future years and if so will associated funding be available

There has been no impact on programme delivery regarding this reduction. However, the RDP is predominantly a demand led, multi-year programme and the current RDP programme spend must be finalised by December 2015.

The outcomes that are anticipated from the additional £6.9 million capital allocation highlighted in the Supplementary Budget as being in 'respect of CAP Reform IT'

The business case is predicated upon the importance of maintaining paying agency status in Wales and avoiding the penalties inherent in non-compliance. Maintaining compliance will allow the Welsh Government to make payments to the value of €360 million per annum to farmers and landowners in Wales – amounting to a total of some €2.16 billion over the six year period.

In summary, the main intangible key benefits to Wales are:

- Enhanced competitiveness and business sustainability within the farming sector.
- Improved sustainability in the farming sector to support climate change measures and the natural environment.
- Improved sustainability in terms of farming businesses creating economic activity and local employment in rural areas.
- Support to young farmers.
- Full compliance with CAP EU legislation and regulations avoiding disallowance of EU funding in Wales

The £6.9 million expenditure in 2014-2015 contributes to the delivery of the overall outcomes of the CAP Reform Programme, which will not be fully realised until the programme completes. However, online functionality delivered to date includes:

- New Single Application Form (SAF).
- Interactive map viewer.
- National Reserve.
- EOI Applications for Glastir Advanced and Organic available through RPW Online.

In addition, systems for the processing of applications (including BPS, EFA, greening, NINO, active farmer), and management of land and entitlements are under development fully aligned to the CAP Reform regulations.

The overall cost for the CAP Reform IT project

The current budget profile is shown below. However, costs related to the delivery of Pillar 1 payments will need to be reviewed in the light of the consultation. Pillar 2 cost estimates are based on current understanding and will need to be confirmed when the RDP policy is finalised.

	2013-14	**2014-15**	**2015-16**	**2016-17**	Total
Budget (Capital)	3,077,000	6,900,000	9,536,000	2,500,000	**£ 22,013,000**

For comparison, England's budget is £154 million and in Scotland it is £137 million.

EID Cymru and new entrants

The actions that will be delivered by the additional £1.6 million in capital provided for delivery of the young entrants scheme

This £1.6 million is not additional funding. The YESS scheme has historically been allocated a revenue budget but the majority of its spend is in capital grants to young farmers, an anomaly that will be corrected once YESS becomes part of the new RDP from 2015/16. The revenue budget allocated this year was £1.705 million and £1.6 million of this funding was transferred to capital in order to meet the commitments of the scheme.

Drawing on the success of the YESS scheme to date, it was decided to extend the current scheme by twelve months. This would also bridge the gap between the current scheme and the next new entrants scheme under the next RDP. Welsh Government is currently engaged in consultation with industry stakeholders on the direction of the new scheme.

The scheme will continue to support succession within the industry and the experience of previous years has shown that YESS has been a great success in that respect. Creating further opportunities to improve mobility within the industry will be a priority going forward for YESS under the next RDP. Focus on entry into and exit from the industry will be critical to its success.

The total cost of EID Cymru

The net cost for the EIDCymru project is £2.42 million. An ongoing sum of £503k per annum is required to cover running costs from 2017/18.

If the additional £0.3 million provided in capital for development of EID Cymru is as a result of increased costs or because spending on the project is being brought forward from 2015-16

The additional £0.3 million capital costs are attributed to increased costs. This is composed of system development costs and Defra/Rural Payments Agency costs associated with the transfer of information on cross border movements.

The support that has been made available to dairy farmers towards the end of the 2014-15 financial year and options that are being explored for the next financial year

The fully funded Knowledge Transfer Programme provides access to the latest knowledge, information and research, and opportunities to share best practice and learn from others through a number of programmes.

This includes the network of demonstration farms across Wales that provide access to the latest technical information and specialist advice to improve business management and on farm efficiencies. In addition, the discussion groups and business clubs focus on performance, sharing of best practice, and the challenges of running a business.

Building on its 'Farming Connect Means Business' theme, Farming Connect is offering hour long, one-to-one business review sessions to farm businesses. The session can be tailored to address relevant issues taking place in the industry as and when required. The session is used to measure business performance, and is an opportunity to consider options to improve business profitability and direction.

Farming Connect are working closely with DairyCo in Wales to provide complimentary support to the Dairy industry, and offering a farm visit from a business consultant to advise on any necessary changes to business plans.

We will be launching a new rolling programme of knowledge transfer, advice and innovation support which will commence in 2015. In particular the programme will increase the emphasis on business focused behaviour and therefore improve the profitability, competitiveness and environmental performance of farm, forestry and food businesses.

Activities will be targeted to promote the economic growth and development of rural areas and to improve the sustainability, competitiveness, resource efficiency and environmental performance of these businesses.

I enclose a table of the Supplementary Budget breakdown by BEL, for your information.

I trust that this addresses the Committee’s queries in full.

Yours sincerely

Rebecca

Rebecca Evans AC / AM
Y Dirprwy Weinidog Ffermio a Bwyd
Deputy Minister for Farming and Food

AGRICULTURE & FOOD MAIN EXPENDITURE GROUP (MEG)												
SPA	**Actions**	**Budget Expenditure Line (BEL)**	**BEL**	**Division**	**2014-15 1st Supp Budget**	**Transfers within MEG**	**MEG to MEG transfers**	**Allocations to/from Reserves**	**AME Changes**	**Other Changes**	**2014-15 revised Final budget**	**Comments**
REVENUE BUDGET - Departmental Expenditure Limit					**£000's**							
	Develop and deliver overarching policy and programmes on Agriculture, Food and Marine	Agri Strategy	2829	ARAD	20	35					55	1. Transfer £35k from BEL 2790 (Hill Farm Advisory)
		Technical Advice Services	2864		0	200					200	1. Transfer £200k from BEL 2240 - realignment of budgets
		Customer Engagement	2860		0	500					500	1. Transfer £500k from BEL 2790 for publicity
		New Farm Entrants	2794		0	1,705		-1,600			105	1. BEL transferred from action 'Meeting the needs of rural communities and rural proofing WAG actions'; Resource to capital switch £1,600k
		Local Authority Enforcement Funding	2831		0	600					600	1. BEL transferred from action 'Meeting the needs of rural communities and rural proofing WAG actions'
		CPH Project	2861		0						0	Realignment of budgets in 15/16
		EID Cymru	2862		0						0	Realignment of budgets in 15/16
		Legislation & Policy Implementation	2865		0						0	Realignment of budgets in 15/16
		Sub Total			**20**	**3,040**	**0**	**-1,600**	**0**	**0**	**1,460**	
	CAP Administration and making payments according to EU and WG rules	Sheep Compensation	2274	RPW	300			-300			0	1. In year savings; budget no longer required
		Single Payment Schemes EU	2787		300,000						300,000	
		Single Payment Schemes EU Receipts	2787		-300,000						-300,000	
		SP Administration	2790		7,050	-535	-30				6,485	1. Transfer £500k to BEL 2860; 2. £35k to BEL 2829; £30k to CS&A Meg (Land Tribunals)
		SP Administration non-cash	2790		0			670			670	Transfer £670k from Reserves to cover RPW Online IT depreciation
		CAP Reform	2789		0						0	1. Realignment of budgets in 15/16
		Sub Total			**7,350**	**-535**	**-30**	**370**	**0**	**0**	**7,155**	
		RDP Axis 1 - Farming Connect	2843	CAP Planning	1,540						1,540	
		RDP Axis 1 - RDP Farm Advisory Service	2844		140						140	
		RDP Axis 1 - PMG	2845		0						0	
		RDP Axis 1 - Supply Chain Effciency	2846		750						750	
		RDP Axis 4 - Strategy	2847		1,551						1,551	
		RDP Axis 4 - Co-Operation	2848		200						200	
		RDP Axis 4 - Running Costs	2849		502	450					952	1. Transfer £450k from BEL 2933 for Axis 3&4 running costs
		RDP Axis 2 - Tir Gofal	2921		523						523	
		RDP Axis 2 - Tir Cynnal	2922		0						0	

AGRICULTURE & FOOD MAIN EXPENDITURE GROUP (MEG)												
SPA	**Actions**	**Budget Expenditure Line (BEL)**	**BEL**	**Division**	**2014-15 1st Supp Budget**	**Transfers within MEG**	**MEG to MEG transfers**	**Allocations to/from Reserves**	**AME Changes**	**Other Changes**	**2014-15 revised Final budget**	**Comments**
Agriculture & Food	Delivering the programmes within the Rural Development Plan	RDP Axis 2 - Tir Mynydd	2923	RPW	0						0	
		RDP Axis 2 - Improved Land Premium	2924		27						27	
		RDP Axis 2 - Organic Farming	2926		2,287						2,287	
		RDP Axis 2 - Other Agri-Environment Schemes	2927		3						3	
		RDP Axis 2 - FWS/FWPS	2928		257						257	
		RDP Axis 2 - Axis 2 Review	2929		0						0	
		RDP Technical Assistance	2931	CAP Planning	1,765						1,765	
		RDP Other Expenditure	2933		540	-450					90	Transfer £450k to BEL 2849
		RDP Axis 2 - Glastir Entry and Advanced	2871	RPW	11,034						11,034	
		RDP Axis 2 - Glastir Common Land Element	2872		1,677						1,677	
		RDP Axis 2 - Glastir Acres	2873		0						0	
		RDP Axis 2 - Glastir Woodland	2874		17						17	
		RDP Axis 3 - Diversion into Non Ag	2941	CAP Planning	78						78	
		RDP Axis 3 - Support for Business Creation	2942		1,312						1,312	
		RDP Axis 3 - Encouragement of Tourism Acc	2943		527						527	
		RDP Axis 3 - Basic Services for Economy	2944		391						391	
		RDP Axis 3 - Village Renewal & Development	2945		135						135	
		RDP Axis 3 - Conservation & Upgrading of	2946		267						267	
		RDP Axis 3 - Provision of Training & Inf	2947		147						147	
		RDP Axis 3 - Skills Acquisition	2948		651						651	
		RDP 2014-20	2949		19,009			-6,200			12,809	1. In year savings: £4,000k; 2. revenue to capital switch: £2,200k
		Sub Total			**45,330**	**0**	**0**	**-6,200**	**0**	**0**	**39,130**	
	Evidence based development for Rural Affairs	Research & Evaluation	2240	CAP Planning	806	-200					606	1. Transfer £200k to BEL 2864 - realignment of budgets
		Sub Total			**806**	**-200**	**0**	**0**	**0**	**0**	**606**	
	Meeting the needs of rural communities and rural proofing WAG actions	New Farm Entrants	2794	ARAD	1,705	-1,705					0	1. Transfer BELs to 'Develop & deliver overarching policy & programmes on Agriculture, Food & marine' action - realignment of budgets. This action deleted
		Local authority Framework Funding	2831		600	-600					0	
					2,305	**-2,305**	**0**	**0**	**0**	**0**	**0**	
	Developing & Marketing Welsh Food & Drink	Promoting Welsh Food	2970	Food	5,000						5,000	
		Sub Total			**5,000**	**0**	**0**	**0**	**0**	**0**	**5,000**	

AGRICULTURE & FOOD MAIN EXPENDITURE GROUP (MEG)												
SPA	**Actions**	**Budget Expenditure Line (BEL)**	**BEL**	**Division**	**2014-15 1st Supp Budget**	**Transfers within MEG**	**MEG to MEG transfers**	**Allocations to/from Reserves**	**AME Changes**	**Other Changes**	**2014-15 revised Final budget**	**Comments**
Total: Agriculture & Food					**60,811**	**0**	**-30**	**-7,430**	**0**	**0**	**53,351**	
Protecting and improving Animal Health and Welfare	Support & Delivery of the Animal Health & Welfare programme/strategy	Animal Health and Welfare	2270	OCVO	600						600	
		Sub Total			600	0	0	0	0	0	600	
	Management and delivery of TB Eradication and other Endemic Diseases	TB EU Income	2269	OCVO	-3,000						-3,000	
		Animal Health VLA	2271		18,781			-3,000			15,781	1. In year savings
		TB Slaughter Payments, Costs and Receipts	2272		11,660			-1,000			10,660	1. Resource to capital switch: £1,000k
		TB Eradication	2273		10,000			-4,000			6,000	1. In year savings: £2,000k; 2. Resource to capital switch: £2,000k
		Sub Total			37,441	0	0	-8,000	0	0	29,441	
Total: OCVO					**38,041**	**0**	**0**	**-8,000**	**0**	**0**	**30,041**	
Total Revenue - Farming & Food					**98,852**	**0**	**-30**	**-15,430**	**0**	**0**	**83,392**	

CAPITAL BUDGET - Departmental Expenditure Limit					£000's							
Agriculture & Food	Develop and deliver overarching policy and programmes on Agriculture, Food and Marine	New Farm Entrants	2794	ARAD	0			1,600			1,600	1. Resource to capital switch:£1,600k
		EID Cymru	2862		0			300			300	1. Resource to capital switch: £300
		CPH	2861		0						0	
					0	**0**	**0**	**1,900**	**0**	**0**	**1,900**	
	CAP Administration and making payments according to EU and WG rules	CAP Reform	2789	RPW	0			6,900			6,900	1. Resource to capital switch: £6,900k
					0	**0**	**0**	**6,900**	**0**	**0**	**6,900**	
	Delivering the programmes	RDP General	2841	RPW	0						0	
		RDP Axis 1 - PMG	2845	CAP Planning	3,016						3,016	
		RDP Axis 4 - Strategy	2847	CAP Planning	146						146	
		RDP Axis 4 - Co-Operation	2848	CAP Planning	23						23	
		RDP Axis 4 - Running Costs	2849	CAP Planning	0						0	
		RDP Axis 2 - Tir Gofal	2921	RPW	77						77	
		RDP Axis 2 - Glastir Entry and Advanced	2871	RPW	3,458						3,458	
		RDP Axis 2 - Glastir Common Land Element	2872	RPW	0						0	
		RDP Axis 2 - Glastir Acres	2873	RPW	1,350						1,350	
		RDP Axis 2 - Glastir Woodland	2874	RPW	338						338	

AGRICULTURE & FOOD MAIN EXPENDITURE GROUP (MEG)												
SPA	**Actions**	**Budget Expenditure Line (BEL)**	**BEL**	**Division**	**2014-15 1st Supp Budget**	**Transfers within MEG**	**MEG to MEG transfers**	**Allocations to/from Reserves**	**AME Changes**	**Other Changes**	**2014-15 revised Final budget**	**Comments**
	Delivering the programmes within the Rural Development Plan	RDP Axis 1 - Catchment Sensitive Farming	2925	CAP Planning	0						0	
		RDP Axis 3 - Diversification into Non Ag	2941	CAP Planning	188						188	
		RDP Axis 3 - Support for Business Creation	2942	CAP Planning	357						357	
		RDP Axis 3 - Encouragement of Tourism Acc	2943	CAP Planning	302						302	
		RDP Axis 3 - Basic Services for Economy	2944	CAP Planning	235						235	
		RDP Axis 3 - Village Renewal & Development	2945	CAP Planning	262						262	
		RDP Axis 3 - Conservation & Upgrading of	2946	CAP Planning	192						192	
		RDP Axis 3 - Provision of Training & Inf	2947	CAP Planning	1						1	
		RDP Axis 3 - Skills Acquisition	2948	CAP Planning	0						0	
		RDP 2014-20	2949	CAP Planning	778						778	
		Sub Total			**10,723**	**0**	**0**	**0**	**0**	**0**	**10,723**	
Total: Agriculture & Food					**10,723**	**0**	**0**	**8,800**	**0**	**0**	**19,523**	
Total Capital - Agriculture & Food					**10,723**	**0**	**0**	**8,800**	**0**	**0**	**19,523**	

AGRICULTURE & FOOD MAIN EXPENDITURE GROUP SUMMARY												
		Revenue			98,852	0	-30	-15,430	0	0	83,392	
		Capital			10,723	0	0	8,800	0	0	19,523	
		Total DEL			**109,575**	**0**	**-30**	**-6,630**	**0**	**0**	**102,915**	
Total - Agriculture & Food					**109,575**	**0**	**-30**	**-6,630**	**0**	**0**	**102,915**	