

Environment and Sustainability Committee

Meeting Venue:
Committee Room 3 - Senedd

Meeting date:
19 October 2011

Meeting time:
09:30

Cynulliad
Cenedlaethol
Cymru

National
Assembly for
Wales



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Agenda

1. Introductions, apologies and substitutions

2. Inquiry into energy policy and planning in Wales - Evidence from RenewableUK Cymru (09.30 - 10.30) (Pages 1 - 7)

E&S(4)-07-11 paper 1

Llywelyn Rhys, Head of RenewableUK Cymru
Piers Guy, Head of Development, Nuon Renewables
Caroline McGurgan, Project Manager, Eco2

3. Draft Budget 2012-13: Scrutiny of the Minister for Environment and Sustainable Development (10.30 - 11.30) (Pages 8 - 15)

E&S(4)-07-11 paper 2

John Griffiths AM, Minister for Environment and Sustainable Development
Matthew Quinn, Director, Environment and Sustainable Development
Christianne Glossop, Chief Veterinary Officer

4. Papers to note (Pages 16 - 23)

Correspondence from the Deputy Minister for Agriculture, Fisheries, Food and European Programmes on Glastir

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Correspondence from the Chair of the Petitions Committee on P-04-326 No to Incineration

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Agenda Item 2

Environment and Sustainability Committee

E&S(4)-07-11 (p1)



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Environment and Sustainability Committee:

Inquiry into energy policy and planning in Wales

Written submission by RenewableUK Cymru

September 2011

RenewableUK (formerly BWEA) was established in 1978 and is the representative body for companies active in the UK wind, wave and tidal energy market. We represent all aspects of the renewables industry from manufacturers of the technology, through to developers and installers, legal and environmental specialists, construction and investment firms. We also have members in the education and training sector – helping to develop the skills needed for the future. As the largest renewable energy trade association in the UK, our membership has grown rapidly over recent years and now stands at just under 700 companies - representing the vast majority of all grid connected renewable energy projects currently installed.

In 2006, a branch of the organisation was established to champion the wind, wave and tidal renewable energy technologies in Wales with a focus of achieving the Welsh Assembly Government 2010 renewable energy targets. This submission is made on behalf of RenewableUK Cymru Strategy Group.

RenewableUK would be pleased to clarify any issues raised in this paper and offer any further information which may be required.

RenewableUK Cymru welcomes the Environment and Sustainability Development Committee Inquiry into energy policy and planning in Wales and look forward to the prospect of positive recommendations that will assist the renewable industry to ensure that Wales becomes a more sustainable country and contribute to the creation of a low carbon economy.

UK Renewables Energy Targets

There are a number of national and international law and policy provisions supporting the development of renewable energy, which include EU Directive 2009/28/EC of June 2009, the UK Government Climate Change Programme, the Energy White Paper 2007, the Climate Change Act 2008, the Renewable Energy Strategy 2009 and the newly published suite of National Policy Statements.

As a result of the 2009 EU Directives, the UK has a binding target of meeting 15% of its energy consumption from renewable sources by 2020. This target is echoed in the 2009 Renewable Energy Strategy (RES) and the UK Low Carbon Transition Plan. The RES makes it clear however, that the 15% target also includes fuel and heating, which means that a greater proportion (i.e. 30% or more) of electricity supply will have to come from renewables to balance out the difficulties in providing a significant proportion of fuel and heating from renewables by 2020. Therefore the adopted scenario in the RES means that the target percentage for renewables is now raised dramatically.

Wind is expected to provide about 64% of all the electricity from renewable sources by 2020, with about 29% coming from onshore wind. While this is just an indicative breakdown, it is important to note that it is based on the RES lead scenario modelling. For comparison, the UK had been working towards (and failing to reach) a 10% target until 2010. Therefore the actual indicative targets for renewable electricity for 2020 is triple the target for 2010, with less than half the time available to achieve it. This clearly demonstrates the case for a rapid increase in the deployment of onshore wind energy.

TAN8 Targets

When TAN 8 was published in 2005 the Assembly Government had targets to generate 4TWh per annum by 2010 and 7TWh by 2020 from renewable technologies. In order to meet the 2010 target the Assembly Government concluded that an additional 800MW of installed capacity should be delivered by onshore wind sources, while another 200MW would be required from offshore wind and other renewables.

By identifying seven Strategic Search Areas (SSAs) for the development of large scale onshore wind farms and an overarching delivery target of 800MW installed onshore wind energy capacity (above 2005 levels) within these areas, TAN8 effectively established a planning presumption in favour of wind farm development within these SSAs. In doing so, the Welsh Assembly Government, through TAN8, also implicitly endorsed the evolution of wind farm landscapes within Wales" SSAs and accepted that this approach would lead to cumulative impacts in these areas.

However, despite Wales" renewable energy aspirations having grown substantially since 2005, the delivery of wind farm projects remains slow and unpredictable, with numerous examples of applications being refused against officer recommendation, or historically having been called in by Welsh Government. It seems that the local planning system is struggling to deal effectively with wind farm planning applications (both TCPA applications and Section 36 / IPC applications). Due to lack of resources to deal effectively with wind farm applications, or due to a lack of will to deliver on national energy policy, LPA"s are frustrating the timely determination of onshore projects that are above and below the 50MW threshold. There are other serious obstacles to delivery including the need to upgrade grid transmissions and transportation plans.

Current TAN8 target performance

In September 2011, nine months after TAN8 expiry date for target delivery, only 180MW (22.5%) of the additional 800MW target set in 2005 had been delivered. In contrast, there are currently over 1,421MW onshore wind capacity in the planning system awaiting determination.

In relation to offshore wind farms a capacity of 90MW has been added following the publication of TAN8 meaning that 45% of the additional 200MW target has been achieved. There was an existing operational offshore wind farm which means that the total operational capacity from this technology is currently 150MW. A further offshore wind farm with a capacity of 576MW has been approved and waiting construction whilst there are larger project in the pipe line from Crown Estate Round 3 sites.

Renewable Energy Route Map & Low Carbon Energy Policy Statement

In 2008 the Welsh Assembly Government published the Renewable Energy Route Map which was a consultation setting out proposals to move Wales towards „self-sufficiency in renewable electricity in a generation“. The Route Map suggested dramatically increasing the renewable energy generation target from 7TWh set for 2020, to a new target of 33TWhr by 2025. The consultation foresaw that wind farms would make a significant contribution to the new targets by creating almost 7TWhr per annum by 2015. The suggestion was that onshore wind farms located within the Strategic Search Areas could generate 2,500MW – a dramatic increase from 800MW identified in TAN 8. “If all potential projects were to go ahead in full, wind-farms within TAN 8 strategic search areas could produce up to 2500MW of capacity: three times the existing TAN 8 indicative target for 2010.” (para 7.17 Renewable Energy Route Map)

The Route Map consultation also confirmed that some of the Strategic Search Areas needed higher capacity electrical connections to the National Grid which was being considered by relevant bodies at the time. (para 7.15 & 11.3 Renewable Energy Route Map)

In 2010 the Welsh Government published its Low Carbon Revolution - Energy Policy Statement which was informed by responses to the Route Map consultation. The Low Carbon document again radically increased the renewables target – increasing annual renewable energy output in TWhr from 33TWh as suggested in the Route Map, to 48TWh by 2020/2025 amounting to 22,500MW of installed capacity. This corresponds to the aims of the UK Government’s RES publication which greatly increased UK national target figure of at least 30% of electricity from renewables by 2020. The Low Carbon statement outlined that the aim in terms of onshore wind was to have 4.5KWh/d/p of installed generating capacity by 2015/17 which would amount to 2GW of total capacity (para 3.1 b A Low Carbon Revolution). This was confirmed by a written statement by the Welsh Government in June 2010. Planning Policy Wales 2011 also states that planning policy at all levels should facilitate delivery of both the Welsh Government’s overall Energy Policy Statement and UK and European targets on renewable energy.

The Low Carbon Revolution includes a technology breakdown as a guide of how to achieve the new set of targets with a lot of emphasis being placed on tidal range and tidal stream renewables (including the possibility of generating a large amount of energy from the Severn Estuary) and on offshore wind which saw its expected capacity increase to 6GW. In terms for onshore wind the capacity target fell from the previously increased figure of 2.5GW as set out in the Route Map consultation to 2GW. (appendix 1 A Low Carbon Revolution)

John Griffiths, the Minister for Environment and Sustainable Development has issued a new guidance letter to Stakeholders (July 2011), which stated that the maximum capacity for TAN 8 SSA’s should be the Garrad Hassan figures amounting to a total of 1,700MW from onshore wind. The Ministerial letter outlined the maximum installation capacity for each of the SSA’s. The remaining 300MW necessary to achieve the 2GW target should come from smaller local, brownfield or community schemes located outside the SSA’s. TAN8 will continue to be used as

the vehicle for the strategic delivery of onshore wind throughout Wales with maximum capacity figures being set for each of the SSAs.

It has been consistently RenewableUK Cymru's view that whilst increases in renewable energy targets are welcome, particularly the target increases in onshore, offshore and wave and tidal technologies, greater flexibility is required within the planning guidance to ensure delivery. In relation to onshore wind developers have followed the guidance as set out in TAN8 and concentrated investments and activity in identified areas. To protect industry confidence in the wind sector and other renewables, it is vital that the status of these areas is protected with determination decisions being made without interruption.

However, the industry acknowledges that directing all significant developments to seven SSAs whilst at the same time significantly increasing onshore generation targets, can result in cumulative impacts as the concentration of wind farms increases in the same vicinity. In order to increase the capacity of onshore wind in a way that would limit turbine density and additional cumulative impacts, RenewableUK Cymru recommends that new areas suitable for large scale wind farm development are identified. This might take the form of identifying new SSAs, extending the area of existing SSAs or adopting a limited criteria-based approach for suitable sites that are outside SSAs.

Devolution of + 50MW determination powers

RenewableUK Cymru recognises the long-standing desire of the Welsh Government and the political parties in the National Assembly that planning decisions on energy projects above 50MW should be devolved. The devolution of further planning powers would give the Welsh Government an opportunity to demonstrate its commitment to the delivery of renewable energy and should be used to increase the rate of deployment.

We believe that decisions on energy projects should be based on appropriate professional advice and as such, our strongly held view is that further devolution could only be effective if the process is properly resourced and linked to professional energy expertise available within Planning Inspectorate Wales.

RenewableUK has long been concerned at the slow rate of delivery towards current renewable energy targets and would hope to see a speedy resolution for outstanding applications under any new planning system.

RenewableUK members would seek to work positively with any new regime, nonetheless given the national importance and strategic need to deliver renewable energy it would be critical that the Government takes direct responsibility for projects above 50MW, with the relevant Welsh Ministers taking a final decision based on an assessment provided by Planning Inspectorate Wales.

RenewableUK Cymru comments on questions alluded to in invitation letter:

What are the implications for Wales if responsibility for consenting major onshore and offshore energy infrastructure projects remains a matter that is reserved by the UK Government?

If consenting major onshore and offshore energy infrastructure remains a reserved matter then renewable energy developers will continue to adhere to the current planning regime as set out by the 2008 UK Government Planning Act. Developers will be guided by National Policy

Statement for major energy projects that will be determined by the Infrastructure Planning Commission. In future the new Major Infrastructure Planning Unit will examine applications with Ministers making decisions. TAN 8 and Planning Policy Wales will be relevant considerations including that large-scale onshore projects should be located within Strategic Search Areas. Planning applications for projects above 50 MW and offshore wind farms would continue to be governed under the 2008 Planning Act.

How does this affect achievement of the Welsh Government's aspirations for various forms of renewable and low carbon energy as set out in the Energy Policy Statement?

The existing planning guidance which aims to increase renewable energy delivery can achieve Welsh Government targets if it is used correctly and appropriately. If planning approval closely followed planning policy as set out in TAN 8, renewable energy targets could be met with less chance that Welsh Government planning policy be superseded by UK planning authorities.

How does this affect delivery of the Welsh Government's target for a 3 per cent reduction in Green House Gas emissions per annum from 2011?

Deploying renewable energy projects would offset electrical generation from fossil fuels. A consistent stream of renewable energy projects would need to be commissioned to maintain the 3% momentum. This would also help ensure that Wales becomes „self sufficient“ in renewable energy as expressed by the Route Map of 2008.

What will be the impact if consenting decisions on major infrastructure projects and associated development are not all taken in accordance with Welsh planning policy?

Planning decisions that do not consistently follow identified planning policy, risk becoming sporadic and unpredictable in nature which is likely to cause confusion and controversy. It is important to note that a planning framework is already in place which ensures that renewable energy projects are consistent with Welsh Government policy as long as they are applied correctly.

Given the strategic importance that associated developments have in significant infrastructure projects, it is RenewableUK Cymru's view that the Welsh Government should use its call-in powers to determine associated development applications. This is particularly relevant in the case of renewable energy proposals which are vital to meeting government renewable energy targets.

There is also a case that determination powers for associated developments relating to nationally important projects should be transferred from local authority to the control of Welsh Ministers.

Issues that the Committee will want to consider as part of these terms of reference:

The role of the different consenting agencies, how they inter-relate and how the current system could be improved, both with and without further devolution (*Infrastructure Planning Commission, Planning Inspectorate, Local Planning Authorities, National Parks, Welsh Government, Marine Management Organisation, Environment Agency*).

Consistency and clarity of roles between planning authorities and statutory consultees is extremely important for developers. With the high volume of planning applications relating to

renewable energy projects expected, it is important to ensure adequate financial and skill resources across planning authorities to avoid delay and bad decisions. Statutory consultees often frustrate developments despite clear planning guidance and renewable energy targets having been established by governments. Any potential merger between separate statutory bodies may lead to conflict of interest questions between public landowners, assessors and regulators.

The relationship between the UK Government's Energy National Policy Statements and Welsh national and local planning policies (including Planning Policy Wales, Technical Advice Note 8 and Local Development Plans) and whether these policies can achieve the Welsh Government's aspirations, including whether or not a formal review of TAN 8 is now required.

The hierarchy and relationship between the above policies are clear to the industry. The National Policy Statement is understood to have primary importance although it must give due consideration to TAN 8 and other Welsh Government planning guidance.

Current planning policies are adequate to realise renewable energy aspirations. However, with targets having been increased since the launch of TAN 8 in 2005, there is a view that the existing renewable energy guidance should be more flexible to ensure target delivery. The wind farm industry supported the pledge in the „One Wales“ agreement to „refresh“ TAN 8 looking at a range of options in order to increase renewable energy generation. However in addition to greater planning flexibility that would facilitate renewable energy projects there is also a strong need to protect existing identified areas and proposals to ensure delivery and investor confidence.

The potential contribution and likelihood that different types of renewable and low carbon energy (*offshore wind, tidal, onshore wind, hydro-power, nuclear, bio-energy/waste, micro-generation, community energy projects*) will be capable of delivering the Welsh Government's aspirations for energy generation as set out in *A Low Carbon Revolution – Energy Policy Statement* and the *UK Renewable Energy Roadmap*.

It is important to have a mix of renewable energy generators, however to reach immediate and midterm targets it is necessary to focus on those technologies that can be deployed and generate electricity in a relatively short time. Successful deployment will build confidence for the developers of future renewable technologies such as wave and tidal devices, and raise interest in micro and community schemes. The deployment of onshore wind projects in Wales will be regarded by investors as a test case for the viability of future renewable developments.

The potential contribution of these different types of renewable energy to meeting the Welsh Government's annual target for Green House Gas emission reduction.

Annual targets require constant and consistent delivery. The only current renewable energy technologies that can significantly offset fossil fuel generation are onshore and offshore wind.

The potential role of other forms of energy production in Wales e.g. existing fossil fuel energy generation, proposed nuclear generation and newer technologies such as coal-bed methane and shale gas.

RenewableUK Cymru promotes the development of wind, wave and tidal technologies that can contribute to the renewable energy mix. Other forms of technologies including non renewables will continue to contribute to total generation.

The transport issues relating to wind turbines and other forms of renewable energy including their impact on roads, traffic and tourism.

RenewableUK Cymru is currently project managing two projects that are assessing a timetable for turbine delivery as well as identifying strategic routes to SSA B & C in mid Wales. The overall aim is to quantify, minimise and manage the impacts of turbine component movements during the period of wind farm construction.

For more information or clarification on the contents of this paper please contact Llywelyn Rhys – l.rhys@renewable-uk.com

Environment and Sustainability Committee

E&S(4)-07-11 paper 2

Draft Budget 2012-13: Department for Environment & Sustainable Development

Introduction

1. This paper provides background financial information to the Committee regarding the Department for Environment & Sustainable Development spending plans as outlined within the draft budget, published on 04 October 2011.
2. Annex A gives a breakdown of the Draft Budget, by Action, and by BEL within each Action.
3. With Sustainable Development at the heart of all that we do in Government our focus is on the social, economic and environmental well-being for people and communities in Wales.
4. We remain committed to tackling fuel poverty through our successful energy efficiency schemes such as Arbed and NEST, reducing fuel bills for the most vulnerable and providing a significant boost to the green economy. We will also continue to invest in ensuring we have the environmental infrastructure Wales needs in the 21st Century, with major programmes delivering flood protection; improved waste management and recycling.

Background and Summary

5. The draft budget figures may be summarised as follows:

	Baseline 2011-12 £'000	Draft Budget 2012-13 £'000	Indicative Plans 2013-14 £'000	Indicative Plans 2014-15 £'000
Revenue	269,067	265,183	265,755	269,201
Capital	60,642	61,629	54,238	54,238
Total	329,709	326,812	319,993	323,439

6. Compared to indicative plans for 2012-13 published in the Final Budget 2011-12 (as restated based on the new structure in the First Supplementary Budget 2011-12), the total MEG allocation for Environment and Sustainable Development has increased by

£17.5m in 2012-13 and £17.7m in 2013-14. The indicative plan for 2014-15, which is published for the first time, is £323.4m (£3.4m higher than in 2013-14).

7. The additional resource funding is associated with the following expenditure programmes:

- Waste Management – We have allocated an additional £0.5m in 2012-13 rising to £5.6m in 2014-15 to support the treatment of municipal food waste in order to continue the progress in diversion of biodegradable waste from landfill sites in accordance with the waste strategy and to meet our EU obligations; and

- Animal Health – We have allocated an additional £17.2m in 2012-13, £16.6m in 2013-14 and £15.8m in 2014-15. This is in respect of transfers

from DEFRA for the funding of the Animal Health Veterinary Laboratories

Agency activities in Wales who are the main delivery agent for implementing Welsh Government's animal health and welfare policy.

8. There are no other significant changes to the budget from last year's Final Budget. Major changes were made then to the allocations in the light of the UK settlement and individual budgets will be continued at those levels through to 2014-15. Our interventions will continue to focus on protecting the most vulnerable in our society, promoting sustainable development and ensuring our international obligations are met. .

9. This budget settlement will enable the Welsh Government to continue vital work to eradicate fuel poverty, manage flood risk, tackle climate change, and stimulate Wales' green economy and complete work on the All Wales Coast Path.

10. Managing flood risk management remains a priority and we will continue to invest revenue funding in this area over the next three years so that we can keep building and maintaining flood defences in areas in Wales that are most vulnerable to flooding.

11. We have developed a significant flood and coastal erosion risk management programme worth just over £100m, which is supported by £49.85m from the European Regional Development Fund (ERDF). The programme began in 2008 and is scheduled to complete in 2015 and covers both Convergence and Competitiveness areas. It's three main aims are:

- To construct flood or coastal defences in some of Wales most vulnerable communities;

- To raise awareness of the risk of flooding;
 - To encourage resilience to flooding.
12. We remain committed to tackling fuel poverty through schemes such as Arbed and our Home Energy Efficiency Schemes, both of which are helping to make Welsh homes more energy efficient and reduce fuel bills for the most vulnerable people in Wales. That is why we protected both capital and revenue budgets for fuel poverty and energy efficiency in last year's comprehensive spending review.
 13. Arbed Phase II will invest in improving the energy performance of homes in Wales, helping to improve the quality of housing stock, reduce green house gas emissions, reduce fuel poverty and create business and job opportunities. The programme began this year, supported by over £29m of convergence funding and is scheduled to complete in 2015.
 14. We will continue our efforts to tackle climate change with our funding for this area focussing on supporting people, communities and businesses in Wales to take action themselves to help reduce emissions. We are also continuing to protect the energy efficiency budget which supports the Carbon Trust and Energy Saving Trust in their efforts to reduce emissions and help stimulate Wales' low carbon economy.
 15. An example of this is the Ynni'r Fro programme, which is intended to fund the development of community scale renewable energy projects by providing expert advice and support through a network of development officers. It also supports pre-application works and provides funding for capital works. The programme has been in place since November 2009 and is due to complete in 2015. It is part funded by the European Regional Development Fund (ERDF) in the amount of £7m and covers both the Convergence and Competitiveness areas of Wales.
 16. Waste management is a crucial part of the Welsh Government's agenda and we have committed to £260m to waste over the next 3 years. This will help us to develop to most cost effective and sustainable solutions to waste management and to reach our ambitions of becoming a zero waste nation.
 17. We are continuing to commit funding for the three Welsh National Park Authorities as well as the Countryside Council for Wales and the Environment Agency. This will increase access to Wales' countryside and enable the completion of the Wales Coast Path
 18. We remain committed to the eradication of bovine TB in Wales. That is why we have committed £10m to the eradication

programme as well as over £11m to cover potential payments for compensation for animals slaughtered as a result of the disease.

19. We will continue with the actions set out in March 2010 to ensure that woodlands become more sustainable through the Wales Woodland Strategy.

John Griffiths
Minister for Environment and Sustainable Development

ENVIRONMENT AND SUSTAINABLE DEVELOPMENT MAIN EXPENDITURE GROUP (MEG)									
SPA	Actions	Budget Expenditure Line (BEL)	BEL	Division	2011-12	2012-13	2013-14	2014-15	
	REVENUE BUDGET - Departmental Expenditure Limit						£000's		
Climate Change and Sustainability	Develop and deliver overarching policy and programmes on sustainable development and environment	Environment Legislation and Governance	2812	CSU	199	190	181	181	
		Sustainable Development	2810		956	820	776	776	
		Sub Total			1,155	1,010	957	957	
	Develop and implement climate change, emission prevention and fuel povert policy, communications, legislation and regulation	Fuel Poverty programme	1270			3,450	3,450	3,450	3,450
		Climate Change Action	2816		CCWD	3,292	3,136	2,986	2,986
		Energy Efficiency Programmes	3771			5,300	5,300	5,300	5,300
		Construction Unit	1261			865	824	784	784
		Sub Total			12,907	12,710	12,520	12,520	
	Develop and implement flood and coastal risk, water and sewage policy and legislation	Flood Risk Management & Water	2230		CCWD	19,664	21,041	27,278	27,278
		Sub Total			19,664	21,041	27,278	27,278	
	Facilitate clean and secure energy and industry investment	Radioactivity & pollution prevention	2817		SE&I	600	540	480	480
		Clean energy	3770			640	600	600	600
		Sub Total				1,240	1,140	1,080	1,080
Manage and implement the Waste Strategy and waste procurement	Manage and implement the Waste Strategy and waste procurement	2190		Waste	82,519	79,984	79,283	83,583	
	Sub Total				82,519	79,984	79,283	83,583	
Total Climate Change and Sustainability							117,485	121,118	125,418
Environment	Deliver nature conservation and marine policies	Sustainable Development Fund Grant	2823	NAMU	956	910	867	867	
		Environmental Mgt support funding	2824		1,500	1,500	1,500	1,500	
		Sub Total			2,456	2,410	2,367	2,367	
	Develop an appropriate evidence base	Environment Research and Evaluation	2819		CSU	917	874	832	832
		Sub Total				917	874	832	832
	Manage and implement EU Waste legislation, LEQ and contaminated land	Local Environment Quality & Keep Wales Tidy	2191		Waste	4,478	2,900	2,900	2,900
		Waste regulation	2194			300	300	300	300
		Sub Total				4,778	3,200	3,200	3,200
	Promote protected landscapes and countryside access	National Parks	2490		NAMU	10,900	10,900	10,900	10,900
		Access	2494			220	83	90	90
	Sub Total				11,120	10,983	10,990	10,990	
Sponsor and manage delivery bodies	CCW Programme Expenditure	2430			16,602	16,542	16,151	16,151	

ENVIRONMENT AND SUSTAINABLE DEVELOPMENT MAIN EXPENDITURE GROUP (MEG)								
SPA	Actions	Budget Expenditure Line (BEL)	BEL	Division	2011-12	2012-13	2013-14	2014-15
		CCW Depreciation	2430		1,440	1,440	1,440	1,440
		CCW Administration Costs	2432		19,652	18,718	17,910	17,910
		Natural Environment Framework: restructuring	2495	CSU	1,083	5,000	4,000	4,000
		Environment Agency	2450		21,070	20,070	19,108	19,108
		Environment Agency Depreciation	2450		1,650	1,650	1,650	1,650
		Sub Total			61,497	63,420	60,259	60,259
		Total Environment			80,768	80,887	77,648	77,648
Planning	Planning policy development, Planning Inspectorate and regulation	Planning Expenditure	2250	Planning	7,772	7,403	7,090	7,090
		Total Planning			7,772	7,403	7,090	7,090
Protecting and improving Animal Health and Welfare	Protecting and improving Animal Health and Welfare	Animal Health and Welfare	2270		600	600	600	600
		Animal Health VLA	2271	OCVO	18,398	17,194	16,635	15,781
		TB Slaughter payments, costs and receipts	2272		11,660	11,660	11,660	11,660
		TB eradication	2273		10,380	10,000	10,000	10,000
		Total Protecting and improving Animal Health and Welfare			41,038	39,454	38,895	38,041
Evidence Base	Developing an appropriate evidence base to support the work of the Department	Pwllperian Depreciation	2808	SEED/FDD	8	8	8	8
		Research and Evaluation	2818	SEED/FDD	344	294	244	244
		Sub Total			352	302	252	252
	Protecting plant health and developing GM policies	Other Plant Health Services	2821	SEED	52	52	52	52
	Total Evidence Base				404	354	304	304
Forestry	Implementing the new Woodland Strategy through Forestry Commission Wales	Forestry Commission Revenue Expenditure	2470	Ops Team	40,704	39,774	39,274	39,274
		Forestry Commission Revenue Receipts			-19,104	-18,574	-18,574	-18,574
		Forestry Commission Cost of Capital			0	0	0	0
	Total Common Agricultural Policy and the Countryside				21,600	21,200	20,700	20,700
	Total Revenue - Environment and Sustainable Development				269,067	265,183	265,755	269,201

ENVIRONMENT AND SUSTAINABLE DEVELOPMENT MAIN EXPENDITURE GROUP (MEG)									
SPA	Actions	Budget Expenditure Line (BEL)	BEL	Division	2011-12	2012-13	2013-14	2014-15	
SPA	Actions				2011-12	2012-13	2013-14	2014-15	
CAPITAL BUDGET - Departmental Expenditure Limit									
£000's									
	Develop and deliver overarching policy and programmes on sustainable development and environment	Local Authority General Capital Support	2782	CSU	13,500	12,500	12,000	12,000	12,000
	Sub Total				13,500	12,500	12,000	12,000	12,000
	Develop and implement climate change, emission prevention and fuel poverty policy, communications, legislation and regulation	Fuel Poverty programme	1270	CCWD	18,577	18,577	18,577	18,577	18,577
	Sub Total				18,577	18,577	18,577	18,577	18,577
	Develop and implement flood and coastal risk, water and sewage policy and legislation	Flood Risk Management & Water Local Government Flood & Coast Capital	2230 2234	CCWD	17,000 1,300	14,699 1,200	9,732 1,100	9,732 1,100	9,732 1,100
	Sub Total				18,300	15,899	10,832	10,832	10,832
	Manage and implement the Waste Strategy and waste procurement	Waste Capital (Waste Procurement Infrastructure programme) Waste Capital (Anaerobic Digestion (AD) facilities) Waste Capital (LA investment of facilities & equipment)	2190 2190 2190	Waste	2,710 0 3,122	2,520 5,700 2,000	2,246 4,900 2,000	2,246 4,900 2,000	2,246 4,900 2,000
	Sub Total				5,832	10,220	9,146	9,146	9,146
	Total Climate Change and Sustainability				56,209	57,196	50,555	50,555	50,555
	Promote protected landscapes and countryside access	National Parks Access	2490 2494	NAMU	350 3,250	350 3,250	350 2,500	350 2,500	350 2,500
	Sub Total				3,600	3,600	2,850	2,850	2,850
	Sponsor and manage delivery bodies	CCW Programme Expenditure	2430	CSU	1,000	1,000	1,000	1,000	1,000
	Sub Total				1,000	1,000	1,000	1,000	1,000
	Total Environment				4,600	4,600	3,850	3,850	3,850
	Developing an appropriate evidence base to support the work of the Department	Environment Management Capital	2814	SEED/FDD	38	38	38	38	38
	Total Evidence Base				38	38	38	38	38
	Implementing the new Woodland Strategy	Forestry Commission Capital Expenditure	2470	Ops Team	195	195	195	195	195

ENVIRONMENT AND SUSTAINABLE DEVELOPMENT MAIN EXPENDITURE GROUP (MEG)									
SPA	Actions	Budget Expenditure Line (BEL)	BEL	Division	2011-12	2012-13	2013-14	2014-15	
	through Forestry Commission Wales	Forestry Commission Capital Receipts	2472	Ops Team	-400	-400	-400	-400	
	Total Common Agricultural Policy and the Countryside				-205	-205	-205	-205	
	Total Capital - Environment and Sustainable Development				60,642	61,629	54,238	54,238	

ENVIRONMENT AND SUSTAINABLE DEVELOPMENT MAIN EXPENDITURE GROUP SUMMARY									
					2011-12	2012-13	2013-14	2014-15	
		Revenue			269,067	265,183	265,755	269,201	
		Capital			60,642	61,629	54,238	54,238	
	Total - Environment and Sustainable Development				329,709	326,812	319,993	323,439	

Alun Davies AC / AM
Y Dirprwy Weinidog Amaethyddiaeth, Bwyd, Pysgodfeydd a
Rhaglenni Ewropeaidd
Deputy Minister for Agriculture, Food, Fisheries and
European Programmes



Llywodraeth Cymru
Welsh Government

Eich cyf/Your ref
Ein cyf/Our ref

To: Members of the Environment
and Sustainability Committee

6 October 2011

Dear Members

Members will be aware that changes were announced to the Glastir All Wales Element payment rates last week. These new rates represent a real increase in payment levels for all those farmers entering the Glastir scheme and I believe will be a real enhancement of the scheme as a whole.

I am concerned however that some negative coverage of this issue in the press may have led to Members and others being misled. I am therefore writing to you to outline exactly what these changes will mean for farmers.

I do hope that this will help members understand both the changes and the impact that these changes will have on the scheme. I would also add that I will be more than happy to appear in front of the Committee to answer any questions that Members may have on this matter.



Alun Davies AC / AM
Y Dirprwy Weinidog Amaethyddiaeth, Bwyd, Pysgodfeydd a Rhaglenni Ewropeaidd
Deputy Minister for Agriculture, Food, Fisheries and European Programmes

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Glastir

Glastir Bulletin: Environment and Sustainability Committee

Issued: 6 October 2011

There has been a considerable amount of misleading information about the Glastir Scheme All-Wales Element over the last few days. This bulletin seeks to put the facts on the record on a number of important aspects and in addition to provide background information that Committee Members might find helpful.

Headlines

Not a single farmer coming into the Glastir All-Wales Element (AWE) will lose a penny as a result of the widely reported change in the Glastir payment rate. In fact, every farmer who takes part in the scheme will receive a higher payment rate.

The recently announced changes to Glastir - the majority linked to the recommendations of the Glastir Independent Review Group (GIRG) – not only provide greater choice for farmers wishing to enter the scheme but are available immediately.

The European Commission has the final say on the detail of schemes such as Glastir. At a late stage in the negotiation process, the Commission was not prepared to agree the originally planned payment uplift for farmers in Glastir who farm in the Less Favoured Area (LFA).

The payment rate for farmers in Glastir farming in the LFA had originally been set at £33.60 per hectare, per annum. Re-costing work (independently validated) undertaken as a result of a recommendation from the GIRG will see that figure rise immediately to £34.00 per hectare, per annum. In addition, a management fee is payable for delivery of the mandatory Whole Farm Code up to a maximum of £677 per annum.

Another major difference is that for farmers in Glastir farming in the non-LFA, their payment rate will be the same as that for farmers in the LFA and will rise from £28 per hectare to the full £34.00 per hectare from day one. The European Commission has accepted the costing basis for paying the £34 rate to all farmers who join the Glastir All-Wales Element.

Comparison: Glastir v Tir Mynydd (for illustrative purposes only)

Glastir AWE basic payment:	100 hectares x £34.00	= £3,400
Whole Farm Code payment	20 hectares x £15.00	= £ 300
	30 hectares x £ 8.00	= £ 240
	50 hectares x £ 2.75	= £ 137.50
	TOTAL	= £4,077.50

Under Tir Mynydd, farmers received a maximum of £28.50 per hectare in the Severely Disadvantaged Area (SDA) and a maximum of £24 per hectare in the Disadvantaged Area (DA). Therefore, under Tir Mynydd, a farmer with the same hectareage would receive:

Farm in the SDA	100 hectares x £28.50	= £2,850.00
Farm in the DA	100 hectares x £24.00	= £2,400.00

Important facts about Glastir

Glastir is a key factor in the delivery of the Welsh Government's broader sustainability agenda: Tackling climate change through carbon, water, soil, and habitat and bio-diversity management. The AWE becomes operational in 2012, together with the Agriculture Carbon Reduction & Efficiency Scheme (ACRES) element. The Targeted Element (TE) comes on-stream in 2013. Some 500 farmers from the first tranche are to be invited to pursue their TE expression of interest for entry in 2013. Farmers who successfully join the TE will receive payment for both AWE and TE actions.

Glastir responds directly to the new agenda set by the EU under the November 2008 CAP Health Check agreement.

The agri-environment schemes that will disappear as a result of the arrival of Glastir, including Tir Gofal (TG) and Tir Cynnal (TC), although valid in their own right, no longer meet the Welsh Government's changed sustainability objectives. Farmers in TG and TC have had the opportunity to extend their agreements until the end of 2013 to ensure a smooth transition to Glastir.

Under the Tir Mynydd scheme, with the last payment in 2012, the only environmental outcome required of farmers was a minimum livestock density.

Glastir does not provide income support to farmers. In Wales income support is provided to those farmers who receive it via the CAP Single Payment Scheme (SPS). The SPS represents an investment by the taxpayer of some £270 million per annum into Welsh agriculture.

Payments for agri environment schemes such as Glastir are required by the European Commission to be based on a calculation to cover income foregone and costs incurred as a result of the actions the farmer undertakes on behalf of the taxpayer and the environment – there is no income support element.

Under Axis 2 of the Wales Rural Development Plan (RDP) some £90 million is available annually to fund agri environment schemes including the new Glastir scheme.

There has been criticism of the amount of change within Glastir. But the scheme was always viewed as one that would evolve over a number of years. The changes that have occurred have done so largely as a result of the ongoing engagement with key stakeholders including the farming unions, the GIRG (which the industry called for and supported) and the need to satisfy the European Commission on the detail of the scheme.

Glastir is not a mandatory scheme. It is for individual farmers to ensure that they are fully informed about what Glastir has to offer and to then reach a decision on whether to join the scheme, having determined the future direction of their farm business.

Some 2,900 farmers originally applied to join in the first year of the Glastir scheme (2012). That figure should be set against other agri environment schemes such as Tir Gofal (introduced in 1999) and Tir Cynnal (introduced in 2005) which together delivered a total of some 7,000 agreements.

Farmers were given the option to extend their Tir Gofal and Tir Cynnal agreements until the end of 2013 and it is against this background that we must consider the numbers of applications in the first year of Glastir – essentially farmers in our two main agri environment schemes have every reason not to apply to join Glastir until 2014 when their existing schemes finally end.

In addition, 140 applications have been received from Commons Associations to join the Glastir Commons Element. It is worth noting that no more than 6 commons in Wales are currently covered by an agri-environment agreement.

Further Information

For further information on the new Glastir scheme visit:

www.wales.gov.uk/glastir

For further information on the Welsh Government's wider support for agriculture in Wales visit:

www.wales.gov.uk/environmentandcountryside

Latest news of interest to farmers in Wales is also available via the Gwlad newsletter. You can sign-up to receive copies at:

www.wales.gov.uk/gwlad

**Farm Development Division
October 2011**

Environment and Sustainability Committee

E&S(4)-07-11 paper 4

Correspondence from the Chair of the Petitions Committee on P-04-326 No to Incineration

The Chair of the Petitions Committee has written to the Chair regarding P-04-326 No to Incineration. The letter is attached as an annex to this paper.

Committee Service

Y Pwyllgor Deisebau

Petitions Committee

Cynulliad
Cenedlaethol
Cymru

National
Assembly for
Wales



Lord Dafydd Elis-Thomas AM
Chair, Environment and
Sustainability Committee
National Assembly for Wales
Cardiff Bay
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Bae Caerdydd / Cardiff Bay
Caerdydd / Cardiff CF99 1NA

28 September 2011

Deaf Dafydd,

P-03-326 No to incineration

The Petitions Committee has recently received a petition from Friends of the Earth Cymru that collected 1299 signatures. The petition calls for:

'...the National Assembly for Wales to urge the Welsh Government to revise its planning policy and policy on residual waste to provide a presumption against the building of incinerators, which send most of the carbon from waste onto the air as CO₂, emit ultra-fine particles that can be damaging to health, and create toxic ash. We believe that incineration is bad for the environment and bad for people.'

An associated petition collected 13,286 signatures.

At its meeting today, the Petitions Committee considered a letter from the Minister for Environment and Sustainable Development setting out the Welsh Government's policy on energy from waste and its commitment to continue to discuss the formulation and review of such policies.

The Committee therefore considered it appropriate to suspend consideration of the petitions pending the outcome of your inquiry into energy policy and planning in Wales. Although you are not considering this petition directly as part of that inquiry, members felt that your consideration of the policy as a whole would be more useful than the Petitions Committee adding to the debate at this time.

However, it would be useful to the Committee if you could share with us your intended outcomes and terms of reference for the inquiry at this time. Perhaps, once your inquiry is complete, you might come to a Petitions Committee meeting to discuss the findings of your inquiry and inform our thinking on possible future actions on this issue.

Yours sincerely

A handwritten signature in cursive script that reads "William".

William Powell AM
Chair, Petitions Committee