------ Public Document Pack ------

Agenda - Climate Change, Environment and Rural **Affairs Committee**

For further information contact: Meeting Venue:

Committee Room 3 – Senedd **Marc Wyn Jones**

Meeting date: 11 March 2020 **Committee Clerk**

0300 200 6565 Meeting time: 09.00

SeneddCCERA@assembly.wales

Pre-Meeting (09.00-09.10) - Legal briefing on the LCM in relation to the UK Fisheries Bill - PRIVATE

Introductions, apologies, substitutions and declarations of 1 interest

(09:10)

2 Legislative Consent Memorandum in relation to the UK Fisheries Bill – evidence session 1

(09.10 - 10.15)(Pages 1 - 61)

Professor Richard Barnes, Associate Dean for Research - Faculty of Business,

Law and Politics - University of Hull

Griffin Carpenter, Senior Researcher - New Economics Foundation

Dr Bryce Stewart, Senior Lecturer - Department of Environment and

Geography, University of York

Attached Documents:

Research brief

Legal note

Paper - Professor Richard Barnes

Paper - Dr Bryce Stewart



3 Legislative Consent Memorandum in relation to the UK Fisheries Bill – evidence session 2

(10.15-11.00)

Jim Evans, Chair - Welsh Fisherman's Association James Wilson, Director - Bangor Mussel Producers Ltd

BREAK (11.00-11.10)

4 Legislative Consent Memorandum in relation to the UK Fisheries Bill – evidence session 3

(11.10–12.00) (Pages 62 – 65)

Debbie Crockard, Fisheries Policy Manager - Marine Conservation Society - representing Greener UK

Gareth Cunningham, Principal Policy Officer, Marine - Royal Society for the Protection of Birds (RSPB) Cymru

Sarah Denman, UK Environment Lawyer - Client Earth

Attached Documents:

Paper – Marine Conservation Society, Royal Society for the Protection of Birds (RSPB) Cymru and Client Earth

5 Papers to Note

5.1 Written submission on the LCM in relation to the UK Agriculture Bill from Dr Ludivine Petetin, Prof Jo Hunt, Prof Ben Pontin, Dr Huw Pritchard - Cardiff University; and Dr Mary Dobbs - Queen's University Belfast

(Pages 66 - 72)

Attached Documents:

Paper - Dr Ludivine Petetin, Dr Mary Dobbs, Prof Jo Hunt, Prof Ben Pontin and Dr Huw Pritchard

5.2	Correspondence from the Mi	nister for Environment,	Energy and Rura	l Affairs
	- Fuel poverty			

(Pages 73 - 77)

Attached Documents:

Letter

5.3 Correspondence from the Llywydd to the Chair; and from the Minister for Finance and Trefnydd to the Llywydd – draft National Development Framework

(Pages 78 - 80)

Attached Documents:

Letters

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

PRIVATE 12.00-12.30

- 7 Consideration of evidence received under items 2,3 and 4
- 8 Consideration of the Committee's draft report on Fuel Poverty

(Pages 81 - 128)

Attached Documents:

Draft report

Welsh Government response to the Wales Audit Office report on Fuel Poverty in Wales

By virtue of paragraph(s) vi of Standing Order 17.42

Agenda Item 2

Document is Restricted

By virtue of paragraph(s) vi of Standing Order 17.42

Document is Restricted

Cynulliad Cenedlaethol Cymru Y Pwyllgor Newid Hinsawdd, Amgylchedd a Materion Gwledig MCD mewn perthynas â Bil Pysgodfeydd y DU NHAMG (5) FB02 Ymateb gan Yr Athro Richard Barnes National Assembly for Wales Climate Change, Environment and Rural Affairs Committee LCM in relation to the UK Fisheries Bill

CCERA(5) FB02
Evidence from Prof Richard Barnes

General

In general, the Bill establishes a UK-wide framework for fisheries management. However, since fisheries is a devolved matter only the basic coordinating aspects of this extend to the devolved administrations.

In Wales, the fisheries authority are the Welsh ministers.

I expect most attention to focus on clauses 1-2 (Joint Fisheries Statement), and effects thereof; and clauses 36-41 (power to regulate fisheries matters), and general concerns re the extent of devolved powers.

Devolved Matters

Fisheries management is a devolved competence. However, the UK remains responsible for the international commitments of the UK in respect of fishing, as well as a range of other reserved matters. As such, the Fisheries Bill needs to balance the operation of matters. This is challenging since it is not easy to simply divide matters into international/domestic competence. For example, the UK may be required under international law to implement certain gear restrictions of conservation and management measures. Also, the basic agreement over fishing entitlements, through the setting of TAC is undertaken in cooperation with other States, since many stocks are shared and so quotas are agreed internationally.

The 2020 Bill makes changes to the previous Bill. Some changes are significant for Wales:

- The inclusion of a power for Welsh ministers to make regulations enabling the sale of Welsh catch or effort quotas for a calendar year (Cl 27 and schedule 5):
- Creation of powers for the Welsh ministers to impose charges for carrying out functions relating to the regulation of marine activities (cl 34 and schedule 7);

- The power of the National Assembly for Wales has been extended to allow it to make primary legislation for the whole of the Welsh zone (ie beyond 12nm) in relation to fishing, fisheries and fish health (cl 43,amending Government of Wales Act 2006)
- The power of Welsh ministers (and Scottish minsters) is extended to making of byelaws in relation to the exploitation of sea fisheries resources for marine conservation purposes (cl 44, schedule 9). I understand this was done in consultation with the NAW.

In general, the Bill further enhances the authority of the Welsh ministers to regulate fisheries in particular areas. However, the same concerns remain regarding the power to determine fishing opportunities –a tension about whether this relates to a reserved or devolved competence, and so requires legislative consent (note below).

The Legislative Consent Motion presented on 12 February covers the main changes and accurately reviews the provisions requiring consent.

The powers for the Welsh minsters in the Bill may be regarded as 'interim' since they can be supplemented/developed with a Wales specific Fisheries Bill. There is scope in the latter to go beyond some of the provisions in the UK Fisheries Bill to better reflect sustainability or social or economic concerns at a Wales level. This could include additional provisions on marine protection, by-catch or gear controls. The generic nature of the UK Fisheries Bill is such that conflicts may be unlikely. Again, coordination through the JFS process could help pre-empt this in practice.

Joint Fisheries Statement

The national fisheries authorities of England, Scotland, Wales and Northern Ireland are required to produce a joint fisheries statement (clause 2) setting out how they intend to achieve the fisheries objectives defined in the bill. A draft JFS would need to be laid before the Welsh Assembly (and similar in other DA, before it can be published, thereby enabling further scrutiny of content. The JFS would have to set out the policies for achieving the fisheries objectives set out in clause 1 (a) the sustainability objective; (b) the precautionary objective; (c) the ecosystem objective; (d) the scientific evidence objective; (e) the bycatch objective; (f) the equal access objective; (g) the national benefit objective; and (h) the climate change objective. The JFS will contain provisions on or referring to fisheries management plans. These are either existing or future plans that show how the details in the JFS will be put into operation. The precise status of the JFS is unclear since it will seek to coordinate fisheries policies within the UK – so may in effect curtail or direct the exercise of fisheries powers at the devolved level. Although a FMP can depart from the JFS, reasons for this must be given by the national authority.

Sustainable Fishing

The Introduction of the provisions on the JFS strengthen the Bill, particular given the importance of a having coordinated policy for the UK as a whole. This can better ensure ecosystem and cross-jurisdictional issues are addressed, at least within the UK.

A general caution about the link between the objectives contained in the JFS, then put into operational terms in the Fishery Management Plans (FMPs), will be the extent to which there is adequate scrutiny and accountability for achieving objectives. This is because the objectives in the UK Fisheries Bill are drawn in broad terms. The fact that there is a power to depart from the JFS in the FMPs when minsters decide this is necessary for a 'relevant change of circumstances' (cl 7) or when the fisheries management authorities wish to depart from their duty to exercise their functions in accordance with the JFS/FMP (Cl 10). Legally, this will be covered by the potential for judicial review. Politically, this will depend upon the rigour of scrutiny of the JFS/FMP and reports thereon.

There is concern (from environmental groups) that the UK Fisheries Bill lacks a clear duty to require that stocks be managed at levels that produce the maximum sustainable yield. It provides a weaker commitment to the MSY than Art 2 of the CFP. MSY is a requirement under UNCLOS, although is qualified by economic, developmental and environment factors (Art 61(3)). Under the UK Fisheries Bill, MSY remains a policy objective. There is no target date for policy measures to be adopted that will achieve the MSY.

Fishing Entitlements.

Under the CFP, the UK's share of the total allowable catch determined annually at the December Fisheries Council was distributed between England, Scotland, Wales and Northern Ireland according to an agreed system of fixed quota allocations. This was established in 1999, and based on amounts of fish landed during a fixed reference period (1993-6). All four nations manage their own fishing quotas and licensing of fishing boats in line with a concordat agreed in 2012. Maintaining the status quo internally is likely to help avoid disagreement, which in turn could unravel the current fisheries settlement in the UK. However, there is a growing awareness of a need to consider the position of inshore fleets that operate mostly out with the quota system and who are seeking some degree of rebalancing in the availability of fishing opportunities. In effect securing a greater share of existing opportunities, either by a rebalancing of quota, or a greater share of new fishing opportunities post Brexit.

When the Bill appeared in the last Parliamentary session, some its provisions concerning the balance between UK and devolved competences generated disagreement between the UK and devolved administrations. Thus the Scottish Government took the view that provisions on determining fishing opportunities required legislative consent because it was a devolved matter. There were also calls for amendments to provisions on quota and effort limits, seafood levies and support

funding. The Welsh Assembly were critical of provisions on determining fishing opportunities.¹ In practice it may be difficult to identify particular conflicts of interest (and authority) in advance, so having a mechanisms that allows room for manoeuvre and political accommodation is important. This may involve avoiding a hard/abrupt division of specific competence in primary legislation.

The setting of the UK TAC will be done by the UK government (cl 23). This is referred to as determining fishing opportunities. This could include setting a zero opportunities (either quota or effort), replacing existing opportunities, or withdrawing existing opportunities. This must be done in consultation with the DAs (cl 24). If there is disagreement, then it is not clear how opportunities would be determined. Presumably, the UK Government could simply set them, since consultation is not the same as permission. This may be an unpalatable point politically, but conflict could be avoided in practice through careful consultation and management of expectations. The UK Government will also distribute fishing opportunities within the UK to the DA's. In effect this replaces the mechanisms under the CFP where by the Commission determines fishing opportunities for each Member State, which in turn has discretion over how that is distributed. Under the Fisheries Bill, each devolved administration will continue to decide how fishing opportunities are allocated to their respective fleets.

It is expected that the way in which fishing opportunities are distributed within the UK will remain the same as there were under the CFP. Here quota opportunities are apportioned administratively to each of the four fisheries administrations by the secretary of state according to a methodology set out in the UK Quota Management Rules (QMRs). This is based on arrangements made in the 2012 Fisheries Concordat. Fixed Quota Allocations (FQAs). This is based upon catch levels during a reference period of 1993 to 1996. It is notable that some degree of continuity of quota allocation is expected, with the Fisheries White Paper indicating that there would be no changes to FQAs, other than to account for new fishing opportunities post Brexit. This reflects the desire to avoid disrupting expectations, destabilizing fishing practices and respecting investments (eg new boats/gear) made in fishing on the basis of those expectations.

Fisheries Administrations are under a duty to ensure catch or effort quotas are not exceeded (cl 26)

Licensing powers.

Such powers are vested in the fisheries authorities (Cl 15). However, the Secretary of State can make regulations that control licensing across the UK. Such regulations can only be adopted with the consent of the DAs. This is intended to balance the devolved settlement with the need for consistent rules across the UK. The DAs can

_

¹ Welsh Government, Supplementary Legislative Consent Memorandum (Memorandum No 2): Fisheries Bill, p 2.

issue licences for foreign vessels for fishing in their respective waters (cl 17). Such licences only apply to those waters. For example, a Scottish licenced EU flagged fishing vessel could not fish in waters subject to regulation by the NI department. However, a Scottish flagged British vessels could exercise licence rights in NI waters. The Delegated Powers and Regulatory Reform Committee commenting on the last version of the Bill (which is virtually the same as the present version) suggest this will provide a degree of transparency in licencing regulation. The Law Society of Scotland take the view this replicates the status quo – that a licence issued by a UK Fisheries administration will be effective throughout UK waters" for British boats.

Powers to impose charges for carrying out administrative functions is established under cl 34 (And Schedule 7). This includes setting fishing quotas; ensuring that commercial fishing activities are carried out lawfully; registration of buyers and sellers of first-sale fish; and issuing catch certificates for importing and exporting fish.

A potentially difficult issue is the way in which powers to regulate over international aspects of fisheries is balanced with the devolved management of fisheries. This is covered by Cl 26-42.

Cl 36 gives the Secretary of State power to make regulations: for the purpose of implementing the UK's international obligations relating to fisheries, fishing or aquaculture; for a conservation purpose; or for a fish industry purpose (eg marketing). These powers are considered necessary by the UK Government to ensure the UK can operate as an 'independent coastal State' (unspecified by could include eg negotiating quota exchanges, or conservation rules, or closed fishing areas). Such powers cannot be used to regulate matters within the legislative competence of the Scottish Parliament, Welsh Assembly or Norther Ireland Assembly (unless that provision is merely incidental to, or consequential on provision which would be outside their legislative competence). Regulations can be made on matters that are devolved is consent is obtained from the devolved administration. There is a general requirement of consultation in respect of cl 36 powers.

Any regulations relating to the amendment or repeal of primary legislation; amendment of article 17 of the Common Fisheries Policy regulation; fee imposition, creation of criminal offences or regulation of a UK producer organisation or interbranch organisation would be subject to affirmative procedures. Other matters would follow the negative procedure.

Corresponding powers for each of the DAs in its area of competence are created under Cl 42 (and schedule 8). Thus each DA can also regulate for matters related to the above. In effect this mirrors the provisions in respect of what were devolved powers.

Financial Assistance to Fishing Industry

The Bill now contains provisions enabling the devolved administrations to establish financial assistance schemes in their respective administrative areas in order to

replace the European Maritime and Fisheries Fund (EMFF). Power to establish funding mechanisms to support fishing is provided under cl 33 (and Schedule 6)

Historic Rights

The UK withdrew from the London Fisheries Convention on 31 January 2020. As such, there are no rights for EU fishing vessels to continue to fish in selected areas of UK waters under the agreement. However, the enjoyment of such treaty-based rights was superceded by the CFP, which establishes rights of access to certain waters between 6-12nm (See Article 5 of the CFP Regulation, and Annex I). Such rights of access will continue until the end of the transition period.

Cynulliad Cenedlaethol Cymru Y Pwyllgor Newid Hinsawdd, Amgylchedd a Materion Gwledig MCD mewn perthynas â Bil Pysgodfeydd y DU NHAMG (5) FB03 Ymateb gan Dr Bryce Stewart National Assembly for Wales Climate Change, Environment and Rural Affairs Committee LCM in relation to the UK Fisheries Bill

CCERA(5) FB03 Evidence from Dr Bryce Stewart

I am a marine ecologist and fisheries biologist (BSc (Hons) in Zoology at the University of Melbourne, PhD in Marine Biology at James Cook University) with over 25 years of professional experience. I am currently employed as a Senior Lecturer in the Department of Environment and Geography at the University of York. I have been researching the potential effects of Brexit on UK fisheries and the marine environment since the end of 2015. I have published a number of articles and reports on the subject and have given oral and written evidence to the House of Lords, UK Parliament and National Assembly for Wales. I have also presented this research through numerous seminars, workshops and conferences, and in the media (online, print, radio and TV). This submission is in a personal capacity only.

- 1. The 'New' Fisheries Bill and what it means for Wales
- 1.1. Like its predecessor, the new version of the Fisheries Bill, published on January 29th 2020, is largely a piece of enabling legislation, designed to adapt the existing regulations that manage most UK fisheries (under the Common Fisheries Policy CFP) once the transition period ends in December 2020 and the UK becomes a fully independent coastal state.
- 1.2. At face value, the high-level objectives of the Fisheries Bill again appear very positive. Rolled over from the previous version are the core objectives focused on: sustainability, taking a precautionary approach, implementing an ecosystem-based approach, using the best scientific evidence and maintaining equal access across UK waters for UK vessels. This last point is clearly important for Welsh vessels.
- 1.3. In addition, there have been several key changes and additions. The 'Discards' objective has been replaced by a 'Bycatch' objective. There is overlap between these objectives, but also important differences. The 'Discards' objective was focussed on gradually reducing discarding of fish (across all sizes) and ensuring all

were landed. This was closely aligned with the Landing Obligation in the CFP, although there was no indication of time-period for its implementation. In comparison, the 'Bycatch' objective is predominately aimed at avoiding and / or reducing catches of fish below minimum conservation reference size. Catches of these fish should also be recorded and landed, but only when it doesn't create an incentive to catch them. Again, there is no indication of time-period.

- 1.4. There are two new objectives, the first being the 'National Benefits' objective. This aims to ensure that fishing activities by UK vessels bring social or economic benefits to the UK, e.g. by landing into UK ports or employing more UK labour. The specific rules around this objective have not been developed. It is also unclear how it might apply to foreign (e.g. EU) vessels fishing in UK waters.
- 1.5. The second new addition is the 'Climate Change' objective. This includes two related, but quite different goals: 1) to ensure the adverse effect of fishing and aquaculture on climate change is minimised; 2) to ensure fishing and aquaculture activities are able to adapt to climate change. Both aims are to be welcomed. They are also quite progressive; few other countries around the world have incorporated climate change elements into their fisheries management plans.
- 1.6. A major facet of the new Fisheries Bill, developed from the previous version and clearly important to Wales, is the requirement for a Joint Fisheries Statement (JFS). This legislation requires the devolved nations (i.e. including Wales) to jointly set out how they are going to address the Fisheries Bill's eight main objectives, with a particular focus on sustainability. Given the shared nature of many fish stocks, not only between the UK and EU, but also across the devolved nations, such co-ordination is clearly necessary and is again to be commended. However, developing it won't be easy the first JFS is to be published within 18 months of the Bill receiving royal assent.
- 1.7. There is also legislation allowing Welsh (and English) ministers to develop regulations allowing the rights to Welsh catch or effort 'quota' to be sold for a calendar year. This is in anticipation of Welsh vessels gaining extra quota after Brexit, but not having the immediate capacity available to utilise it. Of course, whether or not this extra quota actually eventuates is highly uncertain at this stage of the UK-EU negotiations.
- 1.8. The fishing industry in Wales will no doubt also be relieved to learn that financial assistance schemes are to be established in each devolved nation (i.e. including Wales) to replace the European Maritime and Fisheries Fund.

- 1.9. Despite the generally positive high-level ambitions of the new Fisheries Bill, many concerns and potential loop-holes remain. The main instrument for ensuring sustainability in the future is the development of 'sustainability plans' for each fish stock. But is a plan the same as a legal commitment as promised in the Conservative Party's election manifesto and considered to be best practice (as in the US Magnuson-Stevens Act)? It is also unclear if stocks are to be restored to, or maintained at, sustainable levels. Nor is it clear what 'sustainable' actually means. Ensuring fish stocks are at a biomass that deliver maximum sustainable yield (MSY)? Over what time-frame? In comparison, the CFP makes firm commitments on these issues (although admittedly, many won't be achieved). Which stocks? It will clearly not be possible for all stocks given current data gaps, particularly for inshore fisheries. However, the Fisheries Bill currently allows a 'pick and mix' approach, at odds with its stated objective of delivering precautionary and ecosystem-based management.
- 1.10. The future management of shared stocks remains a further concern. Apparently, the new fisheries management plans will 'recognise' that many fish stocks are shared between jurisdictions. 'Recognise' sounds somewhat noncommittal. How will negotiations between the UK and other countries ensure sustainability? The UK is currently taking a hard-line in negotiations with the EU, maintaining that status quo (the preferred option of the EU) is not an option. Instead, the UK wants to shift to a zonal attachment approach for determining the allocation of quota shares. However, if the UK unilaterally shifts to this approach and increases its catches then overfishing will undoubtedly occur, with all nations eventually losing out.

2. Specific Welsh Concerns

- 2.1. At present Welsh fishermen are uniquely vulnerable in the face of Brexit they hold very little quota for finfish or *Nephrops* prawns so concentrate almost entirely on non-quota shellfish species (e.g. crabs, lobsters, scallops and whelks) of which approximately 90% are exported to the EU or other countries through the EU's trade agreements. Therefore, Brexit does not provide any obvious gains to these Welsh fishermen, but could threaten their main market, the EU.
- 2.2. A 'no deal' Brexit at the end of the transition period would be the worst-case scenario for Welsh fishermen. Although this would result in moderate tariffs under WTO rules, a larger real threat is non-tariff barriers. These would result in delays to exports due to extra hygiene checks and processing of paperwork (e.g. catch certificates). Even small delays in the existing supply chains could severely affect

the price and therefore profitability of exports, particularly for shellfish, which are normally exported fresh or alive.

2.3. The outcome of negotiations between the UK and EU remain highly uncertain. Even if the UK is able to gain some concessions on fisheries, the resultant benefits to the UK fishing industry may take many years to eventuate. In the meantime, it would be prudent to see Brexit as opportunity to reform the facets of the UK fisheries management system that do not require negotiation with the EU. Chief among these is fairer distribution of existing UK quota to the devolved nations and the small-scale (under 10 m) fishing fleet in general. Although the UK government wants to use zonal attachment to allocate fishing opportunities between the UK and EU, the Bill doesn't mention using this approach when determing agreements between the devolved nations (instead appearing to stick with the 2012 Concordat). Small-scale vessels make up the majority of the UK fishing fleet (and dominate the Welsh fishing fleet in particular), but currently hold less than 5% of the UK quota. These vessels generally have lower environmental impacts, but are more closely connected to local communities and provide more jobs. Making these changes would directly support one of the Fisheries Bill's primary objectives - to manage fisheries in a way that is environmentally sustainable while ensuring economic, social and employment benefits.

Agenda Item 4

Cynulliad Cenedlaethol Cymru Y Pwyllgor Newid Hinsawdd, Amgylchedd a Materion Gwledig MCD mewn perthynas â Bil Pysgodfeydd y DU NHAMG (5) FB01 Ymateb gan Cymdeithas Cadwraeth Forol, RSPB a'r Client Earth National Assembly for Wales Climate Change, Environment and Rural Affairs Committee LCM in relation to the UK Fisheries Bill

CCERA(5) FB01 Evidence from Marine Conservation Society, RSPB and Client Earth







New provisions of the bill that will apply to Wales

There are a number of new provisions which have been introduced since the previous version of the Fisheries Bill was published in October 2018. Of these several may be directly or indirectly of relevance to Wales including:

- A climate change objective to manage fisheries in a way that allows fisheries to adapt to, and help to tackle, climate change.
- An improved sustainability objective which now addresses fleet capacity and will ensure that this continues to be well managed in the future in Wales.
- Improvements to the ecosystem-based objective which could drive a more holistic approach to fisheries management, including a specific commitment to ensure vital protections for marine mammals, seabirds and fish against the threat of being caught in all types of fishing gear.
- A commitment to introduce the principle of fisheries management plans.
- A new definition of the circumstances that allow authorities to disregard fisheries management plans or policy statements.

Whilst we welcome improvements to the substance of the objectives, we are concerned with the legal effectiveness and robustness of both the policy

statements and the fisheries management plans. We are also disappointed that many of the committee's recommendations in its previous report have not been addressed. In particular, we are concerned with the following new additions to the Fisheries Bill:

1. New definition of "relevant change in circumstances"

As with the previous version, the new Fisheries Bill does not place a legal duty on authorities to achieve the fisheries objectives. Instead, authorities must comply with a policy statement that sets out how they plan on achieving the objectives.

As before, the policy statement can be disregarded if there is a relevant change in circumstances. However, the new Fisheries Bill introduces a definition of what constitutes a "relevant change in circumstances", including "evidence relating to the social, economic or environmental elements of sustainable development'. This could mean that policies intended to recover fish stocks or contribute to the sustainable management of fisheries could be disregarded if they could have a negative impact on the profitability of the fishing industry.

2. New concept of fisheries management plans

As with the previous version, the new Fisheries Bill replaces the legal commitment in the Common Fisheries Policy (CFP) to set fishing limits in line with sustainable levels with a simple, aspirational objective to achieve a healthy biomass for stocks. This is a significant omission. This objective is not legally binding, is not subject to any deadline and is dealt with by way of a policy statement that can be disregarded in a wide range of circumstances, as described above. This represents a real regression in environmental standards, and would be counter to the CCERA committee recommendations presented in the Environmental Principles and Governance Post-Brexit Report.

Instead of a legally binding commitment to set catch limits at sustainable levels, the new version of the Fisheries Bill introduces the concept of fisheries management plans to specify actions which will be taken to set out how stocks will be fished at sustainable levels.

Whilst we welcome the concept of fisheries management plans, which if done properly could help contribute to the recovery of the most at-risk stocks, there are a number of serious weaknesses with the robustness of the proposals in the Fisheries Bill for the plans:

• There is no provision in the Fisheries Bill to require authorities to introduce fisheries management plans. Authorities are only required to issue a statement explaining how they intend to use fisheries management plans. This gives authorities complete discretion as to whether they want to put in place a management plan for a particular stock. We are concerned that the Fisheries Bill could inadvertently lead to stocks that are currently dangerously overfished being ignored. There must be a requirement for a fisheries management plan to be introduced for all commercially exploited stocks and any other stocks that fall below sustainable levels.

- There are no safeguards in the Fisheries Bill on how the fisheries management plans will recover stocks and there are no timeframes for when an authority must publish a plan or when a plan must deliver recovery of a stock.
- As with the policy statement, the fisheries management plans themselves can be disregarded if there is a "relevant change of circumstances". We are concerned that this could create a significant loophole in which the fisheries management plans could be ignored, including for "evidence relating to the social, economic or environmental elements of sustainable development". As with the approach to the policy statement, this may mean authorities could disregard sustainable fisheries policies owing to the economic concerns of industry, rather than implementing alternative measures that do not damage nature. Without clearer accountability safeguards and timelines, there is a real risk that authorities will be able to avoid following scientific advice (including cutting catch limits or closing a particular fishery in the event of imminent stock collapse) if it would have a detrimental effect on the fishing industry.

<u>Incorporation of the CCERA committee's previous conclusions</u>

Due to the significant issues highlighted above, the Fisheries Bill continues to fall short of a "legal commitment to fish sustainably", a concern raised by the CCERA committee previously and highlighted in **Conclusion 7.** This also appears counter to "The sustainable development principle" as set out in the Well-being of Future Generations (Wales) Act 2015¹. A "resilient Wales" is stated as one of the Acts overarching goals and specifies that Wales be "A nation which maintains and enhances a biodiverse natural environment with healthy functioning ecosystems".

Additionally, we are also concerned that the following CCERA committee **Conclusions 9, 10, 12, 13, 15, 16, 17 and 18** remain unaddressed either directly or indirectly and the Fisheries Bill would therefore benefit from the following improvements:

- A legal duty on public authorities to achieve the fisheries objectives and to be accountable by publishing regular updates.
- Binding commitments not to fish above independent scientifically recommended sustainable levels.

-

¹ Well-being of Future Generations (Wales) Act 2015 : http://www.legislation.gov.uk/anaw/2015/2/section/5/enacted

- A binding commitment to introduce ambitious fisheries management plans for all commercially exploited stocks and any other stocks not currently fished at sustainable levels, including a timeframe for implementing the plans and more detail around what safeguards need to be in those plans to deliver stock recovery.
- A commitment to roll out CCTV cameras on all vessels fishing in UK waters to record what is being caught, ensuring full and verifiable documentation of catches and robust monitoring and enforcement.
- A fairer and more sustainable approach to distributing fishing opportunities.
- A commitment to ensure stocks shared with other countries are managed sustainably.

By taking a new holistic approach to how we manage our fisheries in the future, the UK and in particular Wales could be a world leader in sustainable fisheries management. The Welsh industry is predominately small-scale and inshore with a focus on shellfish which provides an excellent opportunity to market the industry for the sustainable future of our seas. Fishers in Wales have previously demonstrated a desire to adapt their activity and to innovate to improve their practices, the roll-out of REM with CCTV cameras on vessels could harness new technology, which is decreasing in cost year on year, to provide valuable data for stock assessments, as well as on the impacts of fishing on non-target species. With improved data, authorities will be better informed about the true state of our fish stocks and better able to ensure that quotas are set in line with scientific advice.

Ensuring fisheries are fully considered in the context of the wider ecosystem will aid in delivery of the UK Marine Strategy (2012), and delivery of Good Environmental Status. A target which, by the UK Governments own admission, we are currently failing to deliver. Resulting in continued decline of rare and sensitive marine biodiversity. A strong fisheries bill, with clear legal duties on relevant authorities to achieve the objectives, supports the delivery of the joint UK administrations vision of clean, healthy, safe, productive and biologically diverse oceans and seas, and the intent of the Wellbeing of Future Generations (Wales) Act 2015.

Agenda Item 5.1

Cynulliad Cenedlaethol Cymru Y Pwyllgor Newid Hinsawdd, Amgylchedd a Materion Gwledig MCD mewn perthynas â Bil Amaethyddiaeth y DU NHAMG (5) AB09 Ymateb gan Dr Ludivine Petetin, Prof Jo Hunt, Prof Ben Pontin, Dr Huw Pritchard - Cardiff University: Dr Mary Dobbs - Queen's University Belfast National Assembly for Wales Climate Change, Environment and Rural Affairs Committee LCM in relation to UK Agriculture Bill

CCERA(5) AB09
Evidence from
Dr Ludivine Petetin, Prof Jo Hunt, Prof
Ben Pontin, Dr Huw Pritchard - Cardiff
University: Dr Mary Dobbs - Queen's
University Belfast

This piece of written evidence will focus on the specific provisions in the Bill requiring an LCM as well as on wider issues that are not in the Bill but will impact Welsh farming.

I. <u>Provisions requiring an LCM</u>

Many of the provisions requiring an LCM relate to the functioning of the UK internal market and the creation of a limited playing field. The Bill appears to want to ensure that consumers and businesses along the food supply chain in England can be assured regarding products' origins, organic certification or fair dealing and to ensure that products can cross borders within the UK freely and to ensure some consistency across the four nations.

1. Clause 17 on food security

Food production and food security play a much bigger role in the 2020 Agriculture Bill than in the 2018 one. The Secretary of State (SoS) will be under the obligation to report to Parliament on UK food security at least every 5 years, thereby aiming to guarantee the availability of supplies for UK citizens and replicating one of the pillars of the CAP. The clause aims to ensure that British citizens have sufficient food to eat (from both domestic or foreign products) although indirectly placing pressure on the devolved administrations to keep maintaining food production and potentially increasing farming productivity.

Whilst improving the quality of food products could be supported under the Bill, it does not mention the production of healthy, nutritious food (despite the impact of poor diets and high levels of alcohol consumption on the NHS). Promoting

healthy and high-quality food production are two sides of the same coin.¹ The Bill does not prevent UK imports with lower environmental, food and animal welfare standards from future free trade deals.

2. Clause 27 on fair dealing obligations of business purchasers of agricultural products

The provisions on fair dealing in the agri-food supply chain seek to strengthen the role of the primary producers in the agreement-food supply chain and to establish balanced, just contractual relations in a fair and transparent food supply chain. They aim to remedy to the unfairness in the chain by acknowledge the asymmetries in bargaining power between the parties to a contract and the lack of transparency in price formation across the entire food supply chain (rather than simply focusing on the first sale of the product – as the 2018 Bill included).²

Other countries, especially Spain, have addressed issues of unfairness in the food supply chain by combining legal commitments and voluntary guidelines to improve the position of primary producers (with a strong focus on local, seasonal and fresh products) and foster a race to the top.³ The role of Groceries Code Adjudicator should be extended to include relevant powers of enforcement and compliance.

3. Clause 31 on fertilisers

Fertiliser policy is devolved. This clause extends the scope of existing powers to control the import, export, sale or use of fertilisers and amend powers to assess, monitor and enforce the future regime. It gives specific powers to Wales to assess, monitor and enforce compliance with the regime. This clause confirms that the four nations have agreed to continue a common framework for UK fertilisers, while devolved administrations retain their devolved powers.

Powers under Clause 31 are to be read subject to the provisions of the Wales Act 2017, which reserves the regulation of ammonium nitrate, and makes competence over the import and export of fertilisers conditional on it being for the protection of human, animal or plant health.

4. Clause 32 on identification and traceability of animals

The clause enables the data collection and sharing of the identification of animals across the UK. This could be beneficial to have a such a system to minimise risks of

¹ https://www.brexitenvironment.co.uk/2020/01/24/agriculture-bill-8-key-provisions/.

² https://publications.parliament.uk/pa/cm201719/cmselect/cmenvfru/1591/1591.pdf.

³ https://www.soilassociation.org/green-brexit/.

animal diseases and zoonoses to overall improve animal and human health. However, England appears to want to set its own Livestock Information Service (LIS) that would create a new digital and multi-species traceability service to identify animals, check their health and movement data.

Considering that farming is inherently cross border across the UK (for example in terms of trading animals and their resulting products and slaughter), different, independent systems across the four nations should be coordinated and interact with each other to ensure the effective identification and traceability of animals.

It would be possible for the National Assembly to establish a body in Wales to undertake this work. If the Welsh Government wanted to join the English service this would require ministerial consent from the Secretary of State.

5. Clauses 36-37 on organic products

These clauses confer regulation making powers in relation to the certification of organic products, their import and exports. There appears to be a grey area between what is considered reserved and what is devolved. Imports and exports of organic products would appear to fall under the scope of the Secretary of State.

Clause 36 creates the scaffolding for a framework for organic products to be created UK-wide. This could be done via two pathways according to clause 36. First, by coordinating the different parts of the UK via a political agreement or an MOU allowing each nation of the UK. Second, there could be a UK-wide set of regulations. Clause 37(1)(a) is unusual and questionable giving the SoS the power to make regulations 'in any case' under clause 36 and appear to remove future consent requirements for Welsh Ministers. However, organic products are covered by the 21 areas that may need statutory common frameworks.

6. Clauses 43-44 and Schedule 5: Wales

At the request of the Welsh Government, these provisions relate to Wales. These powers are intended to be time limited until an Agriculture (Wales) Bill can be brought forward and include a sunset clause for the end of 2024. They also allow Welsh Ministers, by regulations, to make transitional, transitory or saving provisions in connection with this section.

Schedule 5 (Wales) generally replicates the provision of the Bill relating to England: financial support (albeit allowing Wales to include a redistributive payment – which does not exist in England), intervention in agricultural markets, collection and sharing of data, marketing standards and carcass classification and data protection. Before 2024, Welsh Ministers can legislate (1) to simplify or improve the basic payment schemes beyond 2020; (2) to terminate greening payments; (3) to modify retained EU law relating to the financing, management and monitoring of the CAP; and (4) to repeal, simplify or improve retained EU law

relating to the rural development with a view to terminate rural development payments.

In contrast to the previous Bill, Welsh Ministers can use enabling powers until an Agriculture (Wales) Bill is introduced or the end of 2024. This change in the Bill will enable Wales to set its own distinct path to fund farmers post Brexit to either reflect the 'public money for public goods' adopted in England or to embrace a stronger Welsh approach to farming.

7. Clauses 40 to 42 on WTO provisions

On multiple occasions, we indicated our concerns to this Committee about the previous Agriculture Bill's recentralisation of powers related to financial support for farmers and the design of support schemes across the UK. This resulted in a UK and Welsh Government Bilateral Agreement on WTO provisions under the previous Bill. We are pleased that some of these concerns – echoed by the Committee – were heard and the provisions which placed a ceiling on the financial support under Amber, Green and Blue Boxes (rather than the Amber Box only) have disappeared (clause 41). Wales will be able to set its own limits for financial support falling under the Green and Blue Boxes without limitations by central Government.

However, a limit will be set centrally for payments falling under the Amber Box and these payments (the most trade-distorting form of financial support because they are linked to agricultural production) could be lower than the amount allowed for the UK under the Aggregate Measure of Support. Further, the SoS will be able to set different limits on Amber Box support across the four nations. This raises concerns both about level playing fields and excessive centralisation.

Clause 42 relates to the classification of financial support by the SoS across the UK and gives powers to the SoS to set the rules for classification and for dispute resolution regarding classification. Whilst devolved authorities may be involved in the initial classification, the Clause provides for the possibility that the SoS will act as the final arbiter. Here the SoS may be the judge in its own court. This does not adequately reflect the UK and Welsh Government Bilateral Agreement on WTO provisions within the 2018 Agriculture Bill created in order to address Welsh concerns.⁴

Thus, whilst the provisions are an improvement on the 2018 Bill, (i) the Secretary of State (SoS) can still conclusively determine the classification of financial support across the UK; (ii) the Bill effectively gives powers to the SoS that belong to the devolved administrations; (iii) the devolved administrations should be able to

_

⁴ https://www.gov.uk/government/publications/agriculture-bill-progress-with-devolved-administrations/uk-and-welsh-government-bilateral-agreement-on-wto-provisions-within-the-agriculture-bill.

input into the Amber Box caps and (iv) they should get a voice in the classification of any support. Powers under clauses 40 to 42 relating to the limits set on financial support and its classification create a recentralisation of powers.

II. Wider considerations

There are also wider considerations to take into account that will impact on Wales but are not included in the Bill:

- 1. There is a lack of vision for British agriculture. Farming is much broader than the Agriculture Bill: what is the future of agricultural policy for the UK? agroecology? agroforestry? Firmer commitment to net-zero ambitions? Currently, the driver for reform appears to be mostly Brexit and how to fill the gaps created by the UK exit from the EU. A bigger picture is needed. Further, agreement on cross-border issues should be agreed upon by the four nations. So far, Scotland has consistently refused to engage with the bill.
- 2. A closer engagement with other policies is needed, especially with health policy, migration policy and trade policy. Joined up policies are essential to create a British agriculture fit for the 21st century (rather than siloed approaches). The beginning of process to develop a 'National Food Strategy' in England has started and follows the EAT-Lancet report. However, these initiatives ought to be linked food production and farming. Closer linking between food and agriculture is underway in the EU. The new President of the EU Commission Ursula von der Leyen will shortly launch a Farm to Fork Strategy as part of the European Green Deal that will aim to create greater links between food production and farming by 'stimulat[ing] sustainable food consumption and promote affordable healthy food for all'.
- 3. **Changes to the UK immigration system** create concerns within the agri-food system for two professions, in particular veterinarians and seasonal labourers.⁵ Indeed, 95% of veterinarians working in abattoirs come from overseas, mostly the EU,⁶ and of the 80,000 seasonal workforce in horticulture, 98% are migrants from the EU27.⁷ Questions remain as to who

⁵ https://ukandeu.ac.uk/cloud-nine-or-down-to-earth-the-implications-of-a-no-deal-brexit-on-agriculture/

⁶ https://www.bva.co.uk/media/3168/bva-response-to-mac-salary-threshold-and-points-based-system.pdf.

⁷ <u>http://data.parliament.uk/writtenevidence/committeeevidence.svc/evidencedocument/euenergy-and-environment-subcommittee/brexit-agriculture/written/47086.html</u>

will pick the fruit and veg in British fields and work in our slaughterhouses after free movement of persons ends.

- 4. The level of financial support has only been **guaranteed until the end of this Parliament**, which creates a relative certainty to farmers. But beyond the end of 2024, uncertainties remain as to the amount of financial support farmers will receive. Consideration should also be given to how the financial support for the devolved administrations for agriculture will be calculated.
- 5. Issues around **enforcement and compliance** might emerge. Currently, if there is a breach of cross-compliance requirements then a penalty can be deducted at source from direct payments. Post exit, the polluter pays principle will apply (which is a positive shift) and farmers will no longer be supported for complying with regulatory requirements. They will be financially supported only for going beyond the regulatory baseline. Issues of enforcement due to this change in approach will have to be addressed. However, irrespective of the approach, enforcement and compliance with both regulatory requirements and conditions for payments linked to achieving targets/goals beyond regulatory baselines will be essential.
- 6. The Bill raises issues of **competition and changes in the level playing field** between:
 - The four nations of the UK: in terms of different regulatory baselines and conditions for and levels of financial support (possibility of keeping direct payments in Northern Ireland and Scotland but not in Wales and England) across the UK;
 - The UK and the EU: in terms of different regulatory baselines and conditions for and levels of financial support – especially if the EU keeps direct payments; and
 - The UK and the rest of the world: the Bill fails to protect farmers (or consumers) from imports with different, lower environmental, food and animal welfare standards than in the UK that may result from free trade deals.

UK farmers could be at a **competitive disadvantage** both internally and externally in terms of both domestic support and regulatory baseline.

- 7. At the heart of the Brexit was the governmental promise to depart from the CAP. Yet, it appears to lean more towards **doing more of the same** as to what existed under the CAP and Article 39 of the TFEU: increasing agricultural productivity, stabilise markets, ensure the availability of supplies. Yet, two key objectives of the CAP, income support to farmers and reasonable prices for consumers are not replicated, which could be detrimental to farmers and lead to the disappearance of a number of farms across the UK and increased food prices for consumers (unless there are cheap imports).
- 8. The compatibility of future schemes with WTO Law and the Agreement on Agriculture is uncertain. Proposed schemes in England could be opened to farmers, foresters and land managers according to paragraph 17 of the Explanatory Notes accompanying the Agriculture Bill. This could be contrary to the obligations set by the Agreement on Agriculture since direct payments can only be made to 'agricultural producers'. In contrast, indirect payments for 'general services' can support agricultural and non-agricultural producers.

4 March 2020

-

⁸ https://www.brexitenvironment.co.uk/2020/01/24/agriculture-bill-8-key-provisions/

Agenda Item 5.2

Lesley Griffiths AC/AM Gweinidog yr Amgylchedd, Ynni a Materion Gwledig Minister for Environment, Energy and Rural Affairs



Mike Hedges AM
Chair of Climate Change, Rural Affairs and Environment Committee
National Assembly for Wales
Cardiff Bay
Cardiff
CF99 1NA

3 March 2020

Dear Mike,

Thank you for your letter of 14 February, regarding the questions not reached by the committee during the inquiry into fuel poverty evidence session attended by Julie James AM, Minister for Housing and Local Government and myself on 13 February.

PRIVATE RENTED SECTOR

What are your views on the suggestion from stakeholders MEES for the private rented sector should be increased from EPC Band E to EPC Band C (or above)?

The Minimum Energy Efficiency Standards (MEES) imposed on the Private Rented Sector (PRS) are set by Regulation by the UK Government. The Regulations mean since 1 April 2018, private landlords may not let domestic properties on new tenancies to new or existing tenants if the EPC rating is F or G (unless an exemption applies). From 1 April 2020, the prohibition on letting EPC F and G properties will extend to all relevant properties, even where there has been no change in tenancy.

The Welsh Government recognises an increase from EPC Band E to C is ambitious and the implications to the Private Rented Sector will need to be fully considered. Increasing the minimum standard to Band E required major improvements to some rented properties. If the minimum standard is extended further to Band C, it could result in cost savings and reduce environmental impacts. The cost in doing so for landlords and the potential negative impact on the Private Rented Sector (PRS), however, will need careful consideration.

Bae Caerdydd • Cardiff Bay Caerdydd • Cardiff CF99 1NA Canolfan Cyswllt Cyntaf / First Point of Contact Centre:
0300 0604400
Gohebiaeth.Lesley.Griffiths@llyw.cymru
Correspondence.Lesley.Griffiths@gov.wales

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

Other than MEES and the Warm Homes Programme, what arrangements are in place to encourage and/or incentivise private landlords to improve energy efficiency of their properties?

The MEES Regulations are enforced by local authorities, who have a range of powers to check and ensure compliance. In Wales, this function is performed by Rent Smart Wales. The Welsh Government has provided funding to Rent Smart Wales to identify all rented properties in Wales either without an EPC, or with an EPC rating of F or G.

Once identified, the owners of these properties will be contacted by local authorities with the offer of potential assistance through NEST or other schemes, such as the Energy Company Obligation (ECO) Scheme. Landlords will be reminded enforcement action may follow if improvements are not made. Unlike England, through Rent Smart Wales, targeting of landlords of homes in the PRS to encourage improvements to the energy efficiency of their properties is made possible.

In addition to support funded by Welsh Government, National Grid and Community Interest Company, Affordable Warmth Solution have established a £150m Warm Homes Fund designed to support local authorities, registered social landlords and other organisations to address some of the issues affecting fuel poor households. The maximum funding available per gas boiler (combi boiler A rated) installation, for example, is £2660. Rent Smart Wales prioritises the most inefficient homes and blends Warm Homes Funding with ECO to support the installation of gas-powered central heating systems.

MONITORING AND EVALUATION OF THE 2010 STRATEGY

The 2010 Strategy set out the Welsh Government's intention to develop a Monitoring and Evaluation Plan for the strategy. Was this taken forward?

The Welsh Government published an evidence plan to accompany the publication of the Fuel Poverty Strategy 2010. The evidence plan can be downloaded by visiting https://gov.wales/sites/default/files/publications/2019-06/fuel-poverty-evidence-plan.pdf

RURAL AREAS

What is the Welsh Government doing to reduce reliance on expensive fossil fuels, such as oil, in rural areas? How do you support households cannot access a mains gas supply to be able to access alternative affordable heating options?

Oil remains one of the lowest cost fuels for providing space and water heating in off-grid areas. Its continued use, however, undermines our wider efforts to decarbonise housing in Wales. This demonstrates the tension between our efforts to tackle fuel poverty and the need to decarbonise housing in Wales. Spending caps applied to the Warm Homes Programme schemes are, however, more generous in lower energy efficiency rated homes in off gas grid areas.

The maximum permitted investment in a single home through the Warm Homes Programme is £12,000, applicable to the worst energy efficiency rated homes in off-grid gas areas. By comparison, the lower maximum permitted investment of £5,000 is available for higher efficiency rated homes in on-grid areas.

There are some cases, however, where the Welsh Government will consider and if appropriate, approve measures costing more than the cap currently permits. Affordable alternatives to oil fired central heating in areas off the gas grid are limited. Electric heating, whilst efficient, is comparatively expensive to run, especially in homes which are less thermally efficient. The cost of installing external or solid wall insulation to improve thermal efficiency of larger homes can be costly, but can significantly reduce the energy needed to maintain a satisfactory heating regime.

Improvements in insulation techniques making retrofit less expensive, together with advances in air source heat pumps and hybrid heat pump technology could offer a solution in the future. Advances in solar PV and battery storage technology, together with local energy generation using renewable energy technology are areas requiring further exploitation. I have set clear targets to increase the amount of renewable energy generated by and for local communities, including in rural, off-grid areas.

SPENDING CAPS

Can you clarify whether and how spending on energy efficiency improvements for a household under Nest and Arbed could exceed the agreed spending caps?

Under the terms of the contracts awarded under the Warm Homes Programme Nest and Arbed schemes, agents can apply to the Welsh Government to make home energy efficiency improvements, which exceed the specified spending limits. Since the start of Arbed 3 and Nest 2 in 2018, approximately 214 homes improved under the Arbed Scheme and three homes under the Nest Scheme have been approved for investment levels above the financial limits.

Are you aware of any cases where projects or households have not been able to proceed because the caps have been exceeded?

Home energy efficiency measures available through the Warm Homes Programme are offered based on recommendations following a whole house assessment. The Welsh Government is not aware of any applicants to the demand led Nest scheme, who have not been offered support because of the applied spending limits per property. In developing projects suitable for delivery on an area wide basis under the Arbed scheme, the spending limit applied to each property is a factor when assessing whether a project is financially viable. In some cases, projects developed by Arbed Am Byth may not have proceeded because the energy efficiency improvements possible within the available funding do not provide sufficient energy savings.

DECARBONISATION

The majority of interventions under Nest are boiler replacements. Are you concerned about the compatibility of this with your decarbonisation ambitions?

It is correct to say the vast majority of home energy efficiency measures installed through the Nest scheme are new or replacement boilers. For many homes, the replacement of old boilers with new, more efficient condensing boilers is an effective way of reducing both energy bills and carbon emissions. Work is ongoing to decarbonise the gas grid, which will also support efforts to reduce carbon emissions. Gas is recognised as having a part to play as we transition to our 2050 decarbonisation targets.

IN-HOUSE ADVISORY SERVICE

Can you provide further information on the in-house advisory service available through Nest, including the extent to which this service is available and used?

Since 2011, Nest has provided advice to more than 129,000 people on how they can improve the energy efficiency of their homes. Under the terms of the current Nest Contract awarded to British Gas in 2018, in home energy advice is provided for households eligible for home energy efficiency measures available under the scheme. People who are not eligible for home energy efficiency measures under the scheme are provided advice and are signposted to local support groups in their area through the telephone based advice line. Representations have been made, suggesting advice and referral mechanisms could be improved, although this is not a view shared by all stakeholders.

Can you provide further details regarding projects involved in using smart purchase of energy, which are being undertaken through the Innovative Housing Programme?

The Innovative Housing Programme (IHP) has supported a number of projects to develop active homes. These are homes which use technologies to generate, store and release their own energy. Only one scheme, however, is currently under construction at Parc Eirin, Tonyrefail. Homes in this scheme will employ smart technologies to sell stored energy at peak times to lower tenant's energy bills. Two further schemes have been approved for IHP grant funding, subject to meeting grant conditions. These schemes will utilise the same technologies and principles of selling stored energy at peak times to lower tenant's energy bills.

Can you provide a list of exemptions from the prohibition on private landlords letting properties with a Band F or G EPC rating?

The UK Government has made provision for an exemption within the MEES Regulations if the property cannot be improved to an EPC E for £3,500 or less. In such cases, it is recommended landlords make all the improvements which can be made up to this amount, then register an 'all improvements made' exemption. The exemption is applied for five years, after which time landlords are required to make further efforts to achieve the EPC E rating, or apply for a further exemption. There are various exemptions applied to the prohibition on letting a property with an energy efficiency rating below E. Information about these available exemptions is published by the UK Government and can be viewed by visiting https://www.gov.uk/government/publications/private-rented-sector-minimum-energy-efficiency-standard-exemptions/guidance-on-prs-exemptions-and-exemptions-register-evidence-requirements

Can you provide information regarding the number of properties in the private rented sector in Wales will not be able to be let under The Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015 after 1 April 2020.

The Welsh Government has made funding available to Rent Smart Wales to undertake an assessment of the data collected from landlords in the PRS against the EPC register. A total of 8086 properties have been identified as having an EPC rating of either F or G and will not be able to be let under the new arrangements.

Rent Smart Wales have produced maps and data to a local authority level and are contacting non-compliant landlords to remind them of their responsibilities. Assistance is offered to landlords on how they can achieve and maintain the required standards. Landlords refusing to comply with the standards are referred to local authorities for potential enforcement action.

Local authorities are combining grants to cover the cost of enabling works so energy efficiency measures can be installed in households, and when lessons learned from this approach will be available.

Local authorities and organisations in the Third Sector, such as Care and Repair have advised the absence of support for enabling works available to people living in fuel poverty has hindered their ability to support them out of fuel poverty.

Scheme managers for Nest and Arbed have reported energy efficiency improvements have not been installed because small repairs are required prior to installation of measures. Enabling works are not within the scope of the current Warm Homes Programme schemes. There is limited support available from local authorities, such as home improvement loans, to help meet the cost of minor repairs. We do, however, recognise many people living on lower incomes may need additional help and support. As part of the new plan to tackle fuel poverty, therefore, I am proposing to start a pilot scheme to help meet the cost of minor enabling works to be undertaken. This may help remove this barrier to the support we are able to offer lower income households living in fuel poverty.

Regards,

Lesley Griffiths AM

Minister for Environment, Energy and Rural Affairs



Mike Hedges AM Chair, Climate Change, Environment and Rural Affairs Committee National Assembly for Wales Cardiff Bay CF99 1NA

5 March 2020

Dear Mike.

The draft National Development Framework

At Business Committee on 4th February, we discussed recommendations made by your committee in your report on scrutiny of the draft National Development Framework by the Assembly.

Business Managers noted that statutory requirements in relation to policy matters did not usually have corresponding Standing Order provisions, and the Trefnydd indicated that the Minister for Housing and Local Government was prepared to comply with your committee's recommendations without them being set out in Standing Orders.

On 3 March, Business Managers noted a letter from the Trefnydd putting these commitments in writing which I enclose for your information and the Committee confirmed it was content for the National Development Framework process to proceed on this basis.

I am grateful to your committee for your consideration of this matter, and for drawing it to the attention of the Business Committee.

Kind regards

Elin Jones AM

flir fours

Y Llywydd and Chair of the Business Committee



Rebecca Evans AC/AM Y Gweinidog Cyllid a'r Trefnydd Minister for Finance and Trefnydd



Elin Jones AM, Llywydd National Assembly for Wales Cardiff Bay Cardiff CF99 1NA

12 February 2020

Dear Elin,

At Business Committee on 4th February 2020, we discussed the scrutiny of the draft National Development Framework by the Senedd and I agreed to write to you to confirm the Welsh Government's approach.

The Minister for Housing and Local Government will:-

- Lay the draft National Development Framework before the Senedd on 20th April 2020. It will be accompanied by a consultation report setting out the issues raised during the consultation (including a response to the Climate Change Environment and Rural Affairs Committee's recommendations and conclusions), a schedule of changes the Minister intends to make following consideration of the consultation responses and committee recommendations, and an updated integrated sustainability appraisal.
- Write to each Senedd Committee as soon as the draft National Development Framework had been laid to draw it to their attention.
- Table an amendable motion in government-time to provide an opportunity for the Senedd to express its views on (but not approve) the draft National Development Framework. The debate will take place during the Senedd's 60-day consideration period so the government can reflect on the Senedd's decision and the recommendation of the Committee(s) in a timely manner.

Canolfan Cyswllt Cyntaf / First Point of Contact Centre: 0300 0604400

Bae Caerdydd • Cardiff Bay Caerdydd • Cardiff CF99 1NA <u>Correspondence.Rebecca.Evans@gov.wales</u> Gohebiaeth.Rebecca.Evans@llyw.cymru

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

The Minister for Housing and Local Government welcomes the Senedd's contribution to the development of our first National Development Framework and looks forward to working with the Committees.

Yours sincerely,

Rebecca Evans AC/AM

Rebeica Evans.

Y Gweinidog Cyllid a'r Trefnydd Minister for Finance and Trefnydd

Agenda Item 8

Document is Restricted

Document is Restricted