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

Meeting Venue: For further information contact:

Video Conference via Zoom Marc Wyn Jones

Meeting date: 12 November 2020 Committee Clerk

Meeting time: 13.30 0300 200 6565

SeneddCCERA@senedd.wales

Private pre-meeting (13.30-13.45)

In accordance with Standing Order 34.19, the Chair has determined that the public are excluded from the Committee's meeting in order to protect public health. This meeting will be broadcast live on www.senedd.tv.

Public meeting (13.45-16.30)

1 Introductions, apologies, substitutions and declarations of interest

(13.45)

2 Flooding in Wales – evidence session with Natural Resources Wales

(13.45–14.45) (Pages 1 – 15)

Clare Pillman, Chief Executive - Natural Resources Wales

Sir David Henshaw, Chair - Natural Resources Wales

Ceri Davies, Director of Evidence, Policy & Permitting - Natural Resources

Wales



Jeremy Parr, Head of Flood and Incident Risk Management - Natural Resources Wales

**Attached Documents:** 

Research brief

Floods in Wales reports - Natural Resources Wales

#### Break (14.45-15.00)

3 Covid-19 and Transition from the European Union: Scrutiny session with the Welsh Government

(15.00-16.30)

Lesley Griffiths MS, Minister for Environment, Energy and Rural Affairs Rhodri Asby, Deputy Director, Circular Economy and Resource Efficiency Christianne Glossop, Chief Veterinary Officer John Howells, Director Climate Change, Energy and Planning Dean Medcraft, Director Finance and Operations Tim Render, Director Land, Nature & Food

**Attached Documents:** 

Research brief

Response from the Minister for Environment, Energy and Rural Affairs to the letter from the Chair of 6 October following the 17 September scrutiny session

#### 4 Paper(s) to note

4.1 Response from the Minister for Environment, Energy and Rural Affairs to the letter from the Chair regarding the UK Emissions Trading Scheme

(Pages 16 - 21)

**Attached Documents:** 

Letter

4.2	Response from the Minister for Environment, Energy and Rural Affairs to the
	letter from the Chair of 6 October following the 17 September scrutiny
	session
	(Pages 22 – 38)
	Attached Documents:
	Letter
4.3	Correspondence to Dr Chris Llewelyn, Chief Executive, Welsh Local
	Government Association in relation to flooding
	(Page 39)
	Attached Documents:
	Letter
4.4	Correspondence from the Minister for Environment, Energy and Rural Affairs
	to the Chair, Legislation, Justice and Constitution Committee in relation to
	the UK Fisheries Bill
	(Pages 40 – 42)
	Attached Documents:
	Letter
4.5	Response from the Minister for Environment, Energy and Rural Affairs to the
т. Э	letter from the Chair in relation to the Agriculture (Model Clauses for Fixed
	- · · · · · · · · · · · · · · · · · · ·
	Equipment) (Wales) Regulations 2019
	(Page 43)
	Attached Documents:

Letter

4.6 Correspondence from the Minister for Environment, Energy and Rural Affairs in relation to changes to the common frameworks which fall within the Minister's portfolio

(Page 44)

**Attached Documents:** 

Letter

Motion under Standing Order 17.42 (vi) and (ix) to resolve to exclude the public from the remainder of the meeting (16.30)

Private meeting (16.30-16.45)

- 6 Flooding: Consideration of evidence received under item 2
- 7 Covid-19 and Transition from the European Union: Consideration of evidence received under item 3

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

## Agenda Item 2

Document is Restricted

### **Natural Resources Wales:**

# Our response to Storm Ciara and Storm Dennis

## Our review of the February 2020 floods

The Met Office's confirmation that February 2020 was the wettest February on record will come as no surprise to the communities that endured the devastating effects of the exceptional rainfall and flooding at that time.

Storms Ciara, Dennis and Jorge arrived on the back of a very wet winter, and the resulting flood waters impacted 3,130 properties right across Wales.

For those homes and businesses affected, this was a deeply personal tragedy, and our thoughts continue to be with those still recovering and rebuilding.

We have since reviewed our response to the storms, focussing specifically on our flood incident management operations and looking at how current practices we adopt in the management of the NRW land estate could be modified to reduce the risk of flooding.

We published the outcome of these reviews on 22 October 2020:

February 2020 Floods in Wales: Natural Resources Wales' Response

February 2020 Floods in Wales: Flood Event Data Summary

February 2020 Floods in Wales: Flood Incident Management Review

February 2020 Floods in Wales: Land Estate Management Review

February 2020 Floods in Wales: Flood Recovery Report

<u>Our Storymap</u> tells the story of the exceptional storms in February and the outcomes of our reviews

## Agenda Item 4.1

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



Mike Hedges MS Chair Climate Change, Environment and Rural Affairs Committee

2 November 2020

seneddCCERA@senedd.wales

Dear Mike

Thank you for your letter of 13 October, requesting further information following my attendance at your committee meeting on 8 October to assist in your scrutiny of The Greenhouse Gas Emissions Trading Scheme Order 2020. I attach responses to your questions. I will also take this opportunity to update you on my engagement with the other Governments of the UK and on progress with the framework documentation.

I attended the first Net Zero, Energy and Climate Change Inter-Ministerial Group on 13 October. I took the opportunity to press again for a linking agreement with the EU ETS and to make the case for a stand-alone UK ETS to be pursued in preference to a Carbon Emissions Tax. I sought confirmation as to when this decision would be taken and how the Welsh Government would be involved in that decision. I wrote to Minister Kwarteng further regarding these and other issues following the meeting, including the need for engagement with the Welsh Government on the Industrial Decarbonisation Strategy and the need to ensure fair funding for Wales' industries, including recycling of ETS revenues. I attach the letter for your information.

I can also confirm I have agreed the provisional Framework Outline Agreement and Concordat for the UK ETS and my officials are pressing for swift progress through the final clearance stages in order to provide you with the documents as soon as possible.

Regards

**Lesley Griffiths AS/MS** 

Gweinidog yr Amgylchedd, Ynni a Materion Gwledig Minister for Environment, Energy and Rural Affairs

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

#### **Greenhouse Gas Emissions Trading Scheme Order 2020**

#### Welsh Government responses to questions from the Climate Change, Environment and Rural Affairs Committee

#### **Carbon Emissions Tax**

1. During your evidence session, you explained that discussions on the UK Government's proposals for a Carbon Emissions Tax were taking place at an official level. Given the significance of a unilateral decision by the UK Government to introduce a Carbon Emissions Tax, what discussions have taken place at Ministerial level on this matter, and what has been the outcome?

I have consistently pressed for a joint discussion between the four Governments on the policy options around carbon pricing, given any decision to stop operating an emissions trading system in Wales should be for Welsh Ministers to determine. I have used every opportunity to raise my views, such as during quadrilateral meetings on the UK ETS. I am frustrated the UK Government has not entered into any substantive discussions with me or the Ministers of the other Devolved Administrations.

I was asked my opinion on the level of a tax rate many months ago, when discussing a no deal scenario with a previous Exchequer Secretary to the Treasury. However, during our discussion little detail was provided regarding policy detail and in any event the no deal scenario was not taken forward, following the extension to the transition period.

The Exchequer Secretary to the Treasury has indicated she is prepared to listen to my views on the Carbon Emissions Tax (CET) policy. Now the consultation is complete, I will be pressing for an overview of stakeholder responses and emerging thinking on final policy design at the first opportunity. I intend to include my Cabinet colleague, the Minister for Finance and Trefnydd, in any such discussion, given her interest in tax matters. I will also be seeking a discussion on the rationale and relative merits of taxation versus a trading scheme, involving all four UK nations, in order to reach a decision which fairly takes account of our responsibilities over climate policy. Finally, in the event a tax is taken forward, I would expect to discuss the role of Natural Resources Wales, and associated resource needs, given they are a Welsh Government Sponsored Body.

2. Can you clarify whether the UK Government has indicated to you the circumstances in which it would introduce a Carbon Emissions Tax rather than jointly pursue with the devolved administrations a standalone UK ETS?

No, the UK Government has not indicated the basis for introducing a CET in preference to a standalone UK ETS, nor the circumstances in which such a decision would be taken, despite repeated questions from my officials.

3. What assessment have you made of the impact of the proposed Carbon Emissions Tax on Welsh installations and on Wales's progress in reaching net zero by 2050? How does this assessment compare with that for a standalone UK ETS?

The final policy details have yet to be confirmed by the UK Government. The following assessment is based on the proposals within the consultation document.

Around 70 installations in Wales would be in scope of the ETS, and the same installations would be in scope of a tax, according to the consultation document.

However, the tax does not offer the same certainty of environmental outcome as a trading scheme. The CET relies on policy makers setting the appropriate level of tax rate to drive behaviours while the UK ETS will set a cap and trajectory in line with a net zero consistent pathway to create an absolute ceiling on the level of emissions across the business population.

One of the key downsides of a tax is the lack of financial incentives offered to installations who emit less than any freely allowed limit. The UK Government consulted on proposals to address this deficiency by rewarding decarbonisation for main scheme installations. However, the proposals do not offer the same flexibility and generosity as a trading scheme, which will provide the opportunity for installations to take early investment decisions, bank excess allowances and trade them at their full value at a time of their choosing, for instance when carbon prices are high.

For these two primary reasons, the standalone UK ETS offers the best carbon pricing policy option, both in Wales and across the wider UK.

4. What can you do to ensure that the Welsh Government has a formal role in the design of a Carbon Emissions Tax? How will you seek to ensure that Welsh interests are fully considered, and that Wales receives its fair share of tax revenue?

The devolution settlement does not guarantee a formal role for Welsh Ministers in a CET and the UK Government has not offered to legislate for any such role. Neither have they yet offered to reach political agreement on any co-operation, for instance through a Concordat. Such agreement could set out how Welsh Ministers would participate in the development of policy and our role as sponsors of the environmental regulator in Wales. Unless and until such an offer is made, I will continue to represent Wales' interests at every opportunity, including on the issue of the distribution of tax revenue.

5. In giving evidence to the Committee, you said that a decision by the UK Government to introduce a Carbon Emissions Tax "goes completely...against the principles of the common frameworks that we've agreed back in 2017". What are the implications of a failed UK ETS Common Framework for the delivery of the wider Common Frameworks Programme?

I entered into the joint work to develop the UK ETS framework in good faith and consider it to be an example of how the programme can successfully deliver co-produced policies. However, the UK Government's decision to progress the alternative policy clearly undermines these efforts.

Even if the tax were the only option available, the lack of engagement with devolved Ministers contradicts the context in which the JMC principles were framed, in particular "There will also be close working between the UK Government and the devolved administrations on reserved and excepted matters that impact significantly on devolved responsibilities".

Within my portfolio, the UK ETS is the only framework area where the UK Government is publicly consulting on an alternative policy using reserved powers. Therefore, I am hopeful this is an isolated incident. However, it brings into question the UK Government's commitment to the Common Frameworks Programme.

#### **Auction revenues**

6. Can you outline the arrangements currently in place to ensure that Wales receives its fair share of revenue generated from the UK's participation in the EU ETS?

All funds processed by the UK platform under Phase 3 of the EU ETS are returned to the Treasury, however, they are not currently hypothecated for decarbonisation. The UK Government would point to their reports to the European Commission which show much more than 50% of the funds secured through this route are targeted at climate change measures. The geographical distribution of those funds is not known due to the lack of hypothecation and, consequently, transparency.

7. Can you confirm that creating a UK Industrial Decarbonisation Fund remains your preferred approach to recycling revenue generated from a UK ETS? If not, what has led to a change in your position, and what is your new preferred approach?

A UK Industrial Decarbonisation Fund remains my preferred approach for recycling the UK ETS revenues and also to manage any additional funding which may be required. This fund should be jointly administered by the four UK nations, given the responsibility for emissions reduction is devolved. I will set out my rationale below.

The Barnett formula clearly doesn't work for ETS participants. Welsh installations account for approximately 10% of the emissions captured by the UK ETS. Logic, therefore, suggests Welsh installations should receive 10% of the revenues generated. However, the path to decarbonisation will not follow such a simplistic formula.

Some of the installations in the UK ETS will be cheaper to decarbonise than others. The revenues, therefore, need to flow proportionally to sectors most in need. Wales has a high proportion of difficult to decarbonise installations, involving considerable technical challenges and where the funding required to decarbonise is likely to be higher than average.

There is also a temporal aspect. Not all installations will decarbonise at the same time and their funding needs will vary over time. It may be, in future years, a small number of installations in the UK will need to be in receipt of all the funding for a number of years. For example, in order to decarbonise one of our steel producers, much more than 10% of the funding may be required over a three to four year period, just for a single installation.

For these reasons of flexibility and the need to acknowledge the different requirements of different sectors at different times, there is an argument Welsh businesses are best served by being part of a larger funding arrangement. However, this requires fairness and transparency in the system, which is best achieved through joint governance and administration.

8. What discussions, if any, have you had with the UK Government about Wales's proportion of auction revenue being returned directly to the Welsh Government to fund its spending priorities?

We have not discussed revenues being returned to the Welsh Government. Our preference is for a UK fund which is transparent and fairly distributes funding according to need. However, if a system managed in Whitehall means the odds are stacked against Welsh businesses there may be an argument to take the funding – better to have some funding coming to Wales than none at all. This is why it is essential we are involved in not only the principle but also the design and operation of any funding scheme.

9. The European Commission is considering introducing a carbon border adjustment mechanism as an alternative to free allocation of allowances to address the risk of carbon leakage. What are your views on this? What consideration, if any, has been given to how such a mechanism could work in the context of a standalone or linked UK ETS?

The carbon border adjustment mechanism is an interesting concept as it addresses competitiveness issues by putting a carbon price on incoming goods. This should remove the need for compensation, in the form of free allowances, for industries within the European Union and will be a new source of revenue.

There are technical challenges associated with such a mechanism and it will be interesting to see how the European Commission addresses them to ensure it can be effectively and fairly implemented.

We do not yet have sufficient details about the mechanism to fully understand how it will operate, or how it might work differently in a linked or standalone UK ETS. However, if we were to establish a linking agreement, considerations such as these would be managed through the associated governance arrangements.

## Agenda Item 4.2

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

Ein cyf/Our ref LG/0378/20



Mike Hedges MS Chair Climate Change, Environment and Rural Affairs Committee

seneddCCERA@senedd.wales

5 November 2020

Dear Mike

Thank you for your letter of 6 October.

Below I have listed your questions with the appropriate answers.

#### **Animal Welfare**

#### **Third-Party Puppy Sales**

1. In your Written Statement of 5 October, you announced that "a ban on commercial third party sales will be introduced by the end of this Senedd." Can you provide the Committee with an update on when you will bring forward the secondary legislation? Will you commit to providing the Committee with the secondary legislation in draft in advance to enable the Committee to consider and provide feedback on them?

My Written Statement on the 5 October provided the summary of the responses to both the full consultation and the specific one undertaken with children and young people which were supportive of a ban on third party sales being brought forward in Wales and I attach a link to the Written Statement and Summary of Responses for ease of reference:

https://gov.wales/written-statement-third-party-sales-puppies-and-kittens-0 https://gov.wales/ban-third-party-sales-puppies-and-kittens

As stated in my Written Statement I was particularly impressed and proud of the responses from children and young people, the future animal owners of Wales. They demonstrated such awareness and a sense of responsibility.

Bae Caerdydd • Cardiff Bay Caerdydd • Cardiff CF99 1SN Canolfan Cyswllt Cyntaf / First Point of Contact Centre: 0300 0604400

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

As I have informed the Committee previously the progress in bringing forward of these Regulations for Wales were affected by the pressures on the Welsh Government, and the whole of Wales, as a result of the Covid-19 outbreak. Therefore we are now having to work at pace to ensure these are brought forward before the end of the Senedd term next year. I am unable to provide the actual date the Regulations will be laid at this time. I am extremely pleased that I have the support of this Committee in this matter and we will explore how we can support you in facilitating proper scrutiny of the proposed legislation going forward.

#### **Dog and Cat Homes**

2. The Committee has received concerning information from the Association of Dogs and Cats Homes (ADCH) in relation to the Welsh animal rescue sector. In response to a survey it conducted about the impact of Covid-19, only two Welsh respondents were certain they would remain solvent beyond the end of this year. Welsh respondents to the same survey predicted income reduction of an average of 80% due to Covid-19. Given that the impact on the sector will likely continue for some time, what support will be made available to ensure that organisations based in Wales can continue to operate?

My officials in the Office of the Chief Veterinary Officer have always maintained close links with the animal welfare sector in Wales via both the Animal Welfare Network Wales and the more recently established Companion Animal Welfare Group (Wales). It is fair to say these connections came in very useful during the very early days of the Covid-19 outbreak and therefore any issues or concerns were raised via that route and, where possible, dealt with. The surveys undertaken via the Association of Cats and Dogs Homes and another specifically targeted at facilities in Wales were submitted to the Welsh Government for information.

The continuing development of support mechanisms and the refining of the definitions of certain groups has also evolved during this period and there is now a clear recognition of the value the animal welfare third sector brings to the table. As a result, the Deputy Minister and Chief Whip published a written statement on the 6 April providing details of the Welsh Government support for the third sector – the Welsh Government Third Sector Covid-19 Response Fund.

Our Third Sector Resilience Fund provides direct financial support for third sector organisations which need help to get through this crisis – by paying their bills and easing cash-flow. We have also recently launched our Voluntary Services Recovery Fund and details of how to apply can be found on Wales Council for Voluntary Action's website.

To date WCVA have received three applications from organisations self-identifying as Animal Welfare against WG's TSRF totalling £100k, of these two have been paid totalling £90K.

However we recognise that not all organisations will be able to access these funds. Additional help and support for third sector organisations and community groups, including funding advice and grant support, can be accessed through the Welsh Government website, or from Third Sector Support Wales' members.

For advice specifically on what funding is available elsewhere this can be found on the Funding Wales online platform. One fund in particular may be of interest to local groups with a constitution, the Community Foundation Wales is distributing funds collected by the National Emergencies Trust appeal.

The Wales Coronavirus Resilience Fund is providing support of up to £5,000 for local groups who are supporting volunteers.

You will be aware of the other business funding packages (outlined below) in Wales but it is important to note:

- The package has been designed to be affordable within the available funding, and we had to take difficult decisions on the eligibility criteria.
- The measures we have taken are in addition to those provided by the UK Government, making the support package in Wales the most comprehensive and generous in the UK.
- We'll also go on pressing the UK Government to be responsive and responsible in terms of supporting those who continue to fall through the gaps, who have yet to receive support that is absolutely required in order to ensure that their enterprises can survive this pandemic.

#### Economic Resilience Fund (ERF) phase 3

On the 19th October the First Minister announced an enhanced Economic Resilience Fund (ERF) of almost £300m, which includes an extra £150m to support to businesses affected by the firebreak. It also includes an additional £20m to the £80m fund already announced to help businesses develop in the longer term, of which £20m has been ringfenced for tourism and hospitality. The ERF is open to businesses of all sizes and all sectors across Wales, including social enterprises and charities, subject to eligibility criteria being met.

The third phase of ERF will provide Business Grants to eligible businesses:

- Micro businesses (employing between 1 and 9 people) will be able to apply for up to £10k on the condition they match this with their own investment of at least 10%.
   For Tourism and Hospitality and those businesses forced to close as a result of the national lockdown there will be discretion for grant awards of up to 100%.
- SMEs (employing between 10 and 249 people) will be able to apply for up to £150k.
   Small businesses (up to 50 employees) will be required to match this with their own investment of at least 10% and medium businesses (between 50 and 249 employees) with at least 20% of their own funding. For Tourism and Hospitality and those businesses forced to close as a result of the national lockdown there will be discretion for grant awards of up to 100%.
- Large businesses (employing 250+ people) will be able to apply for up to £200,000 on the condition they match this with their own investment of at least 50% though further discretion is available for those forced to close.
- If the project is creating new jobs for young people (under 25) it may be eligible for a higher level of award.

The third phase of ERF also includes a Lockdown Business Fund which will be delivered by local authorities to eligible businesses of:

- Every business occupying a property with a rateable value of £12,000 or less will be eligible for a £1,000 payment.
- Retail, leisure and hospitality businesses forced to close during the firebreak lockdown period occupying a property with a rateable value between £12,001 and £51,000 will be eligible for a £5,000 payment.
- A discretionary £2,000 top-up grant will be made available on an application basis for those businesses with a rateable value of £12,000 or less who are forced to close by the firebreak lockdown.
- A further discretionary £1,000 grant will be made available to businesses on the same basis where they are materially affected by local lockdown measures for 21 days or more prior to the start of the firebreak lockdown period.

Businesses will need support quickly and the funds were opened in the first week of the fire-break. We will be working to get the money allocated as quickly as we can.

All businesses required to close should also be able to access the support available from the UK Government through the existing Job Retention Scheme or the new expanded Job Support Scheme.

Only the UK Government has the financial firepower to guarantee the levels of income support workers need. We need more generous payments to help workers through this crisis.

#### **Veterinary Practices**

3. The Committee has been told that veterinary practices have been severely impacted by Covid-19 and have not been able to access some of the financial support provided to businesses because of the unique nature of their work. Can you provide the Committee with details of any discussions you have had with the British Veterinary Association about the impact of Covid-19 on the sector? Can you provide the Committee with an update on the grants and financial support that is available to the sector?

Our aim has been to ensure that the services that veterinary practices provide to protect not only animal health and welfare but also public health are maintained in Wales through this period. Veterinary practices are essential not only to ensure that our animals receive the health care they deserve in a civilised society, but they also form an essential element of the Welsh Government's delivery arm, in the absence of an "NHS for animals" and work under contract to government to deliver much of our statutory disease detection and control work. They are also our eyes and ears in the field and play an essential in animal disease surveillance, an essential first step in the control of infectious diseases.

It follows that maintenance or strengthening of our network of veterinary practices in Wales, particularly those serving food-producing animals, has been a top priority for me, and our Chief Veterinary Officer this year.

The question from the committee is correct in that veterinary practices are different from many businesses in delivering important public services, as described above, and also because of a regulatory duty to provide a "24-7" out-of-hours service for animal disease emergencies. This places additional costs on practices. However, I do not agree that these unique features have prevented veterinary practices accessing support from the Welsh Government.

From the start of the implementation of Coronavirus control measures in March 2020, my officials - vets in OCVO and within the Welsh Government Entrepreneurship and Business Division working closely together - have been in regular contact with the veterinary profession in Wales in general and the Welsh Branch of the British Veterinary Association in particular.

We have also been in close contact with the Royal College of Veterinary Surgeons who have provided guidance to veterinary practices working under new Coronavirus control measures, as well as undertaking important surveys of the impact of the pandemic on veterinary practice services and finances. This information has, due to variable response rates, been available only at UK-level, but we believe it is generally representative of the impacts on practices in Wales. We have been mindful of these findings when communicating the support available from the Welsh Government to veterinary practices in Wales. Pack Page 25

We have also made full use of our useful and unique relationship with the two Veterinary Delivery Partners in Wales (which between them represent all of the practices that serve farmed animals) and also of our Wales Animal Health and Welfare Framework Group (which includes the current President of the Welsh Branch of the BVA) in understanding the challenges faced by veterinary practices and ensuring they understand and are able to access the business support offered by the Welsh Government.

In our liaison with the veterinary profession in Wales, we have signposted them, verbally and in writing to the various support measures available through the first two and most recently in the third iteration of the Economic Resilience Fund. We believe that both small and large veterinary practices have been able to access support, should they wish to do so.

Under the Economic Resilience Fund phase 1 and 2 a total of 22 businesses that provide veterinary services have been supported, securing £357,830 in funding.

In addition, the Business Wales service is positioned and continues to support veterinary practices, who can access dedicated one-to-one sessions with a Business Wales Advisor.

Veterinarysupport@businesswales.org.uk

#### **Fisheries**

4. You have told the Committee the Welsh Government will provide financial support to eligible aquaculture businesses via the Aquaculture Business Support scheme, which closed on 21 September. Can you provide the Committee with an update on the take-up of the scheme?

There were no further applications for the scheme

5. The WFA-CPC (Welsh Fishermen's Association - Cymdeithas Pysgotwyr Cymru) drew the Committee's attention to the "Barnett consequential" the Welsh Government will receive due to allocations to the UK Government's fisheries response fund. Can you confirm how much the Welsh Government has received and how much of this funding was used to support fisheries in Wales?

Welsh Government has spent a total of £499,670 on the Welsh Fisheries Grant. HM Treasury has stated that we can expect to receive £294,000 consequential as a result of the Covid-19 Fisheries Hardship Fund put in place in England. This funding is indicative and will not be confirmed until the UK Government Supplementary Estimates process early in the New Year.

6. Do you have plans to extend the Welsh Fisheries Grant? What further financial support will be available to Welsh fishers to deal with the effects of the pandemic?

Currently there are no plans to extend the Welsh Fisheries Grant. Further financial support is available to eligible Welsh fishing businesses through the third round of the Economic Resilience Fund and the Self-employed Income Support Scheme.

7. The WFA-CPC told the Committee about the severe impact on the sector of the closure of export markets, such as Asia. In the likelihood that this situation is not remedied soon, what actions do you plan to take or have already taken to increase domestic consumption of seafood?

During the initial stages of the pandemic Welsh Government worked closely with the Menter a Busnes EMFF funded "Port To Plate" project to promote direct sales to the consumer, and continue to do so. Port To Plate actively promotes Welsh seafood on many social media channels direct to the consumer. Welsh Government will be engaging with Sea Fish Industry Authority (Seafish) to publicise their 'Love Seafood' campaign and to actively promote Welsh seafood. Seafish also provides free advice to fishers on how to undertake direct sales.

8. The UK Government has made funding available for businesses focused on processing and direct sales. Is this something you have considered for Wales?

The European Maritime and Fisheries Fund standard cost scheme (SCS) opened for a second call for applications on 4 May 2020 to help businesses add value to their own catch during the C-19 pandemic. Eligible items included equipment which will add value to a catch, and includes items such as on-board ice machines, vacuum packers, shellfish pots and table top smokers. Subject to the UK Government funding a replacement equivalent fund, support for processing and direct sales would form part of the policy consideration for that fund.

9. The sector has been severely impacted by Covid-19 and the closure of export markets and faces considerable uncertainty with a potential "no-deal" Brexit months away. Can you provide the Committee with details of your plans to support fisheries and aquaculture businesses in the event of a "no-deal" Brexit?

Exporters will be contacted shortly to remind them of what they can do now to prepare for the end of the EU Transition Period. The letters will highlight key requirements, provide links to online resources and offer a call back service to offer support from Welsh government officials.

UK Catch Certificates for export will be required from the Fish Export Service whatever the outcome of any ongoing negotiations. To help businesses prepare we are offering them the opportunity to register for the service now if they have not done so already. Following this, in November we will commence a testing and familiarisation phase where exporters can begin to use the digital system (in dummy mode). The system will go live in late December.

To reduce the discrepancies between the data submitted on a Catch Certificate and data submitted in other fishery documentation (which it will be validated against) communications are being issued to fishers and buyers and sellers of fish to remind them of the importance of accurate recording and timely submission.

To assist exporters who experience issues when applying for a catch certificate call centre support will be available. Businesses which are unable to complete the registration process online, or need assisted digital support, will be able to sign up by phone from mid-November.

Export Health Certificate On-line (EHCO) service is now also live for registrations and businesses are encouraged to register early in preparation.

DEFRA traders' readiness webinar are being actively promoted to Welsh fishers, aquaculturists and exporters. These webinars are available to the industry across all Devolved Administrations and Crown Dependencies. Presentations and FAQ documents are available and officials will share with those who were unable to attend in person.

Financial support is subject to funding from the UK Government to address the impact of exiting the EU without a trade deal, particularly against the backdrop of the evolving Covid-19 pandemic.

The Minister for Finance and Trefnydd wrote to the Chancellor on 21 October to set out our asks of the UK Government in regards to EU fiscal matters ahead of the conclusion of the Spending Review. This includes ensuring we are appropriately funded to support a smooth transition as the UK exits the EU.

#### **Food and Drink**

10. Can you provide the Committee with an update on discussions you have or intend to have with UK Government counterparts concerning the proposals to make changes to the Small Brewer Relief?

Small Brewers Relief (SBR) was introduced in 2002 and provides small independent breweries with a discount off their beer duty bills. This is not a devolved issue and the Welsh Government have not been consulted on any proposed changes.

11. Cardiff University's Sustainable Places Research Institute told the Committee that during the Covid-19 pandemic "Businesses have experienced rapid increases in consumer demand for Welsh grown produce". The Open Food Network (OFN) told us that since the Covid outbreak there has been an 850% increase in the turnover through OFN shopfronts across Wales. What actions are you taking to ensure that such increases can be converted into long term changes in consumption behaviours?

The food and drink sector has faced unprecedented challenges and has responded in a number of ways to ensure their products continue to reach customers. All retailers, local and national, have played a key role in ensuring people had access to food, and were quick to adapt by introducing online delivery services and producers introducing direct sales over the internet. A variety of retailers and shopping channels is a strength and offers consumers' choice. What matters is produce is good quality, affordable, and comes from a supply chain improving sustainability and well-being, and it adds value to the supply chain. No one retail model is automatically superior.

On 30 July, in collaboration with the Food and Drink Industry Wales Board, I launched a series of actions to help the Welsh food and drink industry recover from the impacts of COVID-19.

I outlined a series of priority areas to support the sector, including:

- monitoring market intelligence, data, and trends to anticipate change and position the sector;
- providing practical business advice essential to survival;
- providing advice and support to develop online sales channels;
- targeted investment in people and technology to build business resilience; and
- maintaining a global trade presence via virtual engagement and at our key event, Blas Cymru, to be held in October 2021.

The published actions will be form a short-term focus, and will target support for the sector over the coming months until next summer. They will be a bridge between the current strategy, Towards Sustainable Growth, which completes in 2020, and the new strategy, which is currently in development.

#### **Air Quality**

12. You told the Committee that "the first two months of lockdown really showed significant decreases in some pollutant levels, but other pollutant levels apparently increased at the same time." Can you provide the Committee with further information on this matter, in particular those areas where pollutants increased? Do you believe any lessons can be learned from this variance? Early assessments of nitrogen oxides (NO and NO2, or NOx), particulate matter (PM10 and PM2.5) and ground level ozone (O3) show a complicated picture. The first 2 months of lockdown beginning in March saw significant decreases in some pollutant levels (e.g. nitrogen oxides), consistent with reduced traffic levels. However, other pollutant levels increased (e.g. fine particulate matter and ozone).

Links between atmospheric concentrations and the underlying emissions activity for urban nitrogen oxides and road transport appear robust, but for many other pollutants and processes emissions and activity data are not currently available. The mean reduction in NO2 was 36%, with the greatest reduction at roadside locations. Substantial diurnal changes were also apparent as travel patterns and behaviours changed.

Ozone increased by 18% on average. The increase in urban O3 is a consequence of the reductions in primary NO emissions decreasing the extent of chemical loss of O3 through reaction with NO. This is demonstrated by the noticeable local increases in ozone at traffic and urban sites.

Meteorological conditions led to higher levels of transboundary fine particulate matter (PM2.5) during lockdown than the average experienced in equivalent periods from previous years. This resulted in much higher average overall concentrations of PM2.5. However, the assessment suggests the local contribution to PM2.5 concentrations did not substantially change, and some very modest decreases in PM10 levels above background were likely.

There are likely to have been significant changes in the emissions of air pollutants from several sectors but, with the exception of the observed decrease in transport activity, availability of activity and emissions data for the lockdown period is still limited.

The assessment demonstrated the significant contribution of road transport to local air pollution and provided some indications of the opportunities and constraints for potential future policy developments.

We are continuing to investigate the impacts of the COVID-19 interventions on air quality as longer term data become available. The findings will inform the management of air pollution across Wales and the development of future policies, legislation and targets.

In this rapidly evolving situation, it is anticipated a large body of peer-reviewed scientific literature will become available later in 2020 and beyond. This will help to increase certainty in the conclusions reached so far and may help reveal further insight, including into the root causes of the changes observed and likely implications for human and environmental exposure.

#### 13. Can you provide an update on:

- any discussions you have had with the UK Government about restricting the sale and use of fireworks, and
- the outcome of work undertaken by officials across departments to establish where best the Welsh Government can focus its efforts to reduce the negative impact of fireworks on people and animals?

Powers to make regulations in England and Wales under the Fireworks Act 2003 rest with UK Government Ministers, and product standards and safety are reserved under the Government of Wales Act.

Earlier this year, I wrote jointly with the Deputy Minister for Housing and Local Government to the Minister in the Department for Business, Energy & Industrial Strategy (BEIS) with lead responsibility for fireworks regulations. In our letter we urged a strong UK Government response to recommendations made by the recent House of Commons Petitions Committee report on fireworks. This included support for an evidence review of the effects of firework noise on animals, consideration of stronger powers for local authorities, and working together across administrations on public awareness-raising.

A meeting between Ministers in England, Scotland and Wales to discuss fireworks was proposed. However, before this could be arranged, the responsible BEIS Minister was replaced in a cabinet reshuffle and the Covid-19 pandemic resulted in work in this area being delayed.

The UK Government's response to the Petitions Committee report has now been published:

https://publications.parliament.uk/pa/cm5801/cmselect/cmpetitions/242/24202.htm

My officials are working with officials in BEIS's Office for Product Safety and Standards on the basis of the commitments made in the UK Government response to the Petitions Committee. They have recently circulated bilingual awareness-raising publicity materials promoting the responsible use of fireworks to all Welsh local authorities, for use on their websites and social media. <a href="https://www.gov.uk/guidance/consumer-safety-awareness-campaigns-materials#fireworks-campaign">https://www.gov.uk/guidance/consumer-safety-awareness-campaigns-materials#fireworks-campaign</a>

I am very conscious of the views of many members of the public on the matter of loud fireworks and their effect on wild life, domesticated animals and farmed animals. One of the documents is specifically targeted at keeping people and nearby animals safe. <a href="https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/927386/6.6888\_BEIS\_OPSS\_Fireworks\_campaign\_2020\_Animal\_leaflet\_V5\_PRINT.pdf">PRINT.pdf</a>.

Officials continue to work with key stakeholders, including Local Authorities and the other Administrations to ensure this message is communicated throughout Wales.

With events and mixing between households restricted, this will be a very different bonfire season. My officials will invite local authorities across Wales to share their experiences in order to establish how complaints about private firework use in 2020 compare with previous years. The case for any future restrictions may be made stronger or weaker in light of any changed behaviours brought about by the current pandemic, and I will be very interested to hear the views of front-line officers over the coming months.

#### **Green/Blue Recovery and Climate Change**

14. Will you give a commitment that marine issues will be a central part of any "green" recovery? Can you provide examples of how this will be achieved?

Marine issues are being considered as part of the green recovery through co-ordinated input from to the Green Recovery Taskforce by our Wales Marine Action and Advisory Group (WMAAG). The Chair for WMAAG sits on the Green Recovery Taskforce and has been working collaboratively with advisory group members, who are committed to design and support the delivery of an integrated blue recovery stimulus package.

15. You have told the Committee that you are awaiting a report arising from the work Sir David Henshaw has been leading concerning the green/blue recovery. Will you update the Committee on the outcomes of that work as soon as you can?

I have been advised that Sir David Henshaw's report on the Green Recovery is due imminently. I will update the Committee on the outcomes of the work after I have considered the report and its recommendations.

#### **Agriculture and Food Security**

16. You told the Committee that the "EU agri-food supply chain stakeholder group" had recently met for the first time. Can you provide further details of the purpose and membership of the group?

Following on from the success of the Agriculture Resilience Group and further to a brief consultation with stakeholders (internal and external of Welsh Government) Welsh Government have decided to proactively establish a EU Transition Agri-Food Supply Chain Stakeholder Group.

Working as an "operational arm" to the Ministerial Roundtable, the Group, using the same format that worked so well for Covid, will discuss the consequences of leaving the EU as well as identifying possible solutions.

The aim of the Group is to engage key organisations in planning the strategic direction for Wales' withdrawal from the EU in particular Wales' agricultural industry; steer direction and ensure consistency of thinking and communication across the different organisations; support the delivery of the Welsh Government's agenda for supporting Wales' agri food supply chain in light of the withdrawal from the EU with an eye to reshaping the strategy for Welsh farming.

There have been four meetings to date with another scheduled for 6 November.

17. Cardiff University's Sustainable Places Research Institute told the Committee that "Wales currently relies on imports for 95% of its fresh fruit and vegetables". What preparatory work has been made to ensure that, in the event of a "no-deal" Brexit, domestic food producers can step in to fill any gaps in the food supply chain? Will you commit to bringing forward a plan to increase the use of domestically produced food if importing food becomes more difficult?

I wrote to the Secretary of State at Defra on 14 October regarding the end of the transition period, and its potential impact on food supply. I reminded the Secretary of State, that while food is a devolved matter the reality of how supply chains work and, therefore, contingency planning for risks to food supply, is that our internal borders are

largely of secondary importance to factors and decisions taken by the UK Government which impact the UK's external border and trade with the world.

Planning for the end of the transition period is underway as is engagement with the sector within Wales as well as engagement through national structures such as the Food Resilience Industry Forum, Food Chain Emergency Liaison Committee and UK Retail Forum.

The Covid-19 pandemic tested the food and drink supply chains in unprecedented ways, and they proved resilient. Producers, wholesalers and retailers were able to adapt quickly to changing demand, taking action to source alternatives when necessary. The actions the Welsh Government has taken to support the sector to recover from the effects of the pandemic, in combination with our strategic vision and mission will support the sector should disruption to the food supply chain occur at the end of the transition period.

## 18. How has the Covid-19 pandemic affected your approach to food policy in Wales? Please provide examples.

As a result of the pandemic, the Welsh Government has increased its intelligence gathering capability to support policy development and delivery of support to businesses. There is widespread engagement with the Food & Drink Industry Wales Board, cluster networks and contact with individual companies through business development managers. We have published a Recovery Plan with 11 points of focus to support the industry through the next year without losing sight of longer term strategic ambitions.

In promotional terms, over the summer months we launched the #CaruCymruCaruBlas / #LoveFoodLoveTaste campaign. This campaign urged shoppers to show their 'love' for the products of the Welsh food and drink industry through a digital marketing campaign. This campaign was the result of a cross industry and multi cluster collaboration, including Cywain, NFU Cymru, HCC, Tyfu Cymru and the Food & Drink Wales Industry Board. The campaign operated over three separate days over the course of the summer months. Over 110 producers took part, and estimated consumer reach of 1,500,000 was achieved.

In addition the Welsh Government has engaged in increased communications activity to promote the sector, for example I hosted a webinar jointly with Board to launch the Recovery Plan, and we are publishing regular newsletters.

Whilst the focus right now is on short-term recovery, we will not lose sight of our long-term ambitions. As the Committee will be aware, in 2019 the Welsh Government consulted on a new strategy for Wales' food and drink sector, and the proposed vision and mission were very well-received. The Welsh Government and Food and Drink Wales Industry Board remain committed to these long term ambitions.

When the timing is right, the government will finalise the proposals and publish them.

The short- and intermediate-term actions described in the COVID-19 Recovery Plan are first steps on the path of the vision and mission described within the consultation.

## 19. Can you provide the Committee with an update on Welsh Government policies on allotments?

Welsh Government (WG) has engaged Social Farms and Gardens, (who are currently funded by WG to deliver the Community Land Advisory Service (CLAS Cymru)), to carry out a data collection exercise to:

- establish the number and distribution of allotments and community growing spaces and the length of their waiting lists;
- identify the main barriers to increasing supply; and
- map allotment provision against allotment demand.

The research revealed a wide variance in provision but found the majority of sites were operating at full capacity, many with significant waiting lists. A follow-up snap survey was undertaken in September to determine the effect of covid19 on allotment demand, which indicated a significant increase in demand. This information is being used to run pilot trials in Local Authority areas where there is greater unmet demand, providing support to increase provision of allotments and other community growing schemes.

A separate Orchard for Wales Project administers capital funds to support community growing projects throughout Wales aimed at increasing planting of fruit trees and bushes and hence contributing to carbon capture, enhancing biodiversity and producing a healthy food source.

Also this year, WG launched its 'Local Places for Nature' Programme, focussing on 'modest measures' in areas of deprivation, urban and peri-urban areas and those with little or no access to nature. The programme aims to halt and reverse the decline in nature and includes delivery of projects to increase community growing.

Alongside these projects, Social Farms and Gardens have reviewed the 2016 WG 'Guidance for Traditional Allotments and Community Led Gardening Projects' and drafted updated guidance. This is currently being reviewed and prepared for issue, and is due to be published by the end of the year.

Following a 2019 consultation on introducing permitted development rights for allotments, WG is drafting new legislation which will allow installation of sheds and/or greenhouses on allotments, subject to size criteria. The aim is to bring this legislation into force in the current term of office.

# 20. You told the Committee that "COVID-19 has shown me how many more discussions I should be having with supermarkets". Can you provide an update on the meetings with supermarket representatives you have scheduled up to Christmas 2020?

Since the last Committee meeting I have been meeting the retailers on a monthly basis. I intend to continue these meetings at least once a month for the foreseeable future and if necessary increase the frequency if specific issues arise.

In addition I have asked the Secretary at State Defra to restart the UK wide meeting with retailers that was convened at the height of the pandemic earlier this year.

In addition my officials attend a number of weekly or bi-weekly meetings such as the Food Resilience Industry Forum, Food Chain Emergency Liaison Committee and UK Retail Forum, and I am provided with updates on a regular basis.

#### **Plastic Pollution and Littering**

21. The Marine Conservation Society told us it anticipated levels of pollution on Welsh beaches would rise over the summer months "given that there are now limited opportunities for organisations such as ourselves to be able to undertake beach cleans using dedicated volunteers, coupled with a likely overall increase in domestic coastal holidays". What assessment have you undertaken of any increases in marine pollution as a result of this?

Since the pandemic began, Welsh Government has worked closely with our stakeholder network such as the Clean Seas Partnership where potential issues such as this have been discussed.

Public health remains the priority in Wales and until recently (current 'fire-break') the advice for beach litter collections has changed. Public Health Wales advised beach cleaning groups could resume activities but adhering to strict Covid-19 guidelines, such as social distancing, regular hand washing and not exceeding the maximum group numbers permitted.

Most Local Authorities continue to work with volunteer beach litter collection groups, however, they are keen to keep such events as local as possible, discouraging long distance travelling.

Welsh Government have run two separate social media campaigns to raise awareness for those visiting Wales to dispose of litter responsibly – both on our beaches and our inland destinations such as our National Parks.

Whilst some early indications suggest specific litter items may be on the increase, such as PPE, this isn't systemic across Wales and it would be too early at this stage to determine the impact of Covid-19 on our beaches.

#### Other Issues

- 22. Several of the Committee's stakeholders have benefitted from the Welsh Government Third Sector Covid-19 Response Fund. What discussions have you had with the sector about any further financial support that will be required once furlough arrangements come to an end?
- 23. Wales Environment Link (WEL) told the Committee that "Many elements of the Welsh Government's Environmental Growth agenda will depend on the work of charities, and many conservation and community projects are partnerships between Government agencies and civil society." It went on to say that "Ongoing financial losses will hamper the ability of charities to deliver essential conservation and infrastructure improvement work." What consideration have you given to the impact of this on the delivery of Welsh Government environmental and climate change policies?

I am acutely aware of the impact this emergency is having on charities and the third sector all across Wales. We recognise the important work eNGOs do for the environment and the challenges they are facing at the moment. I have met with WEL, and other eNGOs directly, and they form part of my Ministerial roundtable where I receive frequent updates.

My officials have been meeting with eNGOs and other partners on a regular basis to understand the risk covid has on the delivery of our ambitions to halt and reverse biodiversity loss, and tackle the climate emergency. The action I have taken to mitigate this risk includes opening grant schemes, such as the restoration of Natura 2000 sites, which have enabled eNGOs and other partners to become operational again, and undertake planned essential conservation work. I have also provided additional funding to NRW to support eNGOs to re-open their sites closed after the initial covid lockdown. Ongoing programmes like Local Places for Nature, have also allowed eNGOs and other partners to develop green spaces for our communities across Wales.

In addition eNGOs are also able to offer the support packages offered by Welsh Government including the Third Sector Resilience fund. This package of support has provided direct financial support to pay bills and ease cash-flow. My officials are also working with eNGOs to build capacity and resilience within the sector, to mitigate the risk to our biodiversity and climate change ambitions, and ensure we have strong delivery partners.

#### **Common Frameworks**

24. Can you provide the Committee with an update on the development of Common Frameworks that fall within the Committee's remit, including your latest understanding of when provisional frameworks will be available for Senedd scrutiny?

I wrote to you on 13 October 2020 to provide an update on common frameworks in my portfolio, including the outcome of the recent reclassification exercise which was undertaken by the four governments of the UK.

My letter outlined the arrangements for developing the frameworks in line with the revised delivery plan. This highlighted the aim that all frameworks will have achieved at least a Framework Outline Agreement by the end of 2020 which has received provisional confirmation from Ministers and is operable in draft form. Most of the frameworks in my portfolio will be provisional frameworks and work is progressing across all areas.

For provisional frameworks it is expected that full scrutiny by the respective legislatures will be undertaken during 2021.

You will be aware of the Emissions Trading Scheme Framework which is being delivered as a full framework before the end of 2020 and is therefore already being scrutinised by the Senedd.

25. Are you content with the process for developing and finalising the Common Frameworks? Do you have any specific concerns relating to any of the frameworks that fall within your remit?

I am content with the process for developing and finalising frameworks in my portfolio. Whilst the timetable remains very challenging, particularly given the impact of Covid-19 on resources, officials across the governments continue to engage on frameworks in line with the revised delivery plan.

#### **Environmental Principles and Governance**

26. Can you provide the Committee with an update on discussions with the UK Government to secure an amendment to the UK Environment Bill to make provision for cooperative working between the Office for Environmental Protection and any equivalent environmental governance body?

Discussions with Defra over the summer about the proposed amendment to strengthen the duty in clause 24(4) for the OEP to consult devolved environmental governance bodies, have been productive and we will feedback to the Senedd prior to the debate on the Legislative Consent Motion.

27. Can you confirm that interim environmental governance measures will be in place by the end of the Implementation Period?

Yes. We have prioritised development of the complaints system, which is progressing well, and the interviews for the appointment of the independent assessor will be held in mid-November.

28. What arrangements will be put in place to raise public awareness of the interim complaints procedure?

Webpages are being developed to advise the public about the interim measures. A press release will also be issued when the new arrangements begin, accompanied by social media messages.

In addition, we continue to share information about the interim arrangements through our existing stakeholder networks and, as was the case for the advertising of the independent assessor role, utilise their communication channels to reach relevant audiences.

29. You have previously told the Committee that you intend to put in place arrangements for all complaints to be independently assessed. Who will be responsible for undertaking these assessments?

An Independent Assessor will be responsible for the assessments. The appointments process is in progress with interviews to be held in mid-November.

30. Can you clarify whether, and when, you intend to publish proposals for longer-term environmental governance arrangements?

The Environmental Governance Task Group report and my response will be published by the end of the year

Regards

**Lesley Griffiths AS/MS** 

Gweinidog yr Amgylchedd, Ynni a Materion Gwledig Minister for Environment, Energy and Rural Affairs Pack Page 36

## Y Pwyllgor Newid Hinsawdd, Amgylchedd a Materion Gwledig $Agenda\ Item\ 4.3$

Welsh Parliament

#### **Climate Change, Environment and Rural Affairs Committee**

Dr Chris Llewelyn Chief Executive Welsh Local Government Association

23 October 2020

Dear Dr Llewelyn,

Thank you for submitting evidence to the Climate Change, Environment and Rural Affairs Committee to help inform its scrutiny session with the Minister for Environment, Energy and Rural Affairs on the Welsh Government's response to flooding in Wales, held on 8 October 2020.

Following the session, the Committee agreed to write to local authorities to request information on work they are undertaking, or plan to undertake, to ensure that culverts on land within their ownership are cleared of blockages to help reduce the risk of flooding during the winter months.

It would be very helpful if you could co-ordinate a response on behalf of local authorities and forward this to the Committee as soon as possible, and by Friday 20 November.

Thank you, in advance, for your assistance.

Regards,

Mike Hedges MS

Muke Medger

Chair of Climate Change, Environment and Rural Affairs Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.



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Pack Page 39

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## Agenda Item 4.4

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



Ein cyf/Our ref: LG/3455/20

Mick Antoniw MS
Chair of Legislation, Justice and Constitution Committee
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30 October 2020

#### Dear Mick

Thank you for your letter of 5 October relating to the UK Fisheries Bill. I am pleased the Senedd was able to give its agreement to the Legislative Consent Motion (LCM) on 6 October. I covered points raised in your letter during the debate, however, I also agreed to follow up in writing.

Point 1 of your letter seeks an explanation on the need for amendments 144, 145 and 146, made to clause 39, clause 49 and schedule 8, respectively. These were made at the request of Welsh Ministers, during Commons Committee stage. The amendments relate to the scope of Welsh Ministers regulating powers under Schedule 8, the Welsh Ministers powers under Schedule 8 are defined by reference to the legislative competence of the Senedd. The previous drafting referred to legislative competence of the Senedd disregarding, and therefore placing outside of the Senedd's competence, any provision which depends upon UK Ministerial consent to be within competence. If these amendments had not been made these Bill provisions would have narrowed the scope of an important Welsh Ministers' regulation making power and widened the scope of the corresponding Secretary of State power, into a devolved policy area.

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

Point 2 requests more information on the amendments tabled, and now agreed to, at Report Stage. I will take each in turn:

- **2. a)** The Legislation (Wales) Act 2019 is (broadly speaking) intended to apply to all legislation made by the devolved institutions in Wales. Without amendment, the Act would not apply to Welsh Ministers' SIs made under the Act. The Fisheries Bill amends the Legislation (Wales) Act 2019 to provide that it does apply to Welsh Ministers' SIs made under the Act. The extension of the Senedd's legislative competence to cover fisheries matters in the whole of the Welsh zone will automatically extend the application of Parts 1 and 2 of the 2019 Act to cover Acts of the Senedd made under the wider competence (because they apply to all Welsh primary legislation).
- 2. b) Under section 83 of the Government of Wales Act 2006 the Welsh Ministers may enter into an arrangement with a relevant authority for the functions for one of them to be exercised by the other. A relevant authority includes a Minister of the Crown and any public authority in England or Wales. Section 83 does not therefore allow the Welsh Ministers to enter into an arrangement with the Scottish Ministers or the Northern Ireland department. It is hoped this sort of arrangement could be efficient and cost saving. The amendments made at report stage enable the Welsh Ministers to enter into administrative arrangements with the Scottish Ministers, Northern Ireland department and the Marine Management Organisation (MMO) for the exercise of fisheries functions and fishery product movement functions.

We can envisage situations in future where we could want other Devolved Administrations to carry out functions on our behalf, for example, on control and enforcement, digital and science, geographically (for example joint enforcement patrols, and science trips, with Northern Irish bodies).

- **2. c) and d)** The amendments to Schedule 3 and 8, and to Schedule 10 (relating to consultation requirements), were not tabled, as this has been superseded by work with UK Government on bringing forward an Order under section 109 of the Government of Wales Act 2006. The Secretary of State for Wales has confirmed to me in writing the concurrent functions in the Bill will be dealt with in the forthcoming Order, subject to some specific exceptions which reflect the complexities of regulating fishing vessels.
- **2. e)** We sought these amendments at an early stage from UK Government but as I noted in my letter to you and in my opening to the LCM debate, due to delays by UK Government it was not possible to finalise some of the necessary amendments prior to this debate.

Point 3 of your letter relates to the Supplementary Legislative Consent Memorandum (No. 2).

**3. a)** In light of the recent exchange of letters, I am satisfied with the response from the Parliamentary Secretary of State, Victoria Prentis MP, and am confident we will be able to agree the final wording for the Memorandum of Understanding, within the parameters set out in the letters, thus providing the necessary level of consultation and engagement relating of the use of the Secretary of State's power.

I have noted the strength of feeling on this matter and Welsh Government continues to press for swift progress and resolution of the commitments made on the MoU, which is being developed now through co-production between officials from each fisheries administration.

- **3. b)** My commitment to a biennial report to the Senedd on the implementation of the provisions in the Bill which relate only to Wales, until such time as a Welsh Fisheries Bill is introduced, was made in response to the Climate Change, Environment and Rural Affairs Committee recommendation. My position remains a sunset clause is not in the best interests of the Welsh fishing industry and I consider this to be a pragmatic way forward.
- **3. c)** In relation to powers in Schedule 3, you have asked why I consider it necessary and appropriate to take powers which may be part of the statute book for decades in a UK Bill which is only meant to be an interim arrangement for managing fisheries in Wales?

The fisheries licensing powers are part of the framework powers and it is the non-framework powers in the Bill which we consider to be interim. They apply to the licensing of both Welsh fishing boats and foreign fishing boats fishing in Wales and the Welsh zone. The framework enables a joined up approach to licensing fishing activities across the UK in relation to UK and foreign fishing boats.

It is my view these powers are drafted appropriately for the effective functioning of our fisheries licensing system, now and in the future. The use of the Welsh Ministers' regulation making powers in Schedule 3 will be subject to Senedd scrutiny.

Further to your recommendations 6 and 7 in your report on the Supplementary Legislative Consent Memorandum (Memorandum No.2) on retained direct EU legislation, you note in your letter you remain concerned the Senedd may be losing powers. I can assure the Committee we will not be losing powers. It is my view I have given a full explanation in my letters of 3 September and 1 October, which sets out a detailed analysis of these provisions.

I will write separately to you, and to the Climate Change, Environment and Rural Affairs Committees and to all Members, to confirm the outcome of Commons Report Stage and Third Reading.

I have copied this letter to Mike Hedges MS, Chair of Climate Change, Environment and Rural Affairs Committee.

Regards

**Lesley Griffiths AS/MS** 

Gweinidog yr Amgylchedd, Ynni a Materion Gwledig Minister for Environment, Energy and Rural Affairs

## Agenda Item 4.5

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



Mike Hedges MS Chair Climate Change, Environment and Rural Affairs Committee Llywodraeth Cymru Welsh Government

seneddCCERA@senedd.wales

3 November 2020

Dear Mike

Thank you for your letter of 12 October, regarding the Agriculture (Model Clauses for Fixed Equipment) (Wales) Regulations 2019.

Following the outcome of the consultation on the repair and maintenance of fixed equipment and end-of-tenancy compensation, it was not my intention to include the repair and replacement of field drainage and flood banks as new liabilities in the amending regulations. The Freedom of Information response issued on 31 March to the Tenant Farmers Association provided all internal documents concerning the development of the regulations.

I understand the Tenant Farmers Association are disappointed with the decision. However, agricultural tenancies are a very important aspect of our agricultural sector and I am committed to ensuring future tenancy law supports the sector to adapt to change, access new schemes and improve productivity.

We will continue to work closely with the Tenancy Reform Industry Group and wider stakeholders to develop and deliver reforms which balance the interests of both tenants and landlords. Future legislative changes will be set out in the White Paper I intend to publish before the end of this Senedd term.

Regards

**Lesley Griffiths AS/MS** 

Gweinidog yr Amgylchedd, Ynni a Materion Gwledig Minister for Environment, Energy and Rural Affairs

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

## Agenda Item 4.6

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

Our ref MA/LG/2635/20

Llywodraeth Cymru Welsh Government

Mike Hedges MS Chair of Climate Change, Environment and Rural Affairs Committee

SeneddCCERA@senedd.wales

6 November 2020

Dear Mike

Following on from my letter of 13 October 2020 in relation to changes to the common frameworks which fall within my portfolio, I am clarifying the position on two framework areas.

My letter indicated the four UK Governments had agreed that a framework is not required for either Strategic Environment Assessment (SEA) or GMO marketing and cultivation. However, in the UK Government's Revised Framework Analysis, SEA is listed as a potential non-legislative framework and GMO is listed as a potential legislative framework.

As I outlined in my earlier letter, officials across the Governments worked together to consider the reclassification of frameworks ahead of the publication of the Revised Frameworks Analysis. The agreement reached on these two areas was that a framework was not required. For frameworks that fall within the Defra portfolio, the outputs from the reclassification exercise, including the GMO Framework, were agreed by Ministers attending the IMG-EFRA.

Therefore, I confirm the position I indicated in my letter is correct and as a result the areas relating to both SEA and GMO are not being developed as frameworks.

I hope this clarifies the position on these two frameworks.

Regards

**Lesley Griffiths AS/MS** 

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