

Cofnod y Trafodion The Record of Proceedings

[Y Pwyllgor Amgylchedd a Chynaliadwyedd](#)

[The Environment and Sustainability Committee](#)

14/10/2015

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Cynulliad
Cenedlaethol
Cymru

National
Assembly for
Wales

Cynnwys Contents

- 4 Cyflwyniad, Ymddiheuriadau a Dirprwyon
Introductions, Apologies and Substitutions
- 4 Sesiwn Graffu Gyffredinol: Gweinidog Cyfoeth Naturiol
General Scrutiny Session: Minister for Natural Resources
- 40 Sesiwn Graffu Gyffredinol: Y Dirprwy Weinidog Ffermio a Bwyd
General Scrutiny Session: Deputy Minister for Farming and Food
- 77 Papurau i'w Nodi
Papers to Note

Cofnodir y trafodion yn yr iaith y llefarwyd hwy ynnddi yn y pwyllgor. Yn ogystal, cynhwysir trawsgrifiad o'r cyfieithu ar y pryd.

The proceedings are recorded in the language in which they were spoken in the committee. In addition, a transcription of the simultaneous interpretation is included.

Aelodau'r pwyllgor yn bresennol
Committee members in attendance

Russell George	Ceidwadwyr Cymreig Welsh Conservatives
Llyr Gruffydd	Plaid Cymru The Party of Wales
Janet Haworth	Ceidwadwyr Cymreig Welsh Conservatives
Alun Ffred Jones	Plaid Cymru (Cadeirydd y Pwyllgor) The Party of Wales (Committee Chair)
Sandy Mewies	Llafur (yn dirprwyo ar ran Jeff Cuthbert) Labour (substitute for Jeff Cuthbert)
Julie Morgan	Llafur Labour
William Powell	Democratiaid Rhyddfrydol Cymru Welsh Liberal Democrats
Jenny Rathbone	Llafur Labour
Joyce Watson	Llafur Labour

Eraill yn bresennol
Others in attendance

Rebecca Evans AC/AM	Aelod Cynulliad, Llafur (Y Dirprwy Weinidog Ffermio a Bwyd) Assembly Member, Labour (The Deputy Minister for Farming and Food)
Dr Christianne Glossop	Prif Swyddog Milfeddygol Chief Veterinary Officer
Neil Hemington	Pennaeth Cynllunio, Llywodraeth Cymru Head of Planning, Welsh Government
Matthew Quinn	Cyfarwyddwr Datblygu Cynaliadwy, Llywodraeth Cymru Director, Sustainable Development, Welsh Government
Carl Sargeant AC/AM	Aelod Cynulliad, Llafur (Y Gweinidog Cyfoeth Naturiol) Assembly Member, Labour (The Minister for Natural Resources)

Andrew Slade Cyfarwyddwr Amaethyddiaeth, Bwyd a Môr,
Llywodraeth Cymru
Director, Agriculture, Food and Marine, Welsh
Government

Swyddogion Cynulliad Cenedlaethol Cymru yn bresennol
National Assembly for Wales officials in attendance

Alun Davidson Clerc
Clerk
Nia Seaton Y Gwasanaeth Ymchwil
Research Service

Dechreuodd y cyfarfod am 09:02.
The meeting began at 09:02.

Cyflwyniad, Ymddiheuriadau a Dirprwyon
Introductions, Apologies and Substitutions

[1] **Alun Ffred Jones:** A gaf i ddechrau'r pwyllgor a chroesawu'r Aelodau i gyd? Y rheolau arferol: os bydd larwm tân, dilynwch yr ystlyswyr; dylai pawb roi eu ffonau symudol ar 'tawel'. Wrth gwrs, mae'r Cynulliad Cenedlaethol yn gweithredu'n ddwyieithog. A gaf i groesawu'r Gweinidog hefyd, tra rydym wrthi? Mae cyfieithiad ar gael, wrth gwrs, trwy'r clustffonau. Mae'r cyfieithu ar y pryd ar sianel 1. Rydych yn gwybod y rheolau ynglŷn â'r meics. A oes unrhyw fuddiannau i'w datgan? Na. O ran ymddiheuriadau, mae Mick Antoniw wedi anfon ymddiheuriadau, ac mae Sandy Mewies yn dirprwyo yn lle Jeff Cuthbert.

Alun Ffred Jones: May I start the committee and welcome all Members? The usual rules: if there's a fire alarm, follow the ushers; everyone should put their mobile phones on 'mute'. Of course, the National Assembly operates bilingually. May I also welcome the Minister, while we are going about this? Interpretation is available, of course, through the headphones. The interpretation is on channel 1. You know the rules regarding the microphones. Are there any declarations of interest? No. With regard to apologies, Mick Antoniw has sent apologies and Sandy Mewies is substituting instead of Jeff Cuthbert.

09:03

Sesiwn Graffu Gyffredinol: Gweinidog Cyfoeth Naturiol General Scrutiny Session: Minister for Natural Resources

[2] **Alun Ffred Jones:** A gaf i Alun Ffred Jones: May I welcome the groesawu'r Gweinidog a'i dîm atom Minister and his team to the ni? Diolch yn fawr am ddod ger ein committee? Thank you very much for bron ni. Pwrpas y sesiwn, wrth gwrs, appearing before us. The purpose of ydy craffu ar faterion cyffredinol o the session, of course, is to scrutinise fewn portffolio'r Gweinidog Cyfoeth on general issues within the portfolio Naturiol. Felly, mae yna nifer o of the Minister for Natural Resources. feysydd—gormod o feysydd, efallai, i So, there are a number of areas—too fynd trwyddyn nhw i gyd yn gyflawn. many areas, perhaps, to go through them all fully. May I ask the Minister A gaf i ofyn i'r Gweinidog gyflwyno ei to introduce himself, for the record, hunan, er mwyn y record, a'i dîm and his team, please? hefyd, os gwelwch yn dda?

[3] **The Minister for Natural Resources (Carl Sargeant):** Good morning, Chair, and good morning, committee. Carl Sargeant, Minister for Natural Resources. Can I start with Neil Hemington, please?

[4] **Mr Hemington:** Neil Hemington, chief planner.

[5] **Mr Quinn:** Matthew Quinn, director of environment and sustainable development.

[6] **Mr Slade:** Andrew Slade, director of agriculture, food and marine.

[7] **Alun Ffred Jones:** Diolch yn Alun Ffred Jones: Thank you very fawr iawn, a diolch yn fawr i chi am much, and thank you all for ddod ger ein bron y bore yma. Fe appearing before us this morning. We wnawn ni fwrw'n syth yn ein blaen will go straight into questions, gyda'r cwestiynau, felly. Rwy'n therefore. I think I will start with meddwl gwnaf ddechrau gyda William William Powell, who is going to talk Powell, sydd yn mynd i sôn am about fracking, I think. ffracio, rwy'n meddwl.

[8] **William Powell:** Diolch, **William Powell:** Thank you, Chair. Gadeirydd.

[9] Minister, apologies. Do you consider that a moratorium on shale gas exploitation is, in fact, now in place here in Wales?

[10] **Carl Sargeant:** Yes, I do.

[11] **William Powell:** Could you explain as to why, in the current dispensation, you feel that that does not pose legal difficulties?

[12] **Carl Sargeant:** We've been very clear in the process, writing to local planning authorities—25 across Wales—in terms of their relationship with a planning application around fracking, and the proposal is very clear in that direction. We've reaffirmed that with a further letter to planning authorities just to explain our clear position: following a direction that was issued by the UK Government to English authorities on their proposal to move forward on fracking proposals quickly, we reaffirmed our position. That wasn't a Welsh position, and we continue to hold the moratorium line here in Wales.

[13] **William Powell:** Thank you for that very full answer, Minister. Do you consider that extending your notification direction to include underground coal gasification is, in fact, appropriate, given that it involves a different technology to fracking and is also subject to a different licensing regime? And I believe that that is also the interpretation that is adopted in Scotland.

[14] **Carl Sargeant:** Yes, that's correct, and I am considering further the advice from officials regarding the need for guidance on action in relation to this procedure. I am aware of the Scottish Government and their announcements, which include underground coal gasification, and, subject to advice from my officials, I will make that decision shortly.

[15] **William Powell:** Thank you. And, turning to the draft Wales Bill, is it the case that—

[16] **Alun Ffred Jones:** Hold on a second; do you want to come in on this, Sandy?

[17] **Sandy Mewies:** Yes, I do, if you don't mind. Good morning.

[18] **Carl Sargeant:** Good morning.

[19] **Sandy Mewies:** I think you've made clear the position on the moratorium, but do you think that the mineral planning authorities, for example, are as up to date as they should be, or are publicising as much as they should be, the differences between what is happening in England and

what is happening in Wales? Because, certainly in my constituency, as you may be aware, there's shale here, there and everywhere, and the fear of fracking is causing considerable concern to people. I have always been able to say to them, 'Well, look, your local authority is the first barrier that people will have to face', but I don't think there's any clarity on that. Similarly, on fracking, people think 'coal gasification'; there is a general mixing up of these techniques. Do you think that the Welsh Government itself is making clear enough the differences between the technologies and what the Welsh Government's position is on those technologies—and, indeed, for people at grass-roots level, how they would find out about these issues and, if they wanted to support or object, how they could do that?

[20] **Carl Sargeant:** Yes, of course. Thank you for the Member's question. It is a really sensitive issue, as the Member is aware, politically. Around constituencies, there are many lobby groups that have significant opposition and significant material to support that opposition of development in this way. I've been very clear, in terms of my planning role, about what Welsh Government can do and what local planning authorities can do, and I've been very clear in the moratorium direction, saying that any application that is perceived to be a positive outcome for the local authority, in terms of letting them apply for the application and then being given a positive result, has to stop and has to be referred to Welsh Government. Therefore, local planning authorities cannot issue a positive direction on a fracking proposal.

[21] I do share the Member's concerns that the information available can be biased either way, and I think it's something that I will give some further consideration to in terms of, possibly, technique, about what we understand that technique to be. To be perfectly honest, because of the nature of the proposals around fracking, I think the science behind that isn't well-founded and that's part of my issue about allowing applications or otherwise to be passed, and that's why we're taking very much a precautionary approach to this. And it's something that—. Local authorities are under no illusion about their proposals and we do keep a close eye on the operation of them too. But, as far as I'm concerned, we've issued some very clear guidance. I will look further into seeing whether there is some more material we can provide in terms of detail of the science behind that.

[22] **Alun Ffred Jones:** Llyr.

[23] **Llyr Gruffydd:** I'm afraid I don't share other Members'—

- [24] **Carl Sargeant:** I've read your press releases, so I understand that.
- [25] **Llyr Gruffydd:** —appreciation of clarity around this issue, because the direction itself, of course, wouldn't prevent an application being approved, would it?
- [26] **Carl Sargeant:** Yes, it would.
- [27] **Llyr Gruffydd:** But that would be open to legal challenge unless the opposition was on planning grounds—proper planning grounds.
- [28] **Carl Sargeant:** Everything is open to legal challenge in terms of planning, Chair, but the moratorium direction letter is very clear: it says that local authorities, if they are pursuing a positive line for approval on an application, are not allowed to do that without referring that to Welsh Government, and I will call that application in.
- [29] **Llyr Gruffydd:** So, you would call that application in, but, unless you tell us here that you would actually refuse that application, which I presume you can't, then you cannot guarantee us that that would not go ahead.
- [30] **Carl Sargeant:** Well, you also know that political line of questioning is unlawful. I cannot presume any application, and, therefore, you're making politics over something that I can't make—. You know my legal position on this, and what you're trying to do—. I can't understand your argument, because we're actually on the same side here. The fact is that you're trying to create a loophole in a system where we have been very clear on issuing a moratorium. I think you're trying to undermine the system.
- [31] **Llyr Gruffydd:** Well, I'm quite taken aback by that attitude, I have to say, because my job is to make sure that the decisions you make are robust and scrutinised, and I have had a great degree of correspondence from organisations and individuals who are concerned that the word 'moratorium' is being bandied about, when, in fact, really, it is not a moratorium.
- [32] **Carl Sargeant:** Well, I disagree with you.
- [33] **Alun Ffred Jones:** But you're certainly not prejudging any application that would come to you, are you? You cannot say that you wouldn't approve.

[34] **Carl Sargeant:** Absolutely, Chair. I'm not allowed to prejudge any application, and, therefore, the line of questioning led by the Member is unreasonable. I have been very clear—

[35] **Alun Ffred Jones:** But, if you're not prejudging it, how can you say it's a moratorium?

[36] **Carl Sargeant:** Well, I am saying that local planning authorities, who are the planning authority—. As the question from Sandy Mewies suggested quite rightly, they are the planning authorities at the first line, and they are not allowed to pass an application.

[37] **Llyr Gruffydd:** So, we can agree that it's a moratorium on local planning authorities making a decision.

[38] **Carl Sargeant:** Absolutely.

[39] **Llyr Gruffydd:** But we cannot go further than that, because of legal reasons.

[40] **Carl Sargeant:** I cannot prejudge any application.

[41] **Llyr Gruffydd:** No, I understand that.

[42] **Alun Ffred Jones:** Okay. William.

[43] **William Powell:** Diolch, Gadeirydd. If I could develop the point a little there, there seem to be two different operations. You've got the potential fracking itself, and then you've got the whole issue—which causes great alarm in communities across Wales, in the Vale of Glamorgan, in Sandy's area, in the Wrexham area—around the test drilling activities, which seems to be a different regime. Do you consider, Minister, that it would be appropriate, as I think has been called for in a recent petition before the Petitions Committee, to bring greater clarity around the different regimes that apply to test drilling, which is obviously a necessary before any potential fracking development, because of the alarm that is caused in communities that are affected?

[44] **Carl Sargeant:** Of course. The problem we have with that—and I understand the problems that the Member and Members have pursued in

regard to this—. The problem with issuing a general direction around borehole test drilling is that the technique is used for many other applications, including water borehole testing, land drainage and land quality. So, there are many actions of borehole drilling that complicate this process, and if I'm being—. Managing that system would be difficult because, I think, if were to issue a general one, that would prohibit all of those actions potentially, but also it could be that more unscrupulous developers would apply potentially for water borehole testing in the system when they're actually pursuing, with vigour, other actions. So, I just don't think it would work; I think actually stopping the principle at the actual application stage of fracking is the correct procedure.

09:15

[45] **William Powell:** Thank you, Minister. Finally, picking up the point around capacity of local authorities, given the specialised area that we're looking at, do you think that there would be merit in creating a sort of central unit, maybe, in partnership with the WLGA and the planning directorate, to actually bring expertise that could be made available across Wales in dealing robustly with any future developments in this area?

[46] **Carl Sargeant:** Yes, I share the Member's view in terms of expertise being essential. We already do that on many different types of application where they are not unique, but certainly small in number, and one example would be opencast, where we share the expertise across authorities and through the Planning Inspectorate, et cetera. Again, I think the Member presents a valid question and it's something that we are pursuing.

[47] **William Powell:** I'm grateful, thank you.

[48] **Alun Ffred Jones:** Iawn. Diolch **Alun Ffred Jones:** Okay. Thank you yn fawr iawn. very much.

[49] We'll move ahead, then, to energy matters. Russell, do you want to come in here?

[50] **Russell George:** Yes please, Chair. Good morning, Minister.

[51] **Carl Sargeant:** Good morning.

[52] **Russell George:** In the Queen's Speech this year—and it was of course

confirmed in the new Wales Bill—was devolution of responsibility for consenting of up to 350 MW. Is that to the Welsh Government? Do you think that's appropriate?

[53] **Carl Sargeant:** There is a crossover on energy and energy policy, Chair, and the actual policy end is with Edwina Hart. I can say that I've had conversations with Edwina Hart on this particular issue, and, while we're not supposed to cross portfolios, we do believe that this is an appropriate scale.

[54] **Russell George:** Yes, okay. I take on board the issue of responsibility, so I'll continue with some questions on this, albeit there might be some overlap, but perhaps you can talk to what you can, Minister. Can I ask whether the new powers for consenting energy projects of between 50 MW and 350 MW will become part of the developments of national significance regime?

[55] **Carl Sargeant:** We are still in the discussion stages following consultation on that, but I would be minded to do that if the evidence suggests that would be appropriate.

[56] **Russell George:** Right, and what would be the implications of that?

[57] **Carl Sargeant:** Well, it would be drawn into Welsh Government to make those decisions, rather than the local planning authority.

[58] **Russell George:** Okay, I think you're talking with regard to the Energy Bill that the UK Government's brought forward. I think you're referring to—. In your paper, you mention that the consequences of the Energy Bill mean that applications for projects over 50 MW for onshore windfarms will be devolved to local authorities, and in your paper to us you go on to say that, of course, in Wales, it's a devolved function and it will be for Welsh Ministers to decide how this commitment will be delivered. But how will it be delivered?

[59] **Carl Sargeant:** Again, that's in the proposals around DNS and whether over 50 MW is the appropriate level for the application to come under a DNS procedure. If that's the case, then the DNS procedure will be delivered by Welsh Government, not the local planning authority.

[60] **Alun Ffred Jones:** So, the Energy Bill in Westminster will have no bearing on what happens in Wales in this respect.

[61] **Carl Sargeant:** In terms of the devolution of, the transfer of, power, yes, it will, if that happens. But, on the issue regarding the transfer of windfarm developments, which I think the Member is referring to, over to the local planning authority, that is the case. However, we have the option to remove that from the system back into the DNS. I think that's appropriate, isn't it?

[62] **Mr Hemington:** Yes. There are a number of things happening, potentially. There's obviously the Wales Bill, which will potentially give consenting powers to Wales for the 50 MW to 350 MW, onshore and offshore—and that's important because there is an important distinction there. There's also, through the Energy Bill going through Parliament at the moment, the idea that windfarms over 50 MW will be given back to local planning authorities. Now, that is likely to happen before the Wales Bill becomes an Act, so we will need to find a way to consent any applications that come through for windfarms in the 50 MW to 350 MW category. The Minister's already said in the consultation that we'll be looking at 25 MW to 50 MW energy schemes coming through the DNS process. It would make sense, I would argue, for 50 MW to 350 MW to go through that same process as well. So, that's where we are at the moment, but, obviously, there are a lot of unknowns around the Wales Bill and around the energy map.

[63] **Russell George:** Yes, I can see the problem with the timelines. So, effectively, the Energy Bill is coming first, so the powers are devolved to local authorities, even though Welsh Government's not got the responsibility. So, will there be a period of time when local authorities have got consents above 50 MW and you haven't got the ability to determine those, or is there a mechanism to deal with that?

[64] **Carl Sargeant:** We've always got the call-in procedure; that is current. I think the DNS procedure is just to give clarity to the system and the market about where applications will be dealt with—and to communities, in fact.

[65] **Russell George:** No. I recognise the call-in procedure, but, clearly, if the Welsh Government's not got responsibility for projects over 50 MW, then you can't call it in, but then the local authority may have that ability under the Energy Bill. So, I'm just trying to—. It's not a political issue. It's just to try to clarify—

[66] **Carl Sargeant:** There are many technical issues around this, and we recognise that. We don't see there being any issues on the current timescale

that's been given by the UK Government. We think that is all manageable in terms of clarity for the consumer—either customer or developer. I don't perceive it to be the case that local authorities will have that function in the interim—in the short interim period.

[67] **Russell George:** Yes, okay. And I suppose that's more of a technical question, but, coming to perhaps a more political question, your evidence paper talks about Welsh Ministers deciding how that commitment will be delivered, and it almost refers to—well, in England, local authorities will have the ability to decide onshore wind applications, and it almost reads as how that commitment will be delivered here, as in how local decision making will work in Wales. But, knowing your previous views, have I misread that or—?

[68] **Carl Sargeant:** No, you haven't. It's pretty accurate. There is a very clear difference between the UK English regime on planning and the Welsh regime. Our understanding is that the UK Government are very keen to pursue fracking and fracking technology. We are not in Wales. We are very keen to produce and develop renewable energy in Wales. It appears, in the UK, that they are not. There is a very clear demarcation in terms of energy consumption and energy production between England and Wales, and the planning system reflects that.

[69] **Russell George:** Yes, that wasn't quite my question. My question was about local decision making. Your paper seemed to suggest there was a commitment to deliver a commitment to that—the principle of local decision making. But, clearly, if those decisions are not being made by local authorities and would be made by Welsh Ministers, that decision is being made not at a local level but at a level here by Welsh Ministers.

[70] **Carl Sargeant:** I think that's your interpretation of that, if I may, Chair. The issue for me is about community engagement right the way through the process, whether that's at local authority level or Welsh Government planning level. I don't see—. I mean, we discussed this at length during committee for the Planning Bill. The opportunity for communities to engage in the planning process at whatever level is a critical part of decision making. We do not see that diminished in any way at whatever level that decision's made.

[71] **Russell George:** I don't think there's an issue about my interpretation. I'll ask you a direct question, then. In England, decisions on windfarm applications over 50 MW will be made by local authorities. Would you be allowing that same regime to happen in Wales?

[72] **Carl Sargeant:** It's highly unlikely that the local authority will be making that decision, but it does not mean in any way that communities will not be able to engage in that process.

[73] **Russell George:** But the decision will be made by Welsh Ministers over 50 MW, not the local authority.

[74] **Carl Sargeant:** I think that's been very clear.

[75] **Alun Ffred Jones:** Yes, I think we've established that now. Llyr.

[76] **Llyr Gruffydd:** Thank you, Chair. You say in the paper that Wales will still have limited influence over the energy agenda in Wales, unlike Northern Ireland or Scotland. Do I therefore read that you would wish for the same powers to be given to Wales?

[77] **Carl Sargeant:** Again, I think this is something that you may just want to frame through Edwina Hart on policy, but I would imagine that the very least we would be seeking is parity.

[78] **Llyr Gruffydd:** Thank you for that. Can I just probe a little further on the 350 MW limit. You suggested that you accept that that is an appropriate limit. Are you, though, comfortable that there will be, obviously, or potentially, applications for maybe tidal lagoons over that limit that will, therefore, not be within competence of this place?

[79] **Carl Sargeant:** I think that's always the difficulty of putting upper thresholds on this. The technology that we see today, I think that that is probably the appropriate level. It's a matter for the First Minister in terms of negotiations with the UK Government about how we've reached that figure, but I do share the Member's thoughts around potential future developments of significance and about how, maybe, they will be determined and what exactly our role will be in that.

[80] **Alun Ffred Jones:** What's the rationale behind the 350 MW limit?

[81] **Carl Sargeant:** I'll have to drop the Member a note on that.

[82] **Alun Ffred Jones:** Jenny Rathbone.

[83] **Jenny Rathbone:** You say in your paper that your vision is for a clean, green future. I think we share all that, but you also say,

[84] ‘The combination of the Energy Bill and the UK Government’s stated aim to bar access for onshore wind projects to future rounds of the Contracts for Difference...will effectively close down the on-shore wind sector to new projects in Wales.’

[85] That’s a pretty impressive statement. Where does it leave the projects that have already been worked up that are sort of in planning limbo, like a large number of projects in Powys?

[86] **Carl Sargeant:** There are some thresholds that the UK Government have issued around feed-in tariffs and subsidy, which I believe are trigger dates for determination not just for the local planning authority but also for the developer, because at a stage in time, on a particular date, the value of their scheme changes in terms of what the subsidy rate is. I think what we’re trying to do in Wales is still—or I’ve been very clear to the market, saying, ‘Look, we’re open for business here and we’re looking for new ideas and innovation in terms of what we can do differently to the UK.’ We recognise that, at the end of the day, the levers for support for these industries are based at Treasury level or the UK Government. It is very disappointing that they’ve chosen to do that, but that’s politics. Russell George said that we all agree on a green economy. I’m not sure we all do in this room, but many of us do share that vision. I think what I’m trying to do in my department and also with Edwina Hart on green energy is create a new environment, a new type of scheme that will enable working with the market to see if they can come to Wales and work with us to develop renewables, whether that’s wind turbines or whether that will be tidal energy or solar. I’m just thinking whether there are other options that we can present here for a clever solution for Wales? It’s not easy, but what I don’t want to happen is for the market to spook and leave the UK, including Wales, so that we have no access to the market, then.

[87] **Jenny Rathbone:** Okay, but where does it leave these projects, for example, in Powys, where there’s been considerable investment already upfront? Some people argue that that might be an opportunity for community energy schemes on the grounds that they may not be so attractive to private investors. Have you got any thoughts on that as a possibility?

[88] **Carl Sargeant:** Well, I can't comment on specific schemes.

[89] **Jenny Rathbone:** No. Obviously, I understand that.

[90] **Carl Sargeant:** It is something that we are pursuing around community energy. Because of the grid connections and the difficulty, particularly in the Powys area, now with refusal of grid connections, we realise that we have to be probably more local-focused or local-enabling. So, there are some opportunities, potentially, for schemes across Wales where community energy schemes will be welcome.

[91] **Jenny Rathbone:** Okay.

[92] **Alun Ffred Jones:** Diolch yn fawr. Okay. We'll move ahead to marine and fisheries. Joyce, do you want to kick off on this?

[93] **Joyce Watson:** Yes, thank you, and good morning, Minister. What I'd like at the start, Minister, is if you could confirm whether the Welsh national marine plan will be adopted by Welsh Ministers before the end of this Assembly.

[94] **Carl Sargeant:** It would be ambitious for us to consider that. We are pursuing, around that time of April or May next year—. We'll go out with an initial draft of the Wales marine plan in the autumn, and, obviously, we'll have to wait to see what comes back from that. But it is something that I would like to try and see delivered before the end of this Government, but it is looking like April or May time.

[95] **Alun Ffred Jones:** Wasn't it supposed to be in place in 2013?

[96] **Carl Sargeant:** I can't answer on the past, Chair; I've only been in post for 12 months.

[97] **Alun Ffred Jones:** Well, you know, you're answering on behalf of the Government, if I may say so, not on your own behalf here. I mean, I'm just asking about the timeline. I thought that this was supposed to be in place in 2013 and then it was obviously postponed. So, there's no guarantee it will be in place by the end of this present Government's term.

09:30

[98] **Mr Slade:** We need to go out to consultation—a formal consultation. We've worked closely with other authorities across the UK to learn from their experience, particularly Scotland's experience on the marine plan, and their advice, which I think we have considered quite carefully and shared, is that we should go out for a pre-formal-consultation process to share with stakeholders—and I have that homework here today, Chair: the draft plan, which itself draws on all the work that has gone into the evidence base that we've been working on for the last 18 months. That report on the marine evidence is available both in hard copy and also online, and you can use the planning portal to put a spatial covering onto the plan and work out what's happening in particular areas. All of that is needed to happen first.

[99] So, Ministers, shortly, once the Cabinet agree, will go out to informal consultation on the plan to share with stakeholders our work, and we expect to go to formal consultation early in 2016.

[100] **Joyce Watson:** Early in 2016, okay.

[101] **Mr Slade:** It's also worth remembering that this is both a Welsh Minister's question and it's something we will need the UK Government to agree, because of the overlap of territories in relation to our waters.

[102] **Joyce Watson:** Okay. That's the position. I want to go on and ask about marine conservation and whether you're able to provide an update on the designation of additional special areas of conservation, particularly for harbour porpoise, and any designation of additional special protection areas for seabirds.

[103] **Carl Sargeant:** Again, thank you for the detailed question from the Member. I've received advice from NRW on the potential new marine special protection areas for birds and for the special areas of conservation for harbour porpoises. We are considering those data. We anticipate we will go out to a consultation again later, towards the end of next month, with a 12-week period consultation leading to a co-ordinated approach across the UK. As the Member, I'm sure, appreciates, with the issues of marine and marine planning and marine conservation, there are absolutely no fixed boundaries and we have to work with colleagues across the UK to make sure that we are doing the right things for the right reasons, and the consultation, as I said, will hopefully kick off towards the end of next month.

[104] **Joyce Watson:** And if you're able to, Minister, could you set out or give

us an idea of any progress on the adoption of a programme of measures that will deliver the marine strategy framework directive?

[105] **Carl Sargeant:** I can. In terms of implementing the marine strategy framework, it's currently on track. The UK marine strategy is being rolled out in different stages. Stage 1 covers the initial assessment of our seas, published in December 2012. Part 2 sets out the monitoring programmes in place to measure our progress, published in July 2014. Part 3 sets out the programme of measures that are designed to achieve or maintain good environmental status, and that's due to be established by the end of 2015—this year.

[106] **Joyce Watson:** The end of this year.

[107] **Alun Ffred Jones:** What's the difference between the Welsh national marine plan and the measures to deliver the marine strategy framework directive? It's very confusing to some of us who are not so au fait with all this.

[108] **Carl Sargeant:** Andrew.

[109] **Mr Slade:** They are related, and in order to make the best of the work in relation to the good environmental condition of our seas by 2020, we will need to work with the plan. There's a massive amount of activity that now goes on in our seas and around our coastlines. As the Minister has pointed out, elsewhere, if you're going to co-ordinate all that in order to make best endeavours towards good environmental conditions, you need to be clear, through a plan-led approach, what you want done in those different parts of our seas and coastlines. So, there's a direct link.

[110] **Alun Ffred Jones:** So, which one comes first, then?

[111] **Mr Slade:** Well, the marine planning process is established by the Marine and Coastal Access Act 2009. So, that's a UK requirement. The strategy framework directive obviously is a piece of EU legislation that relates to the environmental condition of our seas. The other thing to mention is that our Well-being of Future Generations (Wales) Act 2015 also puts a responsibility now on public bodies across Wales, or will do from next spring, to work in a much more sustainable, holistic and strategic way, and that will also be an important part of how we work towards meeting our obligations under the directive.

[112] **Alun Ffred Jones:** What influence does that Act have on either one of these—the plan or the other, the framework—

[113] **Mr Slade:** The 2009 Act is the primary piece of legislation that drives the planning process. Lurking in the wings, there is a new EU directive on marine planning, which we will have to implement in the next year or two, and we will be in a good place to meet those requirements because of the work that's gone on domestically.

[114] **Alun Ffred Jones:** Sandy.

[115] **Sandy Mewies:** Can I ask something that's sort of in relation to this? Joyce mentioned the designation for the special protection areas for sea birds. Now, let's move along to the Dee estuary and the enormous habitat there for inward migration at certain times. Also, the UK as a member state has failed to designate adequate sites, and it's being investigated, isn't it, by the EU?

[116] **Carl Sargeant:** Yes.

[117] **Sandy Mewies:** Now, that will have an impact on us. So, there are two things I want to know. Is the Dee estuary being looked at specifically as a site—and I must assume it is—but also, what part are Welsh Government playing? The UK is the member state, but we are affected. What sort of input are you having on the habitats directive, because the report's coming out in December this year?

[118] **Carl Sargeant:** As you are aware, and as Andrew and I have tried to allude to, the whole marine fisheries sector is awash with legislation—European, UK, Welsh and other actions; there are directives from everywhere. What's really important is that we join all of that up, and I think the Member's right in terms of the areas that particularly have links to the English borders as well, and the Dee estuary is one of those, around the sites of special scientific interest that are involved in that area. We have to make sure that we operate in the context of the UK in terms of our actions, and therefore feed into the European element of that on a UK basis. So, we have a duty, but also the UK do, too. We are working with the UK on a number of actions to be sure, as we mentioned, about the plans that we are developing, because it can't work in isolation. That's partly the problem. But, what I can do in terms of the specific question the Member asks around the directive

that is coming out in December is that I will ask the team to drop the committee a note specifically on the actions that we've taken in collaboration with the English authorities on that.

[119] **Sandy Mewies:** Thank you very much.

[120] **Alun Ffred Jones:** Diolch yn fawr. Joyce.

[121] **Joyce Watson:** There are some things we can control, and crustacean fisheries, I understand, is an area that we've been quite engaged in looking at. Could you give us an update on the Order that will regulate crustacean fisheries?

[122] **Carl Sargeant:** We've got the draft legislative text around that EU technical standard. If there are no objections, I plan to lay a statutory instrument in the Assembly in late November, coming into force, with no objections, probably in February of next year.

[123] **Joyce Watson:** Further to that, can you give any update on the development of an aquaculture plan for Wales?

[124] **Carl Sargeant:** We had some very ambitious targets in the aquaculture development. I think there are some great opportunities in production levels for both fin fish and shellfish, and we're looking at how that will work. I'm working with my Deputy Minister in terms of opportunities there. Although we do recognise there are some challenges, we see, as I said, opportunities in working with the sector. This is also something that we've started to engage with. My officials have been working with the industry on the aquaculture advisory group; they're giving us some further advice, but we see this as an additional clever Welsh market, actually. There's something very special about our shellfish and fin fish industries that we can enhance, and that's something that I'm keen to do, following on from the previous Minister who had this portfolio.

[125] **Joyce Watson:** We all know that there's going to be a common fisheries policy, particularly the discard ban, which will be coming into force soon. Can you give us any idea of progress in implementing those requirements?

[126] **Carl Sargeant:** We've completed our landing obligation economic impact assessments for Wales. We're working together on the implementation of many of the obligations set out in the new CFP. We are,

across Welsh Government, fully considering the implications of the onshore management of waste fish, and we believe that we are on course to be able to deliver that.

[127] **Jenny Rathbone:** I just wanted to pick up on that. Are there any business opportunities arising, at least on a temporary basis, out of the discard ban which temporarily may lead to fish being produced that can't be marketed, in terms of fishmeal or other uses that could be put to this?

[128] **Carl Sargeant:** Yes, we are looking closely at the opportunities, particularly around the animal by-products regulations to see whether there is something more we can do in terms of that. It does concern me about the catches that are discarded back into the sea, and whether there are opportunities for something else to do with that. It is something that we can see in Wales as being—as other countries are, to be fair—an opportunity, so we should pursue that as well.

[129] **Jenny Rathbone:** Okay; thank you.

[130] **Alun Ffred Jones:** William Powell.

[131] **William Powell:** Diolch, **William Powell:** Thank you, Chair. Gadeirydd.

[132] Your predecessor Minister committed to a piece of work with his then senior Minister, Edwina Hart, in terms of developing the Welsh palate so as to extend the market for some of the waste fish, to be more resource-efficient, but also to develop that potentially as part of the food action plan. I don't know whether there is any scope for you to work now with your Deputy Minister to see whether more progress can be made in that area, picking up the point that Jenny Rathbone made about extending it.

[133] **Carl Sargeant:** We are looking holistically across the department and other departments, in fact, as I said earlier on Joyce Watson's question about the shellfish and fin fish industry about what is it that we can do in Wales that's clever from catch to market, and that includes waste product as well. So, we're looking across the whole system to see if there's something more we need to do, and whether—I'm not a big fan of strategies, to be honest—but whether we should have some sort of strategy to look at this complete from sea to plate, effectively. I know that Rebecca Evans is looking particularly at things like—

[134] **Alun Ffred Jones:** Who are your partners in this work?

[135] **Carl Sargeant:** We've got Seafish; that's an organisation that we work with. That's an organisation, not fish, Chair. [*Laughter.*] There are other shellfish industry leads that we support across Wales. We look at market. Rebecca Evans also works with the food industry group which we've established. Again, they all feed into the issues around productivity and development of markets. It's something that we see—. Actually, we've got a really useful thematic slide that we use on fisheries. I'll share that with committee—it just gives you an example of what the industry is worth to Wales around scallops and other fishery activities. We'll send that in to the committee, if that's helpful.

[136] **Alun Ffred Jones:** Very useful. Sandy, did you want to come in?

[137] **Sandy Mewies:** Thank you, Chair. I'm really glad of the opportunity to be here today, actually, because I've got plenty of interest in what's going on here. Going back to the crustacean fisheries, you say you're expecting, depending on the consultation, results on the crustacean fisheries to come back in late November. I would have thought, given past experience, there would have been an awful lot of input into this consultation, but that may not be the case this time—I don't know. But it's been in my experience, certainly, in the past. And I'm particularly interested in what you're talking about now about where actually the shellfish end up, because we export such a lot of really good things that we have in our seas. We also have here in Wales some fantastic chefs. You've got Rick Stein promoting the fish industry all the time, and these odd-looking fish which are absolutely delicious if they're prepared properly. Is there some sort of, I don't know, even public information stuff that could be linking in with the taste of Wales?

[138] **Alun Ffred Jones:** I think, probably, that this question is more appropriate for Rebecca. You're welcome to comment on this, if it's appropriate.

09:45

[139] **Carl Sargeant:** I manage fisheries in my department; Rebecca manages the food.

[140] **Sandy Mewies:** I understand that.

[141] **Carl Sargeant:** That's what I'm saying. Where we work together is to create a successful, sustainable industry, and the pathway to that is the development of using that product. I've also been talking to the education Minister in terms of using more sea fish in our schools; we've got a great product, and therefore, the Well-being of Future Generations (Wales) Act 2015, while it might seem as far away from fisheries as you can possibly be, actually has a great implication in terms of developing locally-sourced food—fisheries and shellfish being one of them—into our schools, and that's what a local authority, as a public authority, would, I hope, consider in the future.

[142] **Sandy Mewies:** Are you happy about the late November?

[143] **Carl Sargeant:** On the issue around the Order, we don't work in isolation, but you never know what's going to come your way in terms of these. We are prepared; we've got the draft legislative text, as I said. If there's no objection, I plan to lay the statutory instrument in the Assembly in late November, which, hopefully, will come into force on 1 February. We don't see any issues with this, but you never know, as they say.

[144] **Mr Slade:** We're obliged under European law to make sure that it goes before the technical standards committee and lies for a period in case anyone objects, and then we can make the domestic legislation.

[145] **Sandy Mewies:** Thank you.

[146] **Mr Slade:** I know this doesn't work well for the Record of Proceedings, but we've got booklets here on registering as a buyer of fish and shellfish, and we've got related posters going out. The food and drink board, as the Minister has said, is promoting work on fin fish and shellfish. And we've got an officer—the Minister asked us to make a big push on this—dedicated to developing and helping the food and drink sector in relation to shellfish and sea fish.

[147] **Sandy Mewies:** Excellent.

[148] **Alun Ffred Jones:** You're straying to other areas now. Can we move on then to water quality? According to the latest report, only 42 per cent of Welsh water bodies—I think that's the translation—are in good ecological condition. So, can you provide more information on the work that Welsh Government and NRW are undertaking to review the effectiveness of the current legislation on diffuse pollution?

[149] **Carl Sargeant:** We are working very closely with NRW, and obviously, the Environment (Wales) Bill that we're bringing forward will help that process. Part of the issue around diffuse pollution is about the ability to deal with issues on the ground very quickly—identified and then dealt with. One of the issues with the Environment Bill is that we are seeking powers for NRW to bring forward emergency schemes; we believe that will help with the issues around diffuse pollution, and again, it's about monitoring the whole process of the environment. The area-based schemes in the Environment Bill will also help to do that and identify how that operates better.

[150] **Alun Ffred Jones:** Has the Welsh Government and NRW had discussions with stakeholders with regard to this? Is there a review under way?

[151] **Mr Quinn:** We had a very good discussion in the water forum the other week, which I chaired, involving farming and other stakeholders, together with the water industry and the regulators. NRW presented an initial position on the diffuse pollution and the issues that we knew in terms of that. So, we're hopeful that that will give us a very firm basis. One of the issues that we particularly asked NRW to look at is the fitness of the current regulatory structures. I think both we, and the industry, feel that the opportunity is there within the existing legislative framework to address most of the issues, which is about giving a very clear baseline about what expectations there are, particularly on landowners, in terms of avoiding diffuse pollution. But that's something we've asked NRW to look at particularly, because they're obviously going to be the enforcing authority. The experimental plans do give them the opportunity to fill gaps in that mechanism, but we remain open to the possibility of general binding rules, which is something we consulted on earlier in the year. But, at the moment, we're not clear that we need to go down that route to give that base, but that's what we've asked NRW particularly to look at in the context of diffuse pollution.

[152] **Mick Antoniw:** What exactly are the criteria for judging something as having good ecological status? What does it actually mean in real terms?

[153] **Mr Quinn:** We'd have to write on that one; it's a technical requirement.

[154] **Mick Antoniw:** Okay, right; I'll await that.

[155] **Alun Ffred Jones:** Joyce, do you want to come in?

[156] **Joyce Watson:** General binding rules, just coming back to that. Water management is where everything's at. If your rivers are polluted, your seas are going to be polluted, and it brings absolutely everything together in one place. So, what sorts of conversations are you having with all the players? Because this is about forestry, where farming or any other land-based activities all affect everything to do with water, because water doesn't start in the river basin, as we all know; it actually starts anywhere there is land, and it runs off. So, the general binding rules, of course, are a last resort, because anything else has failed. So, how confident are you that the regime that you've got in place to test the system as it currently exists is adequate for you to afford?

[157] **Carl Sargeant:** We believe the system does work, and the powers around general binding rules, we're not yet convinced that we need to add additionality of general binding rules in the environment Bill, because we think NRW already have the ability to deal with that in the current regime. What we're trying to do is, in the formulation of the environment Bill—and this goes back to the issue of the area-based schemes, where we are—. There is a great example, actually, around diffuse pollution with NRW—and Dŵr Cymru, I think, are involved in this—where, instead of spraying crops, they're using a mechanical wipe now for weeds around the edges of the rivers, and therefore you don't get carryover. That is proving to be very effective. It's just a different way of doing things, and, obviously, there is a cost involved in that, but also a time issue as well, but we are exploring this and we're already trialling some of these issues to stop this with other stakeholders. So, the area-based trials are about the complete management of watercourses and area base. As the Member says, it's a really important thing that you can't take one aspect in isolation, because there is a knock-on effect, and that's what we recognise with the Bill. That's why the regulations we're presenting, and the primary legislation in the Bill, are a more holistic way of land-based management—and of water, and the environment as a whole, rather than individual aspects of that.

[158] **Alun Ffred Jones:** How does this figure of 42 per cent compare with other UK countries and European countries?

[159] **Carl Sargeant:** I don't have the answer to that question, Chair, but I will make sure.

[160] **Alun Ffred Jones:** One of your officials, perhaps?

[161] **Carl Sargeant:** No.

[162] **Llyr Gruffydd:** Can I just pick up on your water incentive? Dŵr Cymru have given us in evidence their concerns around the more difficult challenges being left until the third cycle. Is that something that you share? Is that a concern that you share, and how are you ensuring that that doesn't happen?

[163] **Carl Sargeant:** Yes, I think it's very challenging. It is for water companies to do that, but I have regular meetings with the water companies. They haven't raised with me that they are concerned about not being able to deliver, but they have said it will be challenging. I'm not quite sure what the difference is, but I will keep a very close eye on that. But it is something that—. I do understand that, over the next period, there will be a very challenging time for the company.

[164] **Alun Ffred Jones:** But it's not something for them to deliver on their own, is it? I think they were referring to other—.

[165] **Llyr Gruffydd:** Other parties.

[166] **Carl Sargeant:** I absolutely agree. I think everybody recognises that there's going to be some huge challenges along the way, but there's no indication, and, clearly, I would tell you, Chair, if I thought we weren't able to deliver around this. I just think it was—. I also recognise that it's going to be tough.

[167] **Alun Ffred Jones:** Diolch yn fawr. Joyce, flooding and—.

[168] **Joyce Watson:** Moving on to coastal risk management, Minister—and, with so much of the coast, I have a huge interest in this, on behalf of constituents, of course. So, could you provide further detail on the £150 million coastal risk management programme and also explain how that differs from the core flood programme, and if you could provide—if you have any examples with you of the kind of projects that it might fund?

[169] **Carl Sargeant:** Thank you, Chair. Thank you, Joyce. The additional £150 million programme will complement the current flood-risk management programme that we run. The scheme will be slightly different in that the cost of the programme will be met by standard rates. Welsh Government will fund 75 per cent of the contributions to project costs and local authorities at 25 per cent of the cost. We are considering options to

finance the programme, and the model of the programme options includes local government borrowing for local authorities or use of the direct borrowing powers that we'll have from 2018, although we are operating the scheme currently, in terms of we are seeking—. As you'll be aware, there is a long lead-in time to an understanding about flooding and flooding management. So, we are seeking schemes already, despite the scheme's financing not officially starting before 2018. So, we're working with local authorities now in terms of what that may be in terms of the additionality of the £150 million.

[170] **Joyce Watson:** So, you're saying that you can't really give examples because you're actually working towards delivering some of those ideas into a project. But could you tell us how this differs from the core flood programme?

[171] **Carl Sargeant:** Well, it's additionality—

[172] **Joyce Watson:** It's just additionality.

[173] **Carl Sargeant:** It's additionality, and the model that we used on the other finance was a different finance model. Some was funded fully by NRW; some was funded partially by local authorities. It's just a different model. We've been very clear on what the finance deal is here in terms of taking this forward. Some authorities were able to draw down much more finance on the basis of their project scale than others. I've tried to bring some fairness into the system now because, of course, wherever you are, flooding is an important issue for every Member and for every community. So, I've tried to introduce some fairness into the system.

[174] **Joyce Watson:** Good; I'm really pleased to hear that. Are you content with the progress in implementing the recommendations of the NRW coastal review, and are you able to identify the seven recommendations that won't be complete by the end of the financial year?

[175] **Carl Sargeant:** I'm really pleased that we are going hammer and tongs trying to get through these, but there are some of the recommendations, as the Member raises, that are partnership recommendations in terms of how we take that forward. Can I write to the committee with detail on the seven, primarily to save some time, Chair, but also so that I don't get them wrong? There are only seven recommendations, but they are crucial in terms of working together with other organisations. It's not that we don't want to

finish them; it's just that we have to work with others to achieve them.

[176] **Alun Ffred Jones:** Jenny, did you want to come in? I'll come back to you.

[177] **Jenny Rathbone:** Do you have sufficient powers to ensure that planning authorities are ensuring that new building proposals are resilient to flooding and climate change—you know, things like what's been done in Grangetown and Llanelli? We need to have it in new schemes rather than creating new problems.

[178] **Carl Sargeant:** Do we have powers in place in planning that can prohibit development in terms of floodplains or have consideration of floodplains? Yes. Your second part of the question and what I think you're—

[179] **Jenny Rathbone:** Is really about building for the future.

[180] **Carl Sargeant:** Development. I think there are clear guidelines around what a good quality development is, but they are guidelines. Following your question the other week, actually, in the Chamber, I've asked my team to start thinking about whether there are things that we should stipulate in planning design and regulation about what we would expect for clever designs, for communities. So, that's not just the physical build of a house or infrastructure—a hotel or a building; the make-up of a community is equally important. So, we do have guidelines in place, but I am giving some further thought to whether we need to be clearer on that. I know one of your colleagues is quite keen on water soak-ins as well in terms of how that development is around communities.

[181] **Jenny Rathbone:** Excellent. Moving on to building design—

[182] **Alun Ffred Jones:** No, I'll come back. I'll let you go on with that in a minute. Joyce, just to finish.

[183] **Joyce Watson:** Thank you. I'm glad you mentioned surface water, but I can't leave this without asking, Minister, if you could expand on your comments about Fairbourne and that they will need long-term support; they're facing significant adaptations. I know you've met with the group, because we met together with them, but could you be specific, Minister, about examples of the type of support that would be required and the kind of adaptations that go alongside that?

10:00

[184] **Carl Sargeant:** I'm really grateful to the Member for her part in this and bringing in community representatives on this. It's a really important issue. I think flooding, or the potential of it, knowing that there is a high risk to your community, must be pretty devastating for any communities that consider potentially losing their homes and community. Fairbourne is exactly that community in some areas and we've looked at that and the long-term sustainability of that community. We've identified, through the plan, that, long term, it's highly likely that Fairbourne will have significant flooding risk to it. It comes in two stages, really. There's the hold-the-line aspect for the first 20-year period, and then the managed realignment in the second period, 20 to 50 years. Now, those dates are very flexible, because I have many powers but I don't control the climate or weather in terms of that much detail. And, on a very serious note, this community is at risk. What we have done, and will continue to do, is to work with the local authority to look at—. We're supporting them with an officer to work with the community to see what some of the solutions may be, but there will be a managed retreat of that community. The problem that we have there is pretty unique in that it's not directly subject to traditional flooding from the coast and sea. Actually, it comes up through the ground. We can't build a sea defence, because it comes up through the ground and floods the community. That's the risk to that community.

[185] **Alun Ffred Jones:** What's your relationship with the local authority with regard to Fairbourne? Because, obviously, it's a very sensitive—.

[186] **Joyce Watson:** Indeed it is.

[187] **Carl Sargeant:** It is a very sensitive issue. I think, if we're being absolutely honest, I don't think we've always—some of the parties, including ourselves, have always—got this right. We're dealing with people and homes here, and I'm very conscious of that. There are processes that we need to follow, which aren't popular sometimes, but we have to make sure that we engage with the community. That's part of the relationship with Gwynedd. Now, we are working very closely with them—and I commend them, actually, for the work they've done—about how we make sure that the community fully understands the resilience and risk issues that they are facing. It's something that I'm very keen for my team to work with Gwynedd closely on.

[188] **Joyce Watson:** And are there any other communities that you have identified that might share a risk like this?

[189] **Carl Sargeant:** Not in comparison to that. There are communities that obviously are at risk of flooding. We're familiar with them, and there is a risk plan across Wales in terms of shoreline management plans where we are trying to invest in those communities on flood defences. We've got a good record on investing in flooding here in Wales, but that's of little comfort to people who have been flooded. Sandy Mewies raised it with me the other month. There was an element of luck that her community wasn't flooded most recently. That was just to do with the way that the wind was blowing.

[190] **Alun Ffred Jones:** I know that others want to come in on this. I'll have to ask you to be brief. Sandy Mewies, then Janet.

[191] **Sandy Mewies:** Yes. Minister, good prediction. I am concerned, of course, about Ffynngroyw, Bagillt, areas like that. It was luck that the wind was blowing the right way for them, and the wrong way for flooding. But I'm interested in one of the things that you've talked about many times on these packages—. They include infrastructure resilience, and Network Rail must have a part to play in this because, all along our coastline, Network Rail are flooded. It causes severe disruption to the economy and other things, but also it's an excellent partnership for building in more resilience against these events. I wondered what sort of co-operation you were getting from Network Rail.

[192] **Carl Sargeant:** We do. The key to this is the long-term plan, and we've got some real good intelligence around how the waters flow now and where there are flood risks to communities. One of the problems with that is that we've got historic Network Rail and Railtrack lines that sometimes run right through the centre of floodplains. So, often, they are the first line of defence, but with our mapping systems we also have to look at major infrastructure, including rail and developments—power stations, substations—where they lie and where they're developed, to make sure that we minimise the risk, but we have some historic issues that are extremely challenging. I think, in one of the Members' constituencies, about the Cambrian line, where there was significant flooding just because it's where it is, and to move that is of massive significance in terms of how you would go about that. Network Rail are absolutely involved in our planning structures, as are many other organisations, including Edwina Hart's department in terms of infrastructure, and Jane Hutt's on investment, too. So, there is a collective around this.

[193] **Alun Ffred Jones:** Diolch yn fawr. Janet, on this.

[194] **Janet Haworth:** I really wanted to ask you about how you're balancing some of the pressures with building. We know there's that great need for additional housing—*[Inaudible.]*—and, you know, when it comes to the planning authorities, I don't think they are as rigorous as they should be in terms of what is going to be the impact of those 700 houses—or 80 houses; however many it is—on the flood resilience of the area. I don't think enough account is taken of that. And, also, you mentioned building regulation. I'm very aware in my own authority that the resources for building regulation inspectors are very strapped indeed, and in terms of their attention to detail and their attention to new-builds, it's very reliant on the resources they can deploy. And I think we saw that in the St Asaph floods—had the building regulation inspections been done rigorously, some of those problems that were later highlighted would have been attended to. So, it's during the planning decision process and it's also post—

[195] **Alun Ffred Jones:** Janet, can I ask for a question, please?

[196] **Janet Haworth:** Yes, well, I think the question is, Minister, really, are we doing enough? You talked about these powers, but are we doing enough so that, at grass-roots levels, it's actually biting?

[197] **Carl Sargeant:** The Member raises some important points there. Have we got a system in place that is able to deal with potential risk around flooding? We have technical advice note 15, we have the LDP process and flood risk assessments all in place. It's about interpretation and skills. That's why I've been talking to local planning authorities, through the planning Bill process, and saying, 'How do we ensure you have a resilient, strong service to be able to interpret these guidelines properly?' I've recently met again with the local authority building control. I've asked them to see whether they could—. They proposed that they should merge some services because of the pressures. I would encourage that. I've written to all authorities. Some authorities have been more proactive in terms of sharing expertise and resilience. Some have not. I'm not sure about her own authority, although I am familiar with them, but I do think that, sometimes, if I'm also being very honest—I've said this a number of times—part of the problem with the planning system is politics and politicians, because sometimes we seek to favour or not a development that is appropriate for that area or not appropriate for that area, and, quite frankly, they are putting people at risk.

And I don't say that lightly.

[198] **Janet Haworth:** Can I thank the Minister—

[199] **Alun Ffred Jones:** Sorry, Janet, I have to move on. I've got a lot of other areas to cover and I'm not going to get to them. Now, I'm going to jump to Julie Morgan. Could you discuss access, then I'll come back to you, Jenny?

[200] **Julie Morgan:** Yes, I wanted to ask about the Well-being of Future Generations (Wales) Act 2015. So, obviously, this is a groundbreaking Act, but it does obviously depend on the implementation, and I wondered if you could tell us about the national wellbeing indicators and how things are going in terms of developing those.

[201] **Carl Sargeant:** Yes. We went out yesterday on the publication of the indicators for consultation. So, they're out there, our first stab at them, and we've done a lot of work across departments around how we see the wellbeing of Wales being developed and reported on. So, I'm sure committee will have a view on this, but anybody who wishes to respond to them, we'd welcome their correspondence.

[202] **Julie Morgan:** Okay.

[203] **Carl Sargeant:** Sorry, I should just finish, if I may, Chair. We've issued around 40 indicators. We want a manageable suite of indicators. I'm already hearing that every organisation across Wales wants theirs in there. So, we'll just have to manage this appropriately as we move forward.

[204] **Julie Morgan:** Could you give us some examples of which you think are the, you know, very—well, they're all important, but any sort of particular ones?

[205] **Carl Sargeant:** One that I think is still in there that springs to mind is around low birth weight. That's not an example of an environmental issue, but it's one of the indicators that we would suggest is about wellbeing. They were out yesterday—

[206] **Julie Morgan:** Yes, I haven't read them yet—

[207] **Carl Sargeant:** —so, I do apologise that I don't have them—

[208] **Julie Morgan:** Yes, I haven't seen them—

[209] **Carl Sargeant:** —with me, but they are out there.

[210] **Julie Morgan:** Before I came here today, I went on a walking bus—you know, a school walking bus—in Ysgol y Wern in Cardiff North. I wondered how that sort of activity could be related to the indicators.

[211] **Carl Sargeant:** Um, yes—*[Laughter.]*

[212] **Julie Morgan:** I'm trying to work out how things, you know, relate to them to make them real.

[213] **Carl Sargeant:** Yes, I think—

[214] **Alun Ffred Jones:** It's not a prepared question, is it? *[Laughter.]*

[215] **Julie Morgan:** No, it's certainly not prepared. *[Laughter.]*

[216] **Carl Sargeant:** I think it's highly complex, the wellbeing of future generations Act. I think what I'm trying not to do is be specific on what particular action would make the real change to a community. This is about making sure the decision makers of our public sector bodies have the ability to look holistically at the goals and the principles of the well-being of future generations Act. I've offered many examples of an action that actually delivers on many aspects of the goal, and with the walking bus aspect that the Member raises, I can see there are actions around carbon reduction or being an environmentally healthier individual by doing that. It ticks all of those boxes, so I think it probably does fit, but just how it fits in the bigger plan is something that we'd probably have to think about.

[217] **Julie Morgan:** It just seems to be very important that those sorts of actions, which have got very wide benefits, have got a place in the wider plan so it isn't lost in theory. Then, I wondered about the guidance that will be issued to the public bodies. How specific is that going to be? Have you had any initial responses from public bodies about how they are going to respond to the guidance?

[218] **Carl Sargeant:** Yes, we've done an awful lot of work. One of my worries about this whole Bill was not about the—well, the Bill process was quite challenging for us all, I think. But, actually, the most important thing for me

was the delivery: how are we going to make sure this works now? I'm very keen on pursuing with my team—. We hope that we'll have a future generations commissioner in place shortly. I'm meeting the auditor general very soon to make sure everything's joined up. We've got the early adopters, we've got the people who aren't obliged by the Act already engaging in that in delivery. So, I'm positive about this approach, but the guidance will be critical in making sure that this is not just developed as a tick-box exercise; actually, you do something different for the long term.

[219] So, it is an exciting period of time. The guidance will be crucial. The indicators will give us a very clear pathway and intelligence about where we're going in Wales. I'm really surprised about the positive attitude—. I was talking to the chief medical officer only last week, and she'd come back from Australia, from a conference in Australia, and the theme of that conference was about the wellbeing of future generations. They were exploring how Wales had delivered what they wanted to do for the future, and we've already done it, so we should be very proud of that.

[220] **Alun Ffred Jones:** The indicators are not out, are they? They're out next week, are they?

[221] **Carl Sargeant:** I apologise. My team have just informed me—whispered in my ear—that it wasn't yesterday; it's Monday, I think. I just had the wrong Monday.

[222] **Julie Morgan:** I just wanted to follow that up. You said that bodies that weren't obliged to follow the Act are expressing an interest. Do you mean the voluntary sector?

[223] **Carl Sargeant:** The voluntary sector, and South Wales Police is a good example—they've adopted the policy and they are taking that through. I met the assistant chief constable only two weeks ago, who was saying how they will start to model their services, because they predominantly work in Wales—why wouldn't they?

[224] **Alun Ffred Jones:** I'm going to try and get two other areas in. I'll start with Bill with forestry, and then I'll come to you, Jenny.

[225] **William Powell:** Moving to the theme of forestry, Minister, could you provide us with a brief update on progress that's been achieved so far to tackle the spread of phytophthora ramorum and ash dieback in Welsh

forestry and woodland?

10:15

[226] **Carl Sargeant:** Okay. *P. ramorum* continues to have a significant impact on larch in Wales. The action taken under the Welsh Government disease management and control strategy has led to a significant reduction in its rate of spread. The majority—around 90 per cent—of the infected larch is within the core disease zone and on Welsh Government woodland estate. Natural Resources Wales have felled around 2,800 ha of infected larch, around 23 per cent of the larch on Welsh Government land. We are continuing to monitor and act appropriately in the felling of infected larch, but it is a huge challenge—not the removal as such, but the replanting process. This is something that we weren't expecting to have to deal with, and it's another pressure in the system where we are looking to manage that.

[227] In terms of ash dieback, the disease is not found in high densities, but so far has mainly affected the young trees planted in Wales. The trees tended to show symptoms—or a few branches—and, to date, this has not resulted in a widespread loss of mature trees. Where infections are found, the tree health officers provide guidance to landowners in line with the management plan around that too.

[228] **William Powell:** I am grateful for that comprehensive answer, Minister. I believe that Glastir woodland is maybe a cross-over responsibility with your Deputy Minister, but I wonder whether you can give us an indication as to the level of replanting of felled infected timber that we can expect to be achieved by the end of this Assembly.

[229] **Carl Sargeant:** It is a cross-over, but I do have some figures around woodland restoration. Forty expressions of interest for the Glastir woodland restoration scheme were received. Subject to satisfactory forestry management plans being provided by the applicant, we would expect around 300 ha of larch woodland to be restocked by March 2016.

[230] **William Powell:** That's encouraging. Is the Welsh Government able to support the nursery sector in developing more resilient species of some of the trees so that we don't have long-term impact on our landscape?

[231] **Carl Sargeant:** Yes. I visited a nursery just outside Wrexham where they're creating some really interesting stock, where they've been developing

much more resilient, quick-growth trees. It's quite impressive really. They've got a laboratory there now; so, the growth of these trees is highly technical, whereas I thought you just put it in the garden. But, these guys really do know what they're doing. It is about seeing whether we can create a much more resilient tree for planting in Wales, and broader, actually. The impact of *P. ramorum* has been devastating to the larch in Wales to the extent, potentially, if we don't change the way that we grow the larch—the method—or the DNA of larch, we could see the end of that in Wales.

[232] **William Powell:** Absolutely. Chair, finally, if I may turn the focus more to more mature trees, there is concern in some parts of Wales that the level of protection that's offered to ancient and veteran trees isn't of the level that would be appropriate. Particularly, I think, the mainland European tradition is to be much more protective of ancient trees—ancient oaks and other species. Do you feel that the tree preservation order system is currently sort of functional and fit for purpose, and would you give consideration to potentially strengthening that if there's evidence that it's undermining our ancient tree network?

[233] **Carl Sargeant:** I think the TPOs do work. They are effective in operation, but I do know that this is slightly a trick question, Chair, because I know that the Member has written to me recently on a special tree that is potentially in the middle of a new road development.

[234] **Alun Ffred Jones:** You don't have to answer.

[235] **William Powell:** Specific and general, Chair.

[236] **Carl Sargeant:** I am looking at that specifically, but I suppose—

[237] **Alun Ffred Jones:** I think we'd better leave that between you two. I'd like to ask Jenny Rathbone to take another area—building regulations.

[238] **Jenny Rathbone:** I think that one of the most disappointing decisions of the UK Government in July was to tear up the zero carbon regulations for new homes. What are the barriers for us to introduce that to keep going with the zero-carbon homes regulation from next year in Wales?

[239] **Carl Sargeant:** I think we've been on a difficult journey in terms of balancing development between the economy and the environment and how we manage that effectively. What's helped us—I'll articulate this in terms of

moving forward—is the future generations Act in saying what we do now has an impact tomorrow, and how are we able to balance that. I've always said that there is absolutely space for the economy and the environment to work hand-in-hand, rather than in conflict.

[240] So, I think, in Wales, particularly, we are pursuing, still, with vigour, opportunities for nearly zero-carbon homes. That's still our ambition. We will continue to do that through building regulations. We've got a review of Part L in early 2016 to see, again, at what stage we move forward to the next level of energy efficiency around our developments. But, it has been a challenging time for the industry. We think we've respected that in terms of not moving on as quickly as we'd originally indicated, but we are confident that the market is turning around in construction now, and therefore it presents us with a new opportunity of doing something different again.

[241] **Jenny Rathbone:** Given that it's going to be an obligation across Europe from 2020, for all new buildings—and the committee visited the Solcer house last week—is there not the possibility that we could fast forward the sort of buildings that we're going to need for the twenty-first century, rather than having four years of building stuff that we're going to have to retrofit?

[242] **Carl Sargeant:** I share the Member's vision. When I was housing Minister, I was looking at alternative methods of construction and build. We do have some great examples, the Solcer house being one—I've visited there, also. I think we're in a difficult space. The regulation and the legislation is one thing, but getting developers and people to understand that this is a good thing too is another one. Certainly, the developers, generally, build six types of house—different paint and different architecture, but they're pretty much the same—and that's the market. I'm trying to encourage, particularly RSLs and I've met with Lesley Griffiths about this, saying 'If we're going to make investments to this, why don't we build clever solutions?' So, clever homes for clever people. There's something in that that I'd like to explore more. Generally, on price wise, there's not much difference in this, but long term, there's a huge cost saving, environmentally and financially. So, this isn't rocket science; this makes sense to do. I'm with you. It's just about how we enable other people to get into that space too.

[243] **Jenny Rathbone:** Okay. We'll perhaps take it up with—

[244] **Alun Ffred Jones:** Julie Morgan, very quickly.

[245] **Julie Morgan:** I just wondered what you are actually doing with the big house builders. Obviously, to make a real impact, we've got to get them to adopt the right standards and the more houses that are built without those, the more problems there are going to be in the future. So, I wondered what you were able to do, whether you meet with them regularly to try to influence them, or—. Because there does seem some reluctance amongst some of the big house builders.

[246] **Carl Sargeant:** I think 'some reluctance' is an understatement, Chair. *[Laughter.]*

[247] **Julie Morgan:** I'm trying to be polite.

[248] **Carl Sargeant:** I meet with house builders. I meet with the housing Minister on issues relating to new developments regularly—the design and quality standards, et cetera. As I said to Jenny, I think there is a profit margin and a market that is proven to developers, in terms of what they do and how they do this, particularly the big housing market, because they operate not in isolation in Wales; they operate in England too and the market is bigger there, by virtue. So, it's quite difficult to get some of the big organisations to move into something that we would perceive as clever homes, rather than traditional. So, I do meet them; I'm meeting with them in the next two weeks, I think, to have another discussion about the issues. Generally, we receive pressures from the sector, as opposed to 'asks' from the Minister, but it is something I will explore with them. I'll make sure that it's on the agenda when I speak to them next.

[249] **Alun Ffred Jones:** Llyr, lastly.

[250] **Llyr Gruffydd:** There have been significant announcements in England, of course, around zero-carbon homes, before the summer, and one of those was that the allowable solutions concept, which would have enabled developers to offset greenhouse gas savings off site, where it wasn't cost effective to do it on site, has now been dropped. What are your views on whether or not the allowable solutions concept should be taken forward in Wales?

[251] **Carl Sargeant:** It doesn't fix the problem, does it? It just moves the problem elsewhere, and offsetting risk—. There are two issues here. I'm not a big fan of that. Actually, I think we can present an opportunity to do

something better here in Wales, and why wouldn't we do it? The allowable solutions concept is one that I don't particularly support. There is a bigger question here, fundamentally, about the EU regulations and about meeting the targets that are set, and how the modelling looks in terms of achieving that and the current standards. If we continue on the trajectory that we are on today, then we won't make that and the UK won't make that. Therefore, is there something that—? The risk to the environment and the risk to people are about—. Is carbon offsetting—financial offsetting—going to be the answer to not achieving the targets with the EU at a later date? That worries me, actually, because we could do something physically to get there in the interim. So, it's a hypothetical question. If we don't do something now to change, we're not going to meet the targets and, therefore, the carbon-offsetting stuff will be a necessity. I just hope that's not the driver, so, the endgame is about just paying cash in a different way. We could do something clever that will have a long-term benefit.

[252] **Llyr Gruffydd:** So, do you not regret setting the regulations, the Part L standards, at 8 per cent and thus setting that trajectory, which means that we're off the mark?

[253] **Carl Sargeant:** No, I don't regret that at all. I think it was a very conscious decision. As I said, the market was floundering; we were seeing significant unemployment being developed in the sector. I think we are in a different place now and I think that hasn't taken us off track in terms of the ability to deliver on that at this stage, providing we do something different. I said to you if we maintain the trajectory of this line of doing nothing, we won't make that, but we can make those targets if we do something different. So, the interim change of policy has been effective. I don't regret that at all. It was welcomed by the sector. Of course, it would be—

[254] **Alun Ffred Jones:** I take your point. I'm afraid—. One final last question off Russell George.

[255] **Russell George:** Thank you, Chair. Minister, your consultation on the options for the improvement of opportunities for outdoor recreation and access finished, I think, last week or the week before. Can I just ask you what actions are likely to be taken forward in this Assembly, as regards that consultation?

[256] **Carl Sargeant:** We'll start to decipher from the consultation what the regulation will look like. We will not be legislating in this term of Government

on that access, but we will start to develop a process of what we think should be developed by the next Government, and leave that as a legacy document.

[257] **Russell George:** I appreciate the legislation would be taken forward next time, but I know in the consultation document it says:

[258] ‘Your views will inform priorities for the remainder of this term, and the decisions of a future Government.’

[259] So, I was just wondering what that was with regard to.

[260] **Carl Sargeant:** Well, again, whether we drop it completely or we pursue it with vigour. I think what I need to understand is what comes back from the consultation. Once I've understood that then I will either instruct my officials to start work on, potentially, a draft Bill or something for the future, but it certainly won't be happening in this term of Government.

[261] **Alun Ffred Jones:** Diolch yn fawr iawn. Thank you very much, Minister and your officials, for answering many—most, well all the questions that were asked, obviously, and most that were down to be asked.

[262] Felly, diolch yn fawr iawn. So, thank you very much.

[263] Thank you very much. We'll take a break now and we'll come back in 10 minutes.

*Gohiriwyd y cyfarfod rhwng 10:28 a 10:38.
The meeting adjourned between 10:28 and 10:38.*

Sesiwn Graffu Gyffredinol: Y Dirprwy Weinidog Ffermio a Bwyd General Scrutiny Session: Deputy Minister for Farming and Food

[264] **Alun Ffred Jones:** Croeso yn ôl i ail ran y pwyllgor. Rydym yn holi'r Dirprwy Weinidog Ffermio a Bwyd, Rebecca Evans, a'i thîm. A gaf i groesawu Rebecca Evans, y Gweinidog, atom ni, a'i thîm? Croeso i'r tri ohonoch chi. A gaf fi ofyn ichi, Ddirprwy Weinidog, jest i gyflwyno'ch hunan er mwyn y record, a'ch

[265] **Alun Ffred Jones:** Welcome back to the second part of the committee. We will be asking questions of the Deputy Minister for Farming and Food, Rebecca Evans, and her team. May I welcome Rebecca Evans, the Deputy Minister, and her team? I welcome the three of you. May I ask you, Deputy Minister,

swyddogion hefyd? Diolch yn fawr.

to introduce yourself for the record, and also your officials? Thank you very much.

[266] **The Deputy Minister for Farming and Food (Rebecca Evans):** Yes, Rebecca Evans, Deputy Minister for Farming and Food. To my right, Andrew Slade, director of agriculture, food and marine; and, on my left, Christianne Glossop, Chief Veterinary Officer for Wales.

[267] **Alun Ffred Jones:** Diolch yn fawr. Rydym yn ddiolchgar iawn i chi am ddod atom ni y bore yma. Mae yna nifer o feysydd rydym eisiau craffu arny'n nhw y bore yma. Dechreuaf efo Llyr Gruffydd ar brisiau.

Alun Ffred Jones: Thank you very much. We are very grateful to you for joining us this morning. We have a number of areas that we would like to scrutinise this morning. I will turn to Llyr Gruffydd on prices.

[268] **Llyr Gruffydd:** Bore da. I'm particularly keen to ask a few questions around the additional direct support that dairy farmers are going to be receiving following the money coming from the European Union. Could you tell us first of all when you expect dairy farmers are likely to receive the additional support?

[269] **Rebecca Evans:** That additional money totals £3.2 million straight into the bank accounts of dairy farmers in Wales. That was part of the negotiations that took place at the most recent agri council meeting in Brussels. I can confirm that we should see those payments in farmers' bank accounts by the end of December. There were specific rules attached to that payment, one of which was that all payments had to be made through a national paying agency. So, on this occasion, the Rural Payments Agency will be making it on behalf of all the UK nations. So, we should see that by the end of December.

[270] **Llyr Gruffydd:** End of December; okay, thank you for that. Did you give any thought to implementing a system that actually reflected the price of milk that farmers received, as opposed to just a flat rate per litre?

[271] **Rebecca Evans:** I did; I gave some thought as to how, and if, it would be possible to target that payment, but given the short timescale available to us to make those payments given to us by the European Commission, I felt that it would just be impractical to take people away from implementing our

basic payment scheme system in order to try and create a system which might reflect, for example, the price that farmers were attracting for their milk, because we know that there's a huge variety right across Wales. It was a judgment call to make at the end of day in terms of how quickly we could get payments out, and how simple the system could be. If I could have targeted it or spent it in a different way in a practical way, then I probably would have done, but it was a pragmatic, practical choice that I had to make.

[272] **Llyr Gruffydd:** And what consideration have you made of the potential of match funding those payments from Welsh Government?

[273] **Rebecca Evans:** I wouldn't be making any additional match funding to those payments, because that would end up taking money away from other farmers in other sectors. We know that the red meat sector is also struggling at the moment, and arable farmers are facing a tough time as well. So, it wouldn't be right to take money away from those farmers to top up payments which have come from the European Commission. The money for dairy farmers has come from the super levy at a European level, so in that sense it was right that it should go to our dairy farmers.

[274] **Llyr Gruffydd:** There is an opportunity, of course, to make applications to the EU promotion programme as well. Are you working with Hybu Cig Cymru and the Agriculture and Horticulture Development Board to make such applications?

[275] **Rebecca Evans:** Yes, and we've been successful on two occasions already in the past. In 2014, I was able to announce funding of €4.1 million to Hybu Cig Cymru, and that scheme was a three-year scheme targeted at raising awareness of protected geographical indication Welsh lamb and beef in Germany and Italy, and then Welsh lamb in Sweden and Denmark. Those markets were particularly chosen because they are emerging markets for us, and ones in which we think that now we've got a foothold, we can certainly make some further progress as well. So, they were targeted markets.

[276] The kind of campaigns that we'll be running in those markets include specific trade missions to each of those four countries, and then digital advertising, posters, presence at international trade fairs, and so on, and that's all about promoting our PGI status for Welsh lamb and beef. That comes on the heels, then, of the previous campaign, which was also successfully funded through the European Commission. That was run up until 2014; again, another €4 million project. That was educating consumers

in France, Germany and Italy of the benefits of the PGI status, using Welsh lamb and beef as the conduit for doing that. We know that when the project started, consumer awareness of PGI status in Germany was just 6 per cent, but by the end of that it had risen to 27 per cent. So, we feel that being involved in these campaigns, which are funded through the European Union, is really important; a great opportunity as well for us to make the most of our membership of the European Union.

[277] **Llyr Gruffydd:** Thank you for that. Given that we all recognise the difficulties facing farmers at the moment, can you clarify whether the Welsh Government has considered making advance payments under Glastir and organic schemes as well?

[278] **Rebecca Evans:** Again, it's a question of balance in terms of what's possible and what's realistic. The rules that were relaxed by the European Commission related really to the on-the-spot kind of checks that we would be able to undertake, and that would allow you to pay up to 85 per cent in October of this year. But it's not a realistic possibility for us, because we're in the first year of a new system where we are looking at the different land parcels again, and getting them into our system. So, it just wasn't going to be practical to do that. I think the most important thing that we need to be doing—all our efforts need to be going towards getting those basic payment scheme payments into farmers' bank accounts as soon as we possibly can when the payment window opens in December.

10:45

[279] **Llyr Gruffydd:** Another area that's coming, maybe, more to the fore at the moment is the need to look again at the import quota for lamb, something that you've touched on in your paper. Could you tell us whether you've had any conversations with the European Commission about that prospect, and whether other UK administrations might be minded to support that view?

[280] **Rebecca Evans:** Yes, I've made these points to my colleagues again at the agri council meetings in Brussels—that we do need to look again at the level of imports of New Zealand lamb to the European Union. I think it's important that we remember that New Zealand has not hit its quota for lamb for many years now anyway, so it's obviously a very generous quota. The European commissioner, Phil Hogan, when he was at the Royal Welsh Show, announced that he would be setting up a reflection group specifically to look

at lamb, and I was able to ensure that we have a Welsh presence on that group and Hybu Cig Cymru will be taking that forward for us. One of the messages they'll be looking at, and one of the things they'll be looking at very carefully, will be the quota issue with New Zealand lamb. But colleagues are in no confusion as to what Welsh Government's view is in terms of the quotas being a barrier to our trade.

[281] **Llyr Gruffydd:** And other UK administrations would be supportive of that view, do you think?

[282] **Rebecca Evans:** I haven't had that explicit confirmation from them, because, I have to say, when we do attend these meetings with Ministers, I tend to be the voice speaking up for the red meat industry, because it is so important to Welsh farmers, whereas other nations do have a more mixed farming picture. So, I tend to be the voice of red meat at these meetings.

[283] **Llyr Gruffydd:** Thank you.

[284] **Alun Ffred Jones:** Okay. We'll take another direction. Mick Antoniw.

[285] **Mick Antoniw:** I wanted to ask a bit about the panel and the interim Order. Your note's been helpful; I just wondered if you could perhaps, just for the record to start with, indicate when you expect these Orders to be laid now.

[286] **Rebecca Evans:** Yes, the Order to establish the panel, which will be subject to the affirmative procedure in the Assembly, will be laid on 12 January, and there will be a debate in the Assembly on 2 February. So, the Order then, if that goes through, would be expected to come into force on the following day, and that's the 3 February 2016. So, the appointment then of panel members will commence on 5 February, and I have just signed off the panel members' job descriptions and so on as well, so we're making progress with that.

[287] With regard to the interim Order, again, we're making some progress there. The consultation on that closed in August, and that would be an Order which comes under the negative procedure in the Assembly and is due to come into force in December of this year. So, to meet that deadline, it would have to be laid before the Assembly, certainly towards the end of this term.

[288] **Mick Antoniw:** Thank you for that. I've got a couple of questions that I

want to pursue with you. Just one on the panel. One of the issues that came up when this whole issue was being discussed, and in the legislation as well, was the future of the industry, which involved training, and indeed, young farmers and so on. Is it likely that there'll be representation of young farmers on the panel?

[289] **Rebecca Evans:** I certainly would hope that young farmers would be on the panel. We will have members of the panel representing specifically the education and skills sector, hopefully forming a sub-group of the panel, because those members weren't necessarily comfortable with being involved in the negotiations on pay, for example, but they did want to play a key role in terms of advising Government on the future role of skills and so on in the industry. I'm hoping for a diverse panel, so we'll be advertising widely for these posts. Obviously, we'd encourage people from under-represented groups to apply for the panel, and that would include young people, because we don't often see enough young people on our panels and our advisory groups.

[290] **Mick Antoniw:** Okay; that's very helpful. On the interim Order itself, you've come to the view that a 6 per cent increase will be applied to take up, I suppose, the last two or three years when there's been no increase. Is this going to be a figure that's going to be backdated in any way, or is it basically, 'Stay as we are up until the implementation of the Order and then a 6 per cent increase'?

[291] **Rebecca Evans:** That's right. The grade 1 has always been increasing to reflect the increase in the national minimum wage, but the new levels will come into force on the day that the Order comes into force. So, that will be in December of this year, if everything, you know, passes through the Assembly, as I hope it will.

[292] **Mick Antoniw:** In terms, then, of the actual panel and, of course, when it starts meeting, the terms of reference of the panel and your intention as to how you see the panel meeting, and how it operates, I wondered to what extent, in the interim order, but also in the preparations for the panel itself, you've taken account of measures that are already proposed with regard to the minimum wage by the UK Government, but also consideration in terms of the viability of the industry and the position of people who work in that industry of the impact of the whole tax credit changes that are coming in. Are those factors that have been taken into account in any way so far, and is it your intention that those are factors that should be taken into account and

considered by the panel in its future deliberations?

[293] **Rebecca Evans:** Well, I do want to give the future panel a level of autonomy and independence, because I think that's really important, because this is a negotiating tool between the industry, in terms of farmworkers and their employers. So, I certainly wouldn't want to dictate the way in which the panel might want to undertake its work in future. However, there will be things that I'm sure the panel will want to look at, including those issues you've just described regarding the tax credits, but also the living wage proposals and so on as well. So, these are things that I would hope the panel would grapple with, but I certainly don't want to prescribe the approach that the panel might want to take, because the Order that I've consulted on, in terms of making an interim Order, that is very much with the aim of not causing too much disruption, whereas the new panel might want to come up with an entirely new approach and might want to do away with the six grades that we have and replace them with something else, looking at models elsewhere. So, it really is for the panel to take their own approach.

[294] **Mick Antoniw:** But that is going to—. I mean, it is an advisory panel to you, so you take the decisions, but there is going to be a requirement, is there not, that you effectively set the terms and reference of the way in which the panel operates, because you must have a direction? This isn't going to be a sort of stand-free for the advisory panel to do what it wants; it's clearly got to work within a set of terms of reference as to what you want to achieve, both in the future of the industry, the attractiveness of it, and so on. Will you be publishing some terms of reference for the panel?

[295] **Rebecca Evans:** I will, and I'd certainly be more than happy to share that with the committee when it's in a position to be shared.

[296] **Mick Antoniw:** And then one final question, Chair, with your discretion, in terms of the interim order, how will that leave us vis-à-vis the similar workforce in England, where there is no interim Order and no similar situation? Will the terms be more advantageous under the interim Order you're making than exist already in agriculture in England?

[297] **Rebecca Evans:** Well, it would be difficult to compare because, obviously, workers in England no longer have the protection available to them under the agricultural wages board. So, you can't compare one with another anymore.

[298] **Mick Antoniw:** Will that be an area of work of the panel to consider within the terms of reference?

[299] **Rebecca Evans:** The panel want to look in the round at agriculture in the UK, but certainly, their focus will be on what's best for agricultural workers in Wales and what's best for the future of the agriculture industry in Wales.

[300] **Mick Antoniw:** Okay, thank you.

[301] **Alun Ffred Jones:** Does the 6 per cent actually bring the wages up to the living wage?

[302] **Rebecca Evans:** From grade 2 upwards, it does. Grade 1, at the moment, is an introductory grade, so nobody should be expected to stay on grade 1 for more than six months. So, once you've been on grade 1, you're expected to move up to grade 2. So, from grade 2 onwards, it is a living wage.

[303] **Alun Ffred Jones:** Diolch yn fawr. Thank you, Mick, for that line of questioning. Janet Haworth, would you like to take up the EID?

[304] **Janet Haworth:** Yes. On page 30, where we're talking about the EID Cymru system, the IT systems, how confident are you that relevant IT systems will be in place in time to enable the introduction of EID in November?

[305] **Rebecca Evans:** I'm confident that the systems will be in place in order to deliver EID Cymru to the livestock markets and abattoirs—when we start in November, so that the high throughput places have it, and then in January when we move to extending that to all farmers.

[306] **Janet Howarth:** You will be aware, of course, that, out and about in rural Wales, particularly farmers in hard-to-reach places are experiencing difficulties with broadband access. Have you any plans in place for resolving those matters?

[307] **Rebecca Evans:** I work closely with the Deputy Minister for Skills and Technology on the issues of broadband, but farmers will be able to log their movements in paper form if they choose to do so, and Hybu Cig Cymru will be offering the service to them to do that. So, there is an option at the

moment to continue to make these movements known on paper.

[308] **Janet Haworth:** But you will be aware that farmers are already experiencing problems with internet connections for a number of forms they have to fill in online.

[309] **Rebecca Evans:** I appreciate that, but then you'll also appreciate that, by next year, Wales will be the most broadband-connected country in Europe. So, we are making great strides in this field, and offering the paper system through Hybu Cig Cymru is one way in which we are recognising that some farmers will have difficulties, and some farmers, we know, will struggle to embrace technology whether or not they actually have access to broadband. You know, I understand that, so this is why we've taken this pragmatic approach.

[310] **Alun Ffred Jones:** Okay. Does anybody want to pursue this? No. Common agricultural policy. Who's going to—? Llyr Gruffydd.

[311] **Llyr Gruffydd:** Can you give an indication as to when farmers are likely to find out how much they're likely to receive, because when the payment is made is one thing, but what farmers really need to know is what they can expect?

[312] **Rebecca Evans:** Well, the payment calculator should be back up online very shortly, so farmers will be able to get an indication, certainly, of their payments over the next five years from that. Then, when farmers have their part payment in December, they'll have an indicative statement showing where they'll be over the next five years. When farmers receive their final payment in April, that's when, obviously, they'll know their full entitlement, but the part payment that we've talked about will be in the region of 70 per cent to 80 per cent of each individual farmer's payment. You're more than aware of the reasons for that, with it being the first year of the new system with the new controls and so on that need to be completed before we can get those payments out.

[313] **Llyr Gruffydd:** Yes. You said the calculator will be back up shortly. That's something that has greatly exercised a number of my constituents. 'Shortly' means weeks? A month or two?

[314] **Rebecca Evans:** Oh, much less than that—

[315] **Llyr Gruffydd:** Days?

[316] **Mr Slade:** It could be days. There's a meeting with stakeholders this morning. You'll be aware that we had to go back to the European Commission on the nature of the transition of the redistributive component of the new subsidy regime. We now have that approval and clarification from the Commission. So, the technical bit has been resolved, and we're just talking that through with stakeholders today.

[317] **Llyr Gruffydd:** Okay. Thank you, because I think a few people were quite taken aback when they saw the calculation that was given to them. I take it that you're therefore confident that Rural Payments Wales has the resources it needs to process payment applications and to enable all payments to happen before the end of the window.

[318] **Rebecca Evans:** Yes.

[319] **Llyr Gruffydd:** Okay. Thank you.

[320] **Alun Ffred Jones:** Russell George.

[321] **Russell George:** Thank you, Chair. I just want, perhaps, to clarify some of your earlier answers, Minister. In your paper to us, you do say that farmers—you will pay

[322] 'as early as possible in the 2015 payment window, which opens on 1 December 2015.'

[323] Can you be a bit more specific about that or tell us when you will be able to provide the date, at least? Of course, a lot of rural businesses especially are depending on payments from farmers; a lot of farmers won't be able to make payments to their suppliers. So, there is a significant cash flow issue here. So, when you say 'as early as possible', can you provide us with a bit more detail on that, please?

[324] **Rebecca Evans:** Yes. I can only repeat to you what I said to you during questions this week, which is that we aim to pay the majority of farmers during December of this year and then the remainder very early next year. So, that gives you an idea as to what we're working to at the moment. None of this, of course, is going to be particular news because I've been saying the same thing now for over a year, and we've made it clear in *Gwlad*, for

example, that farmers shouldn't expect to receive the same amount of money on the same date as they did last year for this next year as well. So, I feel confident that we have had open discussions with the industry and we've kept the industry involved and well informed in terms of payments. So, there shouldn't be any surprises for farmers, in the sense that we've told them for a long time that they can't expect the same amount on the same day.

11:00

[325] **Russell George:** So, the payments are being made before Christmas.

[326] **Rebecca Evans:** The majority of part payments will be made by the end of December, and the remainder at the start of next year. That's what we're working to at the moment. Any change, obviously, I will inform you and the industry of.

[327] **Alun Ffred Jones:** Can you provide an update on the developments with the latest legal challenge to the basic payment scheme?

[328] **Rebecca Evans:** Well, I can't really add anything to what the business Minister gave you yesterday in the Chamber in the business statement. We received the pre-action letter from a group of farmers, and then responded. Then we've had a further letter, to which we're currently considering the response at the moment. Given the circumstances, I don't think that you'd expect me to be able to say any more than that.

[329] **Alun Ffred Jones:** Iawn. Diolch **Alun Ffred Jones:** Okay. Thank you yn fawr. Reit, y cynllun datblygu very much. Right, the rural gwledig—yr RDP. development plan—the RDP.

[330] Joyce Watson to kick off.

[331] **Joyce Watson:** Good morning, Deputy Minister. I wonder if you're in a position to outline when you might expect to announce a diary of dates and deadlines for rural development schemes for the next 18 months.

[332] **Rebecca Evans:** Well, some of this is already available anyway, up on the Welsh Government's website. For example, the Glastir woodland creation, woodland restoration, organic and advanced 2016 windows are already open for farmers to make their applications to. The window for the rural community development fund closes today. I will be making some further

announcements on new windows for Glastir advanced and Glastir woodland restoration very soon, but I think that we have to wait, really, for the Welsh Government to consider any implications of the UK's budget settlement in November. When Members of the Assembly have agreed the budget for the next year, that's when I'll be at a stage at which I can start offering a further diary or calendar of dates for the next expressions of interest windows. Obviously, we have one available on the website at the moment but they are starting to come to the end of those windows, and we'll be considering the applications that we received.

[333] **Mr Slade:** If I may, just a point of clarification: the rural community development fund window closes at the end of January, and it's the co-operation measures window that closes today.

[334] **Joyce Watson:** Thank you for that. Are you able to confirm how many expressions of interest in the food business investment scheme and the sustainable production grant scheme the Government has received?

[335] **Rebecca Evans:** Well, we've had 270 applications for the sustainable production grant. So, that's a total project value of over £100 million, and a total grant request of £38 million. So, I think that's really testimony to how popular this scheme has proved to be, despite some of the criticisms it has received. I think it is also testimony to the fact that many farm businesses are looking to the long term to make transformational change to their businesses as well. So, I was very pleased with the response that we've had for that.

[336] You also asked about the food business investment scheme, we have had 85 expressions of interest there. The budget for that window is £8 million, but as for the total grant requested, we've had nearly £45 million-worth of grant requested. So, again, this is testimony to the sheer confidence that there is in the food industry at the moment and the kind of entrepreneurial spirit that we are seeing from many of our farmers, and others in the food industry as well. So, we're at the stage now when we'll be looking at each of those applications with a view to making decisions once we've considered them.

[337] **Alun Ffred Jones:** Would you be looking to expand the £8 million available? Is that possible?

[338] **Rebecca Evans:** We'll be considering opening further windows of

expressions of interest in due course, and any businesses or any applicants who have been unsuccessful this time could certainly take their proposal over to the next scheme as well.

[339] **Joyce Watson:** Can I ask you, Minister: do you link these schemes with other schemes so that the value that's added into that locality is greater than just, you know, the sum of its parts, in terms of, let's say, tourism or economic development? Because this is only one aspect, isn't it, of the total effect that could be made?

[340] **Mr Slade:** It's a very important point. We're working very closely with colleagues across the rest of Welsh Government and with partners on the ground to make sure that, as you say, we get absolutely maximum value out of these investments. The other thing that's a feature of this rural development programme, which is one of the things that the programme monitoring committee and others have picked up, is that we're moving forward with an integrated package, so that different parts of the programme relate to one another. So, if you're getting advice on something, you can also get advice about how to access the capital grants component. There are a range of other elements of the programme that we're trying to weave together, so that you get, as I say, the best value from the investment.

[341] **Joyce Watson:** Good. Thank you.

[342] **Alun Ffred Jones:** William Powell.

[343] **William Powell:** Diolch, Gadeirydd. You referred earlier, Minister, to the criticisms that have been levied in terms of specific aspects of the sustainable production grant. One that's come from both NFU and FUW, I believe, was around the size of eligible projects. How do you respond to the criticisms in that particular respect?

[344] **Rebecca Evans:** Well, the purpose of the sustainable production grant is to achieve transformational change in farm businesses. It's not about keeping a farm business afloat; this is about really changing and making a farm business more profitable, more resilient, more able to contribute to the local economy, perhaps creating jobs and growth, and delivering for the environment, and so on. So, the minimum amount that a project would cost would be £40,000, but we have allowed farmers to spread that over four years, and what it would mean in terms of cost to the farmer would be an investment of £6,000 a year over four years. For a farm business that could

achieve real change in terms of its profitability, that I don't think is an unreasonable amount of investment, on the part of the farmer, to make over four years—£6,000 a year.

[345] **Alun Ffred Jones:** Is it on that point, Llyr?

[346] **Llyr Gruffydd:** Yes. But, surely, in this current climate, you have to recognise that that is very much beyond the possibilities of most farmers at the moment.

[347] **Rebecca Evans:** That isn't necessarily borne out, then, by the popularity of the sustainable production grant, which many farmers have expressed a keenness to enter.

[348] **Llyr Gruffydd:** Well, how many—? Sorry, was it 100 expressions of interest? How many farms are there? You know, it's—

[349] **Rebecca Evans:** We've had 270, and this is only the first expression of interest for this. This particular grant isn't going to be for every farmer,

[350] **Llyr Gruffydd:** No, quite. That's the point.

[351] **Rebecca Evans:** —and I appreciate that there will be other projects. I understand the kind of project you're talking about. For example the Welsh Government provided 1,500 farmers with vouchers for £500 to help them with electronic reading and so on. There might be opportunities to do that kind of project in the future—

[352] **Llyr Gruffydd:** There might be.

[353] **Rebecca Evans:** There might be. I appreciate the value of them, because they do take a group of farmers, en masse, to a new way of working, and I think there's a lot of value in that. Whereas, just offering, perhaps, a £500 grant for a farmer to do something that they would like to do on the farm—it doesn't stretch very far. You know, you could—

[354] **Llyr Gruffydd:** No, no—

[355] **Rebecca Evans:** —have millions of pounds going out of the door and achieving very little. So, we have to be careful about what we spend—

[356] **Llyr Gruffydd:** I agree with everything that you've said, but I do think that farmers would like to know whether the Government's intention is to bring forward a scheme at a lower level, which would be more accessible for a wider audience of farmers who, as you say, could do with that leg up just to get up to that next level of efficiency and resilience as a business.

[357] **Rebecca Evans:** As I've said, there are no plans to do that at the moment, but this is a seven to 10-year programme, and it's a very flexible programme that is responsive to needs as well. So, there might be opportunities in future to look at similar schemes that will take groups of farmers, en masse, to a new place.

[358] **Llyr Gruffydd:** So, why is that not being considered at the moment, then? Why is that something that you're saying you'll look at a future date? Is there a reason for that?

[359] **Rebecca Evans:** No. The reason is because we believe that, at the moment, to achieve the kind of change that we need the industry to achieve will require these larger grants for farm businesses.

[360] **Llyr Gruffydd:** So, you're suggesting the capacity that you have at the moment can handle what you're doing at the moment, and maybe additional programmes wouldn't be manageable at the same time.

[361] **Rebecca Evans:** No, this isn't about capacity. This is about priorities, and the priority, at the moment, is for these larger schemes, which we believe will make a serious change in many farm businesses.

[362] **Mr Slade:** There's also quite a strong European legislation element to all this. The grant scheme proposals in the programme say you've got to be very careful about setting a sufficient threshold for the project to be worth doing in terms of the outcomes achieved. So, it's not a question of us coming up with micro-grant proposals; the programme doesn't allow us to do that.

[363] **Alun Ffred Jones:** Jenny Rathbone.

[364] **Jenny Rathbone:** Are you able to say how many of the 270 applications for the sustainable production grant are for renewable energy schemes? There can't be a farmer, or there are very few farmers who don't have a south-facing roof, and that's obviously one way in which they can reduce

their costs. I appreciate that you won't have a precise figure, but were there any or many applications for that sort of thing?

[365] **Rebecca Evans:** I haven't seen an analysis yet of the projects that we've had. I don't know if—

[366] **Mr Slade:** There are renewable energy elements in the list, but I don't have it with me today.

[367] **Jenny Rathbone:** No, I appreciate that you wouldn't have a precise figure. Well, that's encouraging. The other thing I wanted to ask is really on the link between the food business investment grant and the work you're doing with the national procurement service for food. You've obviously started with sandwiches and sandwich fillings and frozen plated meals, but how does it link with the Appetite for Life requirements for schools and encouraging them to source their food locally so that it's more nourishing and giving farmers the certainty that there is a market, if they're going to produce fruit and vegetables? You know, they need to know there will be a buyer. So, I just wondered if you could say a little bit more about how the food business investment grant might link in to the food procurement proposals for public bodies.

[368] **Rebecca Evans:** The food business investment grant would link in in the sense that it would provide businesses with the opportunity to be in a position then to sell on to the national procurement service. I think it's really exciting that, for the first time now, we're bringing food into the national procurement service, but I think it's important to note that food isn't being treated in the same way that other items, perhaps, are in the national procurement service, in the sense there'll be no money-saving targets attached to how we procure food, because we understand how important it is, you know, not just for health reasons but also the importance for our rural communities in terms of supporting farms and producers there as well.

[369] I think there are some challenges, because small and medium-sized enterprises often don't see selling to Government as an attractive option because they think, perhaps, there isn't money to be made or perhaps it's too bureaucratic and too complicated to do that. So, the national procurement service is keen to break down those barriers and, so, we're only procuring things once in terms of food and we're allowing small producers to come together to bid for contracts and so on. So, we're trying to make it as attractive as we possibly can for small producers, particularly, but others who

might have been beneficiaries of the food investment grant, to be able to supply to the national procurement service.

[370] **Jenny Rathbone:** The television programme that I think was presented by a farmer called Gareth Wyn Jones—I might have got his name wrong—illustrated that, actually, where schools want to procure food, in some areas, like Cardiff, that proved very challenging, because the markets simply aren't there at the moment. So, it's a chicken-and-egg scenario, really, isn't it? The NFU assure me that their members will produce if they know there's a market. So, it's about how we use the national procurement service for schools and hospitals and other public sector organisations to give farmers the confidence that they will have a market for that produce.

[371] **Rebecca Evans:** Probably the most attractive thing that there is to farmers at the moment is a strong market for their produce, because we've seen in the dairy industry, for example, when the market just isn't there or there's oversupply in the market, what that does to farmers. You mentioned fruit and veg. Actually, I think there's a lot more we can be doing in terms of procurement there. The majority of what is procured in Wales at the moment—the largest proportion of spend, obviously, goes on meat products, and we have about 40 per cent Welsh origin at the moment, so there's much more we need to be doing there, and then—

[372] **Alun Ffred Jones:** When you say 'we', who are you referring to there?

[373] **Rebecca Evans:** Public procurement generally, so, local authorities, local education authorities and so on. Dairy products are up there as well, but, with fresh fruit and veg, there's certainly more—.

[374] **Jenny Rathbone:** There is market failure, at the moment, so it's really—. What is your strategy for turning that around, because, clearly, the procurement notices have got to go out before the farmer is going to plant the whatever-it-is?

[375] **Rebecca Evans:** What a farmer decides to produce is a commercial decision for that individual farmer, and, if a farmer sees an opportunity or a gap in the market, then I'm sure that they will, you know, exploit that gap in the market, because they're businesspeople, at the end of the day, who need to make a living.

11:15

[376] **Jenny Rathbone:** So, is an element of the food business investment grant to a) encourage farmers to diversify out of dairy and meat, where there are very difficult market conditions, but b) ensuring that we have better food miles and better food security for Wales in the other products, which are basically fruit and vegetables?

[377] **Rebecca Evans:** Yes, and this is important because this is a really good example where, actually, farmers can make the most of what's available to them under the rural development programme as well, because there are some great projects out there, where farmers have become processors on-farm of added-value products, and that certainly gives their businesses longevity and sustainability for the future, then, as well. So, they're much more able to ride out the price fluctuations of commodities, which so many are suffering at the moment.

[378] **Alun Ffred Jones:** William Powell.

[379] **William Powell:** Diolch, Gadeirydd. Before resuming my questioning, in accordance with the Members' code of conduct, I should declare that I'm a partner in a farming business that is in receipt of modest CAP payments and also we're a member of Glastir Advanced, so I should—

[380] **Alun Ffred Jones:** Modest? [*Laughter.*]

[381] **William Powell:** Very modest. Absolutely. I should state that for the record.

[382] Minister, could you please outline what the timescale is for the implementation of the findings of the recent independent evaluation of Glastir Advanced, which I just referred to?

[383] **Rebecca Evans:** Yes. As you said, there was a recent evaluation of Glastir Advanced, which gave us 10 different recommendations, many of which have already been actioned in terms of how we approach our new windows of Glastir. I could run through the 10, but I can see the Chair might be a little—

[384] **William Powell:** The blood is draining from his face. [*Laughter.*]

[385] **Alun Ffred Jones:** Send a note.

[386] **Rebecca Evans:** I can send you a note, because I recently asked officials, actually, that same question: to provide me with an update on each of the 10 and where we've got to with them. So, I do have a grid somewhere on my person, which I can share with you. I'll write to you.

[387] **William Powell:** That would be very useful. Chair, we've spent upwards of half an hour, now, discussing different aspects of European support and how integral membership of the European Union is to the health of Welsh farming. When I've previously raised the issue of scenario planning around 'Brexit', either in committee or in the Chamber, I've been regarded as being somewhat alarmist, or almost being something of a fantasist. But I returned earlier this week from Brussels with the Constitutional and Legislative Affairs Committee, looking at issues around the so-called reform agenda, and there are senior members of the European Commission who are doing some scenario planning around the potential for our exiting the EU in 2019. Indeed, we had quite an interesting discussion with MEPs Derek Vaughan and Nathan Gill on this same topic. To what extent, Minister, are you going to be able, through the vehicles that are available to you, through 'Y Tir' and through your own speaking and communication opportunities, to set out not just the cash-cow benefits of the European Union, but also the benefits and the real benefits of tariff-free export markets to the future of Welsh farming, in the context of a potential referendum in less than a year's time?

[388] **Rebecca Evans:** Well, I take every opportunity to extol the benefits of membership of the European Union, particularly for farming. You'll have seen that I wrote a piece recently—or probably six months ago, now—for the *Western Mail*, which talked about the importance of our membership: unfettered access to a market of 500 million consumers, and so on. I also talked about how unrealistic it would be to assume that, were we to leave Europe, our farmers could continue without the kind of regulation that we're subject to at the moment. That's just pie-in-the-sky thinking, because we still have to sell into that European market. Of our exports, more than 90 per cent of beef and lamb go to the European continent, so we would still have to adhere to those same kinds of regulations, but, if we weren't in Europe, we wouldn't have that voice at the table when these kinds of negotiations are being done. So, in that sense, it's very important.

[389] I did ask Liz Truss, when I met her at the Royal Welsh Show over the course of the summer what kind of scenario planning was going ahead in her context, but I think that the UK Government have been very clear publicly

that they're not planning for an exit, in the sense that they're planning to stay in at the moment, in a reformed Europe—but I've got no issue with a reformed Europe.

[390] **Alun Ffred Jones:** This is clearly beyond our—

[391] **William Powell:** I appreciate that restatement of your position.

[392] **Rebecca Evans:** I was enjoying that, actually. [*Laughter.*]

[393] **William Powell:** So was I.

[394] **Alun Ffred Jones:** Russell, would you like to take on food and—

[395] **Russell George:** Thank you, Chair. Deputy Minister, could you confirm if a permanent chair for the food and drinks industry board has been appointed yet?

[396] **Rebecca Evans:** The process for nominating and selecting a permanent chair is under way. As you know, this is an industry-led board, so I've left it to the industry-led board to work out the timescale for the appointment of their own chair themselves. So, they've done that and that process is under way at the moment. They've also expressed an interest in having a vice-chair for the group as well, because they've recognised that, actually, chairing the industry board is an extremely important and potentially difficult job. So, I'm more than happy for them to appoint a vice-chair as well, but that process is ongoing and the timescale is of their choosing.

[397] **Russell George:** I appreciate that the timetable is of their choosing, but there has been a delay in setting up the board in the very first place. Having a chair is obviously important to take forward the agenda—to take forward your agenda—but, obviously, you're the Minister responsible. So, surely, you can't just simply leave it to the industry to decide themselves—they're accountable to you. So, is there any indication of when that chair might be in place? Will it be this year?

[398] **Mr Slade:** I think the board said by the end of this year, the beginning of next. So, they've met as a full board once, with another meeting in a week or two's time; there's a third meeting before Christmas and I think the decision's around then.

[399] **Russell George:** Yes. Thank you—

[400] **Rebecca Evans:** I do take issue with you in terms of the role that you see for the industry. This isn't a Government-led board; it's an industry-led board, because Government has to work in partnership with the industry. We can't lead the industry by the nose where we want to take it; the industry has to decide for itself where the opportunities lie.

[401] **Alun Ffred Jones:** Who's appointing this board?

[402] **Rebecca Evans:** The board was appointed through a public appointments process.

[403] **Alun Ffred Jones:** So, you're in charge of the process?

[404] **Rebecca Evans:** Yes. But we had a large number of applicants. We've managed to achieve gender balance on that board, which I think is important, and a huge amount of expertise from right across the food sector as well. So, it's for that board, really, with our support, to drive the industry.

[405] **Russell George:** And what will the board be? What's its remit? What's it going to achieve?

[406] **Rebecca Evans:** The main point of that board is to deliver our food and drink action plan, which is an action plan in partnership, not just with the board, actually, but with the educational establishment, and so on. The ultimate aim of that plan, as you know, is to increase the growth in the sector by 30 per cent by 2020 to the value of £7 billion.

[407] **Alun Ffred Jones:** Did you say the board will deliver the action plan?

[408] **Rebecca Evans:** Assist us in delivering. We're working in partnership with the industry; it's a new way of working.

[409] **Russell George:** Chair, this is what—. I mean, my concern is that it's your action plan and you can't just simply say, 'It's up to the board when they appoint their chair', because, for us as a committee to hold you to account and scrutinise you, it's your food and drinks action plan and you said the board are delivering it for you. So, surely, you've got to be responsible for when the chair is appointed and take a particularly keen interest and take an interest in their timelines as to exactly when the board is

going to move forward.

[410] **Rebecca Evans:** I do take an interest in the timelines, but I think the board themselves decided that they wanted time to jell as a board and to get to know each other's strengths and weaknesses so that they could choose an effective chair from amongst their own number. I think that's an appropriate way forward. That's not to say that the board isn't meeting or taking forward the work. And it's not entirely for the board, as I've said, to deliver our food and drink action plan; it's for the board to work in partnership with the Government and others in order to deliver that action plan, such as the further education sector, and so on. The board has been meeting; I don't know if you want to give an update on the latest—

[411] **Mr Slade:** They've done quite a bit of work in relation to understanding the baselines for the evidence base for the food and drink sector; quite a lot of work's gone on on that—it was published over the summer. A lot of work's gone into the food and drink identity for Wales and the branding of food in Wales, and how, if we collectively think it's the right thing to do, that might translate through to packaging and labels on food products. And they've also done work on public procurement. So, how can the food board help the industry understand better the opportunities in relation to supplying public sector procurers of food and drink? And that, in turn, is helping inform what we do on the RDP and other grant mechanisms. So, there's a lot of work already under way in places being driven forward, but, as the Minister said, the process about selecting their chair and vice-chair is now for the board coming together and deciding amongst themselves who will lead them, and move forward.

[412] **Alun Ffred Jones:** When was the Wales the True Taste brand ditched? How long ago?

[413] **Mr Slade:** We stopped using that a couple of years ago.

[414] **Alun Ffred Jones:** A couple of years ago. So, what's replaced it now?

[415] **Rebecca Evans:** We use the Great Taste Awards now, because it was clear to us that the true taste awards weren't having the traction—

[416] **Alun Ffred Jones:** So, it's two years down the line and you still haven't got a brand.

[417] **Rebecca Evans:** We're not replacing the true taste awards. We're using the Great Taste Awards.

[418] **Alun Ffred Jones:** I'm not talking about the awards now; I'm just talking about the brand.

[419] **Mr Slade:** The Welsh food and drink banner that we use for exports and other work is in place and has proved very successful. So, there has been no gap in that sense, but it's about how you take that work forward and make it applicable more widely to the food and drink sector, and what that means to customers in Wales and in the UK, as opposed to what we're doing overseas.

[420] **Alun Ffred Jones:** Sorry, Russell, do you—

[421] **Russell George:** I've finished on the point on the board, but I've got other questions on food and drink.

[422] **Alun Ffred Jones:** Well, go on then.

[423] **Russell George:** Thank you, Chair. Can you also update me, Minister, on the progress on the dairy action plan as well?

[424] **Rebecca Evans:** Yes. Again, the dairy action plan was very much about Government and industry working together, and industry taking the lead where it needs to, in order to have a sustainable future for the dairy industry in Wales. The Wales dairy leadership board is now up and running. They've met twice over the course of the summer and they've been working and looking at the recommendations in the dairy action plan in order to prioritise work there. One of the key recommendations within the dairy review was to undertake a feasibility study to increase the processing capacity in south-west Wales particularly. That piece of work has been commissioned and it's due to report to me, I understand, by the end of this month, and then with recommendations that Government can consider in terms of taking the next steps.

[425] **Russell George:** Thank you, Minister, for that. Can you also provide an update on the options paper on the future of the red meat levy, as likely be presented to you?

[426] **Rebecca Evans:** That would be a matter for Department for

Environment, Food and Rural Affairs Ministers in terms of when they will consider, or if they will consider, consulting on a way forward with it. But, our views on the red meat levy are, again, well known. I made these points actually when we had that emergency meeting in London. We're looking particularly at the dairy industry, but as I've said earlier, I always make the point that this is also about red meat in Wales. So, I said that we needed equitable, fair treatment in terms of the levy here. Hybu Cig Cymru, I believe, are hosting a meeting this month, in order to try and take this issue forward again with the levy bodies, but I raised it again over the course of the Royal Welsh with the Secretary of State and so on, so it's something that we continue to raise, but it is going to require a will on behalf of the Westminster Government to deal with this, and perhaps that's something that you're able to help us with.

[427] **Russell George:** I'm always happy to help, Minister.

[428] **Alun Ffred Jones:** Llyr, oeddet ti eisiau dod fewn? **Alun Ffred Jones:** Llyr, did you want to come in?

[429] **Llyr Gruffydd:** Na. **Llyr Gruffydd:** No.

[430] **Russell George:** Can I ask a couple of questions specifically on how you can help, particularly small businesses in the food sector as well, particularly one business, or perhaps a business wanting support for market research, for example? I know one business contacted me recently and they seemed to be hitting a brick wall when they contacted your department to particularly help with market research. Have you any advice to a food business that wants to grow, and particularly wants support in market research?

[431] **Rebecca Evans:** Yes. My first advice would be to contact me if they're having problems accessing the support that they need. I have to say that you're probably doing a disservice to your constituents by not passing that detail on to me, so that I can ask my officials to look into what exactly the problems are, because we do help many businesses in terms of market research. We use our innovation centres particularly; they're able to support us in doing that. So, if you pass me the details of the constituent concerned, obviously—

[432] **Russell George:** My wider question was specifically about how you would help a small business with market research. I'm not doing my

constituents a disservice; I specifically told them to write to you, and they have, and they're awaiting your reply. I thought it would be helpful to provide an example, but I specifically want to know if a small business wants help with market research, to grow their food business, what kind of support they might get from your department.

11:30

[433] **Rebecca Evans:** The first thing we do is appoint an official to work with that individual business to see exactly what their needs are, and then explore how we can help them to meet that need. We have the food innovation centres, which are able to look at what support is available to businesses in terms of market research and so on. So, there's a lot of support out there, but, obviously, we need to make sure that businesses are accessing it.

[434] **Russell George:** And lastly, Chair, if I may. There are other businesses as well that are particularly looking for training for staff as well. How could your department help a business looking specifically to train their staff and grow their business, particularly a small business?

[435] **Rebecca Evans:** Well, this is one of the issues that was identified in the food and drink action plan as being of key importance to businesses, and, actually, there is a gap in terms of the skills that there are in the food sector. I was at the Skills Cymru event just last week, again, along with the Deputy Minister for Skills and Technology, and our Welsh Government stand was entirely given over to skills in the food industry and skills in the tourism industry—you know, because we have the joint food tourism action plan. So, there are many opportunities again for businesses to access the skills that they might need for their staff, but we have to have those discussions with those businesses, and we're very keen to work very closely in terms of identifying what the skills are. Obviously, you have the Farming Connect programme as well, which is a huge investment in our farming industry in Wales, and that's about providing skills to people working in the farming industry, but food and forestry as well. We are very keen to promote continuous professional development and lifelong learning as well within those frameworks.

[436] **Alun Ffred Jones:** Very briefly, if you're on this topic, Jenny. We need to go ahead.

[437] **Jenny Rathbone:** Briefly, what work are the industry board or,

alternatively, your officials doing to map the implications of climate change in terms of much wetter winters and much drier and warmer summers, which might indicate that more fruit trees are required to suck up the water, to provide shade for animals, or, alternatively, that would flourish better because of warmer conditions, more Mediterranean conditions? I just wondered if—.

[438] **Mr Slade:** It's a strand of the food and drink action plan. That's the first thing to say. Secondly, the board has signed up—we were talking earlier about the well-being and future generations Act. The board has signed up to adopting the wellbeing principles in the way that it operates and to promulgate those through the industry. And then, thirdly, Ministers have asked the Public Policy Institute for Wales just to refresh where we are on our food policy work and food strategy work, and one of the specific things that was mentioned in the meeting we had a week or two ago was the impact of climate change in relation to local provision and food security.

[439] **Jenny Rathbone:** Thank you.

[440] **Alun Ffred Jones:** Diolch yn fawr. Right, we'll move ahead to animal welfare. Julie Morgan is leading off on this.

[441] **Julie Morgan:** Thank you very much. I wanted to ask you first of all about dogs and how the taskforce for responsible dog ownership, led by the RSPCA, is going—I think it may have finished now—and whether you have had a report from them yet and can you report and update us.

[442] **Rebecca Evans:** We did receive an interim report over the course of the summer, in August. We were expecting the final report on 30 September, but, unfortunately, the RSPCA had some technical difficulties with the transcription service and so on that they were using. So, the report now won't be with me, I think, until a few week's time—so, I guess, November—and that was due to those technical issues. But, until the report has arrived, I won't want to prejudge any recommendations that it might come to, but that piece of work is ongoing and I'm satisfied as well that they engaged a wide group of people in that work, such as the Communication Workers Union. I know you were very keen that they were involved, as were Dogs Trust as well. So, they've taken a wide look at this. They've also engaged with the police. I met just last week with Gareth Pritchard of North Wales Police, and he's the lead in terms of animal welfare for Wales in the police as well, so he's been involved. So, we are trying to look at this from all angles, including from a

farming angle with sheep worrying and so on as well. I'm hoping for a robust report with plenty of recommendations.

[443] **Julie Morgan:** So, how soon do you think you'll be able to share it with the Assembly?

[444] **Rebecca Evans:** Well, as I say, I expect it to be with me in November, and then I will take some time to consider the recommendations and the Government response to those recommendations.

[445] **Julie Morgan:** I gave evidence to the group, along with my constituent, Dilwar Ali, whose child was seriously injured by the neighbour's dog, and the Communication Workers Union were also there at the same session. We were very strongly putting forward that we did feel that further legislation was needed to protect people and also to benefit dogs. During the conference season, I also met up with most of the animal welfare charities, and there was a unanimous feeling that Wales did need to have further legislation to be nearer to what Scotland and Northern Ireland are doing. So, I don't know whether you believe that any recommendations that come from the report will cover legislation. Is the report going to enable legislation, if that was what it recommended?

[446] **Rebecca Evans:** I really wouldn't like to prejudge anything that might come out of the report, but, obviously, I'll receive the report with an open mind as to how we take forward any recommendations that might be in it.

[447] **Julie Morgan:** I wasn't really trying to pre-empt what the report said, but just to say that you wouldn't be ruling out further legislation.

[448] **Rebecca Evans:** I think it would be difficult before the end of this Assembly term, certainly, to introduce any further legislation, if a report's only forthcoming in November of this year, but then there's no reason why a future Government might not wish to consider it.

[449] **Julie Morgan:** And what about any other recommendations? Do you think you might be able to get any other recommendations—not legislative recommendations—do you think you might be able to get those in before the end of this term?

[450] **Rebecca Evans:** I mean, some recommendations might—. Again, this is prejudging now what a report might look like, but if we are talking about

things like responsible dog ownership, you'd presume that education or awareness raising might come into that package, so then, you know, there could be work there that you could—

[451] **Julie Morgan:** You could start that fairly swiftly.

[452] **Rebecca Evans:** Did you want to add anything?

[453] **Dr Glossop:** No. I think that's right. I mean, we can't prejudge what the report says, but we're on a continual journey of trying to improve responsible animal ownership. So, I'm sure that some of the recommendations of the report will fit very well with the animal health and welfare framework priorities and we can all be working together.

[454] **Julie Morgan:** Thank you. The other area subject I wanted to cover was horses and the welfare of horses and, in particular, how the Control of Horses (Wales) Act 2014—what effect that's had. I know I was on one of the Gypsy/Traveller sites recently and they said that their horses had been taken away. I wondered if you could give us a general view of how that legislation has worked for the welfare of the animals.

[455] **Dr Glossop:** Well, I could just say that, under the animal health and welfare framework group, we recognise that welfare of equines and welfare of other companion animals are very specialist areas. So, what we have been doing is working with Animal Welfare Network Wales and all those organisations to form an equine group and a small animal group. We say 'small furrries', but you know what I mean. On the equine side—in fact, we've got another meeting coming up—I think we've been asking that group to look with us at the effectiveness of the legislation to see whether we can do better. But they're working on priorities for welfare of horses, and, obviously, these horses that are out there on common land and un-owned horses are a priority of theirs already.

[456] **Julie Morgan:** So, you don't really know yet whether the Act has made a difference—because we did bring it in as an emergency, didn't we? And it was on the welfare of animals ground, basically.

[457] **Rebecca Evans:** I can provide you with the actual details, but I think around half of local authorities in Wales have already used the powers under the Act to try and improve the welfare of equines on their land, so I think that—

[458] **Alun Ffred Jones:** Can you provide us with a note?

[459] **Rebecca Evans:** Yes.

[460] **Julie Morgan:** Yes, I think that would be useful.

[461] **Rebecca Evans:** And we've provided match funding for some of them to be able to do that as well.

[462] **Julie Morgan:** Thank you.

[463] **Alun Ffred Jones:** Can you just outline the Welsh Government's priorities for the governance review of the animal health protection agency?

[464] **Rebecca Evans:** I assume you mean the Animal and Plant Health Agency.

[465] **Alun Ffred Jones:** The animal health—. Is it—? Yes.

[466] **Rebecca Evans:** Well, the core aim of that agency, which is an executive arm of the Department for Environment, Food and Rural Affairs, is to safeguard animal and plant health for the benefit of people, the environment and the economy, and that's something that we very much support. Welsh Government procures our services for animal and plant health through quite a complex arrangement of different private and public sector organisations, one of which is the APHA. I've asked the chief veterinary officer to look at how we can make sure that we are getting value for money for the services that we procure through them. I've asked her to do a particular piece of work, looking in the first instance at the governance arrangements. Perhaps Christianne will be able to provide an update on that, because I think that that's where it starts, really, in terms of governance to ensure that we're receiving the best value for the money that we pay to the Animal and Plant Health Agency.

[467] **Dr Glossop:** Yes, of course. You might recall that the budgets that we used to buy the services of that agency were devolved to us at the start of 2011. So, from that point, we had to develop a new working relationship with the agency to make sure that we were getting value for money. We have a regular round of service-level agreement negotiation now, which is good, but the governance arrangements, we felt, did need improvement in terms of the

decision-making process at the top level of that agency, in terms of their structures and the way that they're shaping the agency for the future. So, we are leading work with the rest of Great Britain, actually, because we should say that Scotland buy services from that agency as well. Scotland, England and ourselves have formed a GB group to look at transparency of the financial arrangements with that agency, which is really, really important, and also to make sure that their customer board, which we have—I sit on that customer board—actually have an effective voice in that decision-making process. We're also developing a new concordat between all three administrations with regard to the relationship that we have with that agency.

[468] So, we set ourselves targets to report to Ministers. We've recently provided an update to the Deputy Minister, and the next report will be in December. All the while we're negotiating with DEFRA, with the agency and with Scotland to make sure that we do get the desired outcomes and, for sure, making sure that we're involved at the top level of that agency. It's essential. We've introduced a series of quarterly meetings for the Deputy Minister with the chief executive of the agency. I meet with him on a regular basis, with the director in Wales and so on. So, it's a work in progress, and the next milestone is December.

[469] **Alun Ffred Jones:** Okay. That's good to hear, and thank you for that information. Just before I get to TB, Sandy Mewies, you have a question.

[470] **Sandy Mewies:** Yes, I wanted to talk about bee health and the position in the implementation plan, and an update on the action that has been taken to support the availability of bee inspectors in Wales.

[471] **Rebecca Evans:** Well, the Welsh Government currently provides around £440,000 a year annually to fund the bee health programme in Wales. A proportion of that—around the £70,000 mark—

[472] **Dr Glossop:** It's £75,000.

[473] **Rebecca Evans:** So, £75,000 is from the European Union as well. That is to drive forward those objectives under the healthy bees plan. We are constantly reviewing the value for money to check that we are doing the right thing.

[474] **Alun Ffred Jones:** What are you doing with this money? What is it used for, the money?

[475] **Rebecca Evans:** We've got the details.

[476] **Dr Glossop:** Yes. So, we have the healthy bee programme. That money funds one regional bee inspector for Wales. That's a full-time equivalent.

[477] **Sandy Mewies:** Which region?

[478] **Dr Glossop:** Sorry?

[479] **Sandy Mewies:** Which region? Or is it—is the region—.

[480] **Dr Glossop:** That person is like the national or the Welsh bee inspector, and there are eight seasonal bee inspectors that cover Wales. The work that they do amounts to 692 working days a year. What they're doing is inspecting beehives across Wales for foul brood, which is one of the diseases we're concerned about, with other exotic pests, and also providing advice and support to new beekeepers and to existing beekeepers. There's an educational programme; there are evening meetings; there are training sessions. So, that's, in the main, where the money goes. If hives and bees need to be tested or sampled for any of these diseases, that money also funds the laboratory fees that are required to get that information—to get the results. We are closely engaged with the National Bee Unit. So, it's fully integrated. I understand that we are the envy of the rest of Great Britain in the amount of effort that goes into the work with bees.

[481] **Alun Ffred Jones:** And it's very much appreciated. I don't keep bees, just to—. [*Laughter.*] Okay, Sandy?

[482] **Sandy Mewies:** Yes, thank you.

[483] **Alun Ffred Jones:** Right. We'll just move on to TB, and Joyce Watson has a few questions.

[484] **Joyce Watson:** Minister, first of all, I'm assuming that you're keeping the programme going that exists in north Pembrokeshire and that results will come out of that pilot as soon as it's finished. If you've got anything, briefly, to say on that, first, and then I'll move into other areas after that.

11:45

[485] **Rebecca Evans:** Yes. We're currently in the fourth year, now, of the five-year programme in terms of the badger vaccination programme in north Pembrokeshire. So, I would expect it to be seen through to its culmination.

[486] **Joyce Watson:** Okay. And how quickly will you evaluate that programme afterwards, because that's pretty critical in terms of what you do next?

[487] **Rebecca Evans:** Well, we do have annual reviews of the programme and those reports are available on the Welsh Government website. So, we'll have our fourth year report up in—

[488] **Dr Glossop:** Probably early next year. And, for this year, we're just coming up to the end of the season, so November will see the last round of vaccination. It's gone well again this year, but I'm sure you'll appreciate that any impact of that programme—. You know, we need to complete the programme and then have a look at the effect on cattle, because that's what we're measuring—we're not looking at the effect on badgers; what we're interested in is what impact that will have on cattle. And, just to remind you, we're doing other things in that area as well—

[489] **Joyce Watson:** I know that. We're coming to those.

[490] **Dr Glossop:** —so we're not really carrying out a balanced trial. It's possible that, whatever the outcome, we might be criticised for the design at the end of this, but the fact is that we wanted to hit that area with everything that we possibly could all at once to make a real difference, rather than carry out more trials. The time for trials is over, really, it's time for action.

[491] **Joyce Watson:** I agree. And—

[492] **Alun Ffred Jones:** Can I just ask a question on that? I presume there's another control group, which you will compare results with.

[493] **Dr Glossop:** Yes. It's not a properly controlled trial. We don't have one area, specifically, that's identical to the area in Pembrokeshire, where we're comparing vaccination and non-vaccination, plus all the other interventions. But what we do have are areas that are similar—similar landscapes, similar density of cattle and similar amount of infection—and we're regarding them—. We're calling them 'reference areas', really, because we don't regard them as completely 'control areas'. So, that will give us a feel for what's

happening in areas that are similar, compared to the area where we are vaccinating. Of course, we have the other smaller vaccination projects, which are receiving part-funding from Welsh Government, but they're very small, and, actually, to draw any conclusions from them is going to be quite hard.

[494] **Alun Ffred Jones:** Sorry—Joyce.

[495] **Joyce Watson:** We know that there have been decisions taken by the Welsh Government and one of those decisions was not to pursue—and I'm going to quote—

[496] 'a tabular valuation system for bovine TB compensation'

[497] and that you've issued further consultation on the potential changes to that compensation system and that the consultation will close on 6 November. How soon after that do you expect to report on those findings?

[498] **Rebecca Evans:** Well, the decision not to introduce a table valuation system was very warmly welcomed in the industry in Wales. I took the decision, because I felt that, by taking the approach that I did, it could pay a fairer price for cattle, and I promised to review that after two years to see how it's worked. So, that's currently under way at the moment. In terms of the next steps, we're tightening the rules, really, in terms of—particularly, we're looking at risky practice, because that's something that is of concern. So, good farmers who are taking all the various security measures that they should, for example, have nothing to fear by any new rules that we might want to introduce, but we need to introduce these new measures, because the European Commission, which does co-finance some of our TB work, has constantly made an observation that, in Wales, our current compensation system actually offers very little incentive for farmers to make additional efforts to prevent infection on their farms. I know many farmers will take issue with that, but that's the observation that the European Commission have made.

[499] So, we're taking these new measures to avoid risky practice—failing to present an animal for testing, for example, and preventing the slaughter of the reactor cattle, and so on. So, these are things that good farmers have absolutely nothing to worry about. But, again, it's stopping risky practice to try and do everything that we possibly can.

[500] **Joyce Watson:** I'm not going to go through the number of

recommendations that you're making to those changes and the reason, because I think you've fairly well explained that it's ultimately to secure good husbandry and that it encourages that, in any case. But what it will also do will change the way that the valuers are appointed, according to your statement. Have you got anything further to add in that regard?

[501] **Rebecca Evans:** Just one thing I did want to add in terms of penalising risky practice, and how effective that can be, we introduced bovine TB testing into our cross-compliance regime this year so farmers could get penalised were they to be one or more days late in terms of their TB test taking place. We've actually found that the number of late tests has just diminished, hasn't it?

[502] **Dr Glossop:** Yes.

[503] **Rebecca Evans:** It's quite amazing the effect that bringing that into cross-compliance and the threat of losing some of the payment has made in terms of farmers being able to comply with their testing dates and so on. In terms of the valuers, the fact that we'll be procuring them as Welsh Government means that we can monitor them very closely and work with them very closely. Again, this is about that partnership, and joined-up working in terms of tackling bovine TB.

[504] **Alun Ffred Jones:** Right, the last three questions. Russell.

[505] **Russell George:** Thank you, Chair. Minister, concerns have been raised with me about the reinterpretation of TB tests that had originally been deemed as inconclusive reactors and then reinterpreted as positive reactors. Clearly, there's a concern here that healthy, productive animals are being slaughtered based on an interpretation that is inaccurate. Is that something that you recognise as an issue and, if it is, is there a way that the testing could be improved?

[506] **Dr Glossop:** This gets quite technical, and I'm quite happy to give you a briefing on this later, but, broadly speaking, when we find a TB breakdown, we need to understand a lot of things about it, and one of those is the risk that the disease has spread further within that herd. So, we take account of the post-mortem examination results from any animals that we take, we look at the history of that herd, we look at the surrounding area to try and understand the level of risk and, where we have serious concern that the disease might have spread further in the herd, we go back to the test results

and we can reinterpret them, as you described. That's, in fact, raising the bar for passing the TB test. That gives us an opportunity to identify other animals that are very likely to have been exposed to infection. So, it's about improving the sensitivity of the TB test under very specific circumstances.

[507] I have no concern about that at all. That's very important. It's an important part of disease control that we deal with each TB breakdown within the confines of that particular farm situation. So, where we reinterpret the test, the judgment's been made by senior veterinary surgeons, understanding the epidemiology of the farm, and so, under those circumstances, healthy animals are not being removed. They are high-risk animals that need to be taken out to control the breakdown.

[508] **Russell George:** So, if I'm interpreting this correctly, what you're saying is—and I quite welcome—that you're taking an individual approach to each circumstance, rather than having a blanket rule. Is that right?

[509] **Dr Glossop:** That's right, and, you know, of course we need a consistent approach. That's why we're so keen to make sure that all the vets—not just Government vets, but our private vets—all are receiving additional training now. But we must treat each individual breakdown on its own—well, 'merit' isn't the right word, but you understand what I mean—so that we can really dig into that breakdown, rather than having 'one size fits all' and losing touch with what's really happening on the farm.

[510] **Alun Ffred Jones:** Llyr.

[511] **Llyr Gruffydd:** In the consultation, there's a proposal to change the burden of evidence in some cases where compensation could be reduced to 'on the balance of probabilities' instead of 'beyond all reasonable doubt'. Could you explain, maybe, the implications of that change?

[512] **Rebecca Evans:** Yes, the purpose there, really, is to give Government the tools it needs in order to penalise people who might be undertaking risky practices. I think that Christianne might have some examples of how this change might work in practice.

[513] **Dr Glossop:** Yes. One of the difficulties is that, if we're going to have effective legislation and we're going to fight TB, then we must make sure we've got the right level of enforcement where illegal practices take place. And we had a case relatively recently where there were illegal movements of

animals onto a farm that was under TB restrictions. We took that case as far as we could, but it actually fell on the basis of this technical argument between balance of probabilities and all reasonable doubt. We feel that, under those circumstances we could have been more effective, because we did have decent evidence but, as you know, these things go to a different level where we were not able to enforce our policies. So, this is about, as the Deputy Minister said, not penalising farmers who are operating properly, but making sure that our legislation has the right teeth when it's necessary.

[514] **Alun Ffred Jones:** Okay, thank you. Bill.

[515] **William Powell:** Diolch, Gadeirydd. In areas of heightened TB occurrence, would there be merit in looking at reviving the partnership with local authorities that I think used to take place, whereby badgers found dead at the side of the road, whether through careless crossing of the road or if they'd been deposited there after a violent death elsewhere through illegal activity—. Would that be useful in terms of gaining a better understanding as to what's going on there in terms of the science and the biosecurity and given the danger that, it seems to me, exists if there is turbulence in terms of movements of badger populations on the one hand, but also to check the level of infection that applies in any particular area?

[516] **Rebecca Evans:** Yes, we're already doing this. This year, we've run another one of our badger found dead surveys. So, we've been encouraging members of the public, regardless of what field of work they're in—so it's not just there for farmers to phone in, but for anybody—to phone in if they spot a dead badger, usually at the side of the road. One of our team will come and collect the badger and then undertake the tests on it.

[517] **William Powell:** So it's not the local authority; that's a Welsh Government team. Fine.

[518] **Dr Glossop:** Yes. Local authorities are required to clear up any dead animals that are on the road, but if someone sees a dead badger then they can actually phone our helpline and then that badger, if it's suitable for post-mortem examination—you can imagine some of them really aren't suitable—

[519] **Alun Ffred Jones:** How many cases are reported annually? Any idea?

[520] **William Powell:** It would be useful to have some stats on that, really.

[521] **Dr Glossop:** So, this is an ongoing piece of work, but this found dead survey went live last November. November, as you can imagine, isn't the best time of year to even find badgers because of their habits, but we started then to build up slowly and we've got over 300 carcasses that have been submitted to the lab in Carmarthen—I would say this work is staying in Wales—for post-mortem examination. Samples are then taken for culture. So, I can't really give you a result of how many are infected yet, because it takes time to culture the organism. But we're very pleased to see that over 300 have been picked up.

[522] **Alun Ffred Jones:** We look forward to receiving the information on that in the future when it's—

[523] **William Powell:** I'm grateful for that response.

[524] **Alun Ffred Jones:** And the very last question from Joyce Watson.

[525] **Joyce Watson:** It's about BSE and the fact that there has been an announcement that it was found on location in Carmarthenshire and, really, just asking you whether you're going to give an update to all of us on that position, because, in terms of animal welfare and food security, we've all been here before. So, it's really just to ask how soon you're going to bring a statement to the Assembly about it, because I think that is pretty important in terms of securing that market, but also it's securing people's satisfaction that they can, first of all, eat beef, and we don't want to get to where we were before; I remember it last time round.

[526] **Rebecca Evans:** I made a written statement to the Assembly on this, and I was very clear in the statement that there was no risk whatsoever to public health and that this was an isolated case. I don't know if the chief vet has more to offer on that, but this isolated case is completely different to the BSE that people have in their memories from the past; this is an isolated case. Perhaps you could provide a little bit of background. I think, Chair, because this is important, we should go over time a little bit.

12:00

[527] **Dr Glossop:** Thank you. So, we have protocols in place to protect the food chain. That goes from the age of animals that can go into the food chain, to the treatment of carcasses of different ages, all the way through to what animals can eat. So, there are all those controls in place. In this case, it

was an animal that died on farm; it was over 48 months of age, and, for that reason, it was tested for BSE. That is routine practice, and, to put this into perspective, there was one case in 2014 in the United Kingdom; there were two cases the year before. So, we do see the occasional case. This animal was born in 2009, and, as you'll appreciate, it takes several years for the pathology to develop. So, it's likely that we will find the occasional case of BSE out there somewhere in Great Britain. In this case, it was completely contained. The policies make sure that that happens.

[528] Further work has taken place since the announcement, which was made to ensure transparency, and all this information is published on the DEFRA website on an ongoing basis. The animal itself, the carcase, is destroyed. All the cohorts of that animal—and that means anything else that was born on that farm, any bovine that was born on that farm within a year either side of the birth of that one animal—. All those cohorts that are still alive have been traced and they're under restrictions; they will be slaughtered and their carcasses do not enter the human food chain. There was one offspring from that animal that is alive—well, it was alive. That was traced; that's been slaughtered and that doesn't go into the human food chain. So, this is completely contained, but I think we just ought to be realistic about the fact that we could find this again, and the important thing is that the system works. We find these animals because we're looking for them, and it's a very occasional occurrence now. I do believe we're finding them all and we're dealing with them accordingly.

[529] **Alun Ffred Jones:** Thank you for that full and comprehensive explanation. Diolch yn fawr iawn. Diolch yn fawr iawn, Dirprwy Weinidog. Thank you very much for coming before us, and your officials as well.

12:02

Papurau i'w Nodi Papers to Note

[530] **Alun Ffred Jones:** Un eitem ar ôl. **Alun Ffred Jones:** One item left.

[531] Item 4, papers to note. Are you happy to note them?

[532] **Llyr Gruffydd:** A gaf jest ofyn un peth ynglŷn â— **Llyr Gruffydd:** Can I just ask one thing on—

[533] **Alun Ffred Jones:** Well, what I was going to say was that, if you want to raise anything, because it's a lengthy list, you can raise it again at a future date; just inform me or the clerks.

[534] **Llyr Gruffydd:** Okay. Fine.

[535] **Alun Ffred Jones:** Diolch yn fawr. Thank you.

[536] Dyna ddiwedd y cyfarfod. That's the end of the meeting.

That's the end of the meeting.

Daeth y cyfarfod i ben am 12:02.

The meeting ended at 12:02.