

Thank you for letter of the 10th October 2018 regarding the Welsh Government's draft 2019-20 Budget.

As you acknowledge in your letter, commenting on the detailed budget proposals is difficult given the time available and other pressing issues for the farming community.

Notwithstanding this, we would make the following comments in relation to the draft budget as it relates to the agricultural industry and the work of the Climate Change, Environment and Rural Affairs Committee.

1. The proposed Energy, Planning and Rural Affairs Main Expenditure Group budget for 2019-2020 would appear to be higher than for the 2018-19 year, with a proposed increase above the rate of inflation. This is superficially a positive move, although it does not make up for cuts to the budget made in previous years.
2. As already highlighted by the FUW to Committee earlier this week, necessary preparatory work relating to Brexit has added significantly to the burden of work which must be undertaken by the Energy, Planning and Rural Affairs department.

The Welsh Government's decision to review rural support mechanisms and consult on radical reforms has already added hugely to this burden at the worst possible time, and this workload is set to grow significantly under current plans.

The FUW has made clear to Committee the dangers for Welsh food, farming, livelihoods, communities and the environment of failing to undertake detailed research and evaluation of proposed policies, and we welcome the Cabinet Secretary's commitment to undertake such work.

Assuming such essential work would fall under the "Research & Evaluation" budget, it is disappointing that this budget would remain unaltered from 2018-19 under the proposals, despite the complexity and extent of the work which must be undertaken in order to ensure Wales' well-being goals are not compromised.

We would therefore argue that this area warrants a far greater allocation compared with other areas, including decarbonisation, which we certainly acknowledge is an issue of critical importance.

3. The proposed changes to the Rural Development Plan allocations raise concerns in the absence of further clarification in the *Draft Budget 2019-20 Detailed proposals* document.
4. Point 3. above, raises issues in relation to transparency and the degree to which Assembly Members such as Climate Change, Environment and Rural Affairs Committee members and others are able to properly assess proposed changes or additions to the budget given the way in which figures are presented.

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