

CCW's response to Welsh Government Sustainable Farming Scheme Wales consultation

March 2024

1. Introduction

<u>CCW</u> is the independent voice for water consumers (household and non-household) in England and Wales. Since 2005, we have helped thousands of consumers resolve complaints against their water company, while providing free advice and support. All of our work is informed by extensive research, which we use to champion the interests of consumers and influence water companies, governments and regulators.

We welcome the opportunity to comment on <u>Welsh Government's Sustainable Farming Scheme</u> Wales consultation.

2. The rationale and focus of our response

We are supportive of some of the proposals and actions of the Sustainable Farming Scheme in Wales. This is a specialist consultation and we have focussed where we can add a water customer-focussed perspective to the development of a government scheme that could help:

- a. Finance and implement well supported, nature based solutions that contribute to water quality improvement at a catchment level, and as part of collaborative action by the water industry, communities and other sectors.
- b. Farmers, as business customers who we represent, to:
 - Deliver actions that help them reduce water pollution, and
 - Increase their available water supply and business resilience to climate change challenges.

Summary of our key points:

- The implementation of the Scheme would be strengthened through a collaborative, catchment management approach from the beginning of its operation to include farmers supported and not supported by the scheme (Question 1 and 11).
- Collaborative implementation should start immediately (as early as 2024) rather than wait
 for the second tranche of the Scheme's implementation particularly in locations or
 catchments where it would contribute to effective, long-term pollution reduction and farming
 business resilience. This should seek to involve communities, the water industry and other
 sectors in the delivery of actions (Question 11).
- Some of the optional actions outlined in the consultation could help slow rainwater flow to reduce flooding and run off pollution risk. These would complement some nature-based water management solutions that the Scheme's universal actions would help implement, e.g. such as soil health planning, multispecies cover crop, peatland and hedgerow management and quite importantly woodland management (Q12). With this in mind, we consider that the following optional actions should be prioritised:
 - Capital support to manage and harvest water supplies
 - Additional ponds and scrapes
 - Leaky/dam and wet sites infrastructure actions.

Additional subsidies for optional and collaborative actions should:

- Enable collaboration between participating and non-participating farmers to the scheme (as the consultation suggests).
- Go further to support and incentivise collaboration with other land users and sectors, e.g.

- the water industry, local communities.
- Incentivise their combined implementation with universal actions that might help accelerate the improvement of water quality and resilience to drought and climate change challenges (Questions 11 and 12).
- The economic analysis and modelling of the scheme should consider evidence from pilots and demonstrator projects. For example, there may be opportunities to cost and test the effectiveness of some of the consultation's proposed actions through the <u>Teifi</u> <u>Demonstrator catchment project</u>.(Q15).

3. Our Response

Public support for nature based solutions.

In February 2024 we published Keen to go Green, a report which identified strong public support for nature-based water management solutions. These types of solutions can help deliver environmental benefits and long term resilience. The research focussed on the role of water companies in delivering nature-based solutions. Water companies should be part of a collaborative, catchment focussed approach facilitated by the Sustainable Farming Scheme Wales. Coordinated, multisector response might help address water pollution in Wales more effectively and efficiently with less financial burdens on farmers and water customers in the future.

Our support for specific universal and future collaborative and optional scheme actions.

Some of the universal actions described in the scheme, such as soil health planning, multispecies cover crop, peatland and hedgerow management, and woodland management are nature-based solutions that could help reduce water runoff and river pollution. We are supportive of them.

Some of the optional actions that should be prioritised and tested sooner rather than later are:

- Capital support to manage and harvest on-farm water supplies
- Additional ponds and scrapes
- Leaky/dam and wetland sites infrastructure actions.

These universal and optional actions could help slow rainwater flow to reduce flood and run off pollution risk. Where relevant and applicable the scheme should aim to support their delivery at the same time. This could also help increase business farming resilience during drought and climate change challenges.

We understand that optional actions, which might receive additional funding and could include nonscheme covered farmers, are still under development, have not been costed and would be implemented later than 2024. However, it would be smart to test and cost optional and universal actions we mention above together now as they could complement each other to support farming businesses with their realistic delivery.

Collaborative and catchment management approach implementation.

Collaborative and catchment management action should be supported for all universal and future optional actions from as early as 2024 and at the outset of the scheme's implementation. Government should support farming community clusters in the implementation of this scheme in alignment with water industry outcomes on environmental pollution, drought management and

service resilience – these currently being finalised through the water industry price setting and investment plan process (Price Review 2024).

The Teifi Demonstrator catchment project could also present an opportunity to test such an approach to implementation, as well as to help develop, cost and co-deliver future scheme optional and universal actions.

Farming businesses are operating in increasingly challenging economic and climatic conditions. Working with farming communities in a small catchment could help produce multisector evidence on the feasibility of solutions to ongoing problems. It could also help identify the financial, monitoring and educational support (CPD) required to yield the best results from the Scheme's implementation for the future resilience of nature and farming economy in Wales.

Enquiries

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