

Senedd Cymru
Pwyllgor yr Economi, Masnach a
Materion Gwledig
Rheoliadau Llygredd Amaethyddol

Economy(6) APR14
Ymateb gan: Dŵr Cymru

Welsh Parliament
Economy, Trade, and Rural
Affairs Committee
Agricultural Pollution
Regulations

Evidence from: Welsh Water

Thank you for the opportunity to provide evidence to your inquiry on the Welsh Government's Agricultural Pollution Regulations (2021).

These comments are from Dŵr Cymru Welsh Water, the statutory water and sewerage undertaker that supplies over three million people in Wales and some adjoining parts of England. We are owned by Glas Cymru, a single purpose, not-for-shareholder Company. We provide essential public services to our customers by supplying their drinking water and then carrying away and dealing with their wastewater in a sustainable manner - a service which protects our environment and the biodiversity it supports. Our services are also essential to the sustainable economic development of Wales.

We understand that the purpose of the Consultation is to inform Welsh Government on the implementation of the Water Resources (Control of Agricultural Pollution) (Wales) Regulations 2021 which came into force in April. These designate the whole of Wales as a Nitrate Vulnerable Zone (NVZ), meaning farmers across Wales must comply with rules on the application of nitrates (in slurry and fertiliser) on their land. Previously only 2.4% of the land area of Wales was designated as NVZs. In June the Senedd voted to call upon a relevant Senedd committee to urgently review the regulations, a matter we most welcome.

We understand the Committee is seeking our views on any or all of the issues covered in the terms of reference, and in particular on the following questions:

- the positive aspects of the current all-Wales approach;
- the negative aspects of the current all-Wales approach;
- the process for developing the current approach;
- the alternatives to the current approach; and
- if an all-Wales approach were to be retained, how the current approach could be improved.

Firstly, we would like to commend the Governments clear intent here, to better control polluting activities which impact on our rivers, and to deliver a more sustainable and resilient environment for future generations.

In this instance, as we stated in our original response to the consultation which was undertaken when the Regulations were at a draft stage, we believe that the designation of catchments as NVZs should be based on evidence of need, not across the whole of Wales. We believe the practicalities of the approach adopted in the 2021 Regulations are unnecessarily burdensome, not targeted according to the evidence, and deeply unpopular with the agricultural community in particular. To that end we very much welcome this enquiry and are pleased to support it with our evidence.

In terms of the positive aspects of the current all-Wales approach, such an approach should be simpler to administer for Government, communicate, and enforce as one set of standards apply to the whole of Wales. Education and documentation should also be simpler to provide on the basis that all land managers must meet the new standards. Balanced against this, the negative aspects of the current all-Wales approach are that it goes against and potentially undermines good 'evidence led regulation', where such designations and controls are put into place on the basis of evidence and need, not uniformly across the whole country including those areas where the evidence suggests such additional controls are not required. Such an approach could set an unfortunate precedent which undermines other areas of environmental control and regulation - which are and should remain evidence led. A whole Wales NVZ approach will lead to unnecessary costs for our customers, and less than sustainable practices elsewhere where the evidence suggests a more targeted approach is needed.

Since the publications of the draft Regulations, we have been working closely with Government colleagues to better understand the regulations and their impact, particularly with respect to the Bioresources we recycle to agriculture as a fertiliser and soil conditioner.

We have completed a Regulatory Impact Assessment (RIA) of the Regulations on our operations, which we have provided to Government. The recycling of biosolids to agricultural land as a sustainable fertiliser, alongside animal manures and chemical fertilisers, has been undertaken in the UK and indeed across much of the EU for many decades. DCWW recycle about 148,000 tonnes of biosolids to agricultural land from their Advanced Anaerobic Digestion (AAD) plants in Cardiff, Afan, Cog Moors and Five Fords. DCWW's landbank of agricultural land for biosolids application covers in the main a 40-mile radius around the AAD plants.

Turning now to the Water Resources (Control of Agricultural Pollution) Regulations. These introduce two new limits on the application of manure (which includes our bioresources) to agricultural land:

- 250 kg N/ha/yr applied by spreading on any one hectare of a field; and

- 170 kg N/ha/yr applied directly by an animal or by spreading averaged over the whole farm area.

The RIA we have completed confirms that the new limits introduced by the Regulations will reduce the capacity for biosolid recycling/spreading in the landbank of agricultural land used by DCWW.

The key results of the RIA are summarised below.

- The estimated maximum landbank capacity for biosolids below the 250 kg N/ha/yr limit of 680,452 tonnes biosolids/yr reduces to 345,724 tonnes biosolids/yr after other N sources are accounted for. This reduces further to 117,373 tonnes biosolids/yr after the requirement to only apply P to crop requirements (under nutrient management planning) is also accounted for. Based on this final value, the landbank has insufficient capacity to continue to receive DCWW's biosolids at the current 148,000 tonnes/year application rate and an excess of about 30,700 tonnes of biosolids/yr is predicted.
- An estimated 437 farms covering 55% of the total landbank area are made up of more than 80% grassland and therefore would be able apply for derogation of the 170 kg N/ha/yr limit, and are assumed to be able to spread up to the 250 kg N/ha/yr limit. The estimated capacity in these farms below the 250 kg N/ha/yr after other organic manure sources including food waste compost/digestate are accounted for is 55,155 tonnes biosolids/yr (i.e. within the land bank capacity below the 250 kg N/ha/yr given above).
- For the remaining 280 farms with no option of derogation, the estimated maximum landbank capacity for biosolids below the 170 kg N/ha/yr limit is 209,016 tonnes biosolids/yr. After other N sources (manures and digestate / compost) are accounted for this reduces to 73,530 tonnes biosolids/yr, and once crop P requirements are also included the capacity reduces further to 32,369 tonnes biosolids/yr.
- The calculations indicate that there is not enough capacity in the landbank to continue to receive DCWW's biosolids at the current 148,000 tonnes/year application rate. An excess of around 115,600 tonnes/yr is estimated when other N sources and the implications of nutrient management planning for P are accounted for.

In summary, the high-level assessment of the landbank capacity available to us, indicates that the new limits introduced by the Regulations are likely to reduce the capacity for biosolid spreading in the landbank of agricultural land used by DCWW. An excess of biosolids between 30,700 and 115,600 tonnes/yr and a landbank area loss of 13% to 60% are predicted.

This effectively means that we will have to travel further and find land which has not been fertilised previously to recycle our Bioresources. If this land is unavailable (as is likely under an all Wales NVZ designation) then we will need to either store our Bioresources and market them for use in infrastructure projects as an alternative to topsoil, e.g. on embankments etc. or thermally destroy them and recover the Phosphate for sale as an inorganic fertiliser or for use in the chemical industry. We currently do not have the investment available for such systems, the costs of which would need to be borne by our customers.

Further to this, you asked if an all-Wales approach were to be retained, how the current approach could be improved. If an all Wales approach was to be retained, we would ask Government to firstly explain this departure from targeted regulation so that the benefits of an all Wales approach are clear and transparent and the case for such an approach can then be supported by stakeholders. Secondly, make it clear that evidence led regulation is still its preferred approach, but in this case the benefits of an all Wales application clearly outweigh those of a more targeted approach, and illustrate why this is the case.

In summary, there is no question that action is urgently required to better control the entry of nutrients to our rivers, and coastal waters alike. This is true in many locations in Wales as highlighted by the recent publication of the State of Natural Resources report - <https://naturalresources.wales/evidence-and-data/research-and-reports/state-of-natural-resources-report-sonarr-for-wales-2020/?lang=en>. The evidence is also clear that whilst there are several diffuse and multi point sources of such pollution, including assets we as a Company operate, the primary source of such pollution is Agriculture, and within that the spreading of manures. We therefore commend Government for seeking to take action to better control these sources of pollution, and to move our rivers to a more sustainable condition. Unfortunately, in this instance we do not support the application of such standards across the whole of Wales and feel a more targeted approach, one focusing on those river basins where the evidence supports such controls are needed, would be a better way of dealing with these challenges.

We very much welcome the opportunity to appear in person before the Committee to respond to any queries that the Committee may have in relation to this evidence if you would find this useful. Please do not hesitate to contact us if this would be of use.

Yours sincerely

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Dŵr Cymru Welsh Water