

14 November 2024

Dear

ATISN 22042 – Sustainable Farming Scheme

Information requested

I write further to my letter of 25 October 2024 and in response to your request under the *Freedom of Information Act*, which I received on 22 October 2024. You requested for the following information to be provided relating to the economic analysis as outlined at section 7.14 of the Explanatory Memorandum for the Agriculture (Wales) Bill.

For ease of reference, section 7.14 of the Explanatory Memorandum refers to the “*Final Scheme*” and states: “*Following consultation in 2023, the scheme proposals will be reviewed and the Economic Analysis updated. This is the point where Welsh Ministers will be able to make a final decision on the structure, actions and payments rates within the proposed SFS.*”

Your request comprises two parts:

1. Firstly, confirmation that we have reviewed and updated the Economic Analysis of the Sustainable Farming Scheme (‘SFS’) following the SFS consultation, as outlined at section 7.14 of the Agriculture (Wales) Bill Explanatory Memorandum, and to provide a copy of the updated Scheme proposal and economic analysis.
2. Secondly, confirmation whether consideration was given to the disbenefits of legislating to introduce support consistent with Sustainable Land Management (‘SLM’), and where this being the case, to provide detailed cost benefit analysis including any disbenefits considered. Subsequently, confirming why any associated costs for any considered disbenefits, if considered, were not included within the *Estimated Annual Costs for each Option from 2024* table, of the Explanatory Memorandum.

Our response

I have considered your requests and the information you requested is as follows:

1. Following a search of our paper and electronic records, I have established the information you require is not held by the Welsh Government. On the 3 and 14 May 2024 respectively, the Cabinet Secretary for Climate Change and Rural Affairs made two Ministerial Announcements stating the launch of the ‘SFS’ would be postponed subject to further engagement with the sector and further scheme design. This process has not concluded, consequently the revised economic analysis has not yet been undertaken. It is our intention to update and subsequently publish the economic analysis once the final scheme is ready.
2. I confirm that consideration was given to the disbenefits of legislating to introduce support consistent with SLM.

We have provided details on the impact of costs of option 3: ‘*Legislate to introduce support consistent with SLM*’, at paragraphs 7.343 to 7.379 inclusive, in the

Explanatory Memorandum. Included within this we state at paragraph 7.377 “*There will be costs to farmers in complying with the requirements of the new scheme but these costs are dependent on the design of the final scheme and will be considered as a part of future economic analysis and have not been included here.*”

We therefore consider the table headed ‘*Estimated Annual Costs for each Option from 2024*’ reflects the content of the paragraphs 7.343 to 7.379. We consider these costs to reflect the disbenefits of legislating to introduce support consistent with SLM.

Next steps

If you are dissatisfied with the Welsh Government’s handling of your request, you can ask for an internal review within 40 working days of the date of this response. Requests for an internal review should be addressed to the Welsh Government’s Freedom of Information Officer at:

Information Rights Unit,
Welsh Government,
Cathays Park,
Cardiff,
CF10 3NQ

or Email: Freedom.ofinformation@gov.wales

Please remember to quote the ATISN reference number above.

You also have the right to complain to the Information Commissioner. The Information Commissioner can be contacted at: Information Commissioner’s Office,
Wycliffe House,
Water Lane,
Wilmslow,
Cheshire,
SK9 5AF.

However, please note that the Commissioner will not normally investigate a complaint until it has been through our own internal review process.

Thank you for taking the time to write.