



## National Sheep Association

**Response to:** Natural Resources Wales

**Subject:** Consultation on regulatory fees and charges for 2023/2024

**Date:** 7<sup>th</sup> January 2023

The National Sheep Association is a charitable company that represents the views of sheep farmers through a membership structure across the United Kingdom of Great Britain and Northern Ireland. This response is from NSA Cymru.

### **General Comments**

There is extreme and valid concern that the onset of such tremendous charge increases will coincide with wider efforts (detailed below) to eradicate sheep scab from the national flock and will directly and detrimentally influence the number of individuals and businesses willing to use plunge dipping as a method of treating a sheep scab infestation.

NSA Cymru believes that there is a basic lack of evidence and clarity for many of the charge increases proposed in the present consultation. Indeed, it is a source of frustration that no attempt was made to provide a breakdown of current costs to allow the industry to properly evaluate the proposed charge increases and to determine where value for money is - or is not - being provided to the sector. Furthermore, no impact assessment has been conducted on the additional financial burden placed upon livestock keepers resulting from the proposed changes and NSA Cymru believes that this was a necessary and important inclusion.

NSA Cymru believes that the exorbitant charge increases proposed could only ever represent 100% cost recovery where there has been little or no attempt by NRW to streamline current processes, identify wasted resources and remove administrative inefficiencies. Disappointingly, there is a dearth of information within the present consultation relating to attempts by NRW to minimise costs to the agricultural sector prior to the onset of 'full cost recovery.'

The consultation refers to the provision of further information on cost modelling being available upon request. NSA Cymru would therefore like to formally request cost modelling for this section of the consultation which should include the financial impact of these proposed charge increases on the sheep sector and the potential reduction in the ability of this sector to control and eradicate sheep scab.

### **Consultation**

The consultation posits that the introduction of 'full cost recovery' will begin in April 2023; just 3 months from the end of the stakeholder consultation period. Not only do such short timelines suggest that charge increases represent a fait accompli, but the



short window does little to allow individuals and businesses to prepare for such large financial increases against an existing backdrop of severe pressures; with 'agflation' (inflation linked to rising agricultural costs and prices) reaching 23.5% per annum in July 2022.

Given the above, it is therefore of great concern to NSA Cymru that the charges proposed under the Water Quality Discharge (Landspreading) section of the consultation would see a new application for sheep scab dip disposal rise from £402 to £3728. This is an exorbitant and unevidenced rise of 827%. This is in addition to the new requirement for a habitat assessment which, if required under a permit, would be charged at £1670. Sizeable charge increases are also proposed for substantial (£3011., 3810% rise), normal (£1935., 2413% rise) and minor (£680., 783% rise) variations to bespoke permits. Administrative charges also rise from £77 to £352 under the proposals with no indication in the implications on the current annual subsistence charge.

### **National Policy Context**

In July of 2022, The Welsh Government Sheep Scab tender was published, representing a significant amount of industry investment to tackle the disease. The 8-million-pound funding pot offered under this tender programme is designed to 'support the sheep sector in effectively controlling and eradicating sheep scab'.

On Monday 19th December 2022, the Rural Affairs Minister Lesley Griffiths announced awarding Coleg Sir Gar a three-year contract to work on eradicating Sheep Scab in Wales. As part of the announcement, the Minister cited that "Sheep Scab is one of the most contagious diseases of sheep and a difficult challenge for the industry" and that "Effective control of sheep scab, both on a local and national scale is essential. Sheep must be scab-free to be productive and to have a good quality of life."

Sheep Scab has been identified as a priority by Welsh Government's Wales Animal Health and Welfare Framework group <https://www.gov.wales/sites/default/files/publications/2022-03/animal-health-and-welfare-framework-implementation-plan-2022-2024.pdf>, and the Office of the Chief Veterinary Officer (OCVO) in the Welsh Government is responsible for raising the standards of health and welfare for all animals kept in Wales. It is our understanding that neither have been formally consulted on the impact and risks posed by these proposed increases to their main (Scab) eradication programme and this is seen as a fundamental oversight.



## EPR Water Quality Discharge (Landspreading)

Accurate and timely diagnosis and treatment of sheep scab is essential for effective eradication, and it is therefore of significant concern to NSA Cymru that the charges proposed in the present consultation represent a significant barrier to the use of the most effective treatment available.

There are only two types of treatment for sheep scab – organophosphate (OP) plunge dips (containing diazinon) and endectocides (injectable group 3-ML). While a useful tool against sheep scab, resistance of internal parasites to the 3-MLs has increased rapidly in recent years in line with increased use for scab, and cases of resistance in scab mites to MLs have now also been recorded.

OP dips are therefore a vital tool, and plunge dipping is acknowledged as the most effective treatment to control the prevalence of sheep scab and other external parasites. OP dips also control ticks and lice, both are which are an irritant to sheep. Ticks can also transmit Lyme disease, which is an increasing human health issue, and can destroy grouse populations and have a devastating effect on other wildlife species.

Sheep scab is an endemic disease in the UK, scab causes significant production and welfare problems estimated to cost the sheep industry more than £78-200m annually. Scab mites can survive off-host for 16-19 days, so sources of infestation include anything the infested sheep has contacted, such as fence posts, handling facilities, shearing equipment, trailers. Scab is common throughout the year, but the majority of outbreaks occur between September and March. There are only two types of treatment available for sheep scab. An OP plunge dip or an injectable from the 3-ML (clear) group.

However, the Moredun research institute through the 'For Flocks Sake' scab project has found that; by using some of the resistant mites from the project, Moredun has been able to conclusively show that although these mites cannot be killed with an endectocide, they can be killed by effective exposure to an organophosphate (OP) plunge dip. Showers or jettors do not effectively kill scab mites, because they do not get down to the skin where the mites reside, like plunge dips do. Therefore, to protect the current situation where there is no resistance to OPs, it is vital not to use showers and jettors and select for resistance. There is a shift back to using OP plunge dipping. Traditionally scab was controlled by dipping, but the product's use has changed dramatically over the last 30 years. Since 1992, it moved from a near 100% use of OP (and some now-outlawed synthetic pyrethroid) dips, to a situation at the end of the last decade when OP dip accounted for only 10% of ectoparasite treatments in sheep. The remaining 90% was split, 40% endectocide and 50% pour-ons for blowfly/lice treatments. However, many in the industry will have noticed there has been an increasing demand for OP sheep dip over the last year and there are a number of reasons fuelling this, especially the lack of reliability and effective treatment in other products.



The onset of the proposed increase in April 2023 for landspreading permit fees would coincide precisely with the implementation of the abovementioned Welsh Government funded national sheep scab eradication programme. With sheep scab prevalence at precarious levels throughout Wales, introducing these significant increased charges in parallel with a concerted national programme to tackle the disease would demonstrate a grave lack of cohesive ‘joined up’ policy making at national level, and would inadvertently represent a colossal disincentive to effective engagement with this vital and long-awaited funding stream. We ask therefore for the significant impact and consequence of these proposed fee increases to be fully assessed and considered in this context.

In the short-term, increased plunge dipping activity is both inevitable and essential for the eradication programme to have a realistic prospect of success, with the long-term objective to bring sheep scab cases down to more controllable levels, and hence the necessity for dipping.

The scale and magnitude of concerted action required in the next few years by the industry to tackle sheep scab cannot be overstated. To expedite the national programme, would NRW be willing to consider a process for some surrendered landspreading permits to be reinstated at reasonable costs, as the suitability of these former disposal areas would have already been assessed and permitted?

The risks associated with the use and disposal of spent sheep dip is fully appreciated by NSA Cymru. As the eradication programme is implemented, we intend to work with Gelli Aur on campaigns to promote good practice, most notably the SCOPS guidance to minimise risks to users and the environment and very much hope that NRW will be supportive of such campaigns.

Furthermore, on farm monitoring for diffuse pollution following plunge dipping activities will be incorporated as part of the eradication programme to better understand and quantify the associated risks.

### **Alternate Disposal Options**

Other than disposal to land via a landspreading permit issued by NRW which this consultation impacts hugely on, the only alternative is the collection of spent sheep dip from farms and contractor premises for disposal at waste treatment facilities.

However, from farmer and contractor experiences over several years, the practical reality is that the capacity and infrastructure for cost effective collection and disposal options in Wales is extremely sparse and inaccessible. Few sites in the UK can offer disposal facilities, and the prospect of transporting large quantities of dip by road to these sites presents another environmental hazard.



With disposal to land being actively discouraged by NRW (both directly and indirectly) by virtue of the proposed exorbitant single increase in permit fees, assessing the feasibility and securing sustainable alternative disposal options for farmers and dipping contractors is essential for both animal health and environmental protection in the long-term.

### **Next Steps**

NSA Cymru is part of a Wales Sheep Scab Group and earlier in 2022 we took part in a group discussion with Dave Jones, Senior Advisor (Groundwater) for Natural Resources Wales to discuss these issues. Whilst sympathetic to the need for plunge dipping it was made abundantly clear that the long-term aspiration is to see the practice of disposal to land ended and that we should seek robust evidence led alternate treatment and disposal options.

As a direct result, the group is currently commissioning gap analysis research on current and potential future collection and disposal availability for Welsh sheep farmers and to consider the feasibility of options to incentivise viable and sustainable market led solutions.

In addition, we are aware that Bimeda, the manufacturers of Golden Fleece Sheep Dip (diazinon active ingredient) are currently engaging with potential manufacturers to develop a detoxification product, which would denature and render spent dip less harmful.

NSA Cymru would also welcome an opportunity to explore how new collaborative ways of working in catchments with the introduction of the Sustainable Farming Scheme could offer alternative approaches and solutions.

Taking all the above into account hopefully demonstrates that as part of this group NSA Cymru is progressive and working on a range of long-term sustainable alternatives to address the various challenges of sheep scab here in Wales. However, delivering innovative alternative solutions will take time, which is why we would urge NRW to consider a moratorium on the proposed landspreading permit increase to facilitate the delivery and full evaluation of the sheep scab eradication programme and associated research.

### **Summary**

NSA Cymru does not agree that these increases represent the 'right charges in the right places' or that they are 'fair and appropriate' and believes that the onset of any charge increases should be delayed for a 3-year period. This would provide sufficient opportunity to comprehensively evaluate the working group research findings and the impact of the impending eradication programme with NRW as the environmental regulator.



To close, the Rural Affairs Minister Lesley Griffiths concluded her announcement of awarding the eradication programme contract for Wales by saying “... a collaborative approach is key to success and by working together we can reach our goals.” As a member of the Welsh Sheep Scab Industry Group, we kindly request in advocating such collaboration that NRW consider the following recommendations in response to the consultation process:

#### Recommendations

- 3-year moratorium on EPR Water Quality Discharge (Landspreading) fee increases.
- NRW to meet with NSA Cymru and the Sheep Scab group to discuss sheep scab challenge and control proposals
- NRW to consider and assess impact of proposed charge increases on Welsh Government’s programme and long-term commitment to control and eradicate sheep scab.
- NRW to consult with Welsh Government OCVO and Animal Health and Welfare Framework Group on the above to ensure future policy areas align.
- NRW to consider mechanism for reinstating surrendered landspreading permits.
- NRW to collaborate with Gelli Aur and Industry Group so that eradication programme and associated research delivers multiple outcomes for sheep welfare and the environment.
- NRW to support future sheep dipping best practice campaigns.