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## SPG7 – Questions & Answers

### 1. Where can I find more information on the new Water Resources (Control of Agricultural Pollution) (Wales) Regulations 2021?

On 27 January 2021 the Minister for Environment, Energy and Rural Affairs announced the introduction of regulatory measures to address agricultural pollution in Wales, the Water Resources (Control of Agricultural Pollution) (Wales) Regulations 2021. Detailed guidance documents will be published on the Welsh Government website, providing a step-by-step approach to the implementation of the regulations. The latest information can be found on the following pages under Farm Pollution: <https://gov.wales/land-management>

### 2. When will the slurry storage requirement of the Water Resources (Control of Agricultural Pollution) (Wales) Regulations 2021 will come into effect?

The measures within the Water Resources (Control of Agricultural Pollution) (Wales) Regulations 2021 will be phased in over the next 3 years, with the initial measures applying to farms from 1 April 2021 and the remainder being phased in from January 2023 and August 2024. From 1 August 2024, 5 months of slurry storage will be required for any slurry produced by any livestock, other than pigs or poultry. For slurry produced by pigs and poultry, 6 months of slurry storage will be required.

### 3. Can I apply if I have been successful in my Farm Business Grant – Yard Coverings application?

Yes, both schemes are separate, however you cannot apply for support for the same roof area.

### 4. Is there a new allocation of £50,000 funding for every business? I appreciate windows 1-3 will have a new allocation but what about windows 4-6?

Yes, there is a new £50,000 allocation for each window, regardless of what you have received previously. However, there is no rolling over of any unused grant from previous windows.

### 5. Are small and medium enterprises (SMEs) with a revenue above £1million excluded from the grant?

Unlike the Farm Business Grant schemes, businesses with a turnover of over £1,000,000 are eligible for Sustainable Production Grant (SPG) support.

### 6. If I am applying for support to build a slurry store, do I need to build a new store which holds the full 5 months' storage?

No. The slurry storage capacity to meet the requirements of the regulations can be achieved through the construction of an additional store, and/or extension to an existing store, adding to existing capacity (this is a change from previous SPG windows).

### 7. Is this the last round of the SPG full stop, or will a similar scheme be rolled out once we transition to Welsh money as opposed to EU money?

This is the last planned round of the SPG financed through the Rural Development Programme. At present, we cannot say whether further rounds, using wholly domestic funding, will be approved.

**8. How can I calculate my slurry storage requirements?**

The slurry storage requirements can be established using the Farm Guidance Document; Annex 2 Part 1. Farmer Guidance - Water Resources (Control of Agricultural Pollution) (Wales) Regulations 2021. The guidance will be available at <https://gov.wales/land-management>

**9. How do I demonstrate in my application that I will meet the slurry storage requirement by 1 August 2024?**

This will be demonstrated by either utilising the calculation template form Annex 2 Part 1. Farmer Guidance, by submitting a report undertaken by Natural Resources Wales (NRW) on your holding, or other robust calculations evidencing current and future storage requirements.

**10. If I don't produce slurry, how do I demonstrate that I meet the slurry storage requirements?**

If you do not produce slurry, you will need to detail how any manure or slurry from livestock housing is stored in compliance with the new regulations.

**11. Does the SPG support the installation of silage clamps?**

Yes, the SPG supports the installation of new silage clamps.

**12. Can I apply for support for livestock housing?**

No, the SPG does not support livestock housing. The building needs to be appropriate to the proposed use and converting supporting buildings to alternative use e.g. livestock housing or storage is not eligible. The building should be used for the same purpose as set out in the original application for five years of the final payment. However, if, at inspection, the project funded with SPG support is considered livestock housing, payment may be withheld or any monies paid may be reclaimed in part or in full. There is a 5-year minimum time on these projects, from date of claim, where the supported investment must remain and in its original intended use on the supported holding.

**13. Is it possible to apportion the cost of a building, for example, where a single new roof will cover both an area of dirty yard (eligible) and an area of clean yard or an existing building (ineligible)?**

Yes, it is possible to cover an ineligible area at the same time as covering an eligible area, but the invoice must clearly show the costs associated with **both** the eligible **and** ineligible area.

**14. If I have already been awarded a FBG Yard Coverings grant, would it be superseded by the SPG if I was able to accumulate sufficient points?**

If you have been awarded a contract for the FBG or FBG Yard Coverings, you must complete the work you are contracted to carry out under the FBG contract you have signed. The work cannot be transferred to the SPG afterwards.

**15. If I want to build a new slurry store and a covered yard to store farmyard manure (FYM) will I be able to claim for one in the first round and the other in any future round?**

Where more than one round of the same scheme is planned, it is permissible to apply for one or more items under one round and more items under another, provided they are not duplicates for the same work in the same place applied for previously.

**16. Can I apply for application equipment if I do not have sufficient storage capacity to meet future regulations?**

No, as part of your application you will need to demonstrate how the investment will support the farm to reach compliance with The Water Resources (Control of Agricultural Pollution) (Wales) Regulations 2021, or assist the farm to become compliant by 1 August 2024.

**17. Are slatted floor systems eligible under SPG?**

No, slats are not eligible expenditure. Anything from the slats up, above a below floor slurry store, is considered livestock housing and is ineligible for SPG support. Below floor slurry stores are eligible for support.

**18. Do I need formal quotes at Expression of Interest (EOI) stage?**

No, however, you need a good estimate of costs for the EOI and obtaining at least one quote might assist you in establishing costs. The estimate you use in your SPG EOI will be the maximum amount you can apply for if your EOI is selected, even if the three quotes you receive exceed it. If the three quotes are less than your estimate at EOI, you will be capped to the lowest agreed quote.

**19. If I am selected, do I need to obtain three quotes during the Coronavirus pandemic?**

The Coronavirus pandemic should not prevent you getting quotations, providing you are willing to allow contractors/suppliers on site practicing safe distancing procedures. If you are unwilling for this to happen, you should consider whether it is worth submitting an EOI, because, if you are successful, it will be necessary for you to obtain the required number of quotes, regardless of the pandemic situation, **unless** further advice to the contrary is issued.

**20. Do I need to inform Natural Resources Wales (NRW) of any changes I intend to make to my slurry store?**

Yes. 14 days' notice must be given to NRW before construction begins on a new or an improved slurry or silage store (this applies from 28 April 2021). Applicants are advised to do this at the early stage of the process.

**21. What is the maximum grant available through the SPG?**

The maximum grant award is £50,000 with a minimum grant of £12,000. The grant provides a maximum 40% contribution towards capital investments. The maximum project cost to receive a 40% grant contribution is £125,000 and the lowest project cost is £30,000.

**22. Where can I view the scoring criteria?**

The scoring criteria are explained under the Scoring and Selection Process in the SPG 7 rules and guidance and the points for each item are given in the Annex A document. Both can be found here:

<https://gov.wales/sustainable-production-grant>

### **23. Do we require planning approval before we submit a full application?**

Evidence of planning application is not required at the EOI stage. However, if successful, evidence that a planning application has been submitted or approval obtained must be provided at full application stage.

### **24. Can applicants that have been successful in previous SPG windows apply for SPG window 7?**

We have changed the eligibility rules for this window. Successful applicants from **all** SPG windows, including windows 1 – 3 are eligible to submit an EOI for SPG window 7.

### **25. Do we have to use Sell2Wales to obtain competitive quotes?**

The criteria for procurement is that any equipment costing less than £5,000 then only one quote needs to be obtained. Three quotes must be obtained for equipment costing over £5,000. It is not clear about the requirement to use Sell2Wales so this will be reviewed.

### **26. Does all the work need to be completed before payment or can I make multiple claims?**

If you have accepted a contract offer with more than one investment item to be funded, you may submit a claim for individual investment items, once they have been purchased, installed and works fully completed on that individual item. You may also submit a claim for payment for more than one investment item as long as all items on the claim have been purchased, installed and works fully completed. We will not fund part-payments or stage-payments for an individual investment item.

### **27. If the cost of the storage is less than £30,000, do I still qualify for grant?**

We recommend getting as accurate quotation(s) ahead of submitting an EOI to ensure your project can be supported. It is a scheme rule a minimum of £12,000 can be offered in support.

### **28. Will applications that apply for support towards slurry stores be considered a priority to those who's applying for other equipment?**

The priority of this SPG window is to ensure that all farming businesses are up to the recently notified Water Resources (Control of Agricultural Pollution) (Wales) Regulations 2021 regulation standard. As a result, those applications purchasing equipment to meet the regulations will be scored higher. Businesses that are already compliant and therefore only wish to purchase secondary items will not be disadvantaged.

The applications from businesses who are not compliant to the regulations and only wish to purchase secondary items will be scored lower.

### **29. How much detail is required in the business plan?**

It would be expected that on reading the business plan, the appraisal team would be able to understand how the business operates, establish the requirement for

investment, the sustainability of the project and whether the investment can be funded and implemented successfully. The plan should not simply focus on the capital grant requested, but be a holistic plan directed at the future of the business. As a minimum, financial forecasts are required which includes the investment and a business plan narrative to support the assumptions in the forecasts.

**30. What information is required as part of the core criteria questions?**

Applicants will need to complete a core criteria statement which will be made available on-line to selected applicants. The information requested will include value for money, strategic fit, delivery – risk and risk management and cross cutting themes.

**31. If you apply for a silage pit is there a grant available for covering it?**

Yes, constructing a roof over the silage pit under item SP58 – Silage Clamps would be eligible.