

Agenda – Climate Change, Environment, and Infrastructure Committee

Meeting Venue:

Committee room 4 Tŷ Hywel
and video Conference via Zoom

Meeting date: 20 November 2024

Meeting time: 09.30

For further information contact:

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Hybrid

At its meeting on 16 October 2024, the Committee agreed a motion under Standing Order 17.42 (vi) and (ix) to exclude the public from the start of today's meeting.

Private meeting (09.15–10.15)

1 Consideration of Committee visits on 7 November 2024

2 Consideration of report on Cross-Committee visit to Ireland

(Pages 1 – 13)

Attached Documents:

Visit report: Cross-Committee visit to Ireland

3 Active Travel – technical briefing from Audit Wales

(10.15–11.00)

(Pages 14 – 87)

[Audit Wales – Active Travel Report, September 2024](#)

[Welsh Government response, November 2024](#)

Matthew Mortlock, Audit Director – Audit Wales

Seth Newman, Senior Auditor – Audit Wales



Senedd Cymru
Welsh Parliament

Rachel Davies, Audit Lead – Audit Wales

Attached Documents:

Technical briefing: Audit Wales – Active travel report

Active travel report – Audit Wales

Response – Welsh Government

Public meeting (11.15–12.15)

4 Introductions, apologies, substitutions, and declarations of interest

(11.15)

5 Scrutiny of the Cabinet Secretary for Economy, Energy and Planning on energy, planning, Cardiff airport and ports

(11.15–12.15)

(Pages 88 – 118)

Rebecca Evans MS – Cabinet Secretary for Economy, Energy and Planning

Stephen Rowan, Deputy Director, National & International Connectivity –
Welsh Government

Neil Hemington, Chief Planner – Welsh Government

Edward Sherriff, Deputy Director Energy – Welsh Government

Attached Documents:

Research brief – Scrutiny of energy, planning, Cardiff airport and ports

Paper – Welsh Government

6 Papers to note (12.15)

6.1 Inquiry on waste

(Pages 119 – 134)

Attached Documents:

Letter from the Chair to the Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs in relation to the Committee's inquiry into waste in Wales

Response from the Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs to the Chair in relation to the the Committee's inquiry into waste in Wales

Letter from the Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs in relation to The Producer Responsibility Obligations (Packaging and Packaging Waste) Regulations 2024

6.2 Legislative Consent: Water (Special Measures) Bill

(Pages 135 – 167)

Attached Documents:

Letter from the Chair to Stakeholders in relation to the Water (Special Measures) Bill

Response from OFWAT to the Chair in relation to the Legislative Consent Memorandum for the Water (Special Measures) Bill

Follow up letter from OFWAT to the Chair in relation to OFWAT's consultation on Rules of Remuneration and Governance of water companies

Response from Natural Resources Wales to the Chair in relation to the Legislative Consent Memorandum for the Water (Special Measures) Bill

Response from Welsh Water to the Chair in relation to the Legislative Consent Memorandum for the Water (Special Measures) Bill

Response from the Consumer Council for Water to the Chair in relation to the Legislative Consent Memorandum for the Water (Special Measures) Bill

Response from Hafren Dyfrdwy to the Chair in relation to the Legislative Consent Memorandum for the Water (Special Measures) Bill

6.3 Welsh Government's proposals for a Sustainable Farming Scheme

(Pages 168 – 171)

Attached Documents:

Letter from the Chair of the Economy, Trade and Rural Affairs Committee to

the Cabinet Secretary for Climate Change and Rural Affairs in relation to the Sustainable Farming Scheme

Response from the Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs to the Chair of the Economy, Trade, and Rural Affairs Committee in relation to the Sustainable Farming Scheme

6.4 Wales–Ireland relations

(Pages 172 – 174)

Attached Documents:

Letter from the Chair to Brian Leddin TD, Chair of the Committee on Environment and Climate Action, in relation to a Cross committee exchange visit to Oireachtas

Response from Brian Leddin TD, Chair of the Committee on Environment and Climate Action, to the Chair in relation to the Cross committee exchange visit to Oireachtas

6.5 Scrutiny of Natural Resources Wales on topical issues

(Pages 175 – 179)

Attached Documents:

Evidence from Natural Resources Wales to the Chair following the session on the scrutiny of Natural Resources Wales on topical issues

6.6 Legislative Consent: Great British Energy Bill

(Pages 180 – 184)

Attached Documents:

Response from the Cabinet Secretary for Economy, Energy and Planning to the Chair in relation to the Legislative Consent Memorandum for the Great British Energy Bill

Letter from the Chair of the Legislation, Justice and Constitution Committee to the Llywydd and Chair of the Business Committee in relation to reporting timetables for Legislative Consent Memoranda

6.7 Welsh Government Draft Budget 2025–26

(Pages 185 – 194)

Attached Documents:

Letter from the Chair to the Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs in relation to the Draft Budget 2025–26

Letter from the Chair to the Cabinet Secretary for Transport and North Wales in relation to Draft Budget 2025–26

Letter from the Chair to the Cabinet Secretary for Economy, Energy and Planning in relation to the Draft Budget 2025–26

6.8 Halting and reversing the loss of nature by 2030

(Pages 195 – 204)

Attached Documents:

Letter from RSPB Cymru to the Chair in relation to the Committee's inquiry on halting and reversing the loss of nature by 2030

Additional evidence from the Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs in relation to the Committee's inquiry on halting and reversing the loss of nature by 2030

6.9 Marine Conservation Zones

(Pages 205 – 207)

Attached Documents:

Letter from RSPB Cymru Wales to the Chair in relation to Marine Conservation Zones

6.10 The climate and nature crisis

(Pages 208 – 209)

Attached Documents:

Joint letter from WWF Cymru and RSPB Cymru to the Chair in relation to the climate and nature crisis

6.11 Legislative Consent: Passenger Railway Services (Public Ownership) Bill

(Page 210)

Attached Documents:

Response from the Cabinet Secretary for Transport and North Wales to the Chair in relation to the Committee's report: Report on Legislative Consent Memorandum for the Passenger Railway Services (Public Ownership) Bill

- 7 Motion under Standing Order 17.42 (vi) and (ix) to resolve to exclude the public from the remainder of this meeting (12.15)**

Private meeting (12.15–12.30)

- 8 Consideration of evidence received under items 3 and 5**

Document is Restricted

Agenda Item 3

By virtue of paragraph(s) vi of Standing Order 17.42

Document is Restricted

Active travel

September 2024



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Key facts

Targets



45%

target for journeys to be by public transport, walking, and cycling by 2040



35%

trip mode share of active travel by 2040

Investment



£65 million

Welsh Government allocation for its key active travel initiatives in 2024-25



77%

proportion of the £65 million for the Active Travel Fund



£218 million

expenditure by local authorities from the Active Travel Fund or equivalent, 2018-19 to 2023-24

Rates



51%

proportion of adults aged 16+ walking at least once a week for at least 10 minutes in 2022-23 for active travel purposes



6%

proportion of adults aged 16+ cycling for active travel purposes at least once a week in 2022-23

Active Travel Fund schemes



83

main infrastructure schemes completed, 2021-22 to 2023-24



81

minor works schemes over £100,000 completed, 2021-22 to 2023-24

Routes



1,484 miles

of active travel routes included on local authority Active Travel Network Maps in 2022

Note: Our [data tool](#) provides further information about active travel routes based on published network maps, national active travel rates from the National Survey for Wales, and local authority expenditure from the Active Travel Fund. The expenditure data above is not the full picture of active travel related spending by the Welsh Government and/or wider public services.

Key messages

Background

- 1 'Active travel' describes walking and cycling for everyday journeys (see **Exhibit 1**). The [Active Travel \(Wales\) Act 2013](#) (the Act) aims to increase active travel rates.

Exhibit 1: definition of active travel

The Act describes an 'active travel journey' as to or from a workplace or educational establishment, or to access health, leisure or other services or facilities.

Supporting guidance refers to active travel as walking and cycling to a destination, possibly combined with public transport, but differentiated from walking and cycling solely for leisure. This includes travel by foot, wheelchair, pedal cycles, and adapted cycles.

Source: Audit Wales summary from Welsh Government, [Active Travel Act Guidance](#), July 2021 and the Act itself

- 2 The benefits of walking and cycling for health and well-being are well documented. There are wider benefits when active travel journeys replace car journeys. Such 'modal shift' is central to *Llwybr Newydd*¹, the Wales transport strategy. *Llwybr Newydd* puts walking and cycling at the top of the sustainable transport hierarchy for new infrastructure investment. In practice, action to support active travel requires effective integration with wider Welsh Government policies and programmes.
- 3 The Welsh Government has overall policy responsibility for active travel. Delivery also involves Transport for Wales, local authorities, and third sector organisations including the charity Sustrans. In March 2024, the Welsh Government published a new active travel delivery plan².

1 Welsh Government, [Llwybr Newydd, A New Wales Transport Strategy 2021](#), March 2021

2 Welsh Government, [Active Travel Delivery Plan 2024 to 2027](#), March 2024

- 4 The Welsh Government's most significant financial intervention is the Active Travel Fund. The Fund helps local authorities develop and deliver improvements to active travel infrastructure and related facilities. Transport for Wales administers the Fund for the Welsh Government, although Welsh Government officials remain involved with it and Ministers approve allocations.
- 5 In 2018, the Senedd's Economy, Infrastructure and Skills Committee³ concluded that a lack of leadership, funding, and ambition had resulted in poor progress. In 2022, the Senedd's Cross-Party Group on the Active Travel Act⁴ (the Cross-Party Group) said the Welsh Government's ambition for active travel had not been followed through with the actions needed to deliver transformative change.
- 6 We considered whether the Welsh Government is well placed to lead a step change in active travel rates, as part of its wider approach to modal shift. **Appendix 1** provides more detail about our work. **Appendix 2** summarises key duties on the Welsh Ministers and local authorities.
- 7 We have focused on national level arrangements led and/or managed by the Welsh Government and Transport for Wales. We have not examined interventions by individual local authorities, although we recognise their important front-line role and reflect certain evidence about issues at a local level. Nor have we considered the part that wider public, private and third sector organisations can play to promote active travel as employers or otherwise in, for example, the case of the NHS.

Overall conclusion

- 8 Despite increased spending through its Active Travel Fund and a new, wide-ranging, delivery plan, the Welsh Government remains a long way from achieving the step change in active travel intended through the Act. And approaches to monitoring and evaluation do not currently go far enough to enable robust tracking of progress or an overall assessment of value for money.

3 Economy, Infrastructure and Skills Committee, [Post Legislative Scrutiny of the Active Travel \(Wales\) Act 2013](#), June 2018

4 The report by the [Cross-Party Group on the Active Travel Act](#) is in the public domain but only via the group's social media.

Key findings

Strategy and leadership

- The Welsh Government has set active travel targets without Wales specific data to establish the baseline position. It is uncertain whether the targets are achievable.
- The new active travel delivery plan is wide-ranging but includes some actions outstanding from the 2016 plan.
- Various national policies and initiatives integrate commitments to active travel, but this does not always play through to local decisions. There also appears to be variation in the extent to which local authorities are prioritising active travel and related investment.
- Leadership and oversight is complicated by the involvement of multiple stakeholders and some lack of clarity around responsibilities amid changing remits.
- The Welsh Government's active travel team is small, and while Transport for Wales's team has grown over the past three years there are capacity issues in local authorities.

Welsh Government investment

- The Welsh Government has allocated £65 million to its key active travel initiatives in 2024-25, mainly to improve infrastructure with the Active Travel Fund the largest component.
- The fuller picture of Welsh Government and wider public services expenditure on active travel is not clear.
- Building on its existing programme and delivery structure, the Welsh Government intends to develop a new assessment and funding framework.
- Annual Active Travel Fund or equivalent expenditure by local authorities increased significantly between 2018-19 and 2023-24, from £20 million to £46 million. Total expenditure in the period was £218 million.
- The annual funding cycle and uncertainty about future funding can make some local authorities reluctant to take on more ambitious multi-year schemes.

Developing active travel networks and changing behaviour

- It is difficult to assess the extent to which active travel networks have improved over time from the network maps alone, but the pace of change appears too slow currently to achieve the ambitions.
- We heard that routes put forward for funding by local authorities are not always in the best areas, or adequately connected, to facilitate modal shift but Transport for Wales has developed a tool to improve prioritisation.
- Building of physical infrastructure has not been accompanied by a strong enough focus on awareness raising and behaviour change.

Monitoring and reporting

- The limited information available suggests active travel rates have not improved in recent years, with headline walking rates below pre-pandemic levels.
- The Welsh Government and Transport for Wales are developing an overall monitoring and evaluation framework, but it has been a long time coming.
- The Act's reporting requirements are not being met consistently and a Welsh Government review of the operation of the Act is overdue.
 - The quality of information reported by local authorities varies considerably, including baseline information against which to assess impact.
 - The Welsh Government's annual reporting has been limited in scope.
- Current arrangements for monitoring and evaluating Active Travel Fund expenditure do not enable an overall assessment of value for money.



The Welsh Government needs to reflect on why, in over a decade, the Active Travel (Wales) Act and the arrangements to support delivery have not yet had the desired impact. Various factors influence active travel behaviour across a range of policy areas.

The importance of being able to put value for money to the test through strengthened monitoring, evaluation, and reporting, reflects a recurring theme from my wider audit work. Without better supporting evidence, the risk is that doing more of the same, including in how funding is prioritised, may simply produce the same results.

Adrian Crompton
Auditor General for Wales



Recommendations

In framing our recommendations⁵, we have been mindful of the 51 recommendations already set out by the Cross-Party Group, including in relation to the scope of the Act to support wider mainstreaming. The recommendations – directed at the Welsh Government, Transport for Wales or local authorities – spanned the following key areas:

- delivery
- governance
- behaviour change
- equality
- active travel to school
- monitoring and data
- legislative change

Also, shortly before publication of our report, the Welsh Government's Active Travel Board published its own annual report⁶. It raised nine recommendations on issues relevant to themes in this report and that of the Cross-Party Group.

More generally, it is also important that the Welsh Government now delivers with its partners on its Active Travel Delivery Plan.

⁵ We have provided paragraph references to the core context for each recommendation. However, some are also informed by issues covered in other places in the report.

⁶ Active Travel Board, Active Travel in Wales Annual Report 2023-2024, August 2024

Recommendations

Ambitions and monitoring

- R1** The Welsh Government should articulate a consolidated set of long-term active travel indicators and targets, with delivery milestones. These should include coverage of wider outcomes than just active travel rates in the context of its transport strategy ambitions, the wider well-being goals for Wales, and expected contributions from wider policy/programme areas (**paragraphs 1.4 to 1.5 and 1.10 to 1.13**).
- R2** To support monitoring against active travel related indicators and targets, the Welsh Government should ensure it collects consistent data over time that allows long-term trend analysis and, where practical, pan-UK comparison on key measures (**paragraphs 1.4 to 1.5 and 4.2 to 4.4**).
- R3** As it finalises plans for a new National Travel Survey, the Welsh Government should re-appraise the costs and benefits of collecting enough data to support meaningful analysis and scrutiny of active travel rates at local authority level (**paragraphs 4.6 and 4.8 to 4.10**).
- R4** In developing a new monitoring and evaluation framework and providing fresh guidance to local authorities, the Welsh Government and Transport for Wales should clarify expectations around objective setting and a proportionate, but more consistent, framework for reporting benefits that extend beyond changes in active travel rates. This could include, for example, impacts on air pollution in the context of new reporting duties in that regard (**paragraphs 4.8 to 4.10, 4.16, and 4.20 to 4.25**).

Recommendations

R5 Building on the new monitoring and evaluation framework and reporting by local authorities, the Welsh Government should revert to the publication of a fuller annual report on active travel (**paragraphs 4.14 to 4.17**). As a minimum, the report should include coverage of and/or signpost to:

- evidence relating to active travel behaviour at a national and local level;
- expenditure data compared with allocations for key areas of specific active travel spending, analysis of local authority match funding and, where practical, contributions from other programme areas in transport and beyond;
- progress with active travel delivery plan actions, including behaviour change initiatives;
- progress with scheme delivery and network expansion; and
- evidence about how active travel investment is contributing to wider strategic goals.

Responsibilities

R6 The Welsh Government should use its new assessment and funding framework to support periodic reviews of local authorities' capability, plans, and active travel delivery. It should then report transparently on the outcome of those reviews (**paragraph 2.16**).

R7 To manage potential risks around duplication of public funding and conflicts of interest around the administration of the Active Travel Fund:

- a) Transport for Wales should assess opportunities to further strengthen safeguards relating to the involvement of Sustrans officers, alongside its own officers, in the appraisal of Active Travel Fund bids.
- b) the Welsh Government and Transport for Wales should ensure they have a clear understanding of any work Sustrans may be involved with at a local authority level that relates back to the Active Travel Fund (**paragraphs 2.2 to 2.7**).

Recommendations

Funding

- R8** The Welsh Government should devise a longer-term, multi-year, funding strategy to provide local authorities with more certainty and stability on active travel funding (**paragraph 2.22**). The strategy should reflect on the overall balance between capital funding for infrastructure, including the split between core and scheme specific funding for the Active Travel Fund, and revenue funding for other activities such as behaviour change initiatives. It should also include details of how active travel delivery plan actions will be resourced.
- R9** The Welsh Government should set out minimum requirements which, if not evidenced satisfactorily, will mean that Active Travel Fund bids for main infrastructure schemes will not be approved regardless of their overall ranked score. These minimum requirements should include equality impact assessment (**paragraph 2.15**).

Review of the operation of the Act

- R10** The Welsh Government should complete a comprehensive, post implementation review of the Act in line with the scope envisaged when the Act was passed. It should involve other delivery partners and include consideration of the overall impact of active travel network maps and the extent to which they support public awareness of active travel routes (**paragraphs 3.9 and 4.18 to 4.19**).



Strategy and leadership

01

- 1.1 This part of our report is about the Welsh Government's strategic approach and leadership at various levels.

What we focused on:

We looked for evidence of clearly defined ambitions and a resourced delivery plan. We also looked at how well the Welsh Government's thinking on active travel is integrated with other priorities, clarity of roles and responsibilities, and capacity for driving change.

The Welsh Government has set active travel related targets without Wales specific data to establish the baseline position

- 1.2 Llwybr Newydd does not include a specific active travel target. However, it includes a target of 45% of journeys to be by public transport, walking, and cycling by 2040. As part of net zero planning, the Welsh Government has also set targets to increase the trip mode share of active travel from a 27% baseline to 33% by 2030 and 35% by 2040⁷.
- 1.3 The Welsh Government previously set ambitions around walking and cycling rates in its 2016 active travel action plan⁸. The plan referred to a 2014 baseline of 6% of people making at least one cycle trip a week, and 64% making at least one walking trip a week. It aimed to achieve a rise to 10% for cycling and 80% for walking by 2026.
- 1.4 When the Welsh Government set its Llwybr Newydd and net zero plan targets, it estimated baseline rates by extrapolating from the England Travel Survey 2019⁹. Without a robust baseline for Wales, it is uncertain whether the targets are achievable.
- 1.5 The Welsh Government is working with Transport for Wales to develop a National Travel Survey for Wales (see **paragraphs 4.8 to 4.10**). The survey aims to secure a more robust baseline position and support monitoring against targets. Existing targets may also need resetting if the new baseline differs considerably from existing estimates. The new active travel delivery plan commits to setting more specific, stretching but achievable, targets once the National Travel Survey has reported.

7 Welsh Government, [Net Zero Wales Carbon Budget 2 \(2021-25\)](#), October 2021.

8 Welsh Government, [An Active Travel Action Plan for Wales](#), February 2016.

9 UK Government Department for Transport, [National Travel Survey: 2019](#), August 2020.

The new active travel delivery plan is wide-ranging but includes some actions outstanding from the 2016 plan

- 1.6 A refreshed delivery plan was a key Cross-Party Group recommendation. The new plan sets out how the Welsh Government intends to implement active travel commitments in Llwybr Newydd. The Welsh Government considered feedback from its Active Travel Board (see **paragraphs 1.18 to 1.20**) before finalising the plan. The plan relies on collaboration with and between Transport for Wales, local authorities, and other partners.
- 1.7 The plan's 65 actions reflect important themes in the Cross-Party Group report¹⁰. They include continued development of infrastructure alongside other initiatives to encourage active travel. Certain actions are new and time limited, while some commit to continuing existing activity¹¹. If delivered effectively, the plan could lead to important progress.
- 1.8 However, some actions were also in the 2016 action plan. Examples include actions around targets and monitoring and development of toolkits for active travel promotion and engagement (see also **paragraph 3.17**). This raises questions over the pace of change to date. It is also difficult to determine what success would look like against some actions. The absence of milestones and measures of success makes it more difficult for the Welsh Government and other stakeholders to be held to account for progress.
- 1.9 The plan does not include information about the resources needed to support delivery. While these may be subject to change, the Welsh Government considers that the plan reflects what is affordable and achievable within current capacity and budget expectations. The plan recognises the importance of integration with wider policies and programmes and that more needs to be done in that regard. However, its main focus is on actions that will be taken by the Welsh Government's transport teams and Transport for Wales.

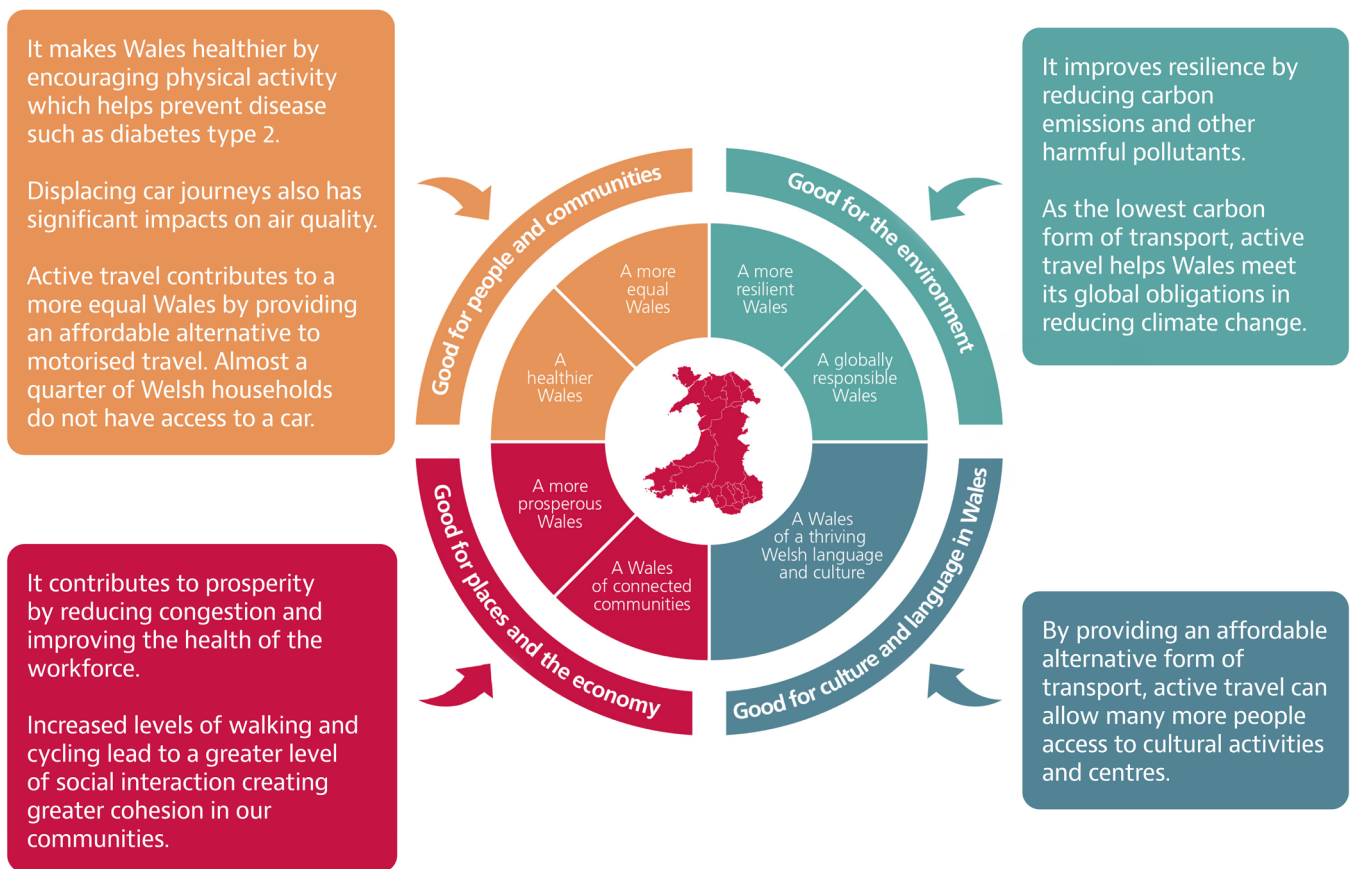
10 The Welsh Government provided a detailed response to the Cross-Party Group and the Active Travel Board in March 2024. The Welsh Government accepted 25 of the report's recommendations in full, 24 in principle, and two in part.

11 The Welsh Government intends that the plan runs to the end of 2027.

Various national policies and initiatives integrate commitments to active travel, but this does not always play through to local decisions

1.10 The Programme for Government positions its specific active travel related commitments under a climate change theme¹². However, the Welsh Government’s active travel guidance outlines how active travel can contribute to broader well-being goals (see **Exhibit 2**). Llwybr Newydd also positions active travel in the context of wider policy objectives.

Exhibit 2: how active travel can contribute towards the well-being goals for Wales



Source: Welsh Government, Active Travel Act Guidance, July 2021

12 Welsh Government, Programme for Government – update, December 2021. Alongside general actions to promote walking and cycling, three commitments refer to active travel. These concern Transport for Wales’s powers, integrated network maps, and promotion in schools.

- 1.11 Recent transport policy developments have pointed to a greater political focus on active travel. However, developing and promoting active travel requires wider collaboration and policy integration. For example:
- reflecting the emphasis on prioritising active travel in the national development plan¹³, Planning Policy Wales¹⁴ notes that active travel must be an essential component of development schemes. Planning authorities must ensure new developments are designed to make active travel a practical, safe, and attractive choice.
 - the [Environment \(Air Quality and Soundscapes\) \(Wales\) Act 2024](#) included provisions to amend the Active Travel Act to create new duties to promote active travel as a means of reducing or limiting air pollution (see **Appendix 2**).
 - the investment objectives of the Sustainable Communities for Learning programme¹⁵ for school and college buildings include an expectation that projects should support active travel.
 - Healthy Weight Healthy Wales¹⁶ notes that healthy environments are a key component of the strategy around preventing and reducing obesity. It recognises that increasing rates of active travel can help drive this theme forward.
 - the remote working strategy for Wales¹⁷ makes connections to the active travel commitments in Llwybr Newydd. It also reflects the Welsh Government's commitment to gathering additional data on travel patterns as ways of working change.
- 1.12 Despite expectations set out above, stakeholders told us that planning decisions on new schools and housing developments are often taken without enough consideration of active travel. And although Welsh Transport Appraisal Guidance (WelTAG)¹⁸ says new transport projects, including road or rail, should integrate active travel at the outset, we heard of examples where this has not happened.

13 Welsh Government, [Future Wales: The National Plan 2040](#), February 2021.

14 Welsh Government, [Planning Policy Wales, Edition 12](#), February 2024. Updating technical advice on transport that supports Planning Policy Wales is an action in the active travel delivery plan.

15 Welsh Government, [Sustainable Communities for Learning rolling programme](#), February 2023.

16 Welsh Government, [Healthy Weight: Healthy Wales](#), October 2019.

17 Welsh Government, [Smarter working: a remote working strategy for Wales](#), March 2022.

18 Following consultation in 2022, the Welsh Government updated WelTAG in early 2024. Welsh Government, [Welsh Transport Appraisal Guidance \(WelTAG\)](#), February 2024.

- 1.13 We also heard of cases where local authorities do not comply with the duty under the Act to enhance walking and cycling provision when maintaining or improving roads, and to take these needs into account during roadworks. These are missed opportunities, with evidence suggesting it is more difficult to encourage active travel once travel patterns have established.
- 1.14 Beyond its general policy direction, the Welsh Government also has a role in encouraging local support for active travel. Active travel interventions can prove contentious locally. This is particularly the case for ambitious schemes involving reallocation of road space or reduced car parking. There can also be conflicting local policy decisions, for example free car parking to promote town centre economies.
- 1.15 Sustained community engagement is important to build the case for active travel and understand local barriers and needs. However, there appears to be variation in the extent to which local authorities are prioritising active travel and related investment. The Cross-Party Group found some local authorities had no active travel policies or delivery plans.

Leadership and oversight is complicated by the involvement of multiple stakeholders and some lack of clarity around responsibilities amid changing remits

- 1.16 We heard that the delivery landscape is crowded, with stakeholders commenting on some lack of clarity over responsibilities. The Cross-Party Group commented on widespread praise for the support from Transport for Wales to local authorities. But it also noted that some local authorities felt that Transport for Wales's role in administering the Active Travel Fund has added complexity. Meanwhile, Corporate Joint Committees' regional transport planning functions mean they will have an increasing role in determining priorities, including in respect of strategic cross-boundary active travel routes¹⁹.

19 Corporate Joint Committees came into effect in April 2021. In a report on progress, we found that budgets for regional transport planning varied considerably and noted that we would have liked to see more progress with these functions. Auditor General for Wales, Corporate Joint Committees – commentary on their progress, November 2023.

- 1.17 Responsibility for behaviour change is a particular area where stakeholders feel there is a lack of clarity. The Welsh Government has remitted some work on behaviour change for modal shift to Transport for Wales. The Cross-Party Group called for a structure to deliver professionally designed behaviour change interventions for active travel and a centre of expertise.
- 1.18 The Welsh Government established an Active Travel Board in 2014 to advise on activity and support the uptake of active travel. The Welsh Government has made changes, partly in response to the Cross-Party Group report. The Group concluded that the Board structure did not work well as there was not enough challenge or scrutiny, and a lack of data and power made it difficult to drive change. The report noted that the Board's role had become less clear since Transport for Wales's remit has widened.
- 1.19 The newly structured Board first met in May 2023²⁰. Its purpose is to scrutinise the Welsh Government and other delivery partners, report annually on its activities and progress, and share best practice and identify challenges. The new delivery plan commits to a review of the operation of the Board in 2026.
- 1.20 Although too early to assess their impact, we heard that some changes have been well received. These include the addition of independent members and new scrutiny sessions on specific themes. However, some stakeholders told us it is still difficult for the Board to effectively scrutinise all delivery partners as there is no formal accountability relationship. While the Board includes local government representatives, we also heard some concerns around the flow of information to and from the Board.

20 Terms of Reference and minutes are not in the public domain although we understand the Terms of Reference is being revisited and will be published shortly. Members of the Board include an independent Chair appointed by the Welsh Government, six to eight independent members, and representatives of the Welsh Government, local government, Transport for Wales, and Public Health Wales. The charities Sustrans and/or Living Streets also attend as nominated representatives of the 'Transform Cymru' coalition of organisations that promote sustainable transport for all.

The Welsh Government's active travel team is small, and while Transport for Wales's team has grown over the past three years there are capacity issues in local authorities

- 1.21 Active travel work requires skills in policy development and implementation, and understanding of scheme planning and implementation, engagement, promotion, communication, and behaviour change. The Welsh Government's active travel team is small relative to its active travel ambitions²¹, although it has also chosen to build capacity in Transport for Wales.
- 1.22 Transport for Wales's remit now includes maximising modal shift, delivering a fully integrated transport system, nurturing a multimodal culture, and encouraging and supporting people to consider sustainable modes as their default option. It administers the Active Travel Fund and provides technical support and guidance to local authorities²². It also provides support to the Welsh Government on active travel policy, reviewing network maps, and developing a monitoring framework.
- 1.23 Transport for Wales's active travel team has grown over the past three years to respond to its expanding remit. However, to bolster its own capacity with relevant expertise and help manage workload variations, Transport for Wales has also contracted with Sustrans. This arrangement has been supporting aspects of Transport for Wales's work on the Active Travel Fund (see **paragraphs 2.2 to 2.7**).
- 1.24 Staffing in local government is a key barrier to the ability to plan, implement and monitor active travel schemes. We heard there is variation in the capacity and skills of local authority teams, resulting in part from differing levels of support for active travel (see **paragraphs 1.14 to 1.15**).
- 1.25 The Cross-Party Group reflected similar issues, as have surveys by Transport for Wales and Sustrans. There have also been recruitment and retention challenges, including some local authority staff moving to Transport for Wales. Gaps in resources have led to some local authorities relying more on external contractors at additional cost.

21 The Welsh Government team's capacity currently comprises 3.8 full time equivalent staff.

22 While Transport for Wales administers the Fund, Welsh Government officials remain involved with its governance and Ministers approve allocations.



Welsh Government investment

02

- 2.1 This part of our report is about Welsh Government spending, with a particular focus on the Active Travel Fund. Figures we report may differ from those presented previously by the Welsh Government for other audiences because they are on a different basis, for example allocations versus expenditure.

What we focused on:

We looked for evidence that the Welsh Government understands its investment and that its allocations suggest that it sees active travel as a strategic priority.

The Welsh Government has allocated £65 million to its key active travel initiatives in 2024-25, mainly to improve infrastructure, with the Active Travel Fund the largest component

- 2.2 Various funding streams link specifically to active travel. The capital allocations for the key 2024-25 allocations set out in **Exhibit 3** reached just over £65 million. Of this, £50 million (77%) relates to the Active Travel Fund. The revenue allocation is small by comparison, at around £1.4 million. A common theme through our fieldwork was that increasing capital investment would have limited impact in changing behaviours without significant increases in revenue.

Exhibit 3: key Welsh Government active travel funding allocations, 2024-25¹

	Project / Programme	Description	Allocation (£s)
Capital	<u>Active Travel Fund</u>	Supports local authorities to develop and deliver active travel schemes. Transport for Wales administers the Fund.	50,047,512
	<u>Safe Routes in Communities</u>	Funding for local authorities to improve road safety and walking and cycling routes to schools.	6,149,338
	Active Travel Support	For Transport for Wales to support the active travel agenda, including delivering the support programme for the Active Travel Fund ² .	2,852,488
	Strategic Road Network Walking and Cycling Programme	Funding for walking and cycling routes connected to the roads managed by the Welsh Government.	2,800,000
	Active Travel Pathfinder	Managed by Transport for Wales, a programme to enable more innovative, high quality, and higher impact schemes.	1,000,000
	Sustrans Core Grant	To deliver enhancement and improvement schemes across the <u>National Cycle Network</u> ³ .	700,000
	Active travel projects	Allocation for other small grant programme for bike loan, repair, and recycling schemes.	300,000
	Total (capital)		63,849,338

Notes:

- 1 These allocations are not the full picture of active travel related spending by the Welsh Government and/or wider public services (see also **paragraphs 2.8 to 2.11**).
- 2 Transport for Wales uses part of its capital allocation for a contract with Sustrans to assist with managing the Active Travel Fund. This includes supporting local authorities with active travel projects and providing monitoring and evaluation expertise. The contract value for 2024-25 is £156,393.
- 3 The National Cycle Network provides approximately 1,500 miles of mainly traffic free paths that connect cities, towns, and countryside across Wales. Sustrans created the network, which is part of the wider UK network, and is a custodian of it.

	Project / Programme	Description	Allocation (£s)
Revenue	<u>Active Travel Promotion in Schools</u>	A contract with Sustrans to support the Active Journeys programme which works with schools to create a culture that makes it easier for children to walk, wheel, scoot, or cycle.	420,000
	<u>WOW Walk to School</u>	Funding to Living Streets to support an initiative aimed at encouraging school pupils to walk or cycle to school.	385,000
	Sustrans Core Grant	Covering: <ul style="list-style-type: none"> • strategic advice and support. • Active Travel Schools Planning which supports schools to look at how transport and travel patterns affect them. • Healthy Workplaces, which targets large site employers and offers interventions to encourage active travel and physical activity. • support to local authorities to deliver National Cycle Network enhancements. 	380,000
	Active travel projects	Allocation to cover various activities but including costs associated with the Active Travel Board and data mapping work.	125,000
	Active Travel Support	Covering the costs of the support from the Transport for Wales grants team that administers the Active Travel Fund, including claims and payment processing. This sum also includes the VAT element associated with the capital Active Travel Support allocation.	125,000
	Total (revenue)		1,435,000
	Overall total		65,284,338

Source: Audit Wales summary, drawing on Welsh Government allocation data, contractual agreements, and other published information

- 2.3 **Exhibit 3** highlights that Sustrans is receiving funding from the Welsh Government and from Transport for Wales for a range of purposes. Overall, the sums involved amount to a 2024-25 allocation of £1.66 million relevant to active travel.
- 2.4 We have not explored these matters in detail, and the Welsh Government is satisfied that there is no duplication of funding between its allocations, for example in respect of schools. Both the Welsh Government and Transport for Wales have also confirmed that they are satisfied with value for money and the management of potential conflicts of interest.
- 2.5 Transport for Wales originally let its contract with Sustrans for 2021-22 through a wider procurement framework and then extended it on an annual basis. Although delayed doing so, it established a new but similarly scoped contract through this framework arrangement in June 2024. As part of the arrangements with Transport for Wales, Sustrans officers may support local authorities with their Active Travel Fund scheme development and be part of a wider three-person panel that appraises bids. Potential duplication of funding or conflict of interest risks therefore arise when Sustrans may also be contracting, or bidding, for work with individual local authorities.
- 2.6 We understand there are arrangements to ensure Sustrans staff working for Transport for Wales would not be involved in scheme appraisal if they had worked on the same scheme under any Sustrans contract with the relevant local authority. Transport for Wales has also emphasised that the risk of undue influence in scheme appraisal is mitigated by the involvement of its staff on the appraisal panel.
- 2.7 In our view it would be prudent for Transport for Wales to assess opportunities to further strengthen safeguards relating to Sustrans' involvement in the appraisal process. We also consider that, as part of this and wider risk management, both the Welsh Government and Transport for Wales should understand any work Sustrans may be involved with, or bidding for, at a local authority level that relates back to the Active Travel Fund.

The fuller picture of Welsh Government and wider public services expenditure on active travel is not clear

- 2.8 Although **Exhibit 3** sets out the key active travel allocations for 2024-25, it has not been possible to arrive at a consistent picture of expenditure across a fuller range of programmes over time. This is also not something the Welsh Government has sought to routinely collate.
- 2.9 However, **paragraphs 2.12 to 2.22** provide further commentary for the Active Travel Fund. For Safe Routes in Communities, the second largest capital allocation in 2024-25, Welsh Government figures indicate that annual expenditure fluctuated between £4.2 million and £6.5 million between 2015-16 and 2023-24.
- 2.10 The Welsh Government also funds various activities or schemes potentially relevant to active travel through other transport budgets, such as its Strategic Road Network improvements and the Local Transport Fund. Examples reported to us by the Welsh Government highlight that some major road projects have included several million pounds worth of active travel related measures in their own right. Wider Welsh Government programmes can also support active travel, for example the schools and colleges buildings programme or health interventions including social prescribing.
- 2.11 Alongside this sits any spending by local authorities from their own budgets, including match funding for some Active Travel Fund projects and Welsh Government staff costs. The Welsh Government does not routinely collate wider expenditure data and we recognise that it might be difficult to disaggregate active travel specific expenditure in some cases. Nevertheless, this means that the overall position on public spending on active travel, relative to the outcomes achieved, including for active travel rates, is unclear.

Active Travel Fund or equivalent spending has increased significantly over recent years and the Welsh Government is planning to develop a new assessment and funding framework

Building on its existing programme and delivery structure, the Welsh Government intends to develop a new assessment and funding framework

2.12 The Active Travel Fund combines a core allocation and competitive bidding for the main allocation (see **Exhibit 4**). For 2024-25, the overall core and main allocations are split 30/70 (£15 million and £35 million respectively).

Exhibit 4: the Active Travel Fund

Topic	Features
Objectives	<p>Encourage modal shift from car to active travel in isolation or in combination with public transport.</p> <p>Improve active travel access to employment, education, and other key services.</p> <p>Increase levels of active travel.</p> <p>Connect communities.</p>
Core allocation	<p>Minimum local authority allocation of £500,000.</p> <p>Actual allocations formula based: 50/50 on population size and area covered by designated localities (see paragraph 3.4)</p> <p>Supports initial development of larger capital schemes or minor works improvements.</p> <p>Examples of minor works include dropped kerbs and tactile paving, widening and surfacing, junction improvements, barrier removal, cycle parking and installation of monitoring equipment.</p>
Main allocation	<p>Awarded on a competitive basis for larger schemes.</p> <p>These involve the construction of active travel routes generally within or linked to designated localities.</p> <p>Could include cycleways, walkways, or shared use active travel routes.</p> <p>Also covers package schemes involving works which tend to be within the same area or with common features.</p>

Source: Audit Wales summary based on Welsh Government Active Travel Fund Grant Guidance to Applicants 2024-25 published on the [Transport for Wales website](#)

- 2.13 The Welsh Government established the Fund in 2018. Since December 2020, Transport for Wales has administered the fund on behalf of the Welsh Government. Welsh Government officials are however involved in the groups that support the governance arrangements for the Fund²³ and Ministers approve local authority allocations.
- 2.14 Local authorities must develop schemes in line with WelTAG. Specific application requirements and assessment criteria differ for the main or core allocation. The main allocation criteria are weighted. Infrastructure quality is the largest single component, accounting for 27% of the overall score. Match funding is the smallest component, accounting for 3%²⁴. There are limits on the number of bids local authorities can make. For 2024-25, local authorities could make up to four main scheme applications²⁵ and eight scheme development applications. There is no limit on the number of minor works applications.
- 2.15 Local authorities should include monitoring and evaluation plans and equality impact assessments with their applications. Bids are not automatically rejected if they do not include these things, although they would attract a lower score²⁶. In September 2023, a Welsh Government internal audit highlighted as strengths the rigorous review and assessment of funding applications and claims, and effective client/contractor relationships building on the wider governance arrangements.

23 Transport for Wales coordinates an Active Travel Fund Steering Group and below it, until recently, sat an Active Travel Fund Delivery Group. Core membership of the steering group involves Welsh Government officials and Sustrans. The group has a role overseeing Transport for Wales's overall active travel programme and supporting administration of the Active Travel Fund. Transport for Wales also convenes a national active travel officers group for local authority officers which supports engagement and shared learning. Transport for Wales has recently been developing proposals to refresh these governance structures.

24 The criteria for main allocations concern: strategic fit – case for change; strategic fit – fit with grant objectives; transport case – impact assessment; infrastructure quality; monitoring and evaluation; community and engagement; deliverability; and match funding.

25 A bid could address measures across more than one route. Of the four bids, one could support the 'rural offer' with a focus on route improvements outside designated localities that support the Welsh Government's priority of connecting market towns and other significant local centres to surrounding villages and outlying developments.

26 We understand the overall value of local authority bids has been exceeding available funding.

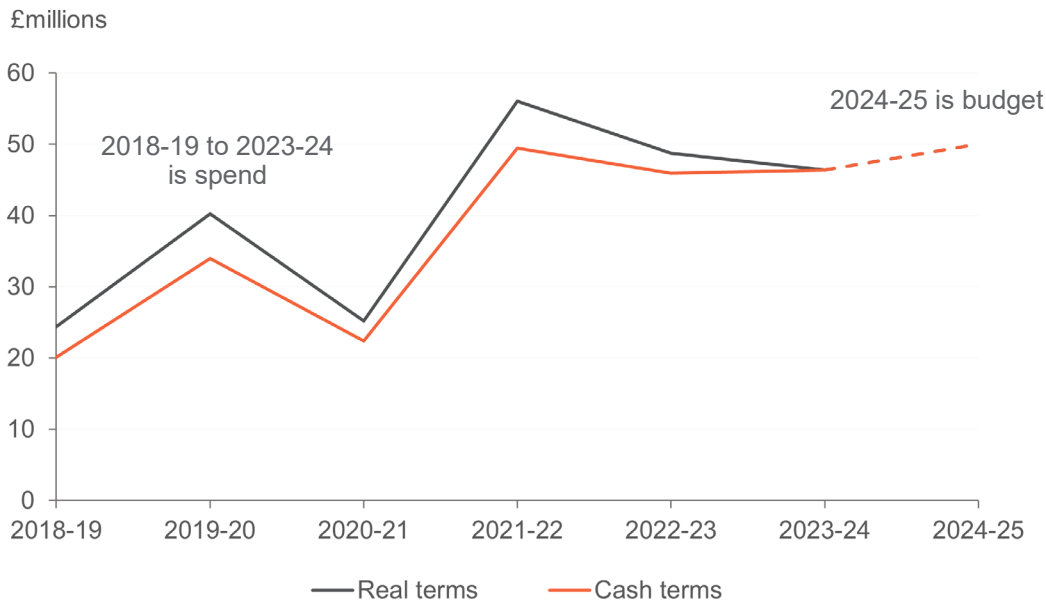
2.16 In its active travel delivery plan the Welsh Government says that it will learn from [Active Travel England](#) and develop an assessment framework in Wales to understand how to create more effective delivery environments which prioritise active travel²⁷. The Welsh Government considers that its programme and delivery structure are already more developed in Wales. However, the approach is likely to include a self-assessment by local authorities in areas such as leadership, ambition, capability, and performance. While still in early development, the Welsh Government has indicated that the approach will inform funding allocation criteria.

Active Travel Fund or equivalent expenditure by local authorities increased from £20 million to £46 million between 2018-19 and 2023-24, but the annual funding cycle and uncertainty about future funding can make some local authorities reluctant to take on multi-year schemes

2.17 **Exhibit 5** shows local authority Active Travel Fund expenditure since 2018-19. Before this, the Welsh Government supported specific active travel projects as part of the Local Transport Fund. This is no longer the case, although we have included legacy expenditure in 2018-19 and 2019-20. Overall, cash terms expenditure has increased significantly between 2018-19 and 2023-24 (from £20.1 million to £46.3 million). Total expenditure for the period was £218 million.

27 In June 2023, the National Audit Office reported on [Active Travel in England](#). The report described Active Travel England's approach to assessing local authority capability and ambition. More than half of English local authorities had been assessed at the lowest two of five levels.

Exhibit 5: expenditure by local authorities from the Active Travel Fund or equivalent, 2018-19 to 2023-24, and allocation for 2024-25 (cash and real terms at 2023-24 prices)^{1, 2, 3}



Notes:

- 1 Real terms figures are adjusted to take account of inflation. We used HM Treasury GDP deflators at market prices and money for 2023-24, June 2024.
- 2 Excludes allocations to Transport for Wales to support its active travel work, including administration of the Fund (see **Exhibit 3**). Also excludes any local authority match funding.
- 3 During 2018-19 and 2019-20, some discrete active travel schemes continued to receive Local Transport Fund support. We have included that expenditure. In cash terms, legacy scheme expenditure amounted to £11.3 million (56%) of the £20.1 million total for 2018-19. It was £6.1 million (18%) of the £33.9 million for 2019-20.

Source: Audit Wales analysis of Welsh Government data

- 2.18 The annual expenditure peaked at £49.4 million in 2021-22 when there was also an additional in-year allocation although this was not spent in full. The allocation in 2024-25 is below 2021-22 expenditure in real terms²⁸.
- 2.19 Some local authorities also contribute match funding to schemes, whether in direct financial contributions and/or the value of staff time. However, more often than not over the past two funding rounds, bids have not identified match funding. The match funding across all bids in those rounds amounted to less than 5% of the Active Travel Fund monies bid for. Figures for individual schemes include examples in the 10-20% range. One bid for 2024-25 was for a scheme where the match funding identified was around double that of the Active Travel Fund support bid for.
- 2.20 Local authorities send quarterly claims to Transport for Wales who assess whether scheme spending is on target. Transport for Wales then provides expenditure profiles to the Welsh Government. Where projected costs differ to estimates, local authorities prepare a contract variation form which is subject to Welsh Government approval but allows them to adjust estimates within their overall funding envelope.
- 2.21 We heard that processes for understanding and managing underspends have improved in recent years, supporting opportunities for re-allocation to other active travel initiatives. Nevertheless, Active Travel Fund expenditure by local authorities has been less than that allocated. Over the last five years the annual underspend has ranged from £2 million to £9 million. The £9 million underspend was in 2021-22 when there was an additional £8 million in-year allocation but, as noted in **paragraph 2.18**, this was not spent in full.
- 2.22 Over the past three financial years, local authorities completed 83 larger main infrastructure schemes and 81 minor works schemes costing over £100,000 (see **Exhibit 6**). Schemes can span more than one year. However, we heard that the annual funding cycle and uncertainty around future allocations can make some local authorities reluctant to build capacity and to take on multi-year schemes that may be more difficult to deliver but more impactful. There are also concerns about the cost of ongoing maintenance, which the Fund does not cover.

28 Our [data tool](#) provides local authority level data. The Welsh Government also publishes information on Active Travel Fund and other local authority transport grant awards. For example: Welsh Government, [Local authority transport grants awarded 2024 to 2025](#), April 2024.

Exhibit 6: number of Active Travel Fund schemes completed by local authorities by type, 2021-22 to 2023-24

Year	Number of completed main infrastructure schemes	Number of completed minor works schemes (over £100,000)
2021-22	24	38
2022-23	25	21
2023-24	34	22
Total	83	81

Note: delivery and expenditure on individual schemes may span more than one financial year.

Source: Transport for Wales data



Developing active travel networks and changing behaviour

03

3.1 This part of our report is about the development of active travel networks.

What we focused on:

We looked for signs of an improved active travel network and processes that prioritise the development of routes to support modal shift. We also looked at whether there is sufficient focus on behaviour change alongside capital investment.

It is difficult to assess the extent to which active travel networks have improved over time from the network maps alone, but the pace of change appears too slow currently to achieve the ambitions

- 3.2 Local authorities have a duty to secure new and improved active travel routes. They must also produce maps of existing routes and related facilities, and those planned for the next 15 years. These Active Travel Network Maps are available via the [DataMapWales website](#).
- 3.3 The Act requires that maps are submitted to the Welsh Ministers for approval every three years or as directed by the Welsh Ministers. The second iterations of local authority maps were not published until late 2022 following extended deadlines due to the COVID-19 pandemic and other factors. The period for the next review cycle has been extended to December 2026.
- 3.4 These duties relate to more populous 'designated localities'²⁹. The Welsh Government believes routes in these localities are likely to have greater impact. However, local authorities can develop network maps for other localities where there is high potential for use.

²⁹ Designated localities are settlements defined by direction by the Welsh Ministers and derived from Office for National Statistics built-up area statistics; Office for National Statistics, [Towns and cities, characteristics of built-up areas, England and Wales: Census 2021, August 2023](#).

- 3.5 Effective community involvement is likely to promote the use of routes. Active Travel Act guidance sets out related expectations as part of developing network maps and when routes are at the design stage. It notes that local authorities should involve delivery partners, elected members, children and young people, and people with protected characteristics³⁰.
- 3.6 We have not examined the mapping process in detail. However, we heard concerns about skills and resources in local authorities to engage effectively, including with groups representing disabled people. Welsh Government commissioned research has also highlighted mixed views about local authority consultation³¹. We also heard about limited resources within organisations representing people with protected characteristics to enable them to input effectively with lived experiences.
- 3.7 As shown in **Exhibit 6**, there is evidence of progress with active travel infrastructure. However, the current pace of development suggests it is highly unlikely that local authorities will have implemented all planned routes within 15 years.
- 3.8 Our [data tool](#) illustrates this issue. Many local authorities have hundreds of future routes and are restricted in how many bids they can submit, albeit that bids can potentially address more than one route (see **paragraph 2.14**). Some local authorities have not been submitting bids on an annual basis or not up to the maximum number. Capacity issues could also be a constraint even if local authorities were able to submit more bids.

30 The Equality Act 2010 sets out nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.

31 In May 2024, the Welsh Government published research from a survey of 1,000 Welsh adults (16+) in June 2022; Welsh Government, [Public Attitudes to Active Travel 2022](#), May 2024.

3.9 While the maps provide a planning tool, it is difficult to assess the extent that networks are improving simply by comparing them over time and they have limitations as a resource for the public³². This is because:

- to feature on the maps, existing active travel routes should meet the Welsh Government's design standards. The Welsh Government amended the standards in 2021 between the two most recent iterations of the maps available on the DataMapWales website. There are examples of older infrastructure previously defined and mapped as an active travel route that no longer meets the design standards and therefore no longer displayed on the maps.
- as the duty to map routes is specific to designated localities, this means some routes potentially well used for active travel are not officially recorded as routes and/or shown on the maps, although local authorities can include routes outside these localities if they wish. For example, the maps may not reflect routes on the National Cycle Network (see **Exhibit 3**). The maps published in 2022 record approximately 1,484 miles of active travel routes.
- where a route falls slightly short of the design standard there should be a statement explaining its limitations. We heard that there are inconsistencies in whether local authorities record these as existing routes or future routes, although we understand this relates to a small proportion of routes overall (less than 5%).
- the maps reflect a point in time position. With increased investment in recent years, not all routes developed will feature as existing routes although they may be identified as planned future routes.

32 The research described in **paragraph 3.6** found that only a third of respondents answered positively when asked if they knew where they could find information about walking and cycling routes in their local area.

We heard that routes put forward for funding by local authorities are not always in the best areas, or adequately connected, to facilitate modal shift but Transport for Wales has developed a tool to improve prioritisation

- 3.10 The Act's supporting guidance states, 'The parts of the network that potentially offer the greatest impact on increasing rates of active travel should be prioritised, but other local priorities may also be considered such as targeting areas of deprivation or poor public health.' We heard that routes put forward for funding are not always the ones with the biggest potential to generate modal shift.
- 3.11 Schemes that seek to maximise modal shift can be difficult to deliver, both in terms of time and the skills required. They can also be unpopular because they may require re-allocation of road space from private motor cars. We also heard that routes are often not well connected for door-to-door journeys, leaving gaps in the active travel network which is a key barrier for participation³³.
- 3.12 Transport for Wales has developed a data-led tool that helps local authorities identify future routes with the highest potential impact. The tool covers potential for modal shift, access to services, deprivation, impact on health, and route safety. However, we are aware of issues that need working through, owing in part to limitations in available datasets. Local authorities may not need to demonstrate prioritisation based on the tool if they can provide other evidence supporting prioritisation.

33 Active travel routes can also be harder to implement to design requirements in certain areas because of terrain and topography. Longer journeys in rural areas and more limited public transport connections can also make it more difficult to travel actively.

Building of physical infrastructure has not been accompanied by a strong enough focus on awareness raising and behaviour change

- 3.13 Infrastructure alone cannot generate modal shift. Although the Active Travel Fund guidance allows for promotional costs associated with the scheme, we heard consistently that capital investment in active travel must be backed up by a comprehensive approach to behaviour change. This has not been the case to date, notwithstanding a behaviour change emphasis in some of the Welsh Government's key active travel initiatives (see **Exhibit 3**).
- 3.14 Stakeholders told us of the need for nationally coordinated messaging to incentivise active travel and disincentivise car use. They suggested this should involve clear, consistent, and accessible information on the benefits of active travel, with a particular focus on the people who do not currently travel actively.
- 3.15 Research on behaviour change recommends a mix of soft and hard measures which address capability, opportunity, motivational, social, and environmental issues all at the same time. Survey findings on public attitudes (see **paragraph 3.6**) provide pointers about measures that may encourage active travel journeys.
- 3.16 The Welsh Government and Transport for Wales have been running some national campaigns which include a focus on travel behaviour³⁴. It is also important that local authorities work with local communities to promote active travel. However, there are concerns about the skills and resources available to support local behaviour change and about the impact that they will have without being aligned with complementary national messaging.
- 3.17 Research has suggested that behaviour change approaches should focus on school runs and workplace communities and that joined up actions are most impactful. The Welsh Government plans to choose a 'demonstrator town' in 2024. It would then deliver a programme of infrastructure investment alongside complementary behaviour change interventions to understand and learn from what it is possible to achieve.
- 3.18 Transport for Wales has recently developed an [active travel promotional toolkit](#) to help local authorities promote active travel. Local authorities have called for this for several years and it was a commitment in the 2016 action plan (see **paragraph 1.8**). The new delivery plan also contains several other initiatives which may facilitate behaviour change.

34 [Transport for Wales, The real social network](#) and [Welsh Government, Climate Action Wales](#).



Monitoring and reporting

04

- 4.1 This part of our report is about monitoring and reporting on progress. In relation to active travel behaviour, we focus on official Welsh Government statistics. We recognise there is wider data available on active travel. **Appendix 1** references some of that material.

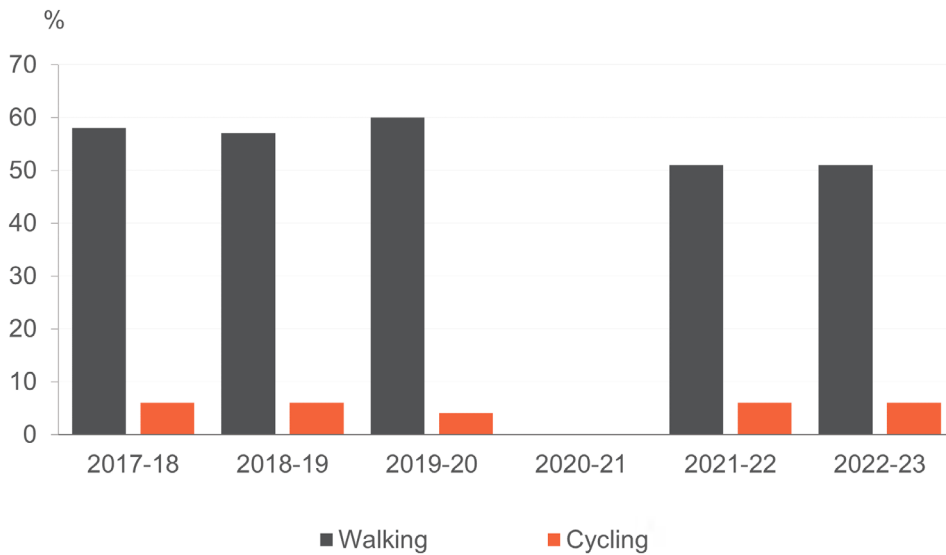
What we focused on:

We looked at whether there is a framework to record active travel data and what that data tells us about progress. We also considered whether reporting and review duties are being met and whether the Welsh Government has good arrangements for monitoring outcomes of the Active Travel Fund.

The limited information available suggests active travel rates have not improved in recent years, with headline walking rates below pre-pandemic levels

- 4.2 The Welsh Government does not have robust, long-term data on how and why people travel and on wider outcomes from active travel. Data limitations are a barrier to accountability and the assessment of value for money from related expenditure.
- 4.3 The National Survey for Wales has asked active travel questions about walking and cycling for adults aged 16+ every year between 2013-14 and 2022-23. The survey did not run during 2023-24. In 2017-18 the questions changed, with a focus on walking for at least 10 minutes rather than 5 minutes. The change was intended to reflect the additional health benefit context of a period of walking of at least 10 minutes. There were also other changes to the wording of the walking and cycling questions before 2017-18, although there has never been a time threshold applied to the cycling questions.
- 4.4 Changes to the way the national survey data is collected since 2020-21 may also affect direct comparison with previous years. Nevertheless, the figures suggest active travel rates for cycling have remained broadly static since 2017-18. Walking rates are still below pre-COVID-19 pandemic levels (see **Exhibit 7**).

Exhibit 7: percentage of adults aged 16+ reporting they walked for at least ten minutes or cycled at least once a week for active travel in the previous three months¹, 2017-18 to 2022-23²



Notes:

- 1 The Welsh Government uses the frequency of ‘at least once a week’ for its core measure of active travel rates. While respondents are asked about frequency over the previous three months, data is collected on a rolling basis through the year to allow for seasonal effects.
- 2 Full year data for 2020-21 is not publicly available due to the impact of the COVID-19 pandemic on the survey. Also, from 2020-21 onwards, the survey changed mode from face-to-face to telephone and online data collection. Care should be taken when making direct comparisons to earlier results.

Source: Welsh Government, [National Survey for Wales](#), various years

- 4.5 In 2022-23, 51% of people said they walked at least once a week for active travel purposes and 6% cycled. The figure for walking compares with 60% in 2019-20. The impact of changes to everyday travel patterns due to the pandemic, including increases in home-working or online shopping, is difficult to determine from the National Survey data alone but is a potentially relevant factor³⁵.
- 4.6 The survey's sample size means it is difficult to track participation data and produce reliable statistics at a local authority level. The sample size in 2022-23 was 2,000. Also, although the national survey statistical bulletin periodically stratifies data by age, sex, and limiting long term illness, it is not possible to disaggregate data for groups with protected characteristics comprehensively. The Cross-Party Group also highlighted this.
- 4.7 In addition, the survey does not have data for other modes of transport. It has not therefore been possible for the Welsh Government to track patterns and rates of modal shift over this same period.

The Welsh Government and Transport for Wales are developing an overall monitoring and evaluation framework, but it has been a long time coming

- 4.8 The Welsh Government and Transport for Wales are developing an overall monitoring and evaluation framework for active travel, something previously aspired to in the 2016 action plan. The framework will support the overarching Llwybr Newydd monitoring framework. The draft framework includes a range of active travel indicators, such as:
- % of people who walk or cycle at least once a week as a means of transport;
 - % of journeys by walking, cycling and public transport;
 - % of schools with active travel plans; and
 - kilometres of active travel infrastructure / overall length of active travel network that meets or exceeds standards.

35 The Welsh Government's public attitudes research in June 2022 (see **paragraph 3.6**) included analysis of the impact on active travel behaviour from changes in work or education circumstances due to the pandemic.

- 4.9 There are still gaps in data to inform these indicators. Transport for Wales has commissioned the National Centre for Social Research to design a new Wales National Travel Survey which is intended to provide better data on active travel and modal shift. The survey was still in the development stage at the time of our fieldwork, with full results not expected until at least 2025. While the survey could provide insight into travel patterns in regions, it is not expected to provide robust annual local authority level data.
- 4.10 The Welsh Government is still to decide whether the National Travel Survey will supplement or replace the questions on active travel in the National Survey for Wales. We understand the National Travel Survey will collect data on the mode, purpose, and duration of journeys but that it will do so by asking respondents about the previous day. The National Travel Survey alone would not therefore provide data to track current active travel measures back to 2017-18.

The Act's reporting requirements are not being met consistently and a Welsh Government review of the operation of the Act is overdue

The quality of information reported by local authorities varies considerably, including baseline information against which to assess impact

- 4.11 The Welsh Government has provided a template report to help local authorities discharge their annual reporting duty (see **Appendix 2**)³⁶. The Welsh Government does not mandate its use and the Act does not include sanctions for non-compliance. There have been instances where local authorities have not submitted the required annual reports to the Welsh Government in the set timeframe. However, the Welsh Government has informed us that the position has improved over recent years.
- 4.12 In addition to the annual reporting requirement, local authorities must report on changes of levels of use of their active travel routes each time they submit their network maps (see **paragraphs 3.2 to 3.8**). Although not a requirement of the Act, the Welsh Government also expects local authorities to submit reports about the impact of individual Active Travel Fund schemes, which could in turn help inform annual reporting.
- 4.13 The information provided by local authorities across these different reporting mechanisms varies considerably. Some authorities provide limited data, particularly on baseline information, which makes it difficult to ascertain the impact that investment has had on active travel rates and to monitor progress over time.

The Welsh Government’s annual reporting has been limited in scope and it has not completed a review of the operation of the Act within the expected timeframe

- 4.14 The Act requires the Welsh Government to publish annual reports on the extent to which walkers and cyclists make active travel journeys. The Welsh Government considers that it has fulfilled its reporting duty by publishing annual active travel data in statistical bulletins derived from the National Survey for Wales (see **paragraphs 4.3 to 4.7**). The latest shows active travel rates for 2022-23. However, these bulletins are high-level and provide limited insight. In addition, there will be no equivalent data for 2023-24.
- 4.15 The Welsh Government last published a fuller annual report in 2017³⁷, and before that in 2015. The Welsh Government cites competing pressures as the reason for not producing equivalent reports more recently. The 2017 report included information on active travel rates alongside wider commentary on relevant policy and programme delivery.
- 4.16 The absence of a broader annual report, which could draw on reporting by local authorities and reflect wider interventions beyond the Active Travel Fund, is a missed opportunity to increase awareness and support scrutiny. We also question whether reliance on statistical bulletins is in line with the spirit of the Act, considering the approach taken in the early years and the increased investment since (see **Exhibit 5**). An enhanced annual report could also help discharge duties regarding reporting on the steps taken to promote active travel as a way of reducing or limiting air pollution (see **Appendix 2**).
- 4.17 We heard from some local authorities that the reports they provide to the Welsh Government take time, and that the absence of any feedback on them or knowledge of how other authorities compare limits their value. That said, better national data and greater consistency in the information provided by local authorities (see **paragraph 4.13**) would also provide a stronger basis for national reporting.

- 4.18 The Act also requires the Welsh Government to review the operation of the Act, ‘with a view in particular to assessing its success in securing new active travel routes and related facilities and improvements of existing active travel routes and related facilities.’ The timeframe for this review is linked to the first iteration of local authorities’ network maps and, on this basis, the Cross-Party Group noted the review should have been completed by autumn 2022.
- 4.19 While the 2022 Cross-Party Group report provides important evidence, the Welsh Government is yet to complete its own review. The recent research on public attitudes to active travel (see **paragraph 3.6**) states that the Welsh Government commissioned the work to support the statutory review. We would not however consider that it entirely discharges the review duty. In November 2023, the then Minister for Climate Change committed the Welsh Government to a thorough review of the Act within five years and recognised shortcomings³⁸.

Current arrangements for monitoring and evaluating Active Travel Fund expenditure do not enable an overall assessment of value for money

- 4.20 Local authorities should submit certain information when they bid to the Active Travel Fund. This includes providing a monitoring and evaluation plan setting out planned inputs, outputs, outcomes, and methods of measurement.
- 4.21 Local authorities should complete an annual progress report with data on individual scheme outcomes for three years post-completion³⁹. The same reporting requirements apply to other local transport grants. The reporting template includes, among other things, questions on:
- reasons for any variance between budgeted and actual costs;
 - how stakeholders were engaged and the impact of this engagement;
 - any changes to scheme design;
 - what outputs were delivered;
 - anticipated and realised outcomes; and
 - lessons for future schemes.

38 Welsh Parliament, [Plenary](#), 21 November 2023.

39 The Welsh Government did not require reports for 2022-23 to recognise demands on local authorities ahead of the introduction of the default 20mph speed limit. It is expecting information for 2022-23 in returns for 2023-24.

- 4.22 Monitoring and evaluation should be proportionate to the scale of the project. However, there is an expectation that it should include quantitative and qualitative data collection.
- 4.23 We heard some concerns from local authorities about capacity to support this activity and about their willingness to commit to the costs involved without greater certainty about future year allocations (see **paragraph 2.22**). There can also be practical issues, because monitoring tools such as pedestrian, cycle, and motor counters are unable to distinguish between active travel and leisure journeys without user surveys alongside.
- 4.24 Neither the Welsh Government nor Transport for Wales currently collates all the information they have received from local authorities on outcomes from funded schemes, due in part to the limited and inconsistent ways local authorities are reporting (see **paragraphs 4.11 to 4.13**). During 2024-25, Transport for Wales plans to start analysing information gathered since the start of 2021-22 to see what insights can be drawn from it.
- 4.25 Transport for Wales is developing further guidance on monitoring and evaluating active travel schemes. It notes that reporting on outcomes should follow up on the expected changes set out during earlier project appraisal. This should include outcomes that extend beyond walking or cycling rates, such as intended improvements in air quality or the safety of travellers. Transport for Wales issued draft guidance to local authorities for comment in June 2024. The final guidance is due for roll-out later in 2024. In the meantime, current arrangements do not enable an overall assessment of value for money from the Active Travel Fund.
- 4.26 Finally, the September 2023 internal audit report noted that the Welsh Government had not formally reviewed the cost of Transport for Wales managing the delivery of the Active Travel Fund from a value for money perspective⁴⁰. However, the report also noted certain strengths in the arrangements for managing the Fund (see **paragraph 2.15**).
- 4.27 The Welsh Government intends to review Transport for Wales's grant management function by June 2026. It has decided to allow more time for Transport for Wales's services and management tools to continue to evolve and respond to local authority feedback before doing so.

40 Other 'significant' recommendations related to: formalising procedures for site visits Transport for Wales undertakes to ensure agreed routes have been built as required; and strengthening arrangements for capturing the outcomes of local authority audits of completed schemes that enable their inclusion on their network maps. Action in response to these recommendations is now complete.



Appendices

- 1 About our work
- 2 Key duties in the
Active Travel (Wales) Act 2013

1 About our work

Audit question, scope, and criteria

Our work considered whether the Welsh Government is now well placed to lead a step change in active travel rates, as part of its wider approach to modal shift.

Active travel is a broad and complicated policy area that involves a wide range of public service interventions across transport, public health, education and more. We focused our examination on issues relating to the Welsh Government's overall strategic approach, progress with implementation, funding, governance, capacity and skills, and data and monitoring arrangements.

We developed audit criteria informed by a range of sources, including being mindful of the sustainable development principle and the five ways of working set out under the [Well-being of Future Generations \(Wales\) Act 2015](#). At the start of each report section, we have summarised the key things we focus on in the report. We have not covered every aspect of our evidence base. The report focuses on what we consider to be the material themes and issues emerging from our work.

Our report builds on issues set out by the Senedd Cross-Party Group on the Active Travel (Wales) Act 2013. The Group's June 2022 report considered overall progress on meeting the aims of the Act and why the Act has failed to increase active travel rates.

Our work considered the support the Welsh Government provides to local authorities, including through its Active Travel Fund and with a focus on whether the Welsh Government can demonstrate that the Fund is securing positive outcomes. Transport for Wales administers the Active Travel Fund on behalf of the Welsh Government although Welsh Government officials remain involved with its governance and Ministers approve funding allocations. We have not examined the delivery of active travel interventions by individual local authorities, although we recognise their important front-line role and reflect certain evidence about issues at a local level.

We have not looked at the specific area of promotion in schools, although we touch briefly on related expenditure. And we have not examined wider policy and funding interventions relevant to active travel, such as the introduction of default 20mph speed limits. Nor have we considered the role that wider public, private and third sector organisations can play to promote active travel as employers or otherwise in, for example, the case of the NHS.

Audit methods

Document review

We reviewed a large amount of documentation including the following:

- the review by the Senedd Cross-Party Group on the Active Travel (Wales) Act 2013 (see above).
- the fifth Senedd's Economy, Infrastructure and Skills Committee report on its post legislative scrutiny of the Act.
- Welsh Government's strategy, plans, guidance, and delivery documents relating to transport and active travel.
- other independent research articles and blogs, and research commissioned by the Welsh Government.
- minutes and papers from the Welsh Government's Active Travel Board, which involves various stakeholders.
- a Welsh Government internal audit report in September 2023 which reviewed processes and governance arrangements for supporting and managing delivery of active travel, in particular the Welsh Government's Active Travel Fund.
- the National Audit Office's June 2023 report on [Active Travel in England](#). That report highlighted some similar issues to those in the Cross-Party Group report on Wales and that we have identified through our own work.

Observations

We attended the 27 July 2023 meeting of the Active Travel Board.

Semi-structured interviews

We interviewed Welsh Government officials and Transport for Wales staff involved in active travel.

We also interviewed:

- officers from the Welsh Local Government Association and six local authorities
- third sector organisations including Sustrans Cymru, Living Streets, Disability Wales Guide Dogs Cymru, and Cycling UK
- members of the Active Travel Board
- officers from the Cross-Party Group on Active Travel

Focus group

We ran a focus group discussion with representatives from the Cross-Party Group for the Active Travel Act to gather views on the key barriers to progress.

Data analysis

We also analysed available performance and financial data. We have published a [data tool](#) alongside this report to provide further information about active travel routes, rates, and expenditure. In this report:

- we only show the overall participation rates among the adult population based on the National Survey for Wales figures but our data tool shows additional detail for other frequencies and by urban and rural classification; and
- we include high-level data on the Active Travel Fund and our data tool breaks this expenditure down by local authority.

We recognise there is wider data and research available on active travel behaviour that is collected on a different basis or relates to specific initiatives.

Examples include:

- Public Health Wales, [Travel to School Hands Up Survey 2023](#).
- School Health Research Network, [Student Health and Wellbeing in Wales: Report of the 2021/22 Health Behaviour in School-aged Children Survey and School Health Research Network Student Health and Wellbeing Survey, April 2023](#).
- Sustrans and Cardiff Council, [Cardiff: Walking and Cycling Index 2021, May 2022](#).

We also considered data that supported the development of the Welsh Government's transport strategy: Welsh Government, [Llwybr Newydd, A New Wales Transport Strategy, Consultation Draft, Supporting information, Transport data and trends, February 2021](#).

2 Key duties in the Active Travel (Wales) Act 2013

Exhibit 8 summarises key duties. The general duties listed have applied since 2013. The Environment (Air Quality and Soundscapes) (Wales) Act 2024 provided for extended duties in relation to air pollution.

For the purposes of the Act, an active travel route means that it is situated in a designated locality (see **paragraph 3.4**). The relevant local authority must also consider that it is appropriate to classify it as an active travel route, in the context for example of design standards (see **paragraph 3.8**).

Exhibit 8: summary of key duties under the Active Travel (Wales) Act 2013

Local authorities

- | | |
|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| General duties | <ul style="list-style-type: none"> • Prepare and publish maps of existing active travel routes and related facilities and submit to the Welsh Ministers for approval. • Prepare and publish maps of the future and improved routes and facilities needed to create integrated active travel networks and submit to the Welsh Ministers for approval. • Have regard to the maps in preparing transport policies and to ensure there are new and improved active travel routes and related facilities. • When submitting an existing routes map for the second or subsequent time, submit a report to the Welsh Ministers specifying how the level of use of active travel routes and related facilities has changed since the previous version of the map. • In carrying out certain functions under the Highways Act 1980, take reasonable steps to enhance provision for walkers and cyclists and have regard to the needs of walkers and cyclists in the exercise of certain other functions. • Exercise their functions under the Act to promote active travel journeys and every year secure new active travel routes and related facilities, and improvements of existing active travel routes and related facilities. • Make a report to the Welsh Ministers specifying what it has done in each financial year to promote active travel journeys and to secure new active travel routes and related facilities and improvements in existing active travel routes and related facilities and specify the costs incurred. |
|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Local authorities

Promoting active travel as a way of reducing or limiting air pollution

- Take steps to promote active travel in this way in their areas.
- Alongside submitting active travel network maps, publish a report specifying the steps it has taken to promote active travel in this way during a given period.

The Welsh Ministers

General duties

- Make and publish annual reports on the extent to which walkers and cyclists make active travel journeys.
- Review the operation of the Act – within a specified timeframe – with a view to assessing its success in securing new active travel routes and related facilities and improvements of existing active travel routes and related facilities.
- In carrying out certain functions under the Highways Act 1980, to take reasonable steps to enhance provision for walkers and cyclists. And to have regard to the needs of walkers and cyclists in the exercise of certain other functions.
- Exercise their functions under the Act to promote active travel journeys and secure new and improved active travel routes and related facilities.

Promoting active travel as a way of reducing or limiting air pollution

- Publish and keep under a review a statement about the steps they propose to take to promote active travel in this way.
- Report after the end of three-yearly reporting periods on the steps they have taken to promote active travel in this way, although they can choose to report more frequently.
- Give guidance to local authorities regarding the discharge of local authority functions.

Source: Audit Wales summary from Welsh Government, [Active Travel Act Guidance](#), July 2021 and the Act itself



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Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.



Mr Adrian Crompton
Auditor General for Wales
1 Capital Quarter
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Cardiff CF10 4BZ

7 November 2024

Dear Adrian

Thank you for your recent report on active travel in Wales. I am pleased to enclose our detailed response to the recommendations made to the Welsh Government.

The Active Travel (Wales) Act 2013 is the expression of the commitment to make walking, wheeling and cycling the safe and easy choice for shorter everyday journeys, whether to school, to work or to access shops and services. Walking in particular is a key part of nearly every public transport journey as well, and improving conditions for these modes is an important step to helping us achieve our net zero target.

We began this journey from a standing start and the early years after the making of the Act were focused on creating the foundations for the improvements we need to see. Since 2018 Welsh Ministers have stepped up investment in infrastructure and your report highlights that we have invested £218million through the Active Travel Fund in local authority-led schemes across Wales. Whilst this is a significant level of funding that we are proud of, it means that the Welsh Government has so far invested just under £70 per person over the six-year period of the fund. Connecting the limited patchwork of existing infrastructure into a coherent network that serves people's travel needs takes time and it would be unrealistic to expect this level of funding to have already resulted in far-reaching transformation of travel choices.

Over recent years, we have undertaken significant steps to strengthen the approach to delivery of active travel schemes and interventions at the national and the local level. By building in-house expertise and capacity in Transport for Wales we have been able to start to support local authorities and the Corporate Joint Committees more effectively and practically. This ranges from detailed advice on schemes throughout their development stages, to the development of an evidence-based prioritisation tool, the roll-out of training programmes and the development of a promotional toolkit.

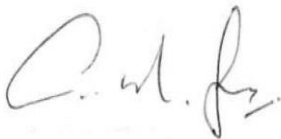
The Welsh Government and its partners have also made strides in improving the conditions that allow more children and young people in Wales to travel to school safely and actively. Infrastructure improvements around schools are combined with complementary programmes, and we start to see impressive results in some schools. We are committed to further

strengthen co-ordination and alignment of our work in this area, to enable more children to benefit from the opportunity to walk, wheel or cycle to school.

Your report highlights the relative scarcity of data and the first five of your recommendations relate to how we can improve this. We recognise that the lack of data affects not just our ability to measure the impact of our active travel policy, but of our transport policy and programmes generally. To address this, we have been working on the development of a National Travel Survey for a number of years, and are currently running the second pilot survey. Data from the new survey will be a key building block in our monitoring of active travel as well as other modes. Our National Monitoring Framework for active travel will draw on this and a wide range of other data sources, and be complemented by efforts to ensure monitoring at the local level becomes more consistent.

We will be taking your recommendations forward alongside the comprehensive set of actions we have already set out in our Active Travel Delivery Plan, which we published earlier this year and we are of the view that this puts us on a good footing to make further progress.

Yours sincerely

A handwritten signature in black ink, appearing to read 'A. Slade', written in a cursive style.

Andrew Slade
Director General
Economy, Energy and Transport

Management response form

Report title: Active travel

Completion date: October 2024

Ref	Recommendation	Management response Please set out here relevant commentary on the planned actions in response to the recommendations	Completion date Please set out by when the planned actions will be complete	Responsible officer (title)
R1	The Welsh Government should articulate a consolidated set of long-term active travel indicators and targets, with delivery milestones. These should include coverage of wider outcomes than just active travel rates in the context of its transport strategy ambitions, the wider well-being goals for Wales, and expected contributions from wider policy/programme areas.	Accept. The commitment to set active travel targets is included in our Active Travel Delivery Plan. We will do this, and include delivery milestones, once we have the first set of data from the new National Travel Survey (NTS). We have a working draft National Monitoring Framework for Active Travel which sits below the Monitoring Framework for the Wales Transport Strategy. The Framework comprises a broad range of indicators from a range of sources linked to active travel. This will be further refined once the NTS is fully operational.	Autumn 2026, when NTS data available	Deputy Director Transport Strategy and Policy

Ref	Recommendation	Management response Please set out here relevant commentary on the planned actions in response to the recommendations	Completion date Please set out by when the planned actions will be complete	Responsible officer (title)
		<p>Whilst we are unlikely to be able to use wider indicators beyond transport and travel to establish causal links between active travel scheme delivery and wider well-being measures, we will include as much consideration of wider impacts as is possible.</p>		
R2	<p>To support monitoring against active travel related indicators and targets, the Welsh Government should ensure it collects consistent data over time that allows long-term trend analysis and, where practical, pan-UK comparison on key measures.</p>	<p>Accept. The National Travel Survey will replace the current method of collecting active travel data through the National Survey for Wales (NSfW) for long-term monitoring and trend analysis. It will collect data on a broader range of measures and provide more information, and the active travel questions for adults will be slightly amended, whilst it will not gather school travel data for children. This will need to be collected from other sources, such as the Hands Up Survey for primary school children and School</p>	<p>Autumn 2026, when NTS data available</p>	<p>Deputy Director Transport Strategy and Policy</p>

Ref	Recommendation	Management response Please set out here relevant commentary on the planned actions in response to the recommendations	Completion date Please set out by when the planned actions will be complete	Responsible officer (title)
		Health Research Network data for secondary school children. Whilst this means the new data will not be directly comparable to the historic NSfW data, this data itself is not entirely consistent over time, due to changes in sample size, survey method due to the pandemic, frequency, and amended question wording, as well as data gaps for years where the survey was not running. We will explore opportunities to develop pan-UK comparator measures, though it should be noted that data for active travel for all UK nations is not harmonised, with each nation having developed questions separately.		
R3	As it finalises plans for a new National Travel Survey, the Welsh Government should re-appraise the costs and benefits of collecting enough data to support meaningful analysis and scrutiny of active travel rates at local authority level.	Accept. We will re-appraise the costs and benefits. If budget pressures mean that early tranches of the National Travel Survey are unlikely to allow data analysis at the local level, we will nonetheless pursue opportunities to gain sub-	January 2025	Deputy Director Transport Strategy and Policy

Ref	Recommendation	Management response Please set out here relevant commentary on the planned actions in response to the recommendations	Completion date Please set out by when the planned actions will be complete	Responsible officer (title)
		national data, at local authority and/ or regional level, given the increasing role of the Corporate Joint Committees and their responsibility to develop and deliver Regional Transport Plans. A subnational breakdown may be possible by aggregating multiple years of data.		
R4	In developing a new monitoring and evaluation framework and providing fresh guidance to local authorities, the Welsh Government and Transport for Wales should clarify expectations around objective setting and a proportionate, but more consistent, framework for reporting benefits that extend beyond changes in active travel rates. This could include, for example, impacts on air pollution in the context of new reporting duties in that regard.	Accept. We are working on this with Transport for Wales, who have shared draft local monitoring guidance with local authorities to improve the consistency of local level data collection. This will be reviewed further once we have considered the information provided in the most recent set of scheme level Annual Performance Reports from September 2024 and the Annual Reports required under the Active Travel Act, which will be submitted in October 2024. This will include both clear expectations regarding objective setting as well as how wider	April 2025	Deputy Director Transport Strategy and Policy & TfW lead

Ref	Recommendation	Management response Please set out here relevant commentary on the planned actions in response to the recommendations	Completion date Please set out by when the planned actions will be complete	Responsible officer (title)
		benefits can be captured. The work undertaken for local active travel monitoring will inform work on the development of monitoring frameworks for the emerging Regional Transport Plans.		
R5	<p>Building on the new monitoring and evaluation framework and reporting by local authorities, the Welsh Government should revert to the publication of a fuller annual report on active travel. As a minimum, the report should include coverage of and/or signpost to:</p> <ul style="list-style-type: none"> evidence relating to active travel behaviour at a national and local level; expenditure data compared with allocations for key areas of specific active travel spending, analysis of local authority match funding and, where practical, contributions from other 	<p>Accept.</p> <p>We will seek to trial the suggested format for the annual report using the available information from 2023-24. However, it should be noted that due to the gap in data collection for the National Survey for Wales in 23-24, there will be no updated data for active travel rates from this source, and there will be a further gap for 2025-26 because NSfW data collection will be paused post 2024-25. Data will be available for 2024-25.</p>	April 2025, to incorporate local authority reporting returns, submitted in Autumn 2024	Deputy Director Transport Strategy and Policy

Ref	Recommendation	Management response Please set out here relevant commentary on the planned actions in response to the recommendations	Completion date Please set out by when the planned actions will be complete	Responsible officer (title)
	<p>programme areas in transport and beyond;</p> <ul style="list-style-type: none"> • progress with active travel delivery plan actions, including behaviour change initiatives; • progress with scheme delivery and network expansion; and • evidence about how active travel investment is contributing to wider strategic goals. 			
R6	<p>The Welsh Government should use its new assessment and funding framework to support periodic reviews of local authorities' capability, plans, and active travel delivery. It should then report transparently on the outcome of those reviews.</p>	<p>Accept.</p> <p>We have begun work on an assessment framework for local authorities, drawing on past delivery performance for active travel schemes and other factors.</p> <p>This will inform, and likely be subsumed within the development of a new funding framework for the Regional Transport Plans, as we plan to move away from individually administered sector</p>	Spring 2026	Deputy Director Transport Strategy and Policy

Ref	Recommendation	Management response Please set out here relevant commentary on the planned actions in response to the recommendations	Completion date Please set out by when the planned actions will be complete	Responsible officer (title)
		specific local transport grant schemes. We will report transparently on the outcomes.		
R7	<p>To manage potential risks around duplication of public funding and conflicts of interest around the administration of the Active Travel Fund:</p> <p>a) Transport for Wales should assess opportunities to further strengthen safeguards relating to the involvement of Sustrans officers, alongside its own officers, in the appraisal of Active Travel Fund bids.</p> <p>b) the Welsh Government and Transport for Wales should ensure they have a clear understanding of any work Sustrans may be involved with at a local authority level that relates back to the Active Travel Fund.</p>	<p>Accept.</p> <p>Transport for Wales will set out in their operating procedures for the Fund the strengthened safeguards to be put in place to exclude any possibility of bias in the appraisal of applications for active travel funding. Safeguards will also be reviewed on an ongoing basis to ensure they are sufficiently robust.</p> <p>We have agreed with Sustrans that they will regularly update us and Transport for Wales on any work that they are carrying out on behalf of local authorities.</p>	December 2024, in readiness for the next funding appraisal cycle	Deputy Director Transport Strategy and Policy & TfW lead

Ref	Recommendation	Management response Please set out here relevant commentary on the planned actions in response to the recommendations	Completion date Please set out by when the planned actions will be complete	Responsible officer (title)
R8	The Welsh Government should devise a longer-term, multi-year, funding strategy to provide local authorities with more certainty and stability on active travel funding. The strategy should reflect on the overall balance between capital funding for infrastructure, including the split between core and scheme specific funding for the Active Travel Fund, and revenue funding for other activities such as behaviour change initiatives. It should also include details of how active travel delivery plan actions will be resourced.	Accept. We are working with Corporate Joint Committees to develop their statutory Regional Transport Plans, with accompanying five-year Delivery Plans. Our funding strategy is to allocate capital and revenue funding to these plans from 2026-27, instead of through separate grant schemes such as the Active Travel Fund. We will set out how active travel investment at regional and national levels is resourced as part of this process. Funding allocations for future years will be indicative where this is necessary to comply with Welsh Government and Senedd budget procedures.	Spring 2026	Deputy Director Transport Strategy and Policy
R9	The Welsh Government should set out minimum requirements which, if not evidenced satisfactorily, will mean that	Accept	Complete	Deputy Director Transport

Ref	Recommendation	Management response Please set out here relevant commentary on the planned actions in response to the recommendations	Completion date Please set out by when the planned actions will be complete	Responsible officer (title)
	Active Travel Fund bids for main infrastructure schemes will not be approved regardless of their overall ranked score. These minimum requirements should include equality impact assessment.	This has been implemented for the 2025-26 application round and is included in the new guidance. It was already signalled in the Active Travel Fund Guidance for 2024-25, that advance completion of a range of steps, including EqIA, a Monitoring and Evaluation plan and scheme specific engagement will become a mandatory requirement from 2025-26 onwards. The new guidance sets out the requirement for an Integrated Well-being Appraisal, which includes the regulatory impact assessments, including EqIA.		Strategy and Policy & TfW Lead
R10	The Welsh Government should complete a comprehensive, post implementation review of the Act in line with the scope envisaged when the Act was passed. It should involve other delivery partners and include consideration of the overall impact of active travel network maps and the	Accept We will complete a review of the Act by July 2025. We will undertake a further review within five years.	July 2025	Deputy Director Transport Strategy and Policy

Ref	Recommendation	Management response Please set out here relevant commentary on the planned actions in response to the recommendations	Completion date Please set out by when the planned actions will be complete	Responsible officer (title)
	extent to which they support public awareness of active travel routes.			

Agenda Item 5

By virtue of paragraph(s) vi of Standing Order 17.42

Document is Restricted



Economy, Energy & Planning

07/11/2024

This paper provides a written update on the economic drivers behind climate change policy, the environment, energy, and planning over the second half of 2024. The First Minister has set out the priorities for the Welsh Government going forward which includes a focus on green jobs and growth. To deliver on our priorities, energy and planning policies must align to help create jobs that not only tackle the climate crisis but make families better off and restore nature. Against an incredibly challenging backdrop of acute public financial pressures, we continue to achieve significant outcomes and investment into Wales. With a new UK Government in Westminster, we will continue to focus on strengthening the Welsh economy as we create a fairer, greener Wales for all.

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1. Strategic Development Plans

Strategic Development Plans provide an opportunity to plan on a wider than local basis, address cross boundary issues, achieve a better quality of life for residents, enable businesses to grow, and maximise investment.

The Strategic Development Plan (SDP) Regulations came into force 28 February 2022. All four Corporate Joint Committees (CJCs) have been able to exercise the strategic planning function from 30 June 2022. Local Authorities (LAs) have been working together to initiate CJCs and ensure speedy progress on SDPs can be made.

The previous Minister wrote to all four CJCs earlier last year (2023) setting out our expectations which include the submission of a Delivery Agreement, demonstration of some technical work, and the employment of an officer by this year.

An updated SDP Manual was published on the 9 September 2022 for informal consultation setting out more detail on the scope and content of a plan. A formal consultation is anticipated for the summer of 2025.

We encourage all parties to engage in the consultation, as this is an opportunity to shape and influence their future.

Ministers have met with all the CJC leaders on an ongoing basis to discuss Regional Transport Plans and SDPs. It is important to have ongoing discussions so all parties can understand their expectations, with Welsh Government officials assisting in the provision of technical advice for SDPs, as well as utilising Transport for Wales for RTPs.

We welcome the progress from South-East Wales in being the first region in Wales to consult on a draft Delivery Agreement. This is an important milestone as, when agreed by Welsh Ministers, it will mark the formal commencement of the SDP process.

2. Promoting the Welsh language through the planning system

The Welsh language is part of the social and cultural fabric of Wales and its future well-being will depend upon a wide range of factors, particularly education, demographic change, community activities, and a sound economic base to maintain thriving sustainable communities and places.

The Welsh Government's aims and ambitions for the Welsh language are set out in the Welsh Language Strategy – Cymraeg 20505. The strategy recognises the need to provide Welsh speakers with easily accessible opportunities to use their skills in social and work settings. The strategy also identifies the imperative need to create favourable circumstances to encourage the number of Welsh speakers. This involves securing goodwill towards the language and providing language infrastructure such as technology and legislation, but is also concerned with securing an economic and social future for Welsh speaking communities.

Through the Planning (Wales) Act 2015 the Welsh language became, for the first time, a consideration in planning legislation created in Wales. Our planning system is plan-led, in which decisions on planning applications must be taken in accordance with the adopted development plan, unless outweighed by other material considerations. The Planning (Wales) Act and Technical Advice Note 20 state the Welsh language should be ingrained into Local Development Plans through the Sustainability Appraisal, which should include a Welsh language impact assessment. It therefore becomes a consideration in planning decisions and appeals where relevant.

Planning Policy Wales (PPW) states that development plans and proposals should be prepared within the context of the key planning principles of the planning system. Planning authorities should ensure that social, economic, environmental, and cultural benefits are considered in the decision-making process and assessed in accordance with the five ways of working to ensure a balanced assessment is carried out to implement the Well-being of Future Generations Act and the Sustainable Development Principle. Key factors in the assessment process include cultural considerations where it should be considered how far a proposal supports the conditions that allow for the use of the Welsh language.

The future of the language across Wales will depend on a wide range of factors beyond the town and country planning system, particularly education, demographic change, community activities and a sound economic base to maintain thriving sustainable communities. The planning system can contribute to the future wellbeing of the Welsh language, by establishing the conditions to allow sustainable communities to thrive. For example, creating conditions for well-paid employment opportunities and a range of quality housing options are integral to planning for sustainable communities

3. Planning resource in Local Planning Authorities

Ensuring that Wales has enough planners and related professionals, with the right skills in the right areas is fundamental to the delivery of our policies.

We will be launching an important and wide-ranging consultation in November setting out our proposals for improving the capacity and resilience of planning services.

The consultation will include proposals to increase planning applications fees (including a pathway to full cost recovery). The proposed fee increase will significantly increase local planning authority resources and place them on a more sustainable financial footing resulting in more effective and faster planning decisions. New fee regulations will be in place by August 2025.

The consultation will also be seeking views on how best to increase the pipeline of planners and related professionals by ascertaining the demand and viability for bursary and apprenticeship schemes.

We are currently in the process of commissioning the Royal Town Planning Institute to undertake a piece of work on 'workforce planning'. It will provide a detailed picture of the resource and skills situation across the planning service. This will allow me to consider a more focused targeting of resources. The report will be published in May 2025.

Welsh Government is currently working with Net Zero Industry Wales to develop an approach where developers make a financial contribution to a fund held by NZIW that can be utilised by planning and consenting bodies in Wales to address immediate resource pressures.

This approach recognises the high volume of projects in Wales covering net zero and renewable energy infrastructure that is currently placing unprecedented demands on consenting bodies in Wales.

With resources held by NZIW this approach looks to address the current pressures within consenting bodies in Wales while maintaining the independence between those bodies and the developers.

4. Ports

Infrastructure

Welsh ports provide a vital 'land bridge' link for freight and goods between Ireland, GB and beyond. Ports such as Pembroke Dock, Fishguard and Holyhead are vital gateways for the UK's national economy. We will continue to work with all key stakeholders to sustain these key routes in what are likely to be challenging years ahead in recovering lost traffic and eventual growing trade.

What would give them greater certainty would be to return to conditions where barrier-free trade was as close as possible to the circumstances we enjoyed before Brexit. We will also continue to raise the strategic importance of these trade routes with the Irish Government through the British and Irish Council.

Our Welsh ports and harbours are a focal point for inward investment, acting as a catalyst for economic development, delivering local jobs and services and benefits to the wider economy of Wales.

Climate Change and Environment

Welsh Ports have the opportunity to be at the forefront of advances in more sustainable maritime technologies, supporting the transition to more efficient and lower-carbon logistics networks in Wales.

Our ports can support innovation in maritime propulsion systems and attract greener shipping to Wales. There is also possibility of using renewable energy, generated in and around Wales, to provide power to our ports and vessels using those ports.

This approach could enable our ports to grow their freight, passenger and cruise business in a manner that offers all of the positive benefits to local communities whilst protecting and preserving the local environment.

Shipping

Much of international and domestic shipping policy is reserved to the UK Government and decarbonising shipping requires a multilateral approach.

Climate Change and Environment

The UK Government will lead on international climate change negotiations on behalf of the devolved governments at the upcoming International Maritime Organization (IMO) to reduce greenhouse gas (GHG) emissions from international shipping.

Wales is part of expanding the scope of the UK emissions trading scheme which is aiming to consult on reducing the emissions of the domestic maritime sector in 2024.

The Welsh Government continues to support the UK Government's UK Shore project and encourages our ports to bid for funding through this programme such as the Clean Maritime Demonstration Competitions.

UK Shore helps provide support and incentives to drive investment into shore power and electric recharging infrastructure across UK ports to power a greener future shipping industry.

The Infrastructure (Wales) Act 2024 can support onshore power and electric charging infrastructure. This will establish a new process for consenting major infrastructure projects in Wales, including significant energy, waste, water and transport, projects. The Act will streamline and unify the decision-making process, helping to support port investment and the development of shore power for the shipping industry.

5. Cardiff Airport

We have acknowledged the policy tensions between owning an airport, the significant economic benefits the Airport can deliver for Wales, and our need to address the climate emergency.

Cardiff Airport is committed to reducing its carbon footprint and I am pleased to advise the Committee that the Airport has reduced carbon emissions from its ground operations by over 60% in the last four years, from 1,700 tonnes to under 600 tonnes of CO₂ annually, with an aim to reduce this by a further 50% over the next five years.

Aviation policy is a reserved matter for the UK Government (UKG). The nature of air travel in the UK means that passengers, as well as freight operators, have the option to use airports across the UK, which has implications for the potential effectiveness of Welsh policies. There needs to be an aviation decarbonisation strategy for the whole of the UK, with all four nations working together to address the issue. The WG is actively engaged with UKG and other Devolved Governments in relation to the Carbon Offsetting and Reduction Scheme for International Aviation (CORSA) and is a member of the UK Emissions Trading Scheme (UK ETS) Authority.

It is widely recognised that the greatest challenge in terms of making civil aviation sustainable is not related to any specific technical solution, but making positive change happen at the required pace. The progress to net zero relies on all parts of the supply chain working towards a common goal, including aircraft manufacturers, airlines, airports and their service providers.

The Competition & Markets Authority's (CMA) assessment of our proposed long-term investment in Cardiff Airport was published on 2 October. The Cabinet Secretary for Economy, Energy & Planning has issued a Written Statement in response. As per the Written Statement, we will now take the time needed to give full consideration to the CMA's assessment.

We remain open to refining our proposed programme of investment on the basis of that assessment and the Cabinet Secretary for Economy, Energy and Planning will update the Senedd in due course once we have decided on the best way forward. Until then, the Welsh Government will not be commenting further on the proposed subsidy package.

6. Trydan Gwyrdd Cymru

Trydan Gwyrdd Cymru has been established to accelerate the development of renewable energy projects, particularly onshore wind, on the wider Welsh public estate and maximise their value for the people of Wales. The organisation is wholly owned by Welsh Government and was launched in July 2024.

Trydan Gwyrdd Cymru's goals are to:

- develop a minimum of 250MW of new renewable energy generation capacity by 2030 and an additional 750MW of new capacity by 2040, subject to grid capacity being available.
- be an exemplar developer, working with the wider industry and communities.
- advise and work with the public sector, to realise locally owned renewable energy generation.

The Trydan Gwyrdd team, based in Merthyr Tydfil, are working alongside Natural Resources Wales to develop wind farms on the woodland estate. They will start engaging with communities near initial sites as soon as possible.

Public sector led renewable energy developments on the Welsh public estate could make an important contribution to Wales's existing renewable energy generation and local ownership targets:

- Wales to generate electricity equal to 100% of its consumption from renewable sources by 2035.
- 1.5 GW of renewable energy capacity in Wales to be locally owned by 2035.
- all new renewable energy projects to have at least an element of local ownership.

Having wind farms where all the value stays in Wales is important for Welsh people to have confidence that they will benefit from a clean power system.

7. Ynni Cymru

Ynni Cymru is a programme expanding community-owned renewable energy generation across Wales. It will complement the great work already being undertaken by the Welsh Government Energy Service and Community Energy Wales, especially around scaling up and increasing the impact of renewable energy assets across Wales. The team has an office base at M-SParc, Ynys Mon,

Ynni Cymru is positioning Wales at the forefront of developing and delivering Smart Local Energy Systems (SLES). A SLES joins up different energy generation, storage, demand and infrastructure assets in a local area, making them operate more intelligently and deliver local benefits. There are multiple benefits from delivering Smart Local Energy projects. Evidence suggests the main benefits include retaining value locally, reducing greenhouse gas emissions, improving energy resilience and security and enhancing network stability.

The Ynni Cymru team has been working up plans for how to support the development of SLES, using information gained from talking to projects and understanding their investment needs. Ynni Cymru has already committed £900,000 of resource grants to help community organisations to employ the necessary staff to accelerate project delivery. Alongside this it has been conducting a renewable energy asset stock take to understand existing assets and how Ynni Cymru can help to optimise, smarten, and grow them.

On 3 September, Ynni Cymru launched a £10 million grant scheme for SLES across Wales. It closed on 18 October and over 100 applications are currently being processed. Successful applicants will be informed later this year.

8. Recommendations from the renewable energy deep dive

The Renewable Energy Deep Dive Steering Group of stakeholders was formed in 2020 and resulted in 21 recommendations ranging from investment in skills to calls for the devolution of the Crown Estate. The third, and final, update on progress on the recommendations was issued in March 2024. This report underlined some of the more significant activity against the recommendations between April 2023 and March 2024, and some of the key milestones which will help us complete those recommendations. The report demonstrated our efforts to transition our energy system from a reliance on fossil fuels to a strong, long-term, and sustainable renewables sector that retains the wealth for our communities in Wales.

Following on from the deep dive, work has continued on local area energy planning, to feed into a National Energy Plan, and our Future Grids work. These are aimed at mapping the infrastructure that we require to realise our energy needs and commitments.

We are committed to working with industry to develop a renewable energy sector deal. The aim of a sector deal is focused on removing barriers and working closely with industry on maximising the value of benefits retained in Wales.

A sector deal is also about ensuring we all understand the part we play in the delivery of renewable energy targets for the benefit of communities across Wales, within our legal requirements under the Wellbeing of Future Generations Act and Environment Act. This will mean removing barriers to retaining benefit and value in Wales, securing a just transition for communities, and making Wales an even more attractive place for new investment. Welsh Government has been clear Wales must feel the benefit of our renewable revolution.

The Welsh Government has resisted sector specific energy targets, and it would be problematic to justify a sector deal focussed on one industry. A preferable approach would be to develop an industrial strategy across all sectors focussed on the actions both the sectors and WG may take to allow us to deliver on WGs renewable energy targets. This would cover the established technologies and the more innovative technologies. The Sector Deal could also evolve over time, so it does not become a stagnant document, reacting to current issues.

9. Implications of the GB Energy Bill for Wales

The Great British Energy Bill itself only creates the conditions for a new company to be established and details of the functions of GBE are still being announced.

We look forward to working with GBE together with Trydan Gwyrdd, the public energy company we created that is already operational, to develop renewable energy projects on the Welsh Government estate.

Welsh Government is very supportive of plans for GBE to work in partnership with The Crown Estate to bring forward both offshore and onshore renewable energy projects.

We are unsighted on the partnership arrangements the Crown Estate has entered into with GBE although we understand that it is mostly focussed on offshore wind and the Celtic seas for Wales.

Huw Irranca-Davies MS
Deputy First Minister and Cabinet Secretary for Climate
Change and Rural Affairs

19 September 2024

Dear Huw,

Inquiry into waste in Wales

During the summer term 2024, the Climate Change, Environment and Infrastructure Committee (the Committee) undertook a one-day inquiry into waste in Wales. The inquiry focused on progress towards delivery of the Welsh Government's circular economy strategy, [Beyond Recycling](#) (March 2021), including the 2025 targets.

To inform our work, we took evidence from policy experts, and representatives from the waste management and business sectors. Further details can be found on the [Committee's webpage](#).

We are grateful to you for providing written evidence and for responding to our questions on waste during your appearance before us on [26 June 2024](#).

Following your appearance, the Committee agreed I should write to you to set out its views on key issues raised during the inquiry, and to ask for clarification and/or further information on certain matters.

What next for recycling?

Over the last two decades, Wales has made great strides towards becoming a high recycling society and in June 2024 became the [second best recycling nation in the world](#). This is commendable and, as pointed out in evidence to us, is due to the collective effort of successive Welsh Governments, local authorities, the waste management sector and the public.

While we do not wish to detract from Wales' recycling success, we note that progress has slowed in recent years and the latest figures (2022-23) show considerable variation across local authorities in terms of performance. While five out of the 22 authorities have already met the statutory target of 70% recycling from 2024-25, five have failed to meet the current target of 64%, which came into effect from 2020-21.

Local government representatives cited delays to service changes due to the COVID-19 pandemic and lack of clarity on future service requirements as reasons for the slowing of progress. They also explained factors outside authorities' control affect recycling performance, for example, rurality and high numbers of Houses in Multiple Occupation/flats/tourist accommodation.

In commenting on progress towards the 70% target, one representative told us, "[authorities are] starting to realise that a lot of what you would call the low-hanging fruit we've done", as such, achieving the target would be challenging. It is currently anticipated that around half of authorities will meet the 70% target.

The Welsh Government's [Collections Blueprint](#) (the Blueprint) has played an important role in improving recycling rates. Although the Blueprint was published over a decade ago, there are still some authorities that have yet to adopt it.

We heard that a significant amount of recyclable material ends up in the residual waste stream. According to WRAP Cymru's [Compositional Analysis of Municipal Waste and Litter](#) (June 2023), 36.5% of kerbside residual waste was widely recyclable. Of this, 24.7% was food waste and 11.8% dry recycling materials. We would be interested in hearing how you intend to use these findings to further support authorities to achieve the 70% recycling target and future, more ambitious targets.

There was general consensus that the statutory targets, which were set in 2010, have played an important part in driving recycling performance. Several contributors were, therefore, keen for further targets to be set, and at an early stage, to provide clear direction and continue momentum. This aligns with the UK Climate Committee's recommendation that the Welsh Government "set ambitious recycling targets for 2030 and beyond, improving on the 70% target for 2025", as a priority. Although the Welsh Government has accepted this recommendation, your letter, dated 24 July 2024, fails to provide us with assurance that progress is being made towards the development of future targets, which is disappointing.

1. We would like you to explain the steps you have taken, or intend to take, to encourage local authorities who have yet to adopt the Welsh Government's [Collection Blueprint](#) to do so, ensuring greater consistency in recycling services across authorities.
2. We would like you to provide the timescale you are working towards for the review of the [Collection Blueprint](#).
3. We would welcome an explanation of whether and how you are using, or intend to use, WRAP Cymru's [Compositional Analysis of Municipal Waste and Litter](#) (June 2023) to inform policy that targets recyclable materials in the municipal waste stream.
4. We would like details of the timeframe you are working towards for the development of further recycling targets to maintain a trajectory towards zero waste by 2050, including when you anticipate bringing forward regulations to set those targets.

Deposit Return Scheme

The Deposit Return Scheme (DRS) has been beset by delays since it was first announced. We note it will now launch in October 2027, four years later than planned. Several contributors expressed frustration at the delay, highlighting the benefits of DRS, including higher collection rates, a reduction



in litter and improved circularity. According to Reloop, the latest two year delay would result in 647 million PET bottles, 332 million cans and 61 million glass bottles being landfilled, littered or incinerated in Wales. In relation to cans, this equates to lost revenue for Wales of around €5 million, as a rough estimate. Furthermore, Reloop told us the delay is “harming the transition to reuse”. It explained:

“We very much see that the future of deposit return is a slow transition to more reusable packaging...it's not just about collecting single-use packaging, it's about creating a new mindset and actually charting a pathway into a system where we have more reusable packaging and we can see real waste prevention.”

Reloop told us global evidence shows DRS is “the No.1 fighter of litter”. Keep Wales Tidy echoed this, emphasising DRS in Wales would support ‘on-the-go’ recycling infrastructure, which “we desperately need”.

In contrast, local government representatives, the Chartered Institution of Wastes Management and the Federation of Small Businesses welcomed the delay, highlighting the need to understand the impact of the forthcoming EPR for plastic packaging before introducing the DRS and to provide time for industry and other key partners to prepare. They also highlighted a range of challenges that would need to be addressed ahead of introduction, including those relating to infrastructure. We heard that a [digital DRS](#) offers potential solutions to some of these challenges, with local government representatives providing positive feedback on the [Brecon trial](#).

The FSB said the DRS “risks placing additional burdens on small businesses” and suggested certain exemptions. It emphasised the importance of clearly communicating changes to businesses, and for support and advice to be available at an early stage and be easily accessible.

As a Committee, we have previously expressed our disappointment at the delay to the DRS. Notwithstanding your [Written Statement](#) in April 2024, we are concerned that the UK Internal Market Act decision, which halted the DRS in Scotland, has impacted on the timeline for the DRS in Wales. We would be interested in hearing whether, following the recent change in UK Government, you intend to pursue a more ambitious timeframe. While we recognise there is still considerable work to do to prepare for implementation of the DRS, we are keen to see it progress at the earliest opportunity.

5. We would welcome an explanation of when and how you intend to scale up trials to further inform thinking on a digital DRS.

6. We would like you to clarify whether you intend to pursue a more ambitious timeframe for the introduction of DRS, in light of the recent change in UK Government.

7. We would welcome details of:

- how you are supporting, or plan to support, SMEs to prepare for the introduction of the DRS, and
- timelines you are working towards for a review of permitted development rights relating to DRS infrastructure.

Extended Producer Responsibility



Like the DRS, packaging Extended Producer Responsibility (EPR) has been subject to further delay. It will now take effect from October 2025, two years later than planned. EPR will operate on a UK-wide basis and will be overseen by a Scheme Administrator. Local government representatives referred to the delay as “unfortunate”, recognising EPR as a source of additional funding for authorities.

Local government representatives raised concern about “how the funding arrangements will work”, referring to them as “overly complex” with “potential perverse incentives”. They told us:

“A key concern is how the different Policy Context in Wales will be accounted for in the [‘Efficiency and Effectiveness payment’] model. Recycling rates are much higher than the rest of the UK and the assessment of what waste services should cost must account for this different context. If more is spent by Welsh councils because of their more extensive recycling efforts, the risk is they will appear high cost.”

In addition, they explained the ‘Effectiveness’ element operates on the basis of a deduction in payments for services not deemed to be effective, rather than rewarding good performance. They also said:

“we don’t know is what element of EPR funding will go towards those poor performers to increase their performance. And I think, from a Welsh Government and a WLGA point of view, there is a slight frustration that we’ve invested millions in services across Wales—we’ve got very good services—and we wouldn’t want a perverse outcome that, because you haven’t bothered with your waste services for a number of years, suddenly you get additional funding to enable you to improve those services.”

We share the concerns raised by local government representatives. It would be grossly unfair if authorities in Wales are penalised for their efforts to date in improving recycling rates.

8. We would like you to explain how you are working to ensure Welsh local authorities receive their fair share of funding through Extended Producer Responsibility, recognising that recycling rates are higher in Wales than the other UK nations.

Moving up the waste hierarchy

There was general consensus among contributors that a shift in emphasis up the waste hierarchy is needed, with a greater focus on sustainable consumption, waste prevention, repair and reuse. Resource Futures told us the findings of its study, [National authority waste composition in Wales](#), showed “gains to be achieved in municipal recycling rates will become increasingly marginal”. It recommended, “focusing further up the waste hierarchy with a national conversation about the impact of our consumption and more support for circular businesses, repair and reuse”.

We heard that repair and reuse are the building blocks for a circular economy. Apart from the environmental benefits, they provide wider social and economic benefits, supporting households



through the cost-of-living crisis, creating jobs and skilled volunteering opportunities, and helping to regenerate town centres.

The majority of repair and reuse initiatives are driven by third sector organisations and volunteers, and are reliant on Welsh Government grant funding. Contributors, including Repair Café Wales and Bentyg Cymru emphasised the importance of long-term funding to enable initiatives to become self-sustaining, with a suggestion of three-year funding allocations.

We were encouraged to hear from WRAP Cymru and Resource Futures of a strong appetite among the Welsh public for repair and reuse. According to WRAP Cymru's [Citizens insight: Reuse, Repair and Rental in Wales](#) (Spring 2023), 60% of people are open to purchasing pre-loved items; 58% are open to short-term leasing; 73% are open to repairing items; and 44% would consider using a repair café. The Welsh Government should capitalise on this by providing the right incentives and support for repair and reuse to scale up.

WRAP Cymru told us it was consulting on a [Routemap Towards a Universal Culture of Repair and Reuse in Wales](#). The Routemap sets out immediate actions that need to be taken by the Welsh Government and other relevant actors to foster a repair and re-use culture. Resource Futures identified areas of support that are needed at a UK level, for example the right to repair and 'ecodesign' policies, fiscal policies, such as reducing VAT on repair and second-hand goods, and use of EPR to incentivise and financially support repair and reuse. ReLoop explained France had legislated to ensure 5% of EPR fees are dedicated to improve reuse infrastructure.

Several contributors emphasised the importance of capturing data on repair and reuse, calling for the Welsh Government to establish targets and transparently measure progress.

9. We would like you to clarify whether and how you intend to use WRAP Cymru's Routemap Towards a Universal Culture of Repair and Reuse in Wales to inform policy and accelerate action on reuse and repair.

10. We would like you to consider:

- putting in place appropriate arrangements to capture data on repair and reuse, working with local authorities and other relevant partners.
- setting targets for repair and reuse, to help drive progress and direct investment.

11. We would like you to report back to the Committee on how you are engaging the UK Government in discussion on potential UK wide measures to incentivise and support reuse and repair. In particular, using EPR to incentivise design for repairability and to fund reuse and repair initiatives.

Tackling avoidable food waste

Beyond Recycling identifies 'eradicating food waste' as a priority action, setting targets of a 50% reduction in avoidable food waste by 2025 and a 60% reduction by 2030, against a 2006-2007 baseline. While we welcome the Welsh Government's level of ambition, the evidence we received suggests there is a significant risk the targets will not be met without additional action.

The [latest estimates of food and drink waste generated by Welsh households](#) (March 2024), which are for 2021-22, show a 5% reduction in food waste against the baseline, compared to a 23% reduction in

2015. According to WRAP Cymru, "It is likely that the increase in food waste in 2021 was partly the result of an increase in food purchased and consumed in the home", with people spending more time at home due to COVID-19 restrictions. Furthermore, WRAP Cymru noted "the cost-of-living crisis had yet to begin and the cost of food relative to average incomes was lower than any time over the preceding decade". It added, "the increase in food waste seen in 2021 is not necessarily an indication in an upward trend in household food waste". Nevertheless, WRAP Cymru told us, more effort and more resource" will be required to meet the 2025 target, and "There's a whole host of activity that needs ramping up if we're going to hit the 2030 target".

We are aware that a significant amount of work/research has been completed in this policy area in recent years, including [WRAP Cymru's Welsh Food Waste Routemap](#) (May 2023), referred to in the recently published [Food Matters: Wales](#) (July 2024). It is unclear whether the Welsh Government has formally adopted the Routemap, or whether/how it is being used to shape policy and accelerate action on food waste. We would welcome clarification on this issue.

The evidence we received suggests there is currently no robust methodology for monitoring and tracking progress towards the food waste targets, with current estimates only available for household food waste. WRAP Cymru referred to challenges in developing a methodology for business food waste due to a lack of data, but suggested the Workplace Recycling Regulations will likely help to address this. It told us, "we'll be working closely with the Welsh Government this year to look at an approach to food waste measurement for Wales, with the emphasis on monitoring...It's definitely something that needs more work".

When setting targets it is essential to ensure that robust arrangements are in place to monitor progress. The targets were set over three years ago, and the 2025 target is less than a year away. It is disappointing the Welsh Government has yet to develop a comprehensive framework for measuring and monitoring progress towards its food waste targets.

12. We would welcome clarification on whether you have formally adopted WRAP Cymru's Welsh Food Waste Routemap (May 2023). If so, we would welcome details of the timelines you are working toward to take forward the interventions set out in the Routemap.

13. If you have not formally adopted the Routemap, we would welcome an explanation of whether/how you are using, or intend to use, it, along with the Household Food and Drink Waste in Wales 2021-22 (March 2024), to inform policy and accelerate action aimed at reducing avoidable food waste.

14. We would welcome further details of work being undertaken to develop a methodology to monitor progress towards the Welsh Government's food waste reduction targets and its wider ambition to eradicate avoidable food waste. This should include an indicative timeframe for completion of this work.

15. We would welcome an explanation of how you are currently monitoring the impact of policies/interventions aimed at reducing avoidable food waste outside of households.

A Litter and Fly-tipping Prevention Plan for Wales?



Beyond recycling highlights the Welsh Government's ambition for "a litter and fly-tipping free Wales", recognising their significant impact on the environment. It sets out a range of actions the Welsh Government will take to achieve its ambition, including restricting the sale of the most commonly littered single-use plastic items, implementation of a new Litter Prevention Plan for Wales and continued delivery of its Fly-tipping Strategy, [A Fly-tipping Free Wales](#).

In evidence to us, Keep Wales Tidy highlighted that, although Wales is "leading in the UK in terms of environmental ambition", the Welsh Government does not have a litter prevention plan, unlike the UK and Scottish Governments. Keep Wales Tidy explained it had been working with the Welsh Government on proposals for a prevention plan for over four years, expressing frustration that a final plan has yet to be published.

Keep Wales Tidy reported disparate approaches to litter management across local authorities, which is "a real hinderance towards public messaging". It considered a prevention plan would be key to addressing this issue. It emphasised the need for appropriate monitoring and reporting of progress towards delivery.

We note the Welsh Government has already consulted on a [draft Litter and Fly-tipping Prevention Plan for Wales \(January 2021\)](#). During your appearance before us, we asked for an update on its development. Your official told us, "there is a general emphasis on trying not to publish too many more documents, but whether or not we actually publish it in terms of a plan of action, we will be communicating what we're proposing to do and the timescales by which we're proposing to do it". Since then, you have issued a [Written Statement](#) providing an update on action to address litter and fly-tipping. While we welcome this, we are disappointed you have chosen not to publish a prevention plan, as originally intended. We believe a plan, with targets and timescales for delivery, would help provide clear direction, improve transparency and accessibility, and strengthen accountability.

Keep Wales Tidy explained that, while litter has decreased over the last decade, there has been a change in the types of litter found on streets, with an increase in fast-food litter of around 44%. It reported that a lot of fast-food chains have signed up to its Litter-Free Zones initiative. It added it was working with the Welsh Government to develop a voluntary code of practice for the fast food and takeaway sector, seeking to address the littering of 'on-the-go' food products. However, it asserted voluntary initiatives may be insufficient to deliver real change, and "sooner or later, we need to mandate [action] if we want real progress".

Keep Wales Tidy highlighted a lack of 'on-the-go' infrastructure. It was suggested that a potential unintended consequence of the Workplace Recycling Regulations would be the withdrawal of public bins, leading to an increase in littering.

16. We believe you should reconsider your position and publish a Litter and Fly-tipping Prevention Plan for Wales, including targets and timescales for delivery of actions. If you are not minded to do this, we expect you to clarify the timescales you are working towards for the delivery of actions referred to in your Written Statement and how progress will be monitored and measured.

17. We would like you to report back to the Committee on any immediate plans to support 'on-the-go' recycling, in light of concerns around the potential unintended consequences of the Workplace Recycling Regulations and the delay in introducing a Deposit Return Scheme.

I should be grateful for a response as soon as possible, and by 17 October at the latest.

Yours sincerely,



Llyr Gruffydd MS,
Chair, Climate Change, Environment and Infrastructure Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg | We welcome correspondence in Welsh or English.



Huw Irranca-Davies AS/MS
Y Dirprwy Brif Weinidog ac Ysgrifennydd y Cabinet dros Newid
Hinsawdd a Materion Gwledig
Deputy First Minister and Cabinet Secretary for Climate Change
and Rural Affairs



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref: HIDCC/PO/0287/24

Llŷr Gruffydd MS
Chair
Climate Change, Environment and Infrastructure Committee
Welsh Parliament

18 October 2024

Dear Llŷr,

I am writing in response to your letter of 19 September 2024 in order to address the further questions that you posed. I have addressed each in turn below.

What next for recycling?

1. We would like you to explain the steps you have taken, or intend to take, to encourage local authorities who have yet to adopt the Welsh Government's Collection Blueprint to do so, ensuring greater consistency in recycling services across authorities.

Whilst the Blueprint is our best practice standard and not a legislative requirement, the majority of Welsh Local Authorities (LAs) have already adopted it, with more in the process of doing so. Caerphilly for example is the latest to commit to this course of action.

LAs are encouraged to adopt the Blueprint as it sets out the steps they can take to improve their service, to deliver the best economic, social and environmental outcomes and exceed the statutory minimum recycling targets. As LAs work to meet these targets, we provide access to comprehensive support, including funded expert advice and guidance to help plan the most effective approach. For LAs implementing changes to progress towards the Blueprint, significant capital funding is also available to support the investment into the infrastructure that is often necessary.

2. We would like you to provide the timescale you are working towards for the review of the Collection Blueprint.

The Collections Blueprint is currently being updated to be in line with the latest evidence and best practice across Wales. An early draft version has already been shared with LAs and our aim is to publish the updated Blueprint before the end of the year.

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:
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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

3. We would welcome an explanation of whether and how you are using, or intend to use, WRAP Cymru's Compositional Analysis of Municipal Waste and Litter (June 2023) to inform policy that targets recyclable materials in the municipal waste stream.

WRAP's compositional analysis is an important data source for a range of activities. This includes informing the development of future policy to address the remaining material within the residual stream. It also informs the actions that need to be taken by both WG and LAs, such as targeted comms campaigns such as that on food waste or improved enforcement of residual waste restrictions to support greater use of recycling services. The compositional analysis also helps the assessment of the impacts and benefits of policy instruments, such as the Extended Producer Responsibility (EPR) scheme for packaging and Deposit Return Scheme (DRS) for drinks containers. An important consideration being not just how might more be recycled, but also what changes can be made to prevent waste and reduce the quantum of material needing to be recycled in the first place.

4. We would like details of the timeframe you are working towards for the development of further recycling targets to maintain a trajectory towards zero waste by 2050, including when you anticipate bringing forward regulations to set those targets.

In line with the approach to targets taken to date, with the 70% target having come into place this year (2024/25) and with the last 64% target having been in place for 5 years (since 2019/20), the aim is for the next target to be in place by 2029/30 with the regulations being developed accordingly. In the meantime, we have been clear with LAs that they should be working to ensure their performance improvement will be in line with the trajectory to achieve zero waste by 2050.

Deposit Return Scheme

5. We would welcome an explanation of when and how you intend to scale up trials to further inform thinking on a digital DRS.

The digital DRS trial in Brecon is an important part of our wider approach to DRS which includes real world trials to inform the implementation of DRS and ensure it will be a success in Wales. The Brecon trial provided us with invaluable information about how digital technology could be used to integrate a deposit return scheme with our existing successful household collection services. Additionally, it gave us information on how consumers, businesses and local authorities can work together on a deposit return scheme. We are continuing to work with those involved in the trial, including to consider the potential for operating a further trial. In the meantime the next DRS trial will focus on reuse and is scheduled to take place in Newport in 2025.

6. We would like you to clarify whether you intend to pursue a more ambitious timeframe for the introduction of DRS, in light of the recent change in UK Government.

We are committed to the agreed timeline to introduce DRS in October 2027 as set out in the Joint Policy Statement agreed with the other UK nations' governments and published on 25 April 2024.

7. We would welcome details of:

▪ how you are supporting, or plan to support, SMEs to prepare for the introduction of the DRS,

As was outlined in the Joint Policy Statement published on 25 April 2024, in order to support SMEs with the implementation of DRS, there is an exemption for product lines with less than 5,000 units placed on the market across the UK per annum. In addition, we are actively engaging with a range of stakeholders, including SMEs at our roundtable sessions and through a specific Small Producers Sub-Group. Drawing from the considerable amount of international experience of introducing DRS schemes together with this engagement, one of the key messages was to allow sufficient time for preparations and this has been factored into the timetable and was an important consideration in deciding to introduce the scheme in 2027. International experience also underlines the key role that the appointed Deposit Management Organisation will play in providing businesses with the information needed to prepare for DRS launch including, for example, developing an operational blueprint for obligated businesses.

▪ and timelines you are working towards for a review of permitted development rights relating to DRS infrastructure.

A public consultation on Permitted Development Rights (PDRs) for Reverse Vending Machines is planned in late 2024. The responses will then be reviewed in early 2025 with the aim being to issue PDRs in the summer of 2025.

Extended Producer Responsibility

8. We would like you to explain how you are working to ensure Welsh local authorities receive their fair share of funding through Extended Producer Responsibility, recognising that recycling rates are higher in Wales than the other UK nations.

Extended Producer Responsibility for packaging is a joint UK-wide programme and the development of the calculation of local authority payments is being undertaken in collaboration with officials from each of the four governments. Throughout the ongoing development of modelling assumptions, officials are working to ensure that the intended outcomes of the scheme are delivered, including in relation to delivering a fair allocation of funding to local authorities in Wales. This work has been informed by regular engagement with the Welsh Local Government Association (WLGA) who are represented in both the interim Scheme Administrator Steering Group and a Welsh Government-led finance working group which are informing the scheme's development and the preparations for commencement of the scheme's operation.

Moving up the waste hierarchy

9. We would like you to clarify whether and how you intend to use WRAP Cymru's Routemap Towards a Universal Culture of Repair and Reuse in Wales to inform policy and accelerate action on reuse and repair.

The route-map *Towards a Universal Culture of Repair and Re-Use* is a report the Welsh Government has commissioned WRAP to deliver this year on which there will be a public consultation. It is intended to help inform the Welsh Government's re-use and repair approach by inviting Welsh residents, businesses and organisations to share their opinions, insights and expertise on repair and re-use from which WRAP will develop a route map and a set of suggested actions. The aim being to inform how in Wales we can accelerate the move towards a universal culture of repair and re-use.

10. We would like you to consider:

- **putting in place appropriate arrangements to capture data on repair and reuse, working with local authorities and other relevant partners.**

Work has been commissioned to assess what is needed to set up an appropriate monitoring and reporting protocol on the repair and re-use elements derived from Household Recycling Centres in Wales. Data on repair and lending is also obtained from the Repair Café and Benthg (Library of Things) network in Wales, which are supported by the Welsh Government. There are however reuse and repair activities in Wales which are carried out by a very diverse range of individual, community, social enterprise and private sector efforts – some of which use digital platforms that operate online. As items that are reused and repaired will often not meet the definition of being a ‘waste’ obtaining data cost effectively for all of this activity is not currently possible.

- **setting targets for repair and reuse, to help drive progress and direct investment.**

Whilst targets are a helpful policy instrument to drive change, they require the appropriate evidence base to inform any target setting. Work is currently being undertaken to build the necessary evidence base in the first instance, which can then inform the approach to targets. As highlighted above however, it is not currently possible to account for all reuse and repair activities in Wales and it is important that in setting any targets for LAs that it does not displace reuse and repair carried out by other actors, including those securing community and charitable benefit.

11. We would like you to report back to the Committee on how you are engaging the UK Government in discussion on potential UK wide measures to incentivise and support reuse and repair. In particular, using EPR to incentivise design for reparability and to fund reuse and repair initiatives.

One of the central aims of EPR is to incentivise improved design, resource efficiency and to support the move up the waste hierarchy. For example in developing the EPR scheme for packaging, we have been actively discussing with the UK and other Devolved Governments the scheme’s role in increasing the use of re-usable or refillable packaging. In addition, to inform our approach to EPR we have commissioned a report to look at the ways in which EPR can interface with repair and re-use to inform policy development. This will be equally relevant when considering EPR in relation to other materials such as textiles and electronics. With the new Secretary of State for DEFRA having set the Circular Economy as a key priority it also provides a greater opportunity for collaboration on UK-wide measures to support repair and reuse.

Tackling avoidable food waste

12. We would welcome clarification on whether you have formally adopted WRAP Cymru’s Welsh Food Waste Routemap (May 2023). If so, we would welcome details of the timelines you are working toward to take forward the interventions set out in the Routemap.

We continuously engage with our delivery partners to draw from their experience and the reports that they deliver to inform our approach. WRAP Cymru’s Food Waste Routemap is a recent example of an insightful report on how we can tackle food waste and will inform the approach we take as a Government on food waste in Wales. It was not however intended as a formal Government publication and rather than producing multiple policy documents, the Welsh Government’s focus is on taking the action needed to move to a circular economy.

13. If you have not formally adopted the Routemap, we would welcome an explanation of whether/how you are using, or intend to use, it, along with the Household Food and Drink Waste in Wales 2021-22 (March 2024), to inform policy and accelerate action aimed at reducing avoidable food waste.

WRAP's recommendations have been considered against our interventions aimed at tackling food waste, with the Routemap having identified manufacturing and household food waste as priority areas to reach the targets to reduce avoidable food waste. In taking action we are:

- Focusing the Be Mighty campaign on food waste prevention and furthering food waste recycling in 2024-25;
- Contributing towards the Courtauld 2030 voluntary commitment which brings together UK retailers and manufacturers to tackle food waste;
- Funding FareShare Cymru to roll out the redistribution of surplus edible food from businesses to those in need across the whole of Wales;
- Ensuring sustainability Food Clusters focus on resource efficiency and waste prevention in food and drink businesses;
- Ensuring the Welsh Government's [Climate Action Wales](#) campaign includes tips about reducing food waste and making sustainable food choices;
- Continuing to monitor the performance of separate household food waste collections in all local authorities in Wales; and,
- Implementing the new Workplace Recycling reforms which require all workplaces in Wales to separate food waste for collection.

The findings from the Household Food and Drink Waste in Wales 2021-22 (March 2024) report, have helped to shape the Be Mighty Campaign in 2024-25, for example focusing the campaign on foods commonly wasted in the home and the report will also be used to inform future campaigns and interventions.

14. We would welcome further details of work being undertaken to develop a methodology to monitor progress towards the Welsh Government's food waste reduction targets and its wider ambition to eradicate avoidable food waste. This should include an indicative timeframe for completion of this work.

WRAP Cymru have started work on our behalf on a detailed methodology to monitor progress towards the Welsh Government's food waste reduction targets. The research will identify what primary data collection (household waste composition analysis; business commercial & industrial surveys) will be required to accurately estimate supply chain waste. The aim is for this to be completed by the end of March 2025.

15. We would welcome an explanation of how you are currently monitoring the impact of policies/interventions aimed at reducing avoidable food waste outside of households.

See the answer above in relation to the work commissioned. The Industrial and Commercial Waste Survey run by Natural Resources Wales [Natural Resources Wales / Industrial and Commercial Waste Survey 2018](#) also provides data on food waste from non-households and is currently the main mechanism for monitoring food waste reduction outside households. In addition an independent evaluation of the grant provided to FareShare Cymru has been commissioned. This evaluation will focus on the impact and future options for surplus edible food waste redistribution in Wales.

16. We believe you should reconsider your position and publish a Litter and Fly-tipping Prevention Plan for Wales, including targets and timescales for delivery of actions. If you are not minded to do this, we expect you to clarify the timescales you are working towards for the delivery of actions referred to in your Written Statement and how progress will be monitored and measured.

I am keen we take a more focused, delivery orientated approach here in Wales and want to put our policies into practice, where appropriate. On this basis, I can confirm the Plan will remain unpublished and instead be used as a strategic framework to help coordinate our current and future work programmes.

With regards to timescales, several community focused actions in the Written Statement published on 17 July are being delivered by our partners, Keep Wales Tidy and Fly-tipping Action Wales and will be completed by the end of this financial year. We are currently developing proposals for future phases of these programmes and, subject to final funding agreement, will seek to build upon any successes of these varied projects. Those actions relating to legislation will be delivered over the coming years, with commencement of bans on single-use vapes and wet wipes containing plastic commencing in 2025 and 2026 respectively.

17. We would like you to report back to the Committee on any immediate plans to support 'on-the-go' recycling, in light of concerns around the potential unintended consequences of the Workplace Recycling Regulations and the delay in introducing a Deposit Return Scheme.

The Workplace Recycling Regulations do not prevent provision of on-the-go recycling infrastructure. The requirement to present waste separately for collection, so as to be able to improve recycling and reduce the amount of waste sent to incineration or landfill, applies to non-domestic premises, with 'premises' being a broad term including land, park and open spaces. Occupiers of non-domestic premises are able to provide segregated litter bins to assist with them in meeting the requirement to present waste for collection in separate recyclable waste streams. This means that there simply needs to be appropriate provision for the recycling in line with the regulations, and there are many examples of land-owners that have embraced these changes by adopting best practice and providing separate litter bins that facilitate the separate collection of the specified recyclable materials.

Organisations may choose to remove litter bins for a variety of reasons, but commonly this is due to financial reasons, including the increasing cost of disposing residual waste. It is also however important to note that some organisations have removed litter bins to positively tackle and prevent litter issues. This has been done by some Local Authorities with the removal of roadside bins for example. At this stage there does not appear to be a broader, but we will continue to monitor this.

The Welsh Government is committed to ensuring that as part of the Extended Producer Responsibility (EPR) for packaging reforms, producers are responsible for the full costs of managing littered packaging including support for litter prevention campaigns. By placing the financial costs on producers, the aim is to incentivise producers to minimise this cost by redesigning or avoiding packaging materials, thereby reducing the amount of unnecessary packaging placed on the market and the likelihood of it being littered.

I hope you find this information helpful.

Yours sincerely,

A handwritten signature in black ink, consisting of several fluid, overlapping strokes that form a stylized representation of the name 'Huw Irranca-Davies'.

Huw Irranca-Davies AS/MS

Y Dirprwy Brif Weinidog ac Ysgrifennydd y Cabinet dros Newid Hinsawdd a Materion Gwledig
Deputy First Minister and Cabinet Secretary for Climate Change & Rural Affairs

Huw Irranca-Davies AS/MS
Ysgrifennydd y Cabinet dros Newid Hinsawdd a Materion
Gwledig
Cabinet Secretary for Climate Change & Rural Affairs



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref MA-HIDCC-5465-24

Llŷr Gruffydd
Chair
Climate Change, Environment, and Infrastructure Committee
Senedd Cymru
Cardiff Bay
Cardiff
CF99 1SN
SeneddClimate@senedd.wales

29 October 2024

Dear Llŷr,

I refer to my letter to you of 9 8 2024 regarding the above referenced UK Statutory Instrument (SI) [The Producer Responsibility Obligations \(Packaging and Packaging Waste\) Regulations 2024](#)

I previously wrote to you to notify the Committee of my intention to give consent to the Secretary of State for Environment, Food and Rural Affairs for the above UKSI to apply to Wales. I am writing to notify you that I have now provided this consent. I also laid a Written Statement which can be found here: [ws-ld16763-r-e.pdf](#)

The Regulations intersect with devolved policy and will apply to Wales, England, Northern Ireland and Scotland. The Statutory Instrument (SI) is subject to the affirmative procedure, and it was laid before Parliament on 24 October 2024 subject to debate in the Houses of Parliament the scheme will then come into force on 1 January 2025.

I have also written to Mike Hedges, Chair of the Legislation, Justice and Constitution Committee.

Yours sincerely,

Huw Irranca-Davies AS/MS
Ysgrifennydd y Cabinet dros Newid Hinsawdd a Materion Gwledig
Cabinet Secretary for Climate Change & Rural Affairs

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:
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Gohebiaeth.Huw.Irranca-Davies@llyw.cymru
Correspondence.Huw.Irranca-Davies@gov.wales

Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Clare Pillman
Chief Executive

4 October 2024

Dear Clare,

Application of the Water (Special Measures) Bill in Wales

I would like to thank representatives of Natural Resources Wales (NRW) for attending the Committee's 3 October meeting to give evidence in connection with a range of topical matters, including the UK Government's **Water (Special Measures) Bill**.

The Welsh Government laid its **Legislative Consent Memorandum for the Water (Special Measure) Bill** on 18 September 2024. The LCM has been referred to the Climate Change, Environment and Infrastructure Committee (the Committee) for consideration with a reporting deadline of 22 November.

To assist the Committee in its consideration of the LCM, we would welcome any further views you may have on:

- the Bill's provisions in relation to Wales. These are: clause 1, clauses 3 to 9, and clauses 11 to 13; and
- whether and how the provisions will help deliver the Welsh Government's overall aim to reduce water pollution.

Currently, clause 2 (Pollution incident reduction plan) does not apply in relation to Wales. However, the LCM for the Bill states:

"Welsh Government has not yet agreed to the application of clause 2 to Wales, relating to putting Pollution Incident Reduction Plans on a statutory footing. We will continue to review

options on this issue and work with NRW and Defra to agree an approach which is appropriate to the context and approach to the sector in Wales."

We would therefore also welcome your views on the benefits and disbenefits of clause 2 applying in relation to Wales.

Given the timescale within which the Committee must report, it would be helpful if you could provide a response as soon as possible, and by 18 October 2024 at the latest.

Regards,



Llyr Gruffydd MS,
Chair, Climate Change, Environment and Infrastructure Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg | We welcome correspondence in Welsh or English.



David Black
Chief Executive

4 October 2024

Dear David,

Application of the Water (Special Measures) Bill in Wales

You may be aware that, on 4 September 2024, the UK Government introduced the **Water (Special Measures) Bill** (the Bill) in the House of Lords.

The Bill sets out measures which aim to:

- strengthen the power of the water industry regulators;
- ensure water companies and their executives are held to account;
- enable independent monitoring of every outlet by requiring data from emergency overflows to be published within an hour of a discharge occurring;
- provide greater transparency around water company actions to tackle pollution incidents; and
- modernise the existing special administrations regime for the water industry, strengthening the Government's control in this space and bringing the regime in line with special administration regimes in other sectors.

The Bill makes provision in relation to Wales within the legislative competence of the Senedd. As such, it is subject to the legislative consent process. This involves:

- the laying of a Legislative Consent Memorandum (LCM) by the Welsh Government;
- consideration of the LCM by relevant Senedd committee; and

- the tabling of a legislative consent motion seeking the Senedd's agreement to include the relevant provisions in the Bill.

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Regards,



Llyr Gruffydd MS,
Chair, Climate Change, Environment and Infrastructure Committee

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Dr Mike Kiel
Chief Executive

4 October 2024

Dear Dr Kiel,

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Regards,



Llyr Gruffydd MS,
Chair, Climate Change, Environment and Infrastructure Committee

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Peter Perry
Chief Executive

4 October 2024

Dear Peter,

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Regards,



Llyr Gruffydd MS,
Chair, Climate Change, Environment and Infrastructure Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg | We welcome correspondence in Welsh or English.

James Jesic
Managing Director

4 October 2024

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Llyr Gruffydd MS,
Chair, Climate Change, Environment and Infrastructure Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg | We welcome correspondence in Welsh or English.

Centre City Tower, 7 Hill Street, Birmingham B5 4UA
11 Westferry Circus, Canary Wharf, London E14 4HD

By email: Llyr.Gruffydd@Senedd.Cymru

Llyr Gruffydd MS
Chair, Climate Change, Environment and Infrastructure Committee
Welsh Parliament

18 October 2024

Dear Mr Gruffydd

RE: Application of the Water (Special Measures) Bill in Wales

Thank you for your letter of 4 October 2024 and your questions in relation to the UK Government's Water (Special Measures) Bill. Many of the clauses you refer to in your letter relate to new powers given to other regulators, such as Natural Resources Wales. As such, I have focused this letter mainly on Clause 1 which relate to new rule making powers provided to Ofwat on remuneration and governance.

We are intending to launch a consultation later this month that sets out our initial thinking on how we might design the three rules that are currently required in the Bill, with the intention to apply them to both English and Welsh water companies, subject to the completion of the Senedd's legislative consent process. These three rules are:

- A rule to prohibit the payment of performance related executive pay (PRP) where company performance fails to meet specified standards;
- A rule to require companies to only appoint, and have in place, individuals in senior roles who meet certain standards of 'fitness and propriety'; and
- A rule to ensure consumers are represented in company decision making.

In reference to your question on how these provisions will help deliver the Welsh Government's overall aim to reduce water pollution, the Bill requires that the PRP rule must include standards, among others, on environment and criminal liability. This would place a greater importance on pollution and criminal offences in remuneration decisions than we see from companies' remuneration committees currently. Our consultation will be considering how these standards could look in addition to the other standards required in the Bill; "consumer matters" and "financial resilience of undertakers".

More broadly, we believe the rules could have potential to prompt a step change in companies' culture and leadership which can help rebuild customers' trust where it has been affected by poor performance like pollution incidents. The consultation proposes thinking on

how companies should involve consumers more in decisions that affect them as well as ensure those in senior roles are properly evaluated to ensure they have the right qualities and competences to do their job. After the consultation has closed, we will be continuing policy development before proposing a final design of each rule. These will be subject to further statutory consultation before we implement them.

Another clause in the Bill that relates to Ofwat's responsibilities is Clause 3 ("emergency overflows") which (provided general authorisation is given by the Welsh Ministers) will give Ofwat a duty to enforce a requirement on water companies to publish information on discharges from all emergency overflows in near real time. This will be a new requirement for Welsh companies, but we agree with the UK Government's policy statement on the Bill that this measure should improve transparency around pollution incidents and better hold water companies to account. We note that in England there is a similar near real time reporting duty for storm overflow discharges, arising from section 81 of the Environment Act 2021, but that this does not extend to companies based wholly or mainly in Wales.

We agree that the new legal requirements that will be enabled by the above clauses relate to areas where the Welsh Government has set out strategic priorities for Ofwat¹, notably around challenging companies to improve environmental performance and encouraging companies to develop plans that take account of customer and stakeholder expectations around harm and impact. We also agree with the observation in the Legislative Consent Memorandum for the Water (Special Measures) Bill that a coordinated approach across Wales and England is essential to ensure regulatory consistency.

The other relevant clause to Ofwat is Clause 11 ("Modification by Welsh Ministers of water company's appointment conditions etc to recover losses"). This clause enables Welsh Ministers to modify Welsh water company licences to recover a shortfall in government costs at the end of a special administration regime (SAR) as well as requiring that the Welsh Government and Ofwat are notified of any winding-up petition presented to the court and give both parties guaranteed representation rights at the subsequent court hearings. We understand this clause was the result of a review the UK Government did of the current SAR legislation which identified changes "necessary to modernise the regime and bring it in line with other Special Administration regimes in other sectors, for example, energy".

In relation to your question on applying Clause 2 ("Pollution incident reduction plans") to Wales, as this duty would be enforced by the environment regulator, we would advise this question would be best answered by NRW.

¹ See [Strategic Priorities and Objectives Statement to Ofwat issued under section 2B of the Water Industry Act 1991 \(gov.wales\)](#)

I hope this letter has been useful and that you and the committee. I will keep you informed of when our policy consultation has been launched and would be very happy to continue to update the committee on this work in the months ahead.

Yours sincerely

A handwritten signature in black ink, appearing to read 'D Black', is enclosed in a thin black rectangular border.

David Black
Chief Executive

Centre City Tower, 7 Hill Street, Birmingham B5 4UA
11 Westferry Circus, Canary Wharf, London E14 4HD

By email: Llyr.Gruffydd@Senedd.Cymru

Llyr Gruffydd MS
Chair, Climate Change, Environment and Infrastructure Committee
Welsh Parliament

22 October 2024

Dear Mr Gruffydd

Consultation – Rules of Remuneration and Governance

Following my letter to you on 18 October 2024, I am writing to inform you that we have now launched a consultation requesting views on how Ofwat should introduce the new "Rules of Remuneration and Governance" as provided for in the UK Government's Water (Special Measures) Bill. Subject to the Senedd's legislative consent, these rules will apply to water companies operating in Wales. The consultation will close on 19 November 2024.

The consultation sets out our initial thinking on how we might design the three rules that are required in the Bill as it currently stands, with the intention to apply to both English and Welsh water companies. On performance related executive pay (PRP), we set out proposals for the standards where if companies fail to meet them, PRP could be prohibited. As required by the Bill, these include standards on consumer matters (as defined in the Water Industry Act 1991), environment (with a focus on serious pollution incidents), financial resilience (linked to a company's credit rating), and criminal liability.

For the "fitness and propriety" rule, we have set out a proposed approach which requires water companies to test Chief Executives and Directors as appointed to the board against certain criteria. These standards could include whether a person has been the subject of adverse findings of mismanagement in relation to a regulated activity and we are also asking for views on whether requiring adequate knowledge and understanding of a water company's legal and regulatory duties should be a factor in these tests.

Finally, to deliver the rule requiring greater consumer involvement in a water company's decision making, we have proposed defining core principles of effective representation and consideration of consumer views which companies would need to meet. We have also asked for feedback on what potential structures could be used to gather these views, as well as on

potential formal governance structures which companies could be asked to establish in order to comply with the Rule.

The consultation requests feedback from interested stakeholders to help support our policy development. Following the consultation and subject to Senedd approval, we will propose a final design of each rule we intend to implement which will be subject to statutory consultation.

Ofwat is committed to delivering these new rules in a way that can prompt tangible and lasting change to the leadership and culture of water companies to help reverse the worrying decline in public trust that recent surveys have shown, and to build greater accountability in the sector. I hope this consultation reassures you and the committee of this and I look forward to updating you on the development of these rules later this year.

Yours sincerely

A handwritten signature in black ink, appearing to read 'D Black', written in a cursive style.

David Black
Chief Executive, Ofwat

Our Ref: CX24-175

Llyr Gruffydd MS
Chair
Climate Change, Environment and Infrastructure Committee
Senedd Cymru

By email only: SeneddClimate@senedd.wales

23 October 2024

Dear Llyr

Application of the Water (Special Measures) Bill in Wales

Thank you for your letter of 4 October, addressed to Clare Pillman.

As you know, NRW attended the CCEI Committee meeting on 3 October to give evidence on topical issues, including water quality and water industry compliance. Your subsequent letter refers to the Legislative Consent Memorandum (LCM) for the Water (Special Measures) Bill, laid by Welsh Government on 18 September.

To assist the Committee in its consideration of the LCM, you have sought our views on three points, to which we respond as follows:

Whether and how the provisions will help deliver Welsh Government's overall aim to reduce water pollution

As we outlined to the Committee, we remain concerned about water company performance and behaviours. We highlight in particular the performance of Dŵr Cymru Welsh Water (DCWW), which continues to be a 2* performing company under our Environmental Performance Assessment (EPA) metrics ([Natural Resources Wales / Annual performance report for Dŵr Cymru Welsh Water](#)). We have also reported on their storm overflow spill data ([Storm overflow spill data report – 2023](#)). DCWW is also a “Lagging behind” company under Ofwat’s assessment and Ofwat has extended its enforcement investigation into both Hafren Dyfrdwy and DCWW.

We therefore welcome that the Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs has indicated his agreement to extend the provisions of the new

Page 1 of 6

Bill to Wales and to strengthen NRW's regulatory powers to address water pollution caused by sewage discharges and ageing infrastructure. This will support our ongoing efforts to drive much-needed improvements in water company performance in Wales.

We welcome the intention of the proposed measures to ensure there is clarity and accountability for customers, regulators and government on how water companies in Wales are performing and responding to water pollution issues. The Bill aims to ensure the culture and practices within water companies are focused on tackling and reducing pollution, and where this isn't apparent, the measures will highlight the issue to stakeholders.

The Bill also increases and speeds up regulators' ability to respond and penalise water companies where it is evident that the behaviours and attitude to tackling pollution are found wanting. The potential for efficiency and adding to existing powers for regulators is a benefit, but we also recognise the detail and efforts required to ensure the secondary regulations meet the expectations set out in the Bill. We are confident that the Bill opens up new avenues and approaches that will see water pollution tackled in the coming years.

The Bill's provisions in relation to Wales (clause 1, clauses 3 to 9, and clauses 11 to 13)

Clause 1 – Rules about remuneration and governance

NRW strongly supports the proposed legal change. Irrespective of the DCWW not-for-profit operating model, we would support a new power for Ofwat to introduce a Code of Conduct for water companies, to ensure companies act in the interests of customers and the environment. Companies will be required to put in place arrangements for involving consumers in decisions that have a material effect on consumer interests.

We would like to see similar arrangements for the involvement of environmental interest representation on decisions that have a material effect on the environment (which many of the companies' decisions do). It feels right that, as proposed, the environmental standards are to be included in rules made for the purposes of imposing the pay prohibition. It would be sensible therefore, to include NRW as a relevant person so that we are consulted on those rules.

Clause 3 – Emergency overflows

We welcome the intention to improve transparency and facilitate better data-gathering regarding discharges and pollution incidents, and that water companies will be required to publish information from monitors in near real-time, to enable the public and regulators to better hold water companies to account. We welcome this change, particularly if brought in as intended alongside the ability to recover the costs of enforcement activity. Furthermore, it will benefit companies themselves in having better data so they can act to prevent harm and mitigate any pollution that occurs.

In Wales, Event Duration Monitors (EDM) are expected to be installed at all storm and emergency overflows by 2030. This is included in NRW's National Environment Programme (NEP), which requires installation of MCERT-accredited monitors on all emergency overflows by 2030 (during AMP 8), subject to Ofwat's final determination in December this year. This means 789 sites are in the NEP for 2030 delivery. Once installed, companies will be able to distinguish between normal operation and emergency overflow operation.

We believe this focus on emergency overflows may leave a legislative gap in Wales for the monitoring and reporting of live spill information from storm overflows. This reporting is, however, already being done in practice on a voluntary basis.

Clause 4 – Impeding investigations: sentencing and liability

We welcome the provisions in the Bill that would strengthen the sentencing power of the courts to include imprisonment in cases where NRW and Drinking Water Inspectorate (DWI) investigations have been obstructed by individuals, and new provisions to hold directors and officers equally to account in these circumstances. We would need to work closely with DWI and Ofwat on providing evidence where companies had obstructed investigations, especially as Ofwat's current enforcement activity overlaps and has strong parallels with our regulatory work.

Clause 5 – Civil penalties: modification of standard of proof

We welcome the provisions in the Bill that will allow regulations to be made for NRW to impose fixed and variable monetary penalties using the civil standard of proof ("on the balance of probabilities") for specific water industry offences. Lowering the standard of proof for civil sanctions will enable us to issue more rapid penalties for minor to moderate offences. The use of such sanctions will therefore be more cost effective.

As we note below, this would rely upon additional changes needed to introduce civil sanctions for Environmental Permitting Regulations (EPR) in Wales.

Clause 6 – Automatic penalties for certain offences

We would very much like to have a penalty regime applicable to the water sector, to enable NRW to issue automatic penalties for a defined list of offences. The provisions in the Bill will address this gap in NRW's enforcement capabilities by enabling fixed monetary penalties to be imposed in the form of automatic penalties for specific water industry offences. For certain categories of offences, this will allow us to impose penalties more quickly, without having to direct significant resources to lengthy investigations. It will fall to the government to make regulations to specify the list of water industry offences and the monetary value of the penalties.

NRW strongly welcomes the ability to do this, but we would highlight that some additional work on civil sanctions will be needed in Wales, in parallel, to deliver the outcomes. We do

not currently have the power to issue civil sanctions for water company offences, beyond those set out in the Regulatory Enforcement & Sanctions Act for salmon and freshwater fisheries and water resources offences.

The Committee will be aware that the Environment Agency has had civil sanctions for EPR since 2016. The recent CCEI Committee Report on the performance of DCWW recommended that Welsh Government consider extending NRW's enforcement powers to enable us to accept environmental undertakings for permit breaches under the Environmental Permitting Regulations (England and Wales) 2016. The then Minister accepted in principle and we have since provided input to Welsh Government's considerations on civil sanctions.

To be most effective, the package of changes would need to be brought in alongside the lowering of the standard of proof and ability to recover costs.

Clause 7 – Abstraction and impounding: power to impose general conditions

This will enable us to use automatic penalties for breaches of such conditions and general rules in water industry abstraction and impoundment licences.

Clause 8 – Charges in respect of NRW functions

We welcome that the Bill will amend existing charging powers and specifically expand the power available to NRW, enabling us to recover the cost of enforcement activities from water companies. This could provide us with an additional income stream and ensure our enforcement activities are fully funded, reducing reliance upon Grant in Aid funding, which itself is coming under increasing pressure.

The Bill defines “water industry enforcement functions” as functions performed for the purpose of assessing or securing compliance by water companies, or responding to failures on their part to comply, in relation to the pollution incident reduction plans; water abstraction and impounding; drought orders and drought permits; or regulation of certain facilities and activities under EPR. We welcome this broad definition.

The benefits and disbenefits of clause 2 applying in relation to Wales

Currently, clause 2, which would put pollution incident reduction plans (PIRPs) on a statutory footing, does not apply in relation to Wales. However, we welcome the intention, announced by the Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs at the CCEIC meeting, to seek an amendment to the Bill to put PIRPs on a statutory footing for companies wholly or mainly in Wales, alongside other measures to improve water company performance.

For many years we have asked companies to produce and present their plans for improving performance with us, so we lack confidence that making PIRPs statutory would alone lead to improved performance. On balance, however, we believe that making them

statutory as an interim step, and alongside other measures in the Bill, would be beneficial and there is certainly value in learning from best practice and enhancing visibility over plans and action to reduce pollution.

This would require the sewerage undertaker to have regard to guidance produced by NRW in producing their plans, after first consulting with Welsh Ministers. Companies that fail to comply with this duty may be prosecuted and liable to a fine. If introduced in Wales, NRW would be responsible for enforcing this duty and could issue civil sanctions (subject to us having powers to do so).

We understand that the production and publication of PIRPs by water companies will not prejudice any enforcement action that may occur as a result of any incidents described within the plans.

For your further information, the timeline for developing the Water (Special Measures) Bill has been very tight, and NRW has supported Welsh Government officials to ensure Wales' position is reflected.

We are mindful of the work yet to be done to realise the benefits of the provisions for Wales. It is important to consider the choreography and timing of the introduction of clauses, through secondary legislation as appropriate, so that NRW has the ability to undertake the new duties before the law comes into force. This will include the training of staff and the introduction of appropriate evidence-based charging and any necessary new IT systems.

We do not yet know the proposed timescales for implementation in Wales. We understand that the UK Government aims to have the measures in place in England in time for the next AMP (from April 2025), to signal the start of a new and improved regulatory landscape for the water industry. This will present a challenge for NRW, particularly in light of the additional steps required in Wales to ensure we have the powers and duties referred to in the Bill.

We are mindful too of our financial position and the proposals within our Case for Change, and hence some concern over our ability to undertake the necessary work at the required pace. However, we will endeavour to support Welsh Government in implementing the Bill given the benefits that the proposals in the round will bring for tackling water company derived water pollution in Wales.

Finally, we note that the UK Government has also announced an intention to undertake a more fundamental review of the water sector regulatory system. Given the range of pressures on the water environment, including and beyond the water industry, we would encourage a broader review, taking a systems approach and reflecting on a wider range of water legislation. We stand ready to support such an approach, should Wales wish to be part of the review and contribute to a second Water Bill. And we will of course provide advice and evidence to Welsh Government to ensure that any proposals protect and benefit Wales' natural resources.

Best wishes,



Sarah Jennings

Executive Director for Customer, Communications & Commercial

pp. Clare Pillman

Chief Executive, Natural Resources Wales

Croesewir gohebiaeth yn Gymraeg a byddwn yn ymateb yn Gymraeg, heb i hynny arwain at oedi.
Correspondence in Welsh is welcomed, and we will respond in Welsh without it leading to a delay.

Llyr Gruffydd MS
Chair, Climate Change, Environment & Infrastructure Committee
Welsh Parliament
Cardiff Bay
Cardiff
CF99 1SN

By email: seneddclimate@senedd.wales

15th October 2024

Dear Llyr,

Thank you for your letter (4 October 2024), asking for Dŵr Cymru Welsh Water's views on the Water (Special Measures) Bill to aid the Climate Change, Environment and Infrastructure Committee's consideration of the Legislative Consent Memorandum for the Bill.

We welcome the continued engagement with the Committee and are keen to ensure that any legislation, emanating from either Westminster or the Senedd, is drafted to deliver the best possible outcomes for our customers, the environment, and for Wales.

We understand the Bill's intention is to drive performance improvement and address accountability across the water industry. We are working hard with partners across Wales to improve water quality every day. We know there is more that can be done to tackle pollution incidents and that we must work harder to better explain to consumers what we are doing on their behalf across Wales to deliver improvements.

As you know, some elements of the regulatory system are devolved, and we also have an ownership model which is unique across the industry. It is important, therefore, that the Bill is reviewed within that context to ensure that the objectives of the legislation and the details of the new regulations work in Wales in the way in which they are intended.

Any wider review of the water sector and regulations affecting the wider water cycle will need to be reflective of the distinct situation in Wales, and we look forward to discussing these with you in more detail.

The following provides an outline of suggested considerations.

Clause 1: Remuneration and Governance

Since 2001, Welsh Water has operated on a "not for profit" basis. Without shareholders, our circa 60 Members play an important role in our corporate governance processes. Whilst the Bill provides additional responsibilities for the Authority (Ofwat) to issue rules in relation to governance, it will be important to ensure that those rules are not drawn up solely to reflect other ownership models, which might then cut across or not take into account, the role of Glas Cymru members in our governance model.

Our membership is drawn from consumers, experts and interested parties from across Wales with an open recruitment policy overseen by an Independent Members Selection Panel.

Members do not have any financial interest in the business and, whilst they are representative of the people we serve, they do not represent outside interests.

We're not-for-profit. Every single penny we make goes back into looking after your water and environment. You can contact us in Welsh or English.

Rydym yn gwmni nid-er-elw. Mae pob ceiniog a wnawn yn mynd i ofalu am eich dŵr a'ch amgylchedd. Cysylltwch a ni yn Gymraeg neu'n Saesneg.

Dŵr Cymru Cyf. (No./Rhif 2366777)
A limited Company registered in Wales:
Cwmni cyfyngedig wedi'i gofrestru yng Nghymru:

Linea, Fortran Road, St Mellons, Cardiff, CF3 0LT

At the Annual General Meeting each year, Members elect the Directors of the Board. Furthermore, Members vote on the remuneration policy at least every three years with the next review due in 2025. As our Members play a key role in deciding the remuneration of senior directors we would be keen to ensure that this important role on behalf of Welsh consumers can continue within any new framework.

Whilst Clause 1 makes provision for Ofwat (referred to as “the Authority”) to consult with Welsh Government (amongst others) on proposed rules, we believe the Clause should make explicit reference to allowing Ofwat to make specific rules for companies based wholly or mainly in Wales. This would ensure that any new rules are aligned with structures that may already exist in Wales but not in England.

Clause 2: Pollution Reduction Plans

Water companies in England have been required to prepare Pollution Reduction Plans since 2020. Whilst this Clause does not currently apply to companies based wholly or mainly in Wales, we, of course, have no objection to the principle of such an annual report. Should the clause be extended to Wales, we would expect Welsh Ministers and Natural Resources Wales to play a role in determining the requirements of the reports so that they align with Welsh Government policy and Welsh environmental guidance.

Clause 3: Emergency Overflows

All our Combined Storm Overflows currently have Event Duration Monitors (EDM) installed, and - subject to approval of our AMP8 Business Plan by Ofwat in December - all Emergency Overflows in Wales will have EDM monitors installed by 2030 with near-real time data being added to our [online live data map](#) as soon as possible after they have been installed.

Clause 4: Impeding Investigations

We have no further comment apart from seeking further clarification on the definition of “relevant officer”.

Clause 5: Civil Penalties: Modification of Standard of Proof and Clause 6: Automatic Penalties for Certain Offences

Both these clauses intend to allow the swift prosecution of companies for certain offences. There are a few aspects of these clauses that warrant further consideration.

Firstly, whilst we agree with the “polluter pays” principle, we also believe that companies should be given a fair hearing for any potential offence that has occurred especially where evidence may be subjective or contradictory to other data sources. Therefore, if the evidential bar is lowered there must still be an opportunity for companies to appeal the decisions where appropriate.

Secondly, it is universally acknowledged that significant investment is required in water infrastructure to improve services. With this in mind, we believe that specific provisions could be made in the Bill and associated regulations for greater use of Environmental Enforcement Undertakings that allow environmental regulators to accept funding of specific environmental improvement projects in the locality of the original offence, in lieu of prosecution and court fines.

Alternatively, ministers could consider ring-fencing the fines levied for reinvestment into directly funded environmental improvements.

It might also be important to clarify whether any fines levied in Wales are returned to the Welsh Revenue Authority to ensure that any environmental gains are delivered in Wales and according to Welsh environmental guidelines and policies.

Clause 8: Charges in respect of NRW and EA functions and Clause 9: Charges in respect of DWI Functions and Fees

We have no significant objection to the clauses other than to reiterate our general concern about the need for investment and that recouping additional fees without any cap on the maximum amount would naturally put further pressure on our plans.

Clauses 10,11 and 12: Recovery of losses and Winding-up petitions

We have no further comment on the remaining clauses.

We agree with the Deputy First Minister and the Secretary of State for Environment, Food and Rural Affairs, that greater collaboration is required from all stakeholders impacting the water environment. We also want to see the best possible solutions and frameworks put in place to benefit Wales, our customers and communities.

We would encourage any consideration of further changes or reviews to be considered within a Welsh context to ensure they are clearly aligned with policy, organisational and regulatory structures that exist within Wales and may differ from those in England.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Peter Perry', written in a cursive style.

Peter Perry
Chief Executive



CCW submission to Senedd Climate Change, Environment, and Infrastructure Committee deliberations on the *Water (Special Measures) Bill*

CCW – who we are

The Consumer Council for Water (CCW) is the independent statutory consumer organisation representing household and non-household water and sewerage consumers in England and Wales. CCW was set up in 2005 explicitly to represent water consumers under the *Water Industry Act 1991*¹.

***Water (Special Measures) Bill* and CCW's consumer panels position**

We support the Bill's provisions and its enactment in Wales. The most meaningful contribution we can make is on Welsh consumer representation in Clause 1.

We support the Rules and Remuneration Clause 1 (6) of the Bill that suggests the Rules may include a requirement for persons representing the views of consumers to be members of a board, committee and panel of each water company in Wales and England.

Because customers cannot choose their water provider, it's especially important that their voices are heard in key issues that affect water consumers.

CCW asks for the Committee's support for our proposal for a CCW-led independent consumer panel for each water company in Wales to enhance consumer representation.

Why consumer panels are a good idea

Wales needs independent consumer panels, funded and run by CCW, to get stronger and more meaningful input from a truly diverse and representative set of consumers on an ongoing basis. We want to see citizens of Wales getting as big a voice on the issues that matter to them as water consumers in England.

Consumer panels would help the water industry access informative, dynamic, on-the-ground consumer views. These panels can call meetings with companies each year to scrutinise their annual performance data. They can also call Dŵr Cymru and Hafren Dyfrdwy to account at other times, such as if there was a major water supply or water quality incident, and service or environmental performance disruptions due

¹ [Water Industry Act 1991 \(legislation.gov.uk\)](https://www.legislation.gov.uk)

to flooding. Plus the companies should be required, at least annually, to explain how they have taken consumers' views into account in their decision-making processes.

What CCW thinks consumer panels should look like

CCW has long believed that consumer panels are a good idea. In 2021, we published our paper *Future Consumer Representation Models*². Although our thinking has moved on a little since then, many of the principles remain true.

Appendix A outlines our current thinking on what consumer panels should look like. CCW should run panels as we are independent and have experience of running a consumer panel - our Watervoice community.³

Governance for consumer panels

The basis for the governance of the consumer panels by CCW is already in the Water Industry Act 1991.

CCW already has the remit to set up committees/groups/panels^{27A} for each water company under the *Water Industry Act*, with the approval of Welsh Government & Defra. [Schedule 3A](#) outlines this more. The purposes of those groups are to:

- a. *Provide advice and information to the Council [CCW] on consumer matters that affect the areas of the water companies that the group is allocated to*
- b. *Other purposes that CCW may determine (which could include holding the Boards/Exec Board members to account)*

Consumer panels and existing public scrutiny

Our consumer panel proposal would complement and enhance existing public scrutiny of the water industry in Wales.

CCW recognises that Dŵr Cymru's holding company, Glas Cymru, has non-paid Members whose *"duty is to promote the good running of the company, in the best interests of its customers"*⁴. However, Glas Cymru Members are not a replacement for our proposed consumer panel as they carry out a company governance role. Members are not all customers. The role of a Member is different to an ongoing panel representing a diverse set of consumers who can provide a meaningful, real-time view on important issues.

The work of the Members and the panels will be complementary. The panels will provide independent information and intelligence from customers to Glas Cymru Members to inform their decision-making and advice to Dŵr Cymru. Members can

² [Future consumer representation models - CCW](#)

³ [WaterVoice: Views of current customers on water resources - CCW](#)

⁴ [Glas Cymru | Dŵr Cymru Welsh Water \(dwrcymru.com\)](#)

also provide CCW with questions to include to be answered by the panel and get an independent consumer view back.

Hafren Dyfrdwy customers will also benefit greatly from the consumer panel proposal. It would allow the company to engage with people affected by issues specific to the many rural locations of Wales.

Conclusion

We are keen to support effective Welsh parliamentary scrutiny in a way that does not delay enactment of the Bill to the detriment of Welsh consumers.

CCW encourages the Climate Change, Environment, and Infrastructure Committee Committee to support Clause 1 (6) of the Bill and agree that CCW should run the panels.

If you would like to discuss our views on other clauses as per your outline in your 4 October letter, such as Clause 3 on emergency overflows and Clause 2 on Pollution Incident Reduction Plans (currently not applicable to Wales), we are happy to arrange a meeting.

Contact:
Jenny Suggate
Jennifer.suggate@ccwater.org.uk

Appendix A

An overview of what consumer panels could look like

The way the panels are set up need to achieve two aims:

- To achieve the required outcome of ensuring consumer views on consumer matters via consumer panels are available to companies; and
- Creating the mechanism for those views to be delivered to company bosses in a credible and transparent way

(Note: it is the job of Ofwat's Rules to make sure companies take those views into account)

Consumer panels

Online Panels of water consumers provide meaningful ongoing conversation between water companies and their consumers. Consumer panels present a barometer of how consumers are feeling, based on their lived experience of water and sewerage services.

- Consumer panels are made up of consumers not experts.
- Consumer panels should run all the time – not just when price reviews take place.

The Panels:

- would participate in a number of research/engagement activities a month – eg questions to answer.
 - The questions could be ones that all the Panels get asked to get a sector view or company-specific.
 - Welsh Government (WG)/ water companies/ Drinking Water Inspectorate (DWI)/ Natural Resources Wales (NRW)/ Independent Challenge Groups (ICGs)/ Glas Cymru members/ Future Generations Commissioner could request to use the panels to ask questions.
 - For some tasks the Panels would be part of an iterative process, receiving feedback and being asked about next steps.
- The Panels should be required to call meetings with companies at least once a year to review the companies' Annual Performance Data, and then as needed at other times. For example if there was a major incident, such as the South West Water Brixham boil water notice.
 - A CCW-funded independent chair would provide necessary separation from companies.
 - The Consumer Panels would be run and funded by CCW and not funded by the companies.
 - CCW should publish the Panels' views, meeting meetings, notices of meetings etc on its website.

What can consumer panels do?

Consumer panels should be as diverse as possible (given panel size) of the company's customer base. CCW recommends people from households on low incomes and with vulnerabilities should be over-represented as they are less likely to engage. CCW would then contextualise the outputs accordingly.

Panels will allow for a huge range of topics to be explored:

-
- A live temperature check on company and sector performance. This could tie into the cycle of annual data publications eg the release of the [Environmental Performance Assessment](#) or CCW [complaints reports](#).
- An annual online Q&A session with the water company's executive team and board members would hold them directly to account. Panels would also have the power to

request more frequent sessions with the company's executive team and board if circumstances deemed this necessary. CCW would facilitate these sessions to empower consumers to challenge water company bosses, as we so successfully did with [Your Water Your Say](#) sessions during the price review. These sessions would be open for members of the public to attend in addition to panel members.

- A current view of key topics to understand consumers' lived experiences. For example, affordability, vulnerability pressures, and the level and availability of support are important live issues in the water sector.
- Views on priorities, trade-offs and bill levels during the price review processes
- Experiences of company communications, eg how clear is your bill to understand? How well does your water company explain what your money is being spent on?
- Snap views on new and emerging issues
- A view on how companies deal with any excess profits, windfalls and outperformance. Companies could be obliged to consult with their panels on these issues.
- A sounding board to test new policies, approaches and proposals from Welsh Government, Ofwat, ICGs, water companies, DWI, Future Generations Commissioner, Glas Cymru members and CCW
- A source of intelligence for consumers' views about other sectors, eg energy, for comparison and learning
- The bill payers' perspective on bonus levels, executive pay etc.
- When incidents occur, it is unlikely that many members of the panel will find themselves in the middle of that incident. However, companies should be conducting research on large-scale incidents to learn lessons and this may allow the panel the opportunity to meet the company about the findings of that research. The wider panel could be engaged on topics like approach to compensation levels, or how well the incident was communicated to the wider customers base (this is particularly important for water quality incidents).

How do consumer panels work?

- Consumer panels carry out their activities online. In-person meetings are not necessary. This is a good solution for the water sector as many companies cover very large geographical areas.
- Panel members would carry out most research/engagement activities in their own time.
- Panel members can be brought together in various groupings for quantitative and/or qualitative research as well as deliberative inquiry, these would be facilitated sessions. This would be done the research agency.
- Only the formal convened meetings need a chair. This is likely to happen 3-4 times a year.
- Consumer panels are designed to comprise a cross-section of consumers, so they reflect the people who use water and sewage services. The extent to which they are fully representative is determined by the size of the panels - the larger the panel, the more representative they will be.
- The membership of consumer panels evolves over time. This allows greater participation from more members of society. It means any money spent on incentivisation is spread as widely – and fairly - as possible. It also means the members do not become water sector experts as they gain knowledge through participation. It is vital that consumer panels give the person-on-the-street's view.

- To be a true “finger on the pulse”, panels must be kept engaged, so activities must happen frequently. Typically a panel will have at least two to three activities per month to do.
- The online platform used for panel members to answer questions would also be used as an open channel for them to proactively raise any issues or questions they have.

CCW would put together the schedule of research/engagement activities for the panels. This would look at least six months ahead. The schedule would be flexible to allow for emerging issues and incidents to be considered at short notice. The schedule would be shared with Welsh Government, DWI, Natural Resources Wales and Ofwat, giving them an opportunity to input.

Each month, CCW would publish a report on the activities and findings of each panel. This report would be publicly available and sent to water companies’ CEOs. Water companies’ CEOs would be obliged to respond publicly to the panel’s findings, increasing their overall accountability to their consumers.

In addition, CCW would use the material in our direct liaison with water companies to inform and challenge them.

CCW is experienced in running and publishing qualitative and quantitative research and the GDPR requirements involved.

Funding

Consumer panels must be – and be seen to be - independent of water companies. So they must not rely on them for funding. A simple funding route is through CCW - a levy on water bills. To accommodate this level of funding, it would add c12-15p per year to each water bill in Wales and England via CCW’s licence fee.

Inclusion

Deploying online-only panels risks some people being digitally excluded. In our wider research we already deploy techniques to ensure that certain groups’ views are represented.

**RHAGOROL O'R TAP
WONDERFUL ON TAP**



severn dee

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OFFICIAL - SENSITIVE

Llyr Gruffydd
Senedd Cymru
Bae Caerdydd,
Caerdydd,
CF99 1SN

Sent by email

18 October 2024

Dear Llyr,

Thank you for giving us this opportunity to share our views on the Water (Special Measures) Bill, clauses 1, 3 to 9 and 11 to 13 as well as our views on the benefits and disbenefits of clause 2. As a conscientious and environmentally focussed company, we absolutely understand the need to review legislation from time to time and are pleased to be able to take part.

In relation to Clause 1, rules about remuneration and governance, we comment now in principle, namely that we consider that the new rules should not be applied retrospectively; the rules should target only the most senior executives such as statutory directors, and that the performance criteria should be proportionate, calibrated to poor performance in the sector and considered in the round. We look forward to seeing how the Welsh Government intend to build the proposed rules into the future Strategic Priorities and Objectives Statement.

For Clause 2, pollution incident reduction plans, we note that the Welsh Government has not yet agreed to the application of Clause 2 in Wales, but we would like to restate our commitment to reviewing options on this issue and working with NRW and Defra to agree the best and most appropriate approach to benefit Wales. We are really proud of our total pollution performance in HD, seeing very low numbers that have an impact on the environment, and we are dedicated to continuing this. Whilst we don't necessarily suggest we need a legislative change to create a pollution incident reduction plan, neither do we see the disbenefits in this clause applying to us in Wales. We note that there are existing remedies that already apply in relation to pollutions and we follow a robust programme of investment within HD to reduce pollutions, which we've seen to be successful.

We support the introduction of Clause 3, requiring water companies to publish near real time data (within an hour) on discharges from all emergency overflows by April 2035. We have 100% of our storm overflows fitted with an event duration monitor (EDM) and we are following a stretching investment programme to install additional EDMs on emergency overflows at pumping stations across our network. We launched our live storm overflow map in spring 2024 which shows near real time data from our EDMs and believe we are well positioned to expand our reporting when required. We would like to take this opportunity to express our wish to work with Welsh Government and NRW, via

the Better River Quality Taskforce, to ensure that the purpose and operation of emergency overflows is clearly communicated to customers and other stakeholders, well ahead of any reports being published, to ensure the data was understood and used correctly.

Clause 4, impeding investigations: sentencing and liability. We pride ourselves on having an open and transparent relationship with NRW and have strong processes in place for reporting and managing environmental incidents. All our operators are fully aware of the need to co-operate with our regulators and provide requested information in a timely manner. We believe there is a robust water company to regulator engagement structure in place in Wales, which has been recently reviewed and revised. We therefore do not believe these additional powers should be necessary but would support them if introduced. We suggest that the additional sanctions are appropriate for the most serious offences.

In relation to Clause 5, Civil penalties: modification of standard of proof, whilst we don't oppose this clause, if this were to be enacted, we would request strong reassurance that it would be supported by clear and transparent guidance for regulatory officers. This would enable consistent application across Wales and in line with NRW's regulatory service standards. We have a similar response to Clause 6, automatic penalties for certain offences. If there isn't a clear remit in which to utilise these clauses, there is a risk of inconsistency between regulatory officers and between Water companies. There should be greater clarity around offences to which this would apply and a clear cap on the fines that could be imposed.

For Clause 7, abstraction and impounding: power to impose general conditions, we would welcome an opportunity to discuss this proposal in more detail to understand the potential impact for the abstraction licensing regime and possible impacts on water resource management planning.

Clause 8, charges in respect of EA and NRW: We have seen a significant increase in permitting and licensing charges of late. At the same time, NRW are carrying out a large-scale review of resources and are in the process of restructuring their teams. We would request reassurance that any additional cost recovery powers would result in funding being ring fenced accordingly and supported by clear guidance on charges and associated activities.

In relation to Clause 9, DWI, functions and fees: we would request that the cost recovery process is transparent and, in a similar way to the water quality fees, estimated costs are provided to us for budgeting and forecasting purposes.

Clause 11, modification by Welsh ministers of water company's appointment conditions etc. to recover losses: we would like to better understand the proposal for the recovery of losses and seek reassurance that should another member of the sector go into special administration, the loss recovery does not financially impact our customers.

Clause 12, winding-up petitions: we have no comments to make on this provision.

In relation to clause 13, extent, commencement, transitional provision and short title: we are not aware of any relevant reviews of clauses 5, 6 and 7 and query whether the proposed timing for them coming into force is appropriate. As with any changes, a period of consultation and review are

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imperative to ensuring all involved a truly aware of their implications and have had a chance to respond on the detail to make sure they are rolled out in a consistent and clear way.

Best wishes

A handwritten signature in black ink, appearing to read 'J. Jesic', written over a thin horizontal line.

James Jesic
Managing Director, Hafren Dyfrdwy

—
**Economy, Trade, and
Rural Affairs Committee**

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Huw Irranca-Davies MS
Cabinet Secretary for Climate Change
and Rural Affairs
Welsh Government

9 August 2024

Dear Huw,

Sustainable Farming Scheme – feedback from stakeholders at the Royal Welsh Show

During the Committee's visit to the Royal Welsh Show stakeholders raised concerns regarding the outputs of the Sustainable Farming Scheme (SFS) Stakeholder Working Groups. For example, we heard concerns around the new entrants working group that initially minutes were circulated following meetings however this trailed off and no final recommendations or report were agreed or published. Feedback was that members of the group were understandably disappointed.

Building on the assurances sought in recommendations one and two in the Committee's July report on the SFS, I would also like to urge you to publish a note from each Stakeholder Working Group meeting and an overall report covering the findings from each group. I am sure stakeholders would welcome this output and it would certainly aid in transparency and help those following the development of the SFS to understand the process.

We also heard concerns regarding the operation of the Carbon Sequestration Evidence Review Panel. Stakeholders suggested there were some issues regarding agreeing which experts could be brought in and we also heard the timeline for producing evidence was causing some stakeholders issues. Please can you share your views on the progress of this group, and any actions you may take to rectify the issues we understand it is facing.

I look forward to hearing from you on these important matters.



I have copied this letter to Llyr Gruffydd MS in his capacity as Chair of the Climate Change, Environment, and Infrastructure Committee.

Kind regards,

A handwritten signature in black ink that reads "Paul Davies". The signature is written in a cursive style with a large initial 'P' and a long, sweeping tail on the 's'.

Paul Davies MS

Chair: Economy, Trade and Rural Affairs Committee

We welcome correspondence in Welsh or English

Huw Irranca-Davies AS/MS
Y Dirprwy Brif Weinidog ac Ysgrifennydd y Cabinet dros
Newid Hinsawdd a Materion Gwledig
Deputy First Minister and Cabinet Secretary for Climate
Change and Rural Affairs



Llywodraeth Cymru
Welsh Government

Our Ref: HIDCC/PO/0314/24

Paul Davies MS
Economy, Trade, and Rural Affairs Committee
Welsh Parliament Cardiff Bay,
Cardiff,
CF99 1SN
SeneddEconomy@senedd.wales

11 November 2024

Dear Paul

Thank you for your letter of 9 August and my sincere apologies for the delay in responding.

I recently responded to the Economy, Trade and Rural Affairs Committee report on the Welsh Government's proposals for a Sustainable Farming Scheme, which may provide a more substantive update but I thought it appropriate to respond to the feedback you received at the Royal Welsh Show regarding Working Groups and the Carbon Sequestration Evidence Review Panel for the Sustainable Farming Scheme (SFS).

We established three Stakeholder Working Groups to aid in the development of the SFS. These groups covered tenancy, common land and the inclusion of new and young entrants in the future Scheme.

The purpose of these groups was to help Welsh Government officials explore the opportunities within the Scheme to accommodate these important considerations in Scheme design. The content generated by these groups was important in helping to shape the content of the [Sustainable Farming Scheme - Keeping farmers farming](#) consultation published in December 2023.

Tenancy, common land and new entrants remain important elements of the SFS and have been considered by the Ministerial Roundtable and Officials Groups. The groups include all the key stakeholders with an interest in these areas. I am grateful for the effort made by the participants of the previous working groups and the positive commitment being demonstrated by stakeholders in the current discussions.

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Gohebiaeth.Huw.Irranca-Davies@llyw.cymru
Correspondence.Huw.Irranca-Davies@gov.wales

Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

The work of the Carbon Sequestration Evidence Review Panel is established in their Terms of Reference (ToR), which were developed and agreed by the Ministerial Roundtable. Its members are now leading the work with the Welsh Government providing the support mechanism and secretariat function. The Panel has made good progress, but the timetable is challenging as the work needs to fit within the wider scheme design timeline. In response I did find additional time for the Panel to conduct their review of the evidence, and the ToR were updated.

No constraints have been placed in the ToR other than to remain in scope of additional or alternative Actions to potentially sequester carbon as part of the SFS. I am not aware of any concerns on which experts were contacted to help the Panel with their review.

I remain convinced that this partnership approach is needed to help finalise the design of the SFS so it can commence in 2026. I am extremely grateful for the ongoing efforts made by all to meet this challenging timeline, on top of their ongoing business and personal commitments.

I will update Committee members on progress as this phase of the work draws to a conclusion.

Yours sincerely,



Huw Irranca-Davies AS/MS

Y Dirprwy Brif Weinidog ac Ysgrifennydd y Cabinet dros Newid Hinsawdd
a Materion Gwledig

Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs

**Climate Change, Environment,
and Infrastructure Committee**

Brian Leddin TD
Cathaoirleach

24 October 2024

Senedd Committees meeting with representatives from the Committee on Environment and Climate Action

Dear Cathaoirleach,

I am writing on behalf of the Senedd delegation to thank you and your fellow members for supporting our recent visit to Dublin. We very much enjoyed our meeting with Alan Farrell TD and Darren O'Rourke TD, which was informative, engaging, and important to our ongoing work on Wales-Ireland relations.

I know Senedd Members appreciated the interesting discussion around some of the common challenges and opportunities in combating the climate emergency declared by both the Oireachtas and the Senedd, as well as the scrutiny arrangements you have in place. As part of our visit, we also met with Green Link Interconnector and Mares Connect who told us about the interesting work being undertaken on joint infrastructure connecting our nations.

Following this visit, we welcome your agreement to explore how we can strengthen links between our committees.

Again on behalf of all Members of the delegation I would like thank you and your colleagues for the warm welcome and your time.

I have copied this letter to Paul Davies MS, Chair of the Economy, Trade and Rural Affairs Committee, and Delyth Jewell MS, Chair of the Culture, Communications, Welsh Language, Sport, and International Relations Committee as their Committees were represented on this visit.

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Yours sincerely

A handwritten signature in black ink, appearing to read 'Llyr', is centered on a light yellow rectangular background.

Llyr Gruffydd MS,
Chair, Climate Change, Environment and Infrastructure Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg | We welcome correspondence in Welsh or English.



Tithe an
Oireachtais
Houses of the
Oireachtas

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Joint Committee on
Environment and Climate
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Ref: CCA-I-2024-893

Mr. Llyr Gruffydd MS
Chair, Climate Change, Environment and Infrastructure Committee
Senedd Cymru

Email: SeneddClimate@senedd.wales

Dear Mr. Gruffydd,

The Cathaoirleach of the Joint Committee on Environment and Climate Action, Mr Brian Leddin, T.D. has asked me to acknowledge receipt of your correspondence dated 24th October 2024 following the recent meeting between Members of the Climate Change, Environment and Infrastructure Committee and the Environment and Climate Action Committee in Dublin, and your request to explore how to strengthen links between both Committees.

Your correspondence was brought to the attention of the Joint Committee at its meeting on 5th November 2024 and has been noted.

Yours sincerely

Claudia Zelli
Clerk to the Committee
Telephone 01 618 3183

5th November 2024

NRW Briefing for the Climate Change, Infrastructure and Environment Committee: additional written evidence on topical issues

Thank you for the opportunity to provide oral evidence to the Committee on topical issues for NRW. There were a number of points raised during this session, and in oral and written questions from members of the committee that we wished to follow up on to provide further information and clarify some of the points we made.

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Water company performance

Regarding sewage discharges, we are clear that water company performance is not acceptable. [Our 2023 performance report for Dŵr Cymru Welsh Water](#) highlighted the worst environmental performance from the Company against the metrics measured against, which are standardised in England and Wales.

Driving a reduction in harm due to sewage spills

We report spill data annually: [Storm overflow spill data report – 2023 \(naturalresources.wales\)](#). We recognise the public's concern about the number of spills from storm overflows and the potential

impact on our rivers and coast and have been working with the [Better River Quality Taskforce](#) to evaluate the current approach to the management and regulation of overflows in Wales, and to develop detailed plans to drive rapid change and improvement, focussed on those overflows that cause the most harm first.

The recent expansion of the use of Event Duration Monitors (EDM), installed following direction by NRW, has enabled us to build up the data and information to assess the impact of spills on our environment. This is a step forward and enables us to draw upon the evidence to drive actions, focussed on the right areas, to make the most difference to improving the environment. In some cases, that evidence may result in enforcement actions and/or prosecution.

Storm Overflows are designed to spill only in heavy rainfall. NRW has issued guidance to water companies in Wales on when that is allowable. Water companies are now assessing each individual asset to ensure it is operating to those standards. Where it isn't, improvements must be made. Where pollution is evident, and the cause is from a storm overflow we will not hesitate to use our enforcement powers.

Prioritising the improvements that deliver most for the environment

Those spilling the most frequently are not always those causing the most harm to the environment, as it depends on size and sensitivity of the receiving watercourse. In October 2023 we issued guidance to the water companies in Wales on how to classify storm overflows to ensure they operate to the required standard. We are working with Dŵr Cymru Welsh Water (DCWW) and Hafren Dyfrdwy (HD) on embedding the guidance and ensuring any overflows requiring improvement are factored into improvement plans focusing on those causing harm as a priority, on the path to towards ensuring that water companies have resilient infrastructure, now and for the future.

Our work at NRW is evidence based, and we prioritise action that leads to improving the environment. In some cases, that may be enforcement and/or prosecution. For other assets this means planning improvements over the coming years to ensure the sewerage infrastructure can cope with the demands society places on it.

Storm Overflows are designed to spill in heavy weather when the watercourse is in high flow and able to carry the effluent without damaging the environment. NRW has issued guidance to water companies in Wales on when that is allowable. Water companies are now assessing each individual asset to ensure it is operating to those standards. Where it isn't, and spills can be seen outside of heavy rainfall, improvement will be made.

Can we get to zero spills?

It is important to recognise that under the current system of managing sewage, assets will still spill. The current approach in Wales is about ensuring the number of spills, under the right conditions (heavy rainfall) do not impact on the environment.

Should we want to remove all overflows and have zero spills to the environment, we would need to remove all clean water (rain, drainage, streams and rivers in some cases) from the sewerage network, and divert them to rivers or the sea through a clean drainage system. The cost of this is likely to extend into billions of pounds and there would be significant disruption to Wales and its citizens.

Ofwat's price review and 2025-2030 improvement programme

As part of Ofwat's price review and environment programme for 2025 to 2030, Welsh Government require water companies to address 60% of those overflows causing environmental harm by 2030. We are pushing for significant and greater investment and action in subsequent price reviews to ensure that the sewerage network can cope with current and future pressures, including population growth and climate change. Action will be required in parallel to find a solution of how to remove the surface water from our highways, housing estates and industrial areas. Driving down spills is part of the solution, but we also need to see infrastructure improvements, planning controls, sustainable growth, and sustainable solutions in order to make the biggest difference to the environment.

Without EDM monitors installed at the direction of NRW, we would not have the data to assess the impact of spills on our environment, or to drive improvements that will make the biggest difference to our environment.

Water framework directive compliance in Wales

40% of rivers in Wales have achieved Good status or better under the Water Framework Directive. Like the rest of the UK and many European countries, we are struggling as a nation in our attempts to improve overall classification status. NRW has a key role to play in improving the status of our rivers and we are committed to continuing to enact plans and actions that drive us to good ecological status.

Focusing on ecological status of rivers, the [Office for Environmental Protection](#) summarised that 'for high and good classification, when combining the percentages, Wales (46.0%) and Scotland

(44.9%) have the highest combined percentages, followed by Northern Ireland (31.4%), and then England (15.6%).'

The percentage of Welsh rivers in good or high ecological status is similar to that reported for other EU countries such as Ireland and France.

Looking at overall status across geographic Wales, 40% of 933 water bodies are at good or better status. This represents an improvement of 3% from that reported in 2015 and an 8% improvement since 2009.

The 'one out, all out' approach to classification (if one element fails, the whole water body fails), gives a negative view of the wider status. At an element level (each biological, physicochemical, physical and chemical element considered separately) we achieve 93% at good or better status which has improved by 5% since 2015.

But we accept that our waters are not in the condition that we need them to be to support people and nature, and we will continue to take proactive action, and drive action by others, to tackle these issues.

Bathing water quality in Wales

In 2023, 107 out of the 109 designated Welsh bathing waters met the standards set by the Bathing Water Regulations. Of those 109 bathing waters assessed in Wales, 80 were of an Excellent standard.

A key goal is to make positive and pro-active steps to managing our bathing waters, and we also use systems and approaches below to support protecting public health. Samples at designated bathing waters are taken according to a monitoring calendar set out in advance of the season. This calendar can be suspended if abnormal situations occur which could affect bathing water quality.

An abnormal situation is defined by the Bathing Water Regulations as an event or combination of events impacting on bathing water quality at the location concerned and not expected to occur on average more than once every four years. They are usually declared when we become aware of an unusual pollution source that could impact on the bathing water. The relevant bodies are then required to inform the public of the situation and advise them against bathing. Any routine bathing water samples will still be taken, but the sample results do not have to be included in the sample data set used to classify the beach.

At some bathing waters short-term pollution may be predicted by models. This is called Prediction and Discounting, which can be used at 16 beaches in Wales enables us to use real time data to protect public health and allows bathers to make an informed decision about where to swim. Beach operators then update a sign at the bathing water to warn the public on days that poor water quality is predicted. It's not based on actual poor water quality sampling data.

An abnormal situation or prediction trigger doesn't result in a beach being closed, but the sign advises against swimming, due to possible poor water quality to protect public health.

Short-term pollution based on rainfall. On days when poor water quality is predicted, beach operators update signs to warn the public of possible poor water quality.

Both are systems we have that protects public health. A positive, pro-active step to managing our bathing waters.

NRW Resourcing

All public bodies are under financial pressure, and NRW is no different. We are prioritising our work and aiming to ensure our regulatory activities (for compliance assessment and enforcement) are protected in as far as possible. We are also investing in new approaches and data analysis to react faster to compliance issues. A focus on water is within our Corporate plan as well as embedded in our Regulatory service plans.

We will be looking to offset the reduction by streamlining our processes and making full use of potential new powers coming through in the Water (Special Measures) Bill.

Agenda Item 0.6

Rebecca Evans MS
Cabinet Secretary for Economy, Energy and Planning
Ysgrifennydd y Cabinet dros yr Economi, Ynni a Chynllunio



Llywodraeth Cymru
Welsh Government

Eich cyf/Your ref
Ein cyf/Our ref: RE/294/2024

Llyr Gruffydd MS,
Chair, Climate Change, Environment
and Infrastructure Committee

21 October 2024

Dear Llyr,

Thank you for your letter of 7 October regarding the Legislative Consent Memorandum for the Great British Energy Bill. I have addressed each of your questions below (please note I have kept the original numbering for ease).

1. What consideration have you given to the potential duplication of functions of GBE and Trydan Gwyrdd Cymru, and how is this influencing your decision on whether to recommend the Senedd gives consent to the provisions in the Bill?
2. Do you have any concerns that the operation of GBE will impact on the ability of Trydan Gwyrdd Cymru to deliver its aims successfully?

I will respond to questions 1 and 2 together.

We have had positive discussions on partnership working between Great British Energy (GBE) and delivery bodies in Wales including Trydan Gwyrdd Cymru.

As Trydan Gwyrdd Cymru is so much more advanced than Great British Energy, we see opportunities to increase the scope of Trydan Gwyrdd Cymru's operation by working collaboratively with the UK Government.

I consider the operation of GBE as an opportunity to support the delivery of the objectives of Trydan Gwyrdd Cymru. We have provided the UKG with information about potential opportunities to bring forward further opportunities in Wales. Discussions are at early stages.

This week we have seen further development in terms of how GBE will work with the Crown Estate in Scotland and build on discussions which have already taken place in Wales in relation to Trydan Gwyrdd Cymru.

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

Back Page 180
We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

3. What consideration have you given to how the interplay between GBE and Trydan Gwyrdd Cymru will be managed in practice?

This will be the detail which will be considered in the coming weeks. I do not consider the Bill as presented to limit opportunities. However, in my view clarification on the role of Welsh Ministers is crucial to ensure this interplay works as efficient as possible.

4. Are there any circumstances under which you would seek to deliver projects in Wales through GBE and if so, what would the criteria for doing so be?

These are discussions which are ongoing. Trydan Gwyrdd Cymru was established to deliver projects for the benefit of Wales and partnership working with Great British Energy must retain that principle.

4. Can you clarify whether there is any potential overlap between the remit, aims and operation of GBE and those of Ynni Cymru, the Welsh Energy Service and Community Energy Wales?

I do not consider there is an overlap. Ynni Cymru, Welsh Government Energy Service and Community Energy Wales are organisations and programmes that can all support the delivery of projects in Wales through partnership working with Great British Energy.

5. Can you provide an update on any such engagement?

My officials will continue having regular engagement with officials in the Department for Energy Security and Net Zero. Those discussions have been on potential partnership opportunities between Great British Energy and delivery bodies in Wales.

6. To what extent do you consider it appropriate for the Secretary of State to be required to consult the Welsh Ministers, rather than to seek the consent of the Welsh Ministers for any strategic priorities concerning devolved matters?

It is essential that devolved responsibilities are properly reflected in the governance of GBE, and we are continuing to discuss how best to ensure that can be achieved.

7. What involvement have you had in discussions on the proposed strategic priorities for GBE thus far?

Through our discussions on partnership opportunities, we have sought to influence the proposed strategic priorities to align with activity already underway in Wales. We expect continued discussions on the strategic priorities for Great British Energy as part of our partnership working.

8. What role will the Senedd have in scrutinising the statement before it is made if it concerns subject matters within the Senedd's legislative competence?

As currently drafted, the statement is not subject to any specific legislative scrutiny upon the preparation of the statement by UK Government, beyond scrutiny through the passage of the Bill.

I would also like to inform the Committee that I have recently written to Minister Shanks highlighting my concerns about the current GBE Bill.

Yours sincerely,

A handwritten signature in black ink that reads "Rebecca Evans". The signature is written in a cursive style with a large initial 'R' and a long tail on the 's'.

Rebecca Evans AS/MS

Cabinet Secretary for Economy, Energy and Planning
Ysgrifennydd y Cabinet dros yr Economi, Ynni a Chynllunio

Rt Hon Elin Jones MS

Y Llywydd and Chair of the Business Committee

1 November 2024

Annwyl Lywydd

Reporting deadlines for legislative consent memoranda

We are currently considering legislative consent memoranda for the Great British Energy Bill and the Product Regulation and Metrology Bill, which have reporting deadlines of 15 November 2024 and 22 November 2024 respectively.

Given the nature of the Bills and the accompanying memoranda, we are taking evidence from Rebecca Evans MS, the Cabinet Secretary for Economy, Energy and Planning on these matters on 4 November 2024.

We have also taken evidence from Huw Irranca-Davies MS, the Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs, on a legislative consent memorandum relating to the Water (Special Measures) Bill, which has a reporting deadline of 22 November 2024. During that session the Deputy First Minister indicated that a supplementary legislative consent memorandum would be required.

We are also taking evidence from the Cabinet Secretary for Housing and Local Government on 18 November 2024 on the legislative consent memorandum for the Renters' Rights Bill, which has a reporting deadline of 29 November 2024.

It is unlikely that we will be able to meet the reporting deadlines referred to above because of the need to take evidence as a consequence of the important matters of constitutional principle that are raised in each case.

We would therefore be grateful to receive extensions to the reporting deadlines for the above-mentioned memoranda to enable our reports to take account of the oral evidence sessions with the

relevant Cabinet Secretaries and also in the case of the memorandum on the Water (Special Measures) Bill, the likelihood of a supplementary memorandum. Given where the UK Bills appear to be in the UK Parliament's legislative cycle, we consider there should be sufficient scope for extensions to be granted.

Looking ahead, we suggest that a different approach to setting reporting deadlines may be beneficial to both Senedd Committees and the Welsh Government. We believe there may be merit in setting initial reporting deadlines to coincide with the likely end date of scrutiny in the first House of the UK Parliament to which the relevant Bill is introduced.

Using this approach would not impact on the tabling of the relevant legislative consent motions because the Bills would only be half-way through the legislative process in the UK Parliament. It would also potentially reduce the need for Senedd Committees to request extensions to reporting deadlines from the Business Committee but would also not prevent those committees from reporting earlier should they wish to do so. These reporting deadlines could then be extended automatically by the Business Committee, should supplementary legislative consent memoranda be laid that arise in later amending stages of the first House or earlier stages of the second House.

We would be grateful if the Business Committee could consider this suggestion. If it agrees, it may also wish to consider setting new reporting deadlines for all existing legislative consent memoranda to reflect that approach.

I am copying this letter to Jane Hutt MS, Cabinet Secretary for Social Justice, Trefnydd and Chief Whip. The letter is also being copied to the Chairs of the Senedd Committees that are also scrutinising the legislative consent memoranda referred to above: the Economy, Trade and Rural Affairs Committee; the Climate Change, Environment and Infrastructure Committee and the Local Government and Housing Committee.

Yours sincerely,

A handwritten signature in black ink that reads "Mike Hedges". The signature is written in a cursive style and is underlined with a single horizontal line.

Mike Hedges

Chair



Huw Irranca-Davies MS
Deputy First Minister and Cabinet Secretary for Climate
Change and Rural Affairs

29 October 2024

Draft Budget scrutiny 2025-26

Dear Huw,

The Climate Change, Environment and Infrastructure Committee has started its preparations for scrutiny of the Welsh Government's draft Budget for 2025-26.

We understand the draft budget will be published on 10 December 2024, and the previous Cabinet Secretary for Finance committed that the Welsh Government would "provide the English versions of the evidence papers to Committees on the day after the Draft Budget is published". We anticipate holding a scrutiny session with you in January 2025 and the Committee's Clerking team will be in touch with your office in due course to arrange a suitable date for the session.

To assist the Committee in its preparations, I would be grateful if you would provide information to address the matters set out in Annex 1 in advance of the scrutiny session. Of course, you should not feel limited by our request and are welcome to address any other matters you believe will assist the Committee in its work.

Yours sincerely,



Llyr Gruffydd MS,
Chair, Climate Change, Environment and Infrastructure Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg. / We welcome correspondence in Welsh or English.

General

- Details of your priorities and how they are reflected in budget allocations.
- A detailed explanation of how budgetary priorities were determined, particularly in light of inflationary pressures and fiscal constraints?
- A detailed explanation of how the draft budget reflect commitments made in prior financial years, with particular reference to the Committee's report on the 2024-25 draft budget.
- Information on the impact of UK Government policy decisions on budget allocations.
- Details of discussions with the UK Government about funding for coal-tip remediation.
- Detail how the Welsh Government is mainstreaming tackling the nature emergency across its departments through the budget setting process.

Legislation

- How the draft budget provides for delivery of newly enacted and planned Welsh Government legislation.

Environment

How the draft budget provides for:

- Delivery of the Biodiversity Deep Dive.
- Delivery of the forthcoming refreshed Nature Recovery Action Plan. Nature Networks Programme (including specific allocation for the Nature Networks Fund), Local Places for Nature Programme, the National Peatlands Action Programme and Natur am Byth. Developing legally binding biodiversity targets.
- Monitoring programmes for biodiversity.
- Support for green skills including the Nature Service Wales.
- Developing an approach for private investment for nature.
- Biosecurity, including Avian flu.
- Support for the delivery of the circular economy strategy, *Beyond Recycling*, including the development and delivery of a Deposit Return Scheme and Extended Producer Responsibility.

- Managing Marine Protected Areas (MPAs), including an update and delivery of the MPA network management framework and action plan.
- Assessment and identification of gaps within the MPA network, including improvements to the evidence base to inform the designation of further Marine Conservation Zones (MCZs) in Welsh waters
- Funding for the delivery of a targeted scheme to support restoration of seagrass and saltmarsh habitats along Wales' coastline.
- Improving water quality, including support for the Better River Water Quality taskforce to take forward actions arising from the Stantec report.
- Implementation of the National Strategy for Flood and Coastal Erosion Risk Management, including the take up of the Flood and Coastal Erosion Risk Management Grant and Natural Flood Risk Management Fund.
- Support for the Interim Environmental Protection Assessor for Wales and the development of more permanent environmental governance arrangements.

Climate Change

Detail of how the draft budget allocations support:

- Delivery of the policies and proposals in the Net Zero Wales plan which are relevant to the remit of this committee.
- The impact of proposed UK Government policies on Welsh Government efforts to support net zero.
- Climate adaptation action, and detail of specific allocations to support delivery of the new climate adaptation strategy.
- Implementation of the Woodlands for Wales Strategy and recommendations of the 2021 Trees and Timber Deep Dive, including delivering the National Forest and increasing the rate of tree-planting.

Air Quality and Soundscapes

- Allocations to support delivery of the legislative commitments in the Air Quality and Soundscapes Act

Natural Resources Wales (NRW)

- Details of budget allocations for NRW.

- Details of any changes in service delivery or project timelines relating to NRW due to the current budgetary constraints.
- Details of any new functions, duties, or responsibilities you expect NRW to take on during the budget period and the funding that has been allocated for those purposes.
- We note NRW's potential tax liability and its payment to HMRC of £19m, funded by the Welsh Government. We would be grateful if you could outline:
 - How this has been funded by the Welsh Government (specifically which budget line and in which financial year(s);
 - Details of the repayment terms agreed with NRW and how the Welsh Government satisfied itself that this is affordable; and
 - What provision has been made in both the 2024/25 budget and the 25/26 draft budget for any potential further liabilities.



Ken Skates MS
Cabinet Secretary for Transport and North Wales

29 October 2024

Draft Budget scrutiny 2025-26

Dear Ken,

The Climate Change, Environment and Infrastructure Committee has started its preparations for scrutiny of the Welsh Government's draft Budget for 2025-26.

We understand the draft budget will be published on 10 December 2024, and the previous Cabinet Secretary for Finance committed that the Welsh Government would "provide the English versions of the evidence papers to Committees on the day after the Draft Budget is published". We anticipate holding a scrutiny session with you in January 2025 and the Committee's Clerking team will be in touch with your office in due course to arrange a suitable date for the session.

To assist the Committee in its preparations, I would be grateful if you would provide information to address the matters set out in Annex 1 in advance of the scrutiny session. Of course, you should not feel limited by our request and are welcome to address any other matters you believe will assist the Committee in its work.

Yours sincerely,



Llyr Gruffydd MS,
Chair, Climate Change, Environment and Infrastructure Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg. / We welcome correspondence in Welsh or English.

General

- Details of your priorities and how they are reflected in budget allocations.
- A detailed explanation of how budgetary priorities were determined, particularly in light of inflationary pressures and fiscal constraints.
- A detailed explanation of how the draft budget reflect commitments made in prior financial years, with particular reference to the Committee's report on the 2024-25 draft budget.
- Information on the impact of UK Government policy decisions on budget allocations.

Legislation

- How the draft budget provides for delivery of newly enacted and planned Welsh Government legislation.

Climate Change

Detail of how the draft budget allocations support:

- Delivery of the policies and proposals in the Net Zero Wales plan which fall within your portfolio.

Transport

Detail of how the draft budget allocations support:

- Delivery of the rail franchise and the Welsh Government's rail infrastructure priorities.
- Delivery of the North East Wales, South West Wales and South East Wales Metros.
- The development of Transport for Wales, including its financial stability and the gap between operational costs and farebox revenues; also including a breakdown of TfW's full budget allocation for 2025-26, itemising its corporate budget alongside allocations for delivery of specific programmes as well as rail franchise commitments.
- Investment (both maintenance and improvement) in the trunk road and motorway network including the impact of any planned review of the roads policy statement.
- Maintenance of local highways.
- Delivery of active travel policy, including a summary of planned activity and a table detailing total and per capita allocations for active travel for 2025-26, compared with each of the

preceding three years. Revenue and capital allocations should be clear and broken down by individual funding stream.

- Support for bus and community transport services, including a summary of planned activity and a table detailing total and per capita allocations for 2025-26 compared with each of the preceding three years. Revenue and capital allocations should be clear and the table should be broken down by individual funding stream.
- Support for EV charging infrastructure provision and the strategy / action plan delivery, including a summary of planned activity and a table detailing total and per capita allocations for 2025-26 compared with each of the preceding three years. Revenue and capital allocations should be clear and the table should be broken down by individual funding stream.
- Support for local transport priorities, including delivery of Regional Transport Plans and support for CJs on transport.

Rebecca Evans MS
Cabinet Secretary for Economy, Energy and Planning

29 October 2024

Draft Budget scrutiny 2025-26

Dear Rebecca,

The Climate Change, Environment and Infrastructure Committee has started its preparations for scrutiny of the Welsh Government's draft Budget for 2025-26.

We understand the draft budget will be published on 10 December 2024, and the previous Cabinet Secretary for Finance committed that the Welsh Government would "provide the English versions of the evidence papers to Committees on the day after the Draft Budget is published".

To assist the Committee in its preparations, I would be grateful if you would provide information to address the matters set out in Annex 1. Of course, you should not feel limited by our request and are welcome to address any other matters you believe will assist the Committee in its work.

Yours sincerely,



Llyr Gruffydd MS,
Chair, Climate Change, Environment and Infrastructure Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg. / We welcome correspondence in Welsh or English.

Annex 1

General



- Details of your priorities and how they are reflected in budget allocations.
- A detailed explanation of how budgetary priorities were determined, particularly in light of inflationary pressures and fiscal constraints
- A detailed explanation of how the draft budget reflect commitments made in prior financial years, with particular reference to the Committee’s report on the 2024-25 draft budget.
- Information on the impact of UK Government fiscal and policy decisions on budget allocations.
- Your assessment of the benefits for Wales arising from UK Government fiscal decisions and policies, including the UK National Wealth Fund.

Legislation

- How the draft budget provides for delivery of newly enacted and planned Welsh Government legislation.

Climate Change

Detail of how the draft budget allocations support:

- Delivery of the policies and proposals in the Net Zero Wales plan which fall within your portfolio.

Energy and energy efficiency

- Delivery of renewable energy and public sector energy efficiency programmes, including specific allocations for the Welsh Government Energy Service, Ynni Cymru, Community Energy Wales and Trydan Gwyrdd Cymru.
- Other allocations to support the delivery of renewable energy targets.
- Policies and programmes to support decarbonisation in the housing sector, including allocations for the Optimised Retrofit Programme, the Warm Homes Nest Scheme and the Green Homes Wales Scheme.

National Infrastructure Commission for Wales (NICW)

- Details of budget allocations for the NICW.

Ports and Airports

- How the draft budget will support the development of Welsh maritime and sea ports. Specifically, any allocations to support the implementation of a long-term strategy for Cardiff

Airport in the 2025-26 draft budget, how this will be monitored to ensure it provides value for money and whether there are any plans for in year allocations in the current 2024-25 financial year to support the strategy.



Agenda Item 6.8

From: Annie Smith

Sent: 22 October 2024 14:25

To: Gruffydd, Llyr (Aelod o'r Senedd | Member of the Senedd) <Llyr.Gruffydd@senedd.wales>

Subject: CCEI Committee Biodiversity Inquiry - note following scrutiny of Deputy First Minister

Annwyl Llyr,

We welcomed the Committee's questioning of the Deputy First Minister and Cabinet Secretary last week, as part of your inquiry on reversing biodiversity loss by 2030.

We were particularly interested in the questioning around the forthcoming Environmental Principles and Biodiversity Bill. The following comments are offered in addition to the evidence we have already supplied as part of the current inquiry.

Timeframe for bringing forward supporting targets

We share the concerns expressed by some of the members at the Deputy First Minister's statement that the Regulations to create legally binding targets will be brought forward 36 months after the Bill is 'signed off'. We have previously been assured by officials that such a timeframe would be a back-stop, rather than an expected schedule for the full suite of targets.

In addition, we have been assured that engagement on the development of targets will commence well *before* the Bill is passed by the Senedd in the spring of 2026. This is to minimise the time lost after the passing of the Bill. In this respect, it has also been suggested that a prioritisation exercise will take place to ensure that the most important targets (from our perspective, those which measure biodiversity outcomes directly) will be brought forward first – presumably far sooner than 36 months.

We would be grateful if the Committee could seek further clarification from the Deputy First Minister on these points, and urge him to ensure that this work is front loaded where possible and that suitable prioritisation takes place to ensure Wales is not waiting until near the end of the 7th Senedd for this legislation to be fully operational. As you pointed out, a three year timescale would not leave any room to set targets or milestones for 2030, which would be a missed opportunity and leave Wales trailing behind both the Global Biodiversity Framework and other parts of the UK and Europe.

Sustainable Management of Natural Resources (SMNR) as the framing for the targets

We welcome our ongoing engagement with Welsh Government on the development of the legal framework for nature recovery targets. However, we have shared our concerns that an approach based on SMNR could fail to ensure that biodiversity outcomes are required as part of the suite of targets (to be set via Regs), and leave open the risk that future Welsh Governments are not held accountable for changes in the state of our biodiversity. We would welcome the Committee's ongoing attention in this matter.

Effective target formation

For new legislation to be effective it needs to provide additionality, both in new targets and in the creation of mechanisms to hold government to account for existing failures. We believe this is best achieved by a mixture of outcome and process based targets which combine to address

conditions on the ground directly, and systemic failures which have been allowed to continue under existing targets and frameworks.

In terms of biodiversity outcomes, we consider measures like species abundance, recovery of declining species, extent and condition of protected areas, as well as habitats outside protected areas, are an essential part of the framework needed to drive nature restoration and recovery in Wales. From a process perspective it is vital that we use this Bill to drive restoration, and to adequately address the drivers of loss, such as the nutrient pollution that is adversely affecting our freshwater systems. Existing targets and measures, such as those derived from the Water Framework Directive have evidently not had adequate impact given the current condition of many of Wales' rivers due to pollution from agriculture and sewage. WEL is keen to work with Welsh Government to develop these approaches in the coming months to ensure the Bill and Regulations are as strong and effective as they can be to put Wales's nature on a path to recovery in the next decade.

Again, we welcome the Committee's examination of these matters and would be happy to provide further information in writing or in person.

Cofion cynnes,

Annie Smith and Alex Philips, on behalf of WEL's Biodiversity Working Group

Annie Smith

Head of Nature Policy and Casework | Pennaeth Polisi Natur a Gwaith Achos



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Huw Irranca-Davies AS/MS
Y Dirprwy Brif Weinidog ac Ysgrifennydd y Cabinet dros Newid
Hinsawdd a Materion Gwledig
Deputy First Minister and Cabinet Secretary for Climate
Change & Rural Affairs



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref: HICC/PO/0319/24

Llŷr Gruffydd MS
Chair
Climate Change, Environment and Infrastructure Committee
Welsh Parliament
Cardiff Bay
Cardiff
CF99 1SN

14 November 2024

Dear Llŷr,

I am writing in response to the additional questions posed at the CCEI Committee Meeting of 16 October 2024. I have addressed each in turn below.

1. We would like to understand the justification for why 36 months are required to bring in Regulations/targets.

An initial timeline incorporating target development, policy development, and the steps required for Secondary Legislation creation estimated that the first tranche of biodiversity targets will be published within 36 months of the Bill receiving Royal Assent (prior to 2030). Setting targets is a complex process with multiple steps required to ensure unintended consequences are avoided and the desired outcomes achieved. Prior to preparing the legislation, target and policy development are required. Target development will include an exercise to prioritise the Global Biodiversity Framework targets, engaging with stakeholders around these target areas, evidence gathering including indicator development, designing notional targets, and scenarios modelling of target ambitions to ensure targets are achievable. Collation of data and modelling are required for robust creation of those target types. Further information is in Annex A.

Development of the secondary legislation will then require Impact Assessments and consultation on the targets - which alone will require 12 weeks - with potential revision of proposals required following consultation. The supporting documents will then have to be written prior to laying the Regulations before the Senedd. Creating the secondary legislation alone takes 12 months at a minimum (from consultation through to introduction), depending on the allocated plenary slot. To note, while policy development of the targets can be conducted prior to Royal Assent, we cannot consult on subordinate legislation before the primary legislation is introduced as this would be considered pre-empting the voting of the Senedd.

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:
0300 0604400

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Gohebiaeth.Huw.Irranca-Davies@llyw.cymru
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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

Back Page 198
We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

I appreciate the concerns that have been raised regarding the timeframe. I have asked my officials to consider different options of target creation timelines to explore how the 36-month timeframe could be reduced, and how targets can be brought in sooner.

2. We would like an update on the Treasury Budget Improvement Impact Advisory Group (BIIAG) work, in particular on timings.

The [Budget Improvement Plan](#) includes a prevention agenda which is shaped by the work of BIIAG. A sub-group working with BIIAG is in the early stages of embedding 'prevention' – avoiding harmful unintended impacts - into the budget setting process. The sub-group is using biodiversity as an area to pilot ideas such as the development of a toolkit and providing advice to policymakers and Welsh Treasury, based on insights from the Dasgupta review and expects to report on progress in 2025.

Subject to the findings from this pilot, I have asked my officials to explore a whole-budget approach to preventative activity. This work will support our ambition to mainstream delivery for biodiversity and ecosystem resilience across the organisation and our partners.

In addition, my officials from Treasury, Decarbonisation and Biodiversity are involved with the [Next Generation Budgets](#) project. This is a 21-month project, ending in February 2026, run by the 'Climate Group' that trains and supports devolved governments in the design of green 'next generation budgets'. The project aims to align public budgeting with climate neutrality goals and help unlock financing, building on and informed by technical training and international best practice.

3. We would like an overview of what you are doing on monitoring.

Effective and affordable monitoring and evidence is vital for tracking our progress towards both the 30 by 30 target and our longer-term nature positive ambition. I recognise that high-quality evidence underpins decision-making and enables an adaptive management approach necessary to deliver resilient ecosystems that adapt to wider pressures, such as climate change.

Various biodiversity monitoring programmes are therefore currently undertaken with direct support from, or on behalf of, the Welsh Government (WG), allowing the reporting of the status of biodiversity in Wales e.g. through the Natural Resources Wales (NRW)-produced State of Natural Resources Report (SoNaRR) due to report in December 2026. Key components of our existing biodiversity monitoring framework include Environment and Rural Affairs Monitoring and Modelling Programme (ERAMMP), the Living Wales Earth Observation system, the monitoring of key indicator species through JNCC/citizen science-led surveillance programmes, and the Common Standards Monitoring provided by NRW for protected sites. Much of these data are held in publicly available data repositories, such as the National Biodiversity Network Atlas Wales, to maximise its value and use across sectors. More information can be found in Annex B.

Similarly, in the marine environment there are several statutory monitoring programmes which are largely undertaken by Defra and other government agencies, including NRW, on behalf of Welsh Government. These are detailed in the [UK Marine Strategy Part Two](#) and range from marine biodiversity, commercial fisheries, water quality and marine litter. Outside of this, monitoring of our Marine Protected Area network is a devolved function to NRW, supported by Welsh Government.

In relation to our international commitments, the UK published its National Targets on 1 August 2024 including a summary of countries commitments to deliver against the Kunming Montreal Global Biodiversity Framework (GBF). The Convention on Biological Diversity (CBD) also requires Parties to submit reports on the implementation and the effectiveness of delivery against the KMGBF targets. The Joint Nature Conservation Committee (JNCC) have agreed to coordinate production of this 7th report, on behalf of the UK, with a view to submitting it to the secretariat in February 2026.

In addition, the JNCC and UK annually produce the [UK Biodiversity Indicators](#) enabling tracking of progress on our national and international biodiversity commitments. Each of the four countries in the UK have their own set of biodiversity indicators that assess progress against targets set out in national biodiversity strategies.

For example, in relation to the 30 by 30 target, the Monitoring and Evidence expert group have produced a comprehensive report recommending a high-level monitoring and evidence framework. The framework sets out a series of suggested metrics (e.g. “area of effectively managed protected sites”) and evidence sources (e.g. “Earth Observation”) to assess progress towards 30 by 30. Practical implementation details, such as skills, data sourcing, processing, and analysis, are under consideration. It is important to note that Wales is a data-rich country, with significant resource spent in the public, private, and third sectors to record the status of biodiversity and efforts towards restoring it. An additional focus of our next steps will be the collation and consolidation of monitoring effort and resources in Wales to ensure data are efficiently captured, processed, and analysed against the framework the Monitoring and Evidence group have produced.

Finally, new legislation to be laid during this Senedd term will incorporate the cycle of effective monitoring, assessment and reporting for the new biodiversity targets, to provide greater accountability and transparency.

I hope you find this information useful.

Yours sincerely,



Huw Irranca-Davies AS/MS

Y Dirprwy Brif Weinidog ac Ysgrifennydd y Cabinet dros Newid Hinsawdd a Materion Gwledig

Deputy First Minister and Cabinet Secretary for Climate Change & Rural Affairs

Annex A: Target creation sequence

The following steps are required for setting biodiversity targets and demonstrate the amount of work required to bring forward targets.

Target development

- Global Biodiversity Framework target prioritization
- Engagement around prioritized target areas
- Baseline data and evidence gathering
- Indicator availability and assessment (and development if required)
- Notional target development
- Scenarios modelling (inc. procurement of this) to ensure target ambitions are correct and achievable.
- Secure Legal Services resource

Development of secondary legislation

- Finalise policy proposal including drafting policy proposals and the draft Regulatory Impact Assessment (RIA) and Integrated Impact Assessment (IIA)
- Secure permission to consult
- Consultation on target regulations
- Revise proposals based on consultation analysis
- Publish Government response to consultation
- Write Legal Instructions
- Write Explanatory Memorandum
- Finalise IIA
- Finalise RIA

Senedd

- Document Production
- LPGU lay draft Statutory Instrument
- Senedd Scrutiny
- Plenary debate and vote
- Introduction

Annex B: Current arrangements for monitoring biodiversity

- Led by the UK Centre for Ecology and Hydrology (UKCEH) and supported by WG, agri-environmental support is evaluated through the [Environment and Rural Affairs Monitoring and Modelling Programme](#) (ERAMMP). The ERAMMP National Survey annually assesses the condition of Wales' natural environment at a landscape scale.
- Monitoring of stocks and trends of key indicator species is undertaken through a series of citizen science-led [surveillance programmes](#) – coordinated by JNCC and eNGOs. Much of the data collected through these programmes inform biodiversity trend reporting at the Welsh, UK, and international level.
- Supported by WG and developed by Aberystwyth University, [Living Wales](#) provides a national evidence base and monitoring system of Welsh environment and landscape characteristics, combining satellite imagery, ground survey and remote sensing technologies. It captures near real time Earth Observation data, allowing the tracking of changes in the extent of habitats. Additionally, UKCEH uses satellite imagery to produce the annual [Land Cover map](#), assessing broad-scale habitat change.
- NRW leads '[Common Standards Monitoring](#)', a UK-established approach to measuring the condition of features (i.e. notified and qualifying species and habitats) within statutory protected sites (SSSIs, SACs, SPAs). The evidence from such monitoring supports policy development, reporting and adaptive management. As Common Standards Monitoring is costly to implement, more efficient approaches to assess achievement of 30 by 30 are being considered.
- NRW's MPA monitoring programme aims to assess the condition of protected features and inform site management, primarily focusing on Skomer MCZ and five marine SACs due to resource constraints. Monitoring is limited to nearshore waters within 12 nm, with offshore areas managed by JNCC. Various methods, including remote sensing, *in situ* recording, and national surveillance programmes (e.g. the [Seabird Monitoring Programme](#)), are used to monitor habitats and species. Monitoring has been ongoing since the 1980s at Skomer MCZ and 2001 for SACs, providing valuable long-term data for comparison. Common Standards Monitoring approaches are typically followed, ensuring consistent and comparable data over time.
- Water Framework Directive (WFD) monitoring is the mainstay of NRW's monitoring programme in freshwater and coastal ecosystems and consists of a combination of water quality monitoring and biological monitoring. Water quality work focusses mainly on nutrients and acidity, with smaller programmes working on other pollutants such as pesticides and metals. Biological monitoring assesses various aspects of the freshwater environment (known as quality elements), predominantly invertebrates, diatoms, aquatic plants, and fish. Outputs from monitoring assessments are published on [WaterWatch Wales](#) every three years. Reliable monitoring data are essential for understanding water quality trends and putting in place effective policy interventions. Working with NRW and stakeholders we continue to develop an agile and integrated monitoring network, including consideration of continuous and real time methods.

- The [UK Marine Strategy](#) includes a monitoring programme to assess the status of various marine ecosystem components e.g. cetaceans, marine fish.
- Less structured, local biodiversity recording is undertaken by individuals, volunteer groups, and large organisations (e.g. academia, NRW). These data are often held within publicly available data repositories, such as the [National Biodiversity Network Atlas Wales](#) and the [Global Biodiversity Information Facility](#) (GBIF). [Local Environmental Records Centres](#) (LERCs) play an important role in validating and verifying biodiversity records, as well as processing data to support local decision-making.
- The [GB Non-native Species Information Portal](#) (GBNNSIP) provides access to distribution maps and other information including an ‘alert system’ for all non-native species in Britain.
- UKCEH operates the wildlife disease & contaminant monitoring & surveillance network ([WILDCOMS](#)), integrating various surveillance schemes for disease and contaminants in vertebrate wildlife. Schemes such as the [UK Cetacean Strandings Investigation Programme](#) are supported by the Welsh Government and other public bodies.
- As part of the European Long Term Ecological Research (eLTER) network, UKCEH coordinates a series of long-term ecosystem research sites across the UK – the [Environmental Change Network](#) (ECN). Four sites are based in Wales and operated by NRW (one terrestrial and three freshwater). The ECN site network was established in 1993 to monitor the physical, chemical, and biological components of ecosystems, providing evidence of impacts to biodiversity, particularly climate change, pollution, and land management. Additional ecological research station networks, with sites situated across Wales, include the [UK Upland Waters Monitoring Network](#) (supported by WG) and [Cosmic-ray soil moisture monitoring network](#). Data are freely available for non-commercial purposes.
- The Clean Air Act for Wales sets out targets for pollutants and has regard to the most recent WHO air quality guidelines. [Monitoring](#) of air quality takes place at strategic locations throughout Wales e.g. at automatic monitoring sites. Data on air quality from 1986 to the present day can be retrieved from the [Welsh Air Quality Data and Statistics Database](#).
- The National Peatland Action Programme monitors hydrological and ecological responses to its restoration activity. All restoration data are published on the [Welsh Peatland Data Portal](#) and progress reports are published on the NPAP Website. The first five-year evaluation of NPAP is scheduled for 2025.
- The [National Forestry Inventory](#) is a five-year rolling programme coordinated by Forest Research, monitoring the state of woodlands and trees within Great Britain.



Llyr Gruffydd MS
Chair, Climate Change, Environment and Infrastructure Committee
Senedd Cymru
Cardiff Bay
Cardiff
CF99 1SN

21 October 2024

Dear Llyr

Marine Conservation Zones

On the 14 October, we received a letter from the Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs, sent to the stakeholders of the Marine Conservation Zone (MCZ) Task and Finish Group, regarding a further delay to marine designations in Wales.

We note that the matter of slow designation of marine protected sites was raised with the Deputy First Minister at the recent (16 October) Climate Change, Environment and Infrastructure (CCEI) Committee evidence session on halting and reversing the loss of nature by 2030. As a result, we thought this delay will be of interest to the Committee, especially given the report published in November 2019 by the then CCERA Committee – [The Welsh Government's progress on Marine Protected Area Management](#).

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Mae'r RSPB yn rhan o BirdLife International, rhwydwaith o gyrrff angerddol, sy'n cydweithio i achub byd natur ledled y byd.

The RSPB is part of BirdLife International, a network of passionate organisations, working together to save nature across the world.

We have subsequently written to the Deputy First Minister, to express our great concern that a consultation will not be forthcoming until after the next Senedd Election in 2026, whilst noting Welsh Government's efforts to avoid further delays to the MCZ designation process. This is a significant delay and calls into question Welsh Government's ability to meet "30x30" targets for Welsh seas.

The identification and management of Marine Conservation Zones is an essential component to ensure the Welsh Government meets its duty to form an ecologically coherent network of Marine Protected Areas as well as its commitments under the Biodiversity Deep Dive into achieving 30x30.

This ongoing delay to the completion of the Marine Protected Area network in Wales is in stark contrast to the rapid pace at which future marine development mapping and proposals are progressing, as well as ambitions for the rapid roll out of offshore renewables. We have highlighted to the Deputy First Minister that it is vital that all current options for MCZ site proposals are considered as part of this process. And we are seeking an assurance from him that the work of The Crown Estate to identify future offshore wind development areas will take into account the areas being considered for potential MCZ proposals by the Welsh Government.

The Welsh Government has previously committed to evaluating the need for further designations for mobile species, including seabirds, once the current MCZ process is complete. We have reiterated the urgency for this. Seabirds globally are declining faster than any other bird group. In Wales, a recent review of breeding seabirds, undertaken by the RSPB on behalf of Natural Resources Wales, the British Trust for Ornithology, and the Welsh Ornithological Society, saw Gannets added to the Red List of Birds of Conservation Concern Wales (BoCCW) for the first time. In parallel, publication of a seabird update to the Birds of Conservation Concern UK report saw five new species of seabird, including Arctic Tern and Great Black-backed Gull, added to the UK Red List. Given the delay to the current MCZ process, we are seeking a commitment from the Welsh Government to undertaking this work now, by commissioning an

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Mae'r RSPB yn rhan o BirdLife International, rhwydwaith o gyrrff angerddol, sy'n cydweithio i achub byd natur ledled y byd.

The RSPB is part of BirdLife International, a network of passionate organisations, working together to save nature across the world.

evaluation of the sufficiency of the current MPA network as a whole for seabirds, complementing current work to develop a Welsh Seabird Conservation Strategy. The findings of this would yield vital information for both conservation and marine planning. This review should consider all protected sites for seabirds (including Special Protection Areas (SPAs)). The first phase of MCZ proposals to be consulted on following the next Senedd Election should include site option proposals that seek to address the findings of this evaluation where appropriate and outline plans to address any further gaps identified.

We urge that the CCEI Committee give this matter full consideration, and we look forward to receiving their response.

Yours sincerely,



Dr Sharon Thompson
Head of Policy and Advocacy

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Agenda Item 6.10



Dear Climate Change Environment and Infrastructure Committee,

We are facing a climate and nature crisis – to tackle this we need to act now to drive down emissions and protect the natural habitats that store carbon on land *and in the sea*.

More than two thirds of the UK, and nearly half of Wales is under the sea (i.e the seabed!), yet the UK Government’s “carbon accounting” stops on land, creating a substantial blind spot around the carbon absorption and storage capacity of our seas.

A set of pioneering reports published last week, reveals the vast amount of carbon stored in Welsh and wider UK marine habitats and the critical importance of protecting our seas for tackling these crises.

Reports can be found here: <https://www.wildlifetrusts.org/blue-carbon>

The Wildlife Trusts, WWF & the RSPB are calling for better protection for Wales’s most valuable and vulnerable blue carbon stores, including:

- Introduce a more strategic and spatial approach to marine planning
- Minimise the impacts of fishing and offshore developments on blue carbon stores
- Take account of blue carbon in the identification, designation and management of protected areas - including the completion of the MCZ network
- Welsh Government fulfil its Programme for Government Commitment and Biodiversity Deep Dive recommendation to establish a scheme to protect and restore seagrass and saltmarsh across Wales.

The *Blue Carbon Mapping Project*, by the Scottish Association for Marine Science (SAMS) on behalf of WWF, The Wildlife Trusts and the RSPB, is the first time a country has provided a comprehensive estimate of the carbon captured and stored in its seas, including within Marine Protected Areas (MPAs). It reveals that UK seas, primarily our offshore muds and sediments, capture and store up to 2-3 times more carbon per year than all of UK's forests.

The report identifies the most valuable blue carbon stores in the Irish Seas and Welsh Coast region, based on the best available data, and reinforces calls to improve protections of Welsh seas. It reveals an estimated 15.7 million tonnes of organic carbon are stored in Welsh marine habitats, with almost 94% stored in seabed sediments. The report analyses just the

top 10cm of the seabed and, with some sediments extending tens of metres deep, the total carbon storage will be far greater.

We would be happy to arrange an opportunity to discuss this report and implications for Wales in more detail – please reach out, if that is of interest.

Kind regards,

Penny Nelson - Ocean Recovery Policy & Advocacy Lead, WWF Cymru

Rowena Haines – Senior Marine Policy Officer, RSPB Cymru

Agenda Item 6.1

Ysgrifennydd y Cabinet Trafnidiaeth a Gogledd Cymru
Cabinet Secretary for Transport and North Wales



Llywodraeth Cymru
Welsh Government

Our Reference - MA/KSNWT/10767/24

Llyr Gruffydd
Chair
Climate Change, Environment, and Infrastructure Committee

4 November 2024

Dear Llyr,

I am writing to thank you and the Climate Change, Environment, and Infrastructure Committee for your work on 'Report on Legislative Consent Memorandum for the Passenger Railway Services (Public Ownership) Bill'.

Thank you for your conclusions on consent for the Bill's provisions. I look forward to working with you and the Climate Change, Environment, and Infrastructure Committee as we engage with UK Government on wider railway reform, to deliver real change for passengers and freight users in Wales.

Yours sincerely,

Ken Skates MS

Ysgrifennydd y Cabinet Trafnidiaeth a Gogledd Cymru
Cabinet Secretary for Transport and North Wales

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.