

# Agenda – Climate Change, Environment, and Infrastructure Committee

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Meeting Venue:

Committee room 5 Tŷ Hywel  
and video Conference via Zoom

Meeting date: 18 July 2024

Meeting time: 09.30

For further information contact:

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Committee Clerk

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## Hybrid

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At its meeting on 26 June 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 (09.15–10.00)**

### 1 Consideration of draft report on proposals for a Sustainable Farming Scheme

(Pages 1 – 14)

Attached Documents:

Draft report on proposals for a Sustainable Farming Scheme

### 2 Consideration of draft report on the restoration of opencast mining sites

(Pages 15 – 53)

Attached Documents:

Draft report on the restoration of opencast mining sites



**3 Cross-committee call for evidence on the UK-EU implementation review of the Trade and Cooperation Agreement (TCA)**

(Pages 54 – 57)

Attached Documents:

Cross-committee call for evidence on the UK-EU implementation review of the Trade and Cooperation Agreement (TCA)

**Public meeting (10.00–11.00)**

**4 Introductions, apologies, substitutions, and declarations of interest**

(10.00)

**5 Annual scrutiny of operation of interim environmental protection measures – evidence session with the Interim Environmental Protection Assessor for Wales**

(10.00–11.00)

(Pages 58 – 89)

Dr Nerys Llewelyn Jones – Interim Environmental Protection Assessor for Wales

Anna Heslop – Deputy Interim Environmental Protection Assessor for Wales

Lynda Warren – Deputy Interim Environmental Protection Assessor for Wales

Attached Documents:

Research brief – Annual scrutiny of the Interim Environmental Protection Assessor for Wales

Paper – Interim Environmental Protection Assessor for Wales Annual Report 2023–2024

## **6 Papers to note (11.00)**

### **6.1 Legislative Consent: Automated Vehicle Bill**

(Pages 90 – 91)

Attached Documents:

Response from the Cabinet Secretary for North Wales and Transport to the Committee's report: Report on Legislative Consent Memoranda for the Automated Vehicle Bill

### **6.2 Scrutiny of Transport for Wales**

(Pages 92 – 93)

Attached Documents:

Response from the Auditor General for Wales and CEO of Audit Wales to the Chair in relation to the scrutiny of Transport for Wales

### **6.3 Petition P-06-1395 Halt significant new development on the Gwent Levels SSSIs**

(Page 94)

Attached Documents:

Letter from the Chair of the Petitions Committee to the Chair in relation to Petition P-06-1395 Halt significant new development on the Gwent Levels SSSIs

### **6.4 Progress towards emissions reduction**

(Pages 95 – 101)

Attached Documents:

Letter from the Chair to the Cabinet Secretary for Climate Change and Rural Affairs in relation to progress towards emissions reduction

### **6.5 Establishment and remits of committees**

(Pages 102 – 103)

Attached Documents:

Letter from the Chair of the of the Economy, Trade, and Rural Affairs Committee to the Llywydd in relation to Committee Remits following the recent reconfiguration of the Welsh Government Cabinet

## **6.6 Retained EU Law (Revocation and Reform) Act 2023**

(Pages 104 – 105)

Attached Documents:

Letter from the Chair to the Cabinet Secretary for Climate Change and Rural Affairs in relation to the National Emission Ceilings Regulations 2018 (NECR)

## **6.7 Draft Budget 2024–25**

(Pages 106 – 107)

Attached Documents:

Interim response from the Welsh Government in relation to the Committee's report: Scrutiny of the Welsh Government Draft Budget 2024–25 –

Recommendation: 16

## **6.8 Scrutiny of Natural Resources Wales**

(Pages 108 – 125)

Attached Documents:

Response from the CEO of Natural Resources Wales to the Committee's report: Natural Resources Wales – Annual Scrutiny 2023–24.

Response from the Cabinet Secretary for Climate Change and Rural Affairs to the Committee's report: Natural Resources Wales – Annual Scrutiny 2023–24.

## **6.9 Welsh Government Draft Budget 2025–26**

(Pages 126 – 128)

Attached Documents:

Letter from the Chair of the Finance Committee to the Cabinet Secretary for Finance, Constitution and Cabinet Office in relation to the Welsh Government Budget Timetable 2025–26

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

(11.00)

**8 Consideration of evidence received under item 5**

(11.00-11.15)

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# Agenda Item 3

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

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# Agenda Item 5

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

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# IEPAW

## Interim Environmental Protection Assessor for Wales

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**Annual Report  
2023 - 2024**

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## Foreword

I am pleased to present my third annual report as the Interim Environmental Protection Assessor for Wales (IEPAW) covering the period 1 March 2023 to 29 February 2024.

This year has seen nine submissions from the public highlighting a variety of concerns about environmental law in Wales. This was an increase on the previous year and I am grateful to those who have taken the time to make these submissions in order to highlight areas where the effectiveness of legislation related to environmental protection in Wales would benefit from review.

There have been changes to the Secretariat team, with Clare Stock and Tim Morris joining in August 2023 and a new Head of the Secretariat, Emma Davies being appointed in December 2023. I must express my gratitude to David Beckett and Elizabeth Clark for their contribution and dedication to the IEPAW Secretariat over the last two years. We are a small team but we have continued to progress work on several key areas and although there is always more to be done, the

addition of Deputies, Anna Heslop and Lynda Warren and support from PhD Students to our work in 2024 will be beneficial in assisting to achieve our aims for the coming year.

The Climate Change, Environment and Infrastructure Committee (CCEIC) has once again provided invaluable feedback to aid the IEPAW in assessing and monitoring its impact and this is something we have been actively considering.

I would also like to extend my thanks to the public and stakeholders who have reached out to me over the past year and attended events organized by the IEPAW. The concerns, evidence and observations provided have been invaluable. This ongoing support is greatly appreciated and I look forward to working closely with you all in 2024.

Finally, I would like to express my gratitude to Julie James, Minister for Climate Change for her support, regular meetings and engagement with the IEPAW during this term.

## Introduction

Since March 2021, Dr Nerys Llewelyn Jones has undertaken the role of the Interim Environmental Protection Assessor for Wales (IEPAW). The IEPAW considers concerns raised by the public about the functioning of environmental law in Wales. This is an interim process that will be in place until a permanent body is established in Wales to oversee compliance with environmental law. Dr Llewelyn Jones was initially contracted for a period of up to two years, although this was extended to 29 February 2024. A further year extension has since been provided until 29<sup>th</sup> February 2025 and the recruitment of two Deputies was commenced in 2023, with appointments being made in May 2024 for a period of 3 years.

The IEPAW is independent from the Welsh Government, although Welsh Government officials provide secretariat support to the IEPAW. Our focus is on the functioning of environmental law, not on breaches of that law. Our aims are to:

- provide oversight of the functioning of environmental law in Wales; and

- to consider systemic issues relating to the working or functioning of environmental law in Wales.

The role does not involve consideration of:

- breaches of environmental law;
- areas of non-compliance with environmental law; or
- issues raised that are covered by another complaints mechanism or process.

Our aim is to identify where action can be taken to improve the functioning of environmental law in order to improve environmental outcomes. Details on how to raise a concern about the functioning of environmental law in Wales, as well as our terms of reference, are available at [Interim Environmental Protection Assessor for Wales | GOV.WALES](https://gov.wales/interim-environmental-protection-assessor-for-wales)

The IEPAW is committed to publishing an annual report on the submissions received, its work in considering the functioning of environmental law in Wales and any action taken regarding concerns raised. This is the third annual report and covers the period 1 March 2023 to 29 February 2024

## Climate Change, Environment and Infrastructure Committee Report

On 21 June 2023, the IEPAW attended an oral evidence session hosted by the [Climate Change, Environment and Infrastructure \(CCEI\) Committee](#) (“CCEI Committee”). This session provided the CCEI Committee with an opportunity to scrutinise the operation of the interim environmental governance arrangements and to learn more from Dr Llewelyn Jones about her previous year as the IEPAW in addition to her planned activity moving forward. Following this evidence session, the CCEI Committee published a [report on the operation of the interim environmental governance measures](#).

We are once again grateful to the CCEI Committee for the work they have undertaken in this area and the recommendations they made for improving the interim environmental governance arrangements. The CCEI Committee’s recommendations constitute an important package of improvements to ensure the IEPAW can deliver its functions effectively until a permanent environmental oversight body is in place.

Although the recommendations in the report were primarily aimed at the Welsh Government, there was one recommendation that was specifically directed towards the IEPAW. This related to the establishment of processes to monitor the impact of the IEPAW’s role and work on environmental outcomes. The IEPAW

is grateful to the CCEI Committee for highlighting this and has considered ways to address the issue. These include:

- Delivery of the annual briefing to the CCEI Committee and the opportunity for Committee members to directly question the Interim Assessor on its work and to highlight areas that require consideration.
- Delivery of online Stakeholder briefings on a quarterly basis for the public to directly question the Interim Assessor on her work<sup>1</sup>
- Publication of regular newsletters detailing IEPAW activities.<sup>2</sup>
- Quarterly reviews of all submissions received by the IEPAW since its establishment, identifying substantive changes affecting initial scoping of the submissions and reconsideration in line with the published prioritisation principles.<sup>3</sup>
- Ongoing reviews of Senedd activity relevant to the IEPAW’s activities such as Plenary discussions and CCEI Committee meetings.

The IEPAW is considering what additional monitoring processes are required to analyse the impact of reports published by the IEPAW going forward. An additional section has been added to this Annual Report that

<sup>1</sup> Four quarterly stakeholder meetings have been conducted to date. Details of the discussions and issues raised are covered in the IEPAW newsletter. Teams invitations to attend can be obtained by emailing IEPAW@gov.wales.

<sup>2</sup> Four newsletters have been published to date starting in October 2022. They can be found at [Interim Environmental Protection Assessor for Wales | GOV.WALES](#)

<sup>3</sup> Details of the outcome of reviews are included in the Process section of this report.

reviews and considers the impact of report recommendations and other IEPAW activities. We have also reviewed our submissions processes, and analysis activities. As a result, measures to improve impact monitoring and reporting have been identified and implemented within our quarterly reviews of submissions.

Another key recommendation of the Committee's report was that the Welsh Government should provide an indicative timetable for the remaining stages of the appointment process for a Deputy IEPAW.<sup>4</sup> The IEPAW is pleased to announce that following the

recruitment process in December, two Deputies have been appointed instead of one and that both Deputies, Anna Heslop and Lynda Warren are now in post as of 1<sup>st</sup> May 2024. The IEPAW is fortunate to have attracted two PhD students to join the team for a period of 3 and 6 months respectively to contribute in particular to our work on protected sites and water, with one placement commencing in the period of this Annual Report and both continuing into the 2024-5 year. These additions to the IEPAW team have been invaluable and will enable us to deliver more output in 2024-5 period.

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<sup>4</sup> Recommendation 1: The Minister should report back to the Committee on [...] steps that have been taken to date to appoint a Deputy IEPAW. This

should include an indicative timetable for the remaining stages of the appointment process.

## Stakeholder Engagement

Since 2022, the IEPAW has continued to host a series of virtual quarterly stakeholder meetings. These meetings continue to provide an opportunity to update interested parties on the work of the IEPAW in addition to listening and learning from stakeholders about matters of concern that may give rise to submissions. These sessions continue to be well-attended and have seen a wider range of stakeholders engage with us over the last 12 months. They have also proved to be a valuable source of information for us and continue to allow us to provide a high level of transparency around our work. Alongside these events, we have also continued to meet with individual stakeholders both virtually and in person. This has included the NRW, RSPB, Green Alliance and Afonydd Cymru, WLGA and AECOW. Insights from these meetings have assisted the IEPAW in considering a range of environmental issues that have required prioritisation.

The IEPAW attended several events throughout the year. These include:

- The UKELA Conference in late June 2023 which was held in Reading University. The Interim Assessor delivered an update at the UKELA Working Group Wales virtual session and also attended the in person event held in Reading University where she participated in a session together with representatives from the OEP, and ESS on Environmental Governance in the UK.
- The 2023 Royal Welsh Show once again provided an opportunity to meet with stakeholders. The IEPAW was particularly interested in the views of stakeholders on the Agricultural (Wales) Act 2023 and the development of the Sustainable Farming Scheme. Input from stakeholders was particularly welcomed as it provided a helpful perspective on how the scheme might affect the functioning of environmental law.
- Coed Cadw's event in Cardiff on tree protection focused specifically on Welsh matters with engaging presentations from youth representatives and the Minister for Climate Change, Julie James which was attended by the IEPAW Secretariat.
- Attendance at several Westminster Forum events including the Policy Forum for Wales Keynote Seminar: Next steps for climate change policy in Wales on 9th June 2023 and The future for environmental standards, policy and regulation in the UK on 27th February 2024.
- Virtual Attendance at the Association of Environmental Clerks of Works conference on 14th November 2023 which was specifically considering approaches to EIA.
- As in previous years, we continue to meet regularly with Natural Resources Wales (NRW) for updates on emerging issues and discussion on areas we are working on. We have also engaged in a collaborative workshop with NRW in on 12th February 2024 on potential legislative and regulatory priorities.

This workshop was a useful opportunity to develop a greater understanding of the areas of environmental law that have limitations or where improvements could be made from a Regulator perspective.

We also continue to meet with relevant officials within Welsh Government policy teams as in previous years. This provides the opportunity to ensure that we remain appropriately informed on policy developments relating to environmental law in Wales.

## Cross-border Engagement

Given the cross-border nature of many environmental issues, it is important that we maintain constructive working relationships with our counterparts in the other nations of the United Kingdom. For this reason, we regularly meet with representatives from the Office for Environmental Protection (OEP) (representing both England and Northern Ireland) and Environmental Standards Scotland (ESS). Although each body has slightly different remits and powers to us in Wales, these meetings are an invaluable forum for cooperation and exchange of information, enabling the three bodies to discuss our shared priorities, flag emerging issues, and share information on best practice. To strengthen this relationship further, the three bodies have agreed a tripartite memorandum of understanding<sup>5</sup> setting out how the three bodies will seek to cooperate and share information.

Work has continued this year sharing information on water quality issues in addition to collaboration on work relating to protected sites. With

several water bodies traversing the border between England and Wales, collaboration has provided valuable opportunities to develop our understanding of where opportunities and challenges exist in environmental management along their courses. This collaboration has also helped to understand the challenges different regulatory regimes present.

The IEPAW also received an invite to join the other UK environmental scrutiny bodies in Edinburgh, Scotland on 24<sup>th</sup> and 25<sup>th</sup> May 2023. We are grateful to the ESS for hosting that meeting and the opportunity to meet with counterparts and discuss the processes for establishment of the OEP and ESS bodies has been invaluable to us in the IEPAW in terms of our development but also in feeding in to the Environmental Governance team in Welsh Government considerations for the permanent body in Wales. We are pleased to confirm that this meeting will become an annual event and we are excited to welcome representatives of the OEP and ESS to Cardiff in August 2024.

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<sup>5</sup> Available at [Memorandum of Understanding between the Office for Environmental Protection 0.pdf \(theoep.org.uk\)](https://theoep.org.uk/Memorandum_of_Understanding_between_the_Office_for_Environmental_Protection_0.pdf)

## Process

We aim to provide an initial response to submission forms received within 20 working days of their receipt.

When a submission is received, it is subject to a scoping exercise to determine whether it relates to the functioning of environmental law in Wales and so can be considered by the IEPAW. If the submission is within scope, then it will also undergo a prioritisation exercise to decide whether it should be the subject of an investigation and report to Welsh Ministers. It is not possible to produce a report in response to every submission received. Instead, we aim to target our resources on the issues that we consider to be of the highest priority in line with our published prioritisation principles<sup>6</sup>.

Following the CCEI committee report on the IEPAW published in June<sup>7</sup>, we have reviewed our processes regarding submissions as a result of their recommendation on impact

monitoring. It was identified that improving how we manage and use data as well as the details we record would be necessary for this purpose. Amendments included refined categories for submissions and improved recording of actions undertaken in response. All submissions received by the IEPAW have been recategorized using the new categories to ensure consistency moving forward in addition to analysis of previous activity. We have also implemented changes to the way we record information about the regulations and statutes referred to in submissions. This is allowing us to improve our analysis of the functioning of environmental legislation and provide appropriate detail to Welsh Ministers. Additionally, we are improving our analysis of the environmental issues that are being brought to our attention. Figures 1 – 3 below show the submissions received against the new categories since the inception of the IEPAW by year.

<sup>6</sup> Available at [Interim Environmental Protection Assessor for Wales \(IEPAW\) prioritisation principles](https://gov.wales/interim-environmental-protection-assessor-for-wales-IEPAW-prioritisation-principles) | GOV.WALES

<sup>7</sup> See CCEIC Report Section for further details, [cr-ld16043-e.pdf \(senedd.wales\)](https://gov.wales/cceic-report-section)

Figure 1: IEPAW Submissions Received by Category 2021-2022

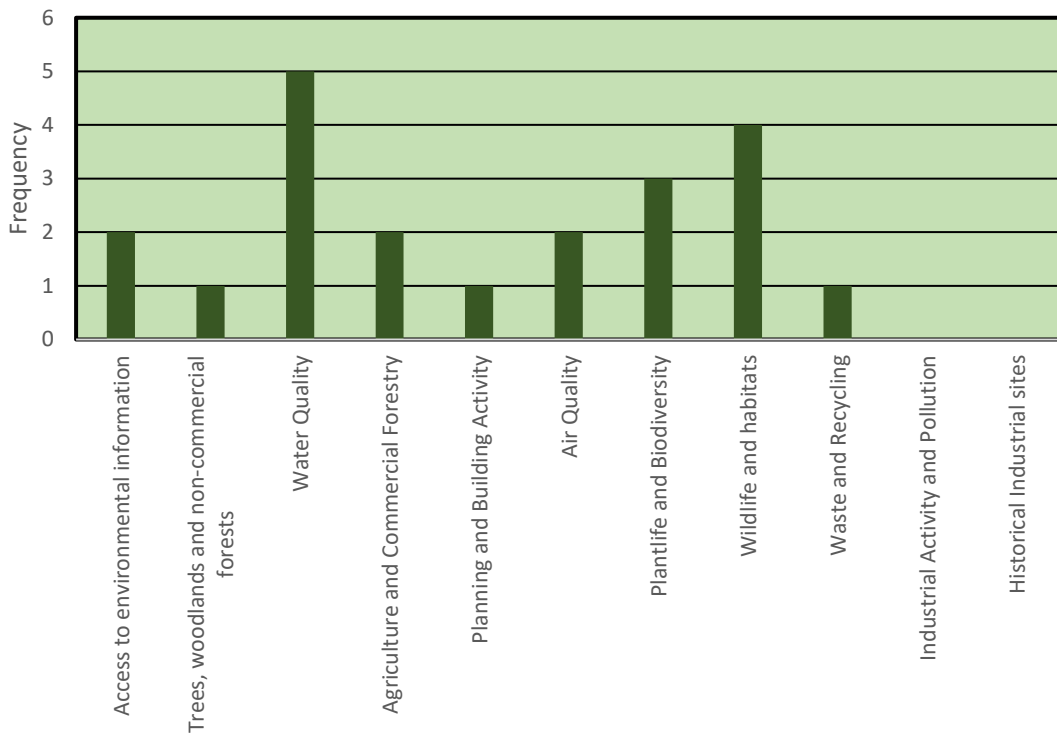


Figure 2: IEPAW Submissions Received by Category 2022-2023

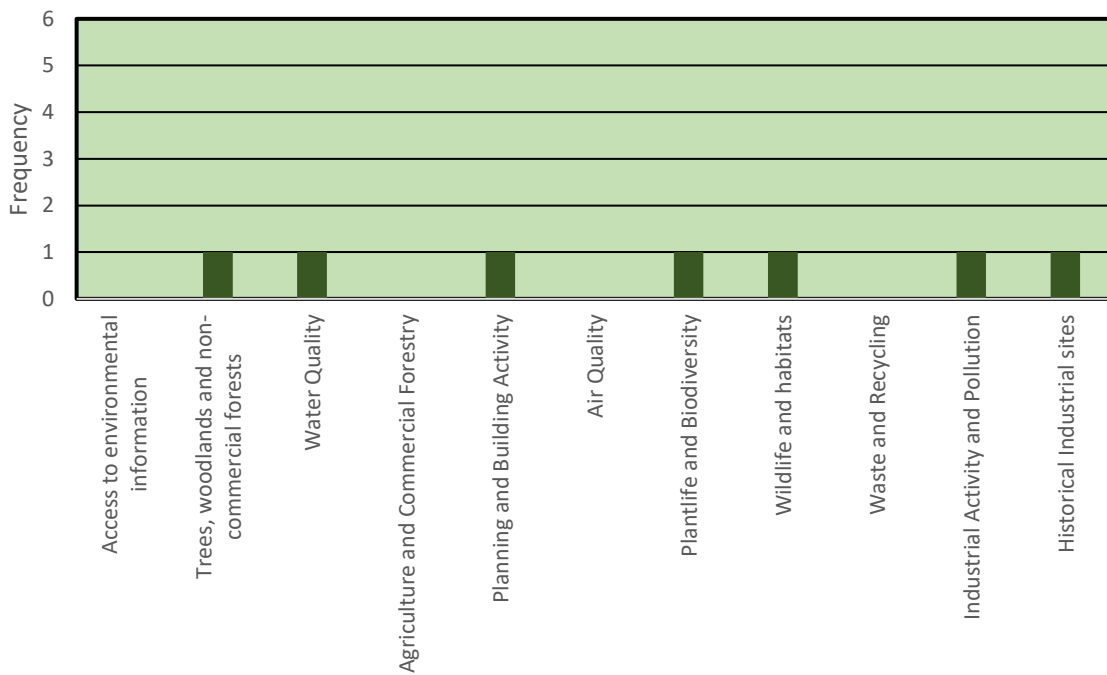
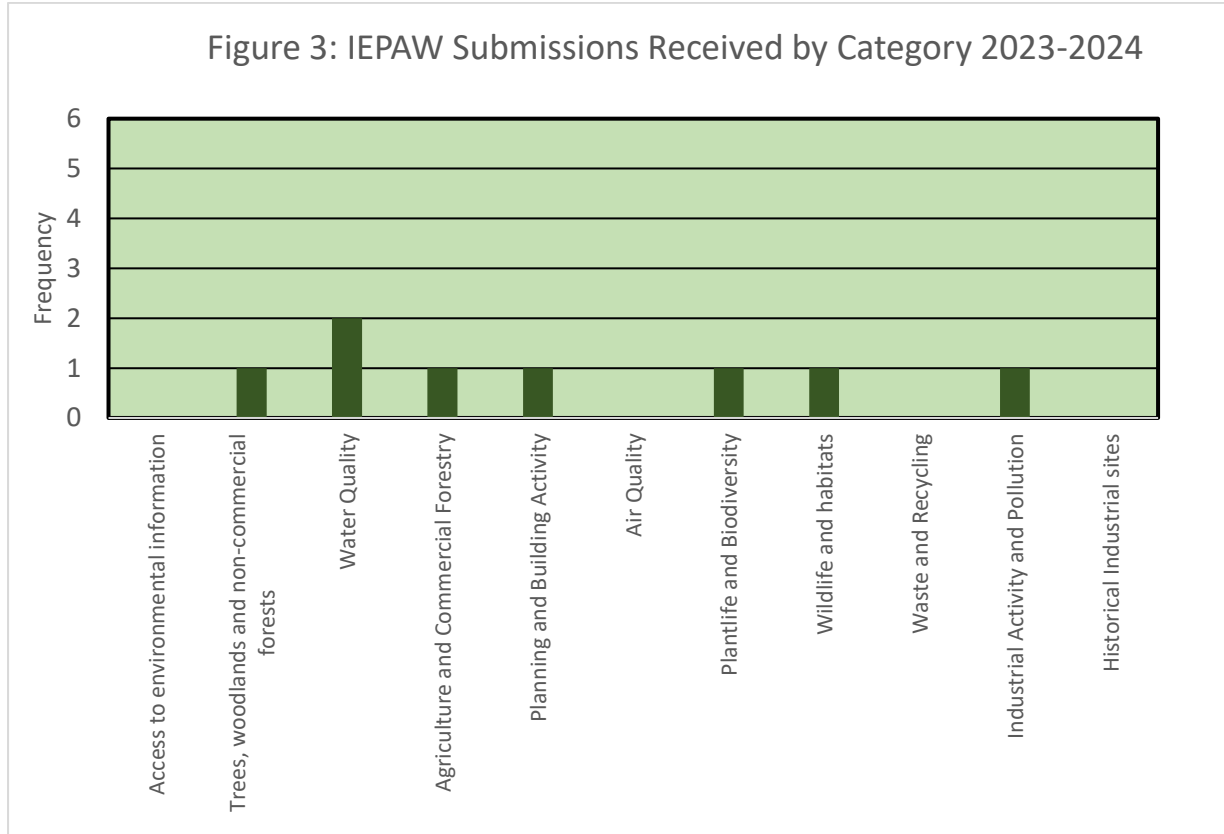
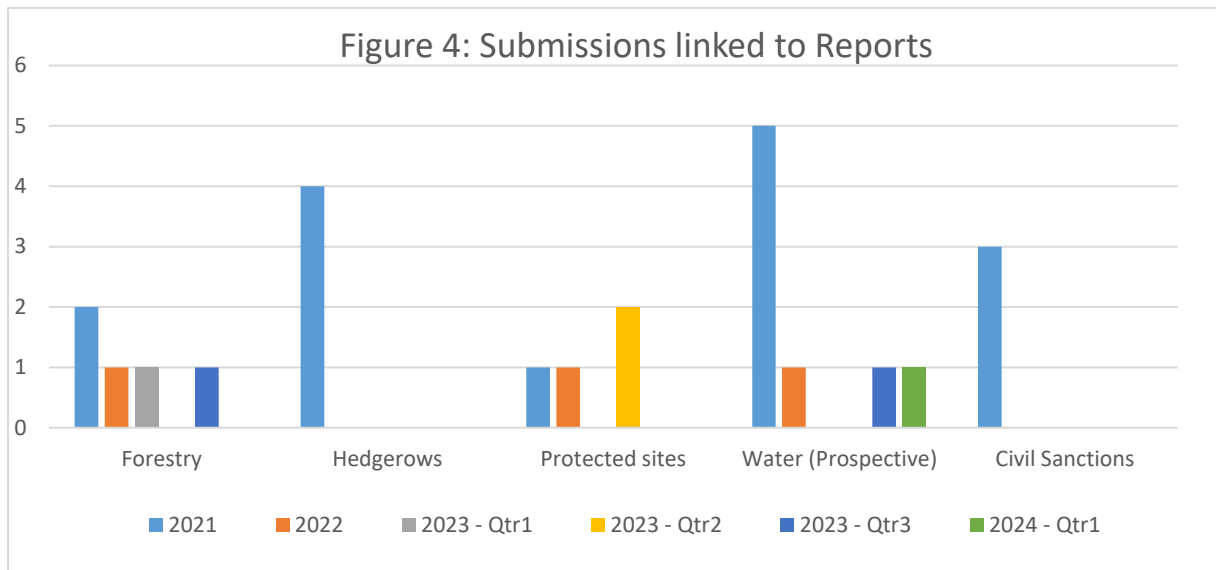


Figure 3: IEPAW Submissions Received by Category 2023-2024



Most submissions received by the IEPAW have resulted in them being considered and included in the scoping of a report. Of the 36 submissions received since 2021, 7 were deemed to be outside the scope of the IEPAW. The majority of these were received in 2021 (5) with only 2 further submissions to date having fallen into

this category. This we believe has been assisted by our implementation of a formal submission form and clearer guidance on what content should be included in submissions and what is within or outside scope. We have received submissions on water quality, and biodiversity in every year to date.



This work has also highlighted some of the limitations resourcing has placed on the activity of the IEPAW. Other factors have influenced decisions about which topics to pursue reports on for Welsh Ministers. Water quality has been the most frequent issue raised with the IEPAW since its inception. Although it has been earmarked for development, work has not yet commenced on a report into this topic. This is due to the complexity of the matter as illustrated in the submissions received. Although they have all been classified as referring to water quality, multiple sources of pollution have been identified in submissions. Furthermore, we are keen to add value and we took a conscious decision in 2023 not to embark on compiling a water report at that time until other pieces of work by the CCEI Committee, Welsh

Government and NRW had been completed.

We have however recruited a dedicated PhD student who will concentrate on water quality and commences at the IEPAW in March. Their contribution should allow us to rapidly progress development of the report on water quality with a Call for Evidence to be issued in Summer 2024.

We are also engaging in quarterly reviews of all submissions to date to ensure that we effectively track progress on various environmental issues that have been raised and keep submitters up to date with our work in response to their submission. This includes a consideration of the original scoping decision and activity linked to the submission.

## Submissions Received

During 2023 – 24, we received nine submissions about the functioning of environmental law in Wales. This was a 50% increase on the previous year.

- One submission related to tree preservation orders and appropriate enforcement activity by local planning authorities.
- Two submissions related to the protection and management of protected sites.
- Two submissions related to water quality and the impact of activity on protected sites.
- Two relate to ammonia emissions from agricultural sources.

- One submission relates to local development planning and the full range of obligations planning authorities are subject to under environmental legislation.

(See Figure 3 above)

Of the submissions received this year, one was considered to be outside the scope of the IEPAW process so was not taken any further. This submission related to open cast mining. The majority of the other submissions are on matters we are already drafting reports on and we have considered these additional submissions in their development.

## Further Details on Concerns Received

### Trees

In this submission, the submitter stated that tree preservation orders were not being correctly utilised. They cited a case in which several trees were felled following a planning application. It was suggested that guidance or regulations could be selected to justify decisions to allow trees to be felled. They also contended that monitoring and enforcement processes are insufficient for ensuring legal protections for woodland areas and specific trees are enacted.

### Protected Sites.

We have received two submissions relating to protected sites this year. In the first, concerns were raised about activity related to Special Protected Areas (SPAs) and Wales' obligations relating to the creation of a national network across the UK. The second raised concerns about the protection of endangered species on protected sites and the extent to which obligations were being considered in the planning process.

We are in the process of producing a report on legislation and regulations relating to protected sites in Wales. These submissions have been included for consideration in this report.

### Water Quality

We have received two submissions relating to water quality this year. In the first, concerns were raised about the impact of permitted discharges on Sites of Special Scientific Interest (SSSIs). It was argued that the current permitting regime was not providing

sufficient protection for these sites. The second raised concerns about the impact of diffuse agricultural pollution on Special Areas of Conservation (SACs). It argued that there was scope for legislation and regulations to be incorrectly applied, citing evidence of pollution in a specific body of water.

We are currently considering our approach to water quality and the production of a report. This has required engagement with a broad range of stakeholders to determine what issues are involved. These submissions are being considered in the context of this report.

### Ammonia Emissions

We have received two submissions related to ammonia emissions this year. Both relate to the effective control of ammonia emissions in agriculture. It has been suggested that guidelines were based on incorrect information and were resulting in flawed authorisation of planning permission for agricultural development. It was also argued that emissions were not being effectively controlled as a result.

We are currently considering our response to the issues raised within these submissions.

### Planning and Building Activity

This submission argued that local planning authorities were failing to consider their obligations to ensure access to open spaces. It was contended legislation that established Natural Resources Wales (NRW) had

failed to transfer responsibilities held by previous bodies in this area.

In the process of scoping, it was identified that the submitter had not considered a subsequent piece of legislation relating to these responsibilities. It was therefore determined that the submission did not require further investigation.

### **Industrial Activity and Pollution**

This submission argued that scope existed for the continuation of open cast mining in Wales as result of the incorrect application of planning and industrial policies. The case of an open cast mining site was cited in support of the submission. As the submission related to regulatory breaches, it was determined that it fell outside the scope of the IEPAW.

## Reports Under Development

We are currently continuing to develop several reports. These have taken longer than originally anticipated as emerging issues have been taken into consideration. Given that we have received 9 more submission during this period it has been challenging to also progress our report work. Additional submissions received have also had to be considered in the context of the reports already in progress.

There are 4 reports currently being progressed. These include:

1. Tree Preservation Orders and Felling Licences
2. Hedgerows
3. Protected Sites
4. Civil Sanctions

We are currently drafting a report on hedgerow protection and management. This is intended to consider whether the Hedgerow Regulations 1997 meet their stated aim of protecting hedgerows effectively. This will also closely align with several issues identified in the development of the report on trees.

A further report on protected sites and their management is also being drafted. This follows several submissions received in 2022.

Several further submissions have been received this year, as noted above. The aim of this report is to consider the legislation relating to the protection and management of the various types of sites designated within Wales.

Another report that we feel has relevance to many of the issues we have been considering is the application of civil sanctions in Wales. The intended aim of this report is to consider how civil sanctions have been utilised to date within environmental law and also to assess whether use of civil sanctions in other areas of environmental law would be valuable in encourage compliance and as an additional mechanism for enforcement.

We noted last year that we have kept a watchful eye on issues relating to water quality in Wales, particularly concerns around the use of combined sewage overflows and agricultural pollution. Having received further submissions on this topic this year that identify these and other sources of pollution as potential issues, we have recruited a PhD student on a 6-month part time placement who will focus specifically on the functioning of environmental law in this area and the regulatory framework currently available. A call for evidence on water quality will be issued in the 2024-25 period.

## Impact Monitoring

The CCEI committee's report on the functioning of the IEPAW published in September made the following specific recommendation for us:

“The IEPAW should establish a formal process to monitor the impact of its recommendations on Welsh Government decisions and environmental outcomes. This will allow the IEPAW to assess its impact.<sup>8</sup>”

To address this recommendation, we have prioritised our processes for monitoring the impact of our actions with respect to submissions as this is the starting point of much of our activity. This has involved the development of a formal review process that evaluates previous decisions and activity since the receipt of submissions.

Submissions to date have fallen broadly into two categories; those within and outside of the scope of the IEPAW. Where they have fallen within scope, they have been allocated to reports in development or to those we are currently planning our activity.

Those submissions that have been determined to fall outside the scope of the IEPAW have been reviewed to determine whether that decision still holds, or whether there have been changes such as introduction of new legislation that might prompt a re-evaluation of the original decision.

Of those submissions that fall outside of scope, two are of note. The issues raised in those submissions related to the conduct of the NRW. Even though the IEPAW does not have formal powers to deal with such issues, it was felt that this did not preclude the IEPAW from raising these issues with NRW. It was considered reasonable to ask for an explanation of their decision and what plans they had with respect of the issues raised.

In the first submission, it was argued that NRW was failing to maintain a public register to allow members of the public to obtain information on pollution matters in Wales. Since raising the matter NRW has addressed this issue and made a public register available on its website<sup>9</sup>.

In the second submission, it was argued that NRW had failed to establish and maintain a Regional Advisory Committee (RAC) as it was required to under the Forestry Act 1967. Since our discussions, NRW have created one as a sub-body of their Land Management Committee (LMC). The group currently meet to review emerging issues and consider strategic priorities for forestry as required, reporting back to the full LMC.

With respect to impact monitoring around responses to IEPAW reports, we are still in the process of formalising our approaches. The issue of capacity has had some impact on work in this area as resources have been dedicated to report development

<sup>8</sup>Recommendation 2 [cr-ld16043-e.pdf \(senedd.wales\)](#)

<sup>9</sup> [Natural Resources Wales / Public register: environmental permitting, water resources and marine licensing information](#)

as they have become available. To date, only informal monitoring of the impact of the Reformed European Union Legislation Report has been undertaken.

We have previously met with Welsh Government to discuss the recommendations of the REUL report published in 2022-23 as part of our ongoing monitoring and continue to do so, following the next stage of implementation of the REUL Act from 1<sup>st</sup> October 2024.

The increased resources that have been made available to the IEPAW are allowing us to rapidly progress work on other reports. Alongside this activity

we are developing formal processes for monitoring and documenting the impact of these as they become available. These will be piloted with the publication of forthcoming reports with the aim of ensuring these are sufficiently developed to allow effective reporting in subsequent Annual Reports.

To date we have undertaken informal impact monitoring with stakeholders during stakeholder meetings. As with our procedures around IEPAW reports, we will be formalising these over the coming months. The ambition is to achieve the same outcomes as for other areas of impact monitoring.

## Conclusion

The IEPAW is an interim position and we look forward to the outcome of work by Welsh Government to bring forward legislation for the establishment of a permanent environmental governance body. The IEPAW has engaged with the Welsh Government Environmental Governance team in relation to their ongoing work and fed in suggestions based on the experience of the IEPAW to date. We also welcome commitments made by the Welsh Ministers to ensuring a seamless transition from the IEPAW to this new body. We welcome comments and feedback in relation to the role and its work. If

you wish to raise a concern about the functioning of environmental law in Wales, you can fill in a Submission Form which can be found on the IEPAW website at [Interim Environmental Protection Assessor for Wales: Submission Form | GOV.WALES](#). Further information about our activities, details of calls for evidence or stakeholder events can also be found on the IEPAW website at [Interim Environmental Protection Assessor for Wales | GOV.WALES](#). If you have any comments about this or the role or wish to be added to the mailing list, please contact [IEPAW@gov.wales](mailto:IEPAW@gov.wales).

# Agenda Item 6.1

Ysgrifennydd y Cabinet dros Drafnidiaeth a Gogledd Cymru  
Cabinet Secretary for North Wales and Transport



Llywodraeth Cymru  
Welsh Government

Ein cyf/Our ref MA/KSNWT/5412/24

21 June 2024

Llyr Gruffydd MS  
Chair  
Climate Change Environment & Infrastructure Committee  
Senedd Cymru  
SeneddClimate@senedd.wales

Dear Llyr

I am writing to respond formally to your Committee's report<sup>1</sup> on the Legislative Consent Memorandum and Supplementary Legislative Consent Memorandum No. 2 re: the Automated Vehicles Bill, published April 2024.

I am grateful for the Committee's consideration given to these matters and note the Report's conclusion below:

"We note the Welsh Government's reasons for making the provisions for Wales in the Bill. In this instance, we found no reason to object to the Senedd consenting to clauses 82 to 85, 87 to 90, 97 of, and Schedule 6 to the Bill. In relation to clause 40, we expect the Minister to provide an update on discussions with the UK Government before tabling the Legislative Consent Motion associated with the LCM."

**Welsh Government Response: Accept.**

**Financial implications – None.**

You will be aware that I laid a further Supplementary Legislative Consent Memorandum No. 3 (SLCM3) over Easter Recess addressing the amendments to clause 40 and clause 93 of the Automated Vehicles Bill.

<sup>1</sup> [cr-ld16438-e.pdf \(senedd.wales\)](https://senedd.wales/cr-ld16438-e.pdf)

<https://senedd.cymru/media/yuxhgww3/cr-ld16438-w.pdf>

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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.

I am pleased to note that the Senedd subsequently approved the related Legislative Consent Motion following a plenary debate on the 23 April 2024. The Bill has now completed its passage through the House of Lords and House of Commons and is currently awaiting Royal Assent.

May I take this opportunity once again to thank you and your Committee for its diligent work regarding the Legislative Consent Memoranda relating to the Automated Vehicles Bill.

A handwritten signature in black ink, appearing to read 'Ken', enclosed within a thin black rectangular border.

**Ken Skates AS/MS**

Ysgrifennydd y Cabinet dros Drafnidiaeth a Gogledd Cymru  
Cabinet Secretary for North Wales and Transport

Llyr Gruffydd MS  
Chair  
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**Reference:** AC424/caf

**Date issued:** 24 June 2024

Dear Llyr

## Transport for Wales and the Core Valley Lines Modernisation Project

Thank you for your letter of 19 June 2024 following the Committee's report on rail services and Transport for Wales performance. I note the Committee's request for me to consider whether the delivery of rail services and the Core Valleys Line modernisation project merits further scrutiny as part of my programme of value for money examinations. Our [Annual Plan 2024-25](#) already identifies an examination of issues relating to support for bus and rail services in the context of the National Transport Delivery Plan. We intend to progress detailed planning work during the autumn to determine the scope of the examination and the timescale for completion, although this work would run into 2025-26. I have asked colleagues to reflect on the issues raised by the Committee as they plan the work, although it would not necessarily be practical to wrap all of them into one examination. We will also look to engage with the Committee's clerking team/researchers to ensure we have a full understanding of the evidence underpinning the Committee's work and plans for any ongoing scrutiny. I am aware too of relevant evidence received previously by the UK Parliament's Welsh Affairs Committee.

My wider audit powers provide a basis for examining issues relating to the public funding flowing to, and through, Transport for Wales. For example, these powers are supporting work we are concluding on active travel, which I am aware is a topic that has also been of interest to your Committee as referenced in your recent report. However, because I am not the statutory external auditor of Transport for Wales for

the purpose of its accounts, we do not have the same line of sight or the same type of established relationships that exist for most other Welsh Government arm's length bodies. With plans for Transport for Wales to shortly be subject to the well-being duty under the Well-being of Future Generations (Wales) Act 2015, I will have specific duties to examine its application of the sustainable development principle. This is one consideration that will inform the scope of the examination I mention above. While we are still to discuss practical arrangements with Transport for Wales officers, we will also be looking to establish stronger ongoing relationships with the organisation and improve our understanding of its overall objectives, governance, and performance to better inform ongoing planning for work under the Act.

As with your original letter, I am copying this response to the Chair of the Public Accounts and Public Administration Committee to inform that Committee's consideration of the issues raised in your report. I will ensure we update both committees once the scope of our planned work is confirmed. Should you wish to meet personally in the meantime, I would be very happy to do so.

Yours sincerely



**ADRIAN CROMPTON**  
**Auditor General for Wales**

# Y Pwyllgor Deisebau Agenda Item 6.3

## Petitions Committee

### Senedd Cymru

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Llyr Gruffydd, MS

Chair

Climate Change, Environment, and

Infrastructure Committee

Tŷ Hywel

Cardiff Bay

CF99 1SN

26 June 2024

Dear Llyr,

### Petition P-06-1395 Halt significant new development on the Gwent Levels SSSIs

The Petitions Committee has been considering the above petition, which was considered most recently as part of an evidence session at our meeting on 20 May.

At the meeting Members agreed to write to you to draw attention to the issues raised and to ask if your Committee has any plans to undertake work on this issue.

Further information about the petition, including related correspondence, is available on our website at: <https://business.senedd.wales/mglIssueHistoryHome.aspx?Ild=42873>

If you have any queries, please contact the Committee clerking team at the e-mail address below, or on 0300 200 6454.

Yours sincerely



Jack Sargeant MS

Chair

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English

Huw Irranca-Davies MS

Cabinet Secretary for Climate Change and Rural Affairs

27 June 2024

Dear Huw,

### Progress towards emissions reduction

Thank you for attending the Committee's 22 May 2024 meeting to give evidence in connection with Wales' progress towards emissions reduction.

Following your evidence session, the Committee agreed I should write to you to set out its views on several matters and to ask for clarification and further information on other matters to support future scrutiny.

We are aware that your response will require input from other Cabinet Secretaries.

### Cross-government approach to climate change

At the start of the Sixth Senedd, the Welsh Government created a dedicated Climate Change Ministry, bringing together for the first time key policy areas of housing, planning, transport, energy and environment to advance action on climate change. Following the reconfiguration of the Cabinet in March 2024, these policy areas were redistributed across four Cabinet Secretary portfolios.

During your evidence session, we asked about the potential impact of this redistribution on progress towards delivery of Net Zero Wales and climate change targets. You said the 'super Ministry' had been appropriate at a point in time to drive action, but that climate change has now been "embedded in Government". As such, the configuration of the Cabinet "in some ways doesn't matter". You emphasised that each Cabinet Secretary has an obligation and is committed to delivering Net Zero Wales and Carbon Budget 2 (CB2).

When asked how you, as Cabinet Secretary for Climate Change, will work with your Cabinet colleagues to ensure continued focus on climate change across portfolios, you said, "I can...seek to add my shoulder to encourage, explore opportunities that we can go further".

In commenting on the need for internal governance structures to oversee the delivery of Net Zero Wales and CB2, you referred to the existing Director-level Climate Change Portfolio Board, which provides strategic governance for developing and delivering policy. You added that you were considering whether additional structures may be needed.

1. We would welcome further evidence to support your assertion that climate change is now embedded across Government.
2. We would like you to report back to the Committee on the outcome of your discussions on future internal governance structures.

### Progress towards Carbon Budget 2

The [2021 Welsh emissions data](#) provides the first indication of performance against CB2, which is set at an average reduction in emissions of 37% against the 1990 baseline over the five-year carbon budgetary period. The data shows an increase in emissions of 7% compared to 2020 and a 35% reduction against the baseline.

When asked about the 7% increase, you explained it was not unexpected and was a consequence of the economic rebound following the COVID-19 pandemic. You cautioned against drawing conclusions from annual data, emphasising the need to look across the five-year carbon budgetary period to assess performance against the overall trend in emissions. In addition, you asserted that the 35% reduction was consistent with the statutory requirement for an average reduction of 37% and that the Welsh Government currently anticipated it was on track to meet CB2.

While we note these points, we are concerned that the 2021 data suggest a slowing of progress towards emissions reduction. We seek further assurance that this is not the case.

CB2 was set at the minimum level (37%) recommended by the UK Climate Change Committee (UK CCC) in its [December 2020 advice](#). The UK CCC made clear that the Welsh Government would need to outperform this if it is to meet Carbon Budget 3 (CB3) and the 2030 interim target. To this end, the Welsh Government aims to achieve a 44% reduction against the baseline.

We are concerned that while the 35% reduction is consistent with the statutory requirement (37%), it is a long way off the more ambitious 44% reduction needed to stand the Welsh Government in good stead to meet future, more challenging targets.

3. We would welcome an explanation of the basis for your assertion that the Welsh Government is currently on track to deliver CB2. Please provide evidence to support this assertion.
4. We seek clarification on whether the Welsh Government is currently on track to meet its aim of achieving an average reduction in emissions of 44% against the baseline over CB2.

When you appeared before the Committee, the latest Welsh emissions data was for 2021. We are aware that data for 2022 have been published since then.

5. We would like you to report back to the Committee on changes in emissions across each sector between 2021 and 2022, as well as the reduction in emissions in 2022 against 2021 and the baseline. Please include an analysis of the reasons for those changes.

#### Climate Change Committee's assessment of progress

The UK CCC's latest [Progress report: reducing emissions in Wales](#) (June 2023) makes for worrying reading. According to the UK CCC:

*"Wales has made insufficient policy progress since our last progress report in 2020. Many of our recommendations made to the Welsh Government, either in that report or in our 2022 progress report to the UK Government, have seen either insufficient or no progress, this is particularly striking in the building sector."*

The UK CCC cautions that Wales is not yet on track to meet its targets for the second half of this decade and beyond, and there are significant risks to meeting CB3, particularly in the agriculture, land use, land-use change and forestry (LULUCF), and buildings sectors. This is of serious concern to us.

The report includes 58 recommendations for measures the UK CCC considers are needed to meet CB2 and future carbon budgets and targets. The Welsh Government [responded](#) to the report in December 2023. We acknowledge it is the Welsh Government's prerogative to decide whether and how it uses the UK CCC's recommendations to inform its approach to emissions reduction. Nevertheless, it is regrettable that the Welsh Government chose to accept only 35, with the remainder either partially accepted (21) or rejected (2).

6. We expect the Welsh Government to make demonstrable progress towards implementing the UK CCC's recommendations during the remainder of this Senedd term. We seek assurance from you that you will work with your Cabinet colleagues to ensure they afford sufficient priority to implementing those recommendations.

#### *Reducing agriculture emissions*

We are concerned about the limited progress in reducing emissions in the agriculture and LULUCF sectors in recent years, as outlined in the UK CCC's report. Looking ahead, the new Sustainable Farming Scheme (SFS) provides a unique opportunity to support the agriculture sector to contribute fully to the delivery of Wales' climate change commitments. The SFS must be designed to ensure it is capable of driving emissions reduction in the agriculture sector and increasing the size of the carbon sink.

When asked how the Welsh Government had engaged the UK CCC in developing proposals for the SFS, the former Minister told us, "The UK CCC reports and recommendations have been considered and have influenced policy design and the scheme's development." She added, "The SFS framework is designed to be an iterative process, so officials will continue to engage with the UK CCC as appropriate."

In giving evidence to the Environment, Trade and Rural Affairs Committee, the UK CCC said it had not been consulted on the latest proposals for the SFS (published in December 2023). We are concerned that the Welsh Government has not taken full advantage of the UK CCC's expertise to inform the development of the SFS to date.

7. We would like you to explain why the Welsh Government did not seek the UK CCC's views on the latest proposals for the SFS (published in December 2023).

8. Before finalising the SFS, we expect you to consider how best you can utilise the UK CCC's expertise to ensure the SFS can make the necessary contribution to the delivery of carbon budgets and climate change targets.

As you know, the Committee recently conducted a short inquiry into the proposals for an SFS and has been following developments closely since then. We will write to you with our high-level conclusions on the proposals before the end of the summer term.

During your evidence session, you acknowledged that there will be farm businesses that operate outside of the SFS. You highlighted the need to "work with, and look at the ways in which we can help them deliver on carbon reduction as well".

9. We would welcome an explanation of the incentives/measures that you intend to put in place to support farm businesses that do not participate in the SFS in reducing emissions and maximising carbon sequestration.

#### *Reducing buildings emissions: decarbonising existing homes*

You will be aware of the Committee's ongoing interest in the Welsh Government's efforts to decarbonise Wales' existing homes. Our report, [Decarbonising the private housing sector](#) (February 2023) sets out our concerns about the Welsh Government's current approach to decarbonising the sector. We have highlighted the need for the Welsh Government to provide clearer and stronger strategic direction, credible policies to incentivise retrofit, and financial solutions for the 'able to pay', among other things.

At the time of our inquiry, the former Minister set out her intention to develop a residential housing decarbonisation route map to provide strategic direction for decarbonising Wales' homes. While

progress towards development has been slower than we would have liked, we note from your evidence that the Welsh Government is aiming to publish the route map in autumn 2024.

10. We seek assurance from the Welsh Government that the route map will include key milestones and interim targets to facilitate and support scrutiny of progress towards delivery, as recommended in our 2023 report.

#### Improving transparency and accountability

##### *Assessing the impact of Net Zero Wales policies*

In March 2023, the Committee scrutinised the former Minister for Climate Change on the Welsh Government's Final Statement for Carbon Budget 1 and the 2020 interim target (December 2022).

In considering the Final Statement, it was difficult to assess how policies in the Low Carbon Delivery Plan had contributed towards emissions reduction over Carbon Budget 1 (CB1). This was because qualitative commentary had been used to track certain performance indicators, and a significant number of indicators had not been rated. At that time, the former Minister acknowledged the limitations of the Monitoring, Reporting and Verification (MRV) system and said the Welsh Government was “building its evidence base and will improve the system over time”. She also told us that performance indicators for CB2 would be developed once the 2021 Welsh emissions data were available.

11. We request an explanation of the improvements made to the MRV system since the start of the current carbon budgetary period. We seek assurance that these improvements will ensure the MRV system is capable of tracking the implementation of policies in Net Zero Wales and their effectiveness in reducing emissions, as promised by the Welsh Government.

12. We request that you share the performance indicators for CB2 with the Committee and commit to publishing them to improve transparency.

#### *Improving scrutiny arrangements*

Early in this Senedd term, we highlighted the need for the Welsh Government to improve arrangements for reporting on progress towards delivery of Net Zero Wales and CB2 to better support scrutiny. We recommended that the Welsh Government commit to publishing annual progress reports on the delivery of policies and proposals in Net Zero Wales, among other things. While the former Minister was not in favour of annual progress reports, she accepted our recommendation in principle. Despite this, the Welsh Government's approach to reporting progress remains unchanged.

During your evidence session, we explored the possibility of the Welsh Government making available MRV system data to better support scrutiny. You said you had no plans to do this, again, emphasising

the need to look across the five-year carbon budgetary period to assess performance. You added, “we’ve actually got a raft of measures that we can be held accountable on”, referring to the statements made after each carbon budgetary period and to the UK CCC’s independent progress reports, required under the Environment (Wales) Act 21015.

We believe there are inherent weaknesses in the current statutory reporting requirements. The five-year reporting cycle means the Welsh Government will not publish a final statement on Net Zero Wales and CB2 until 2027, i.e. in the Seventh Senedd. This ‘retrospective scrutiny’, undertaken two years after the end of the carbon budgetary period, will be of a future Welsh Government by a future Senedd. While this type of scrutiny may serve a purpose, it is of limited value when seeking to improve government effectiveness and outcomes. It should not be a substitute for ongoing scrutiny of the serving Welsh Government by the current Senedd on progress towards delivery of Net Zero Wales and CB2.

As a former member of the Committee, you have experienced firsthand the difficulties of effectively scrutinising the Welsh Government on progress towards delivery of Net Zero Wales and CB2 in the absence of detailed information and/or meaningful data. We hope you are willing to agree to suitable arrangements, outside of the statutory reporting requirements, to support our ongoing scrutiny.

13. We would welcome your thoughts on how the Welsh Government could better support ongoing scrutiny of progress towards delivery of CB2 and Net Zero Wales during the remainder of the Sixth Senedd.

I should be grateful for a response to the above as soon as possible, and by **25 July** 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.

# Agenda Item 6.5

**Gwyllgor yr Economi,  
Masnach a Materion Gwledig**

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

**Senedd Cymru**

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The Rt Hon. Elin Jones MS  
Llywydd and Chair of the Business Committee

28 June 2024

Annwyl Llywydd,

Committee remits

Thank you for your letter regarding committee remits and for enclosing the letter from Llyr Gruffydd MS, Chair of the Climate Change, Environment, and Infrastructure Committee. I understand and am sympathetic to Llyr's concerns regarding the number of Cabinet Secretaries responsible for areas covered by his Committee. However, the Economy Trade and Rural Affairs Committee (ETRA) already has an extremely large remit and a very busy forward work programme. I am concerned that transferring a number of large policy areas, such as energy, to ETRA would risk either the transferred policy areas, or areas the Committee currently covers, not being suitably scrutinised.

The Committee is happy for Freeports and the circular economy to be transferred to ETRA as, due to the strong links between those policies and our current work, we can suitably incorporate them into our work programme. However, we believe that it would make more sense for ports (from a transport perspective) and Cardiff Airport to remain with the main transport policy brief. Energy and digital connectivity are both heavily related to planning, and so separating those policy areas out may impact on the quality of scrutiny.

ETRA's current remit includes issues relating to apprenticeships and skills, and as part of the Committee's budget scrutiny, we therefore tend to work with the Children, Young People and Education Committee. They ask questions to the Cabinet Secretary for Education on our behalf. We find this approach reduces duplication and supports better scrutiny for both committees. To support the CCEI Committee, we would be happy to enter into a similar arrangement and ask questions around energy, digital connectivity, the airport and ports on their behalf in our general ministerial

security sessions with the Cabinet Secretary for Economy, Energy and Welsh Language. Realistically however, the Committee would be unlikely to find time in its work programme for inquiry work in these areas, which would remain a matter for CCEI Committee.

I have copied this letter to Llyr Gruffydd MS.

Cofion cynnes,

A handwritten signature in black ink that reads "Paul Davies". The signature is written in a cursive style with a large initial 'P' and 'D'.

**Paul Davies MS**

Chair: Economy, Trade and Rural Affairs Committee

We welcome correspondence in Welsh or English

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

Huw Irranca-Davies MS

Cabinet Secretary for Climate Change and Rural Affairs

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2 July 2024

Dear Huw,

Thank you for your [letter of response](#) dated 24 May 2024 in relation to retained EU/assimilated law. The Committee considered your response at its [meeting on 13 June 2024](#) and agreed I should write to you with further questions in respect of your position on the National Emission Ceilings Regulations 2018 (NECR).

We recognise that the Retained EU Law (Revocation and Reform) Act 2023 impacted on some provisions in the NECR but that the targets and reporting duties set out in those Regulations remain in force. Our concerns relate specifically to the Secretary of State's former duty to develop a plan (the National Air Pollution Control Programme (NAPCP)) to meet the legally binding 2020 and 2030 emission reduction commitments for nitrogen oxides, ammonia, non-methane volatile organic compounds, particulate matter and sulphur dioxide, and to consult publicly on that plan.

1. We note the ongoing work with Defra on proposed alternative arrangements. However, could you clarify why you feel it is appropriate not to seek to recreate the effect of the repealed provisions, as they applied in relation to Wales before 31 December 2023, for example by imposing equivalent duties on the Welsh Ministers?
2. Could you clarify the status of the current NAPCP to achieve emission reduction commitments of the NECR, which is still showing as live on the UK Government's website?
3. Could you explain how, in your view, the revocation of Regulations 9 and 10 of NECR does not represent a regression of environmental regulation in Wales?
4. What assurances can you provide that this will not result in a failure to meet the 2030 targets set by NECR? What interim steps are being taken to ensure the 2030 targets will be met?

The position set out in your letter appears to have diverged from that of the former Minister for Climate Change, Julie James MS, who first drew our attention to the conflicting views of the UK and Welsh governments on the inclusion of NECR on Schedule 1 of the Retained EU Law (Revocation and Reform) Act 2023 last year. At that time, the Welsh Government had requested that NECR (and other



environmental REUL) be removed from Schedule 1. She also said that NECR's revocation "may now lead to a lack of transparency in information made available to stakeholders regarding the emission reduction pathway the UK intends to take".

In your letter, you describe the Welsh Government's desire to seek an open and collaborative pan-UK approach to achieving the UK's targets. You also state that, "We are confident that revocation of the legislation listed in Schedule 1 to the Act does not have any immediate and substantial impact for environmental law in Wales".

**5.** Could you explain the evolution of the Welsh Government's position?

The NECR were described as "vital for reducing air pollution" by [ClientEarth and 47 others](#).

**6.** What discussions has the Welsh Government had with environmental stakeholders in Wales on the revocation on NECR?

**7.** What work is being done on a UK-wide basis to consult with stakeholders on the alternative arrangements led by Defra and described in your letter?

I am copying this letter to Mike Hedges MS, Chair of the Legislation, Justice and Constitution Committee.

I should be grateful for a response as soon as possible, and by 30 July 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.

# Agenda Item 6.7

Ysgrifennydd y Cabinet dros Drafnidiaeth a Gogledd Cymru  
Cabinet Secretary for North Wales and Transport



Llywodraeth Cymru  
Welsh Government

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

01 July 2024

Dear Llŷr

In the Welsh Government's response of 1 March 2024 to recommendation 16 of the CCEI Committee's Budget Scrutiny report, we committed to provide a breakdown of the Active Travel funding in May 2024. Please accept my apologies for the delay.

The Committee requested information on the breakdown of our active travel budget for 2024-25, as well as active travel spend in each of the last five years. This is detailed in the tables below. Please note that the tables in previous years showed allocations. This has been amended to reflect actual spend for previous years, alongside the allocations for 2024-25. There may still be slight adjustments to the figures shown for recent financial years as some outstanding queries on claims are still being dealt with.

Active Travel spend (current year allocations) - all LA capital grants						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Active Travel Fund	£29,127,943	£25,140,454	£49,206,858	£48,872,284	£49,652,848	£50,047,512
Local Transport Fund	£7,303,259	£896,000				
Safe Routes in Communities	£5,362,121	£4,141,501	6,554,231	£3,458,343	£4,727,367	£6,149,338
Additional funding (COVID response)		£16,205,917	£1,030,000			
South East Wales Transport Commission			£517,000			
Total	£41,793,323	£46,383,872	£57,308,089	£52,330,627	£54,380,215	£56,196,850

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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.

Active Travel spend (current year allocations ) - other capital funding						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
WG Trunk Road AT programme	£1,650,000	£1,650,000	£3,650,000	£3,000,000	£2,744,081	£2,800,000
3rd party capital grants (incl. e-bike pilots, National Cycle Network enhancements)			£510,000	£562,000	£1,022,350	£4,850,488
<b>Total</b>	<b>£1,650,000</b>	<b>£1,650,000</b>	<b>£4,160,000</b>	<b>£3,562,000</b>	<b>£3,766,431</b>	<b>£7,650,488</b>

Active Travel spend (current year allocations) - revenue						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Active Journeys Programme	£375,000	£375,000	£375,000	£375,000	£398,500	£420,000
Sustrans Core Grant	£240,000	£130,000	£480,000	£380,000	£406,436	£380,000
Active Travel Fund and Active Travel Act implementation support (TfW & LAs)		£1,000,000	£1,549,000			
Active Travel Act implementation support	£224,446	£178,988	£135,280	£323,202	£707,133	£635,000
<b>Total</b>	<b>£839,446</b>	<b>£1,683,988</b>	<b>£2,539,280</b>	<b>£1,078,202</b>	<b>£1,512,069</b>	<b>£1,435,000</b>

Active Travel spend (current year allocations)-all						
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
<b>Total</b>	<b>£44,282,769</b>	<b>£49,717,860</b>	<b>£64,007,369</b>	<b>£56,970,829</b>	<b>£59,658,715</b>	<b>£65,282,338</b>
Population*	3,152,879	3,169,586	3,131,640	3,131,640	3,131,640	3,131,640
<b>Total per capita</b>	<b>£14.05</b>	<b>£15.69</b>	<b>£20.19</b>	<b>£18.19</b>	<b>£19.05</b>	<b>£20.85</b>

\*Population figures are mid-year population estimates. The calculation for recent and the current years are based on the latest available estimate, which is 2022.

Yours sincerely



**Ken Skates AS/MS**

Ysgrifennydd y Cabinet dros Drafnidiaeth a Gogledd Cymru  
Cabinet Secretary for North Wales and Transport

## Response to Natural Resources Wales Annual Scrutiny 2023-24

### Recommendation 1.

NRW should progress the development and implementation of Service Level Agreements (SLAs) across all remaining areas of its business and provide a detailed outline of the next phase of SLA work, including specific areas to be covered and a timeline.

Our corporate plan, Nature and People Thriving Together, sets out our vision, mission and well-being objectives to 2030 and beyond. The start of the new corporate plan cycle has enabled us to review our approach to planning and performance.

Our refreshed performance management framework will ensure a clear line of sight from the strategic ambition to the operational delivery. We have designed an outcome-focussed approach to measure our progress towards the corporate plan well-being objectives. There are three levels:

- Strategic and long term. Impacts and strategic indicators defined for 2030 and beyond.
- Operational and medium term. Multi-year planning focussed on delivering the well-being objective steps to take. We will sequence and map delivery to 2030 across our services. Metrics will set the stretch and will be monitored to ensure we are on the pathway to meeting the 2030 ambition.
- Operational and short term. Annual commitments and key results, defined in the annual business plan. They will identify those things that need to happen in a year to drive the change we want to see, for example testing new approaches or streamlining processes. The operational multi-year planning metrics will define the stretch that the short-term annual business plan will respond to.

Through 2024-25, we are focussed on the development of the approach to multi-year planning, including metrics, taking learning from the development and implementation of the SLAs. The approach will be tested and refined through 2025-26.

We are engaging with WG sponsorship and policy officials on the design of the approach to multi-year planning. As this will be our focus, we will not be renewing or developing new SLAs. Through development of the multi-year plan, we and WG sponsorship, will reach an agreement on next steps and products, to ensure the multi-year plan provides clarity on the resources aligned to the outcomes in the corporate plan and the contribution from each of our services.

## Recommendation 2.

NRW should explore opportunities to engage with stakeholders to refine and enhance the effectiveness of the SLAs, particularly focusing on the priority areas identified for the next phase of SLA development.

Through the refresh of the performance management framework, we will create an integrated perspective, enabling us to reflect on progress towards our vision and WBO outcomes. It will enable us to have greater understanding of effectiveness, identify what is driving delivery, what is hindering progress and where things need to change.

This increased understanding of effectiveness will be combined with insights from our stakeholders, to help us prioritise where and how we improve our services. As stated in recommendation 1, we will be focussing on multi-year planning through 2024-25 and will draw on insights from stakeholders to inform the sequencing and mapping of delivery across services to ensure we focus on the outcomes we want to see.

We are currently engaging with stakeholders on the impacts and strategic indicators as we complete the testing. We will share our learning as part of Recommendation 3.

## Recommendation 3.

NRW should provide an update as soon as practicable after October 31, 2024, on the progress of developing final strategic indicators and performance metrics.

Through 2023/24, we worked collaboratively across the organisation to develop our impacts and strategic indicators as a bridge between the Corporate Plan's Well-being Objectives and operational performance. They will be used by ET and Board to demonstrate scrutiny of long-term strategic performance, alongside the quarterly assessment of operational performance. Together, these will inform our annual assessment of performance in the NRW Annual Report and Accounts.

We are currently in the process of testing and refining the impacts and strategic indicators, using them to frame NRW Board strategic deep-dive sessions, while also engaging with partners to share insight and identify opportunities for collaboration.

We will finalise the impacts and indicators in the autumn of 2024, and will look to implement them from 2025-26 through to 2030 and beyond.

They will be going to the NRW Board in November for sign-off and we will provide an update as soon as practicable after this.

## Recommendation 4.

NRW should work closely with the Welsh Government to develop and implement strategies that minimise the negative impacts of the current budget settlement and ensure that essential services are maintained despite the funding shortfall.

Over the last 11 months we have undertaken a number of detailed reviews to manage our expenditure and financial risk including:

- a zero-based review of non-staff budgets
- significant controls on all internal and external recruitment
- a review of all fixed term appointments, including agency temps
- reducing our reliance on contractors
- simplifying our processes to enable colleagues to reduce their hours or buy additional annual leave
- where possible reduce the use of Travel and Expenses

These measures ensured we balanced our budget in 2023/24. In parallel, we have undertaken an organisation-wide prioritisation exercise. We have applied a number of perspectives: the alignment and impact of activities on delivery of our well-being objectives and steps to take; the statutory drivers of our work; the priorities from the Term of Government Remit Letter; and the application of the Sustainable Development Principle.

By integrating these different perspectives, our intent has been to:

- protect those things that only we can do, given our unique set of levers and tools as an environmental regulator and statutory advisor
- protect our work for nature, given we are the only public body in Wales with this remit
- focus on those activities which deliver multiple benefits for nature, climate and pollution minimisation
- build on the investment we have already made to improve capacity in some areas

Our intention is to try to maintain and improve the level of service of many activities central to the delivery of the outcomes in our corporate plan. However, for a smaller proportion of activities, we will see a reduction in service as we either adopt a higher tolerance of risk or we scale back our ambition. Unfortunately, given the pressures on resources, there are areas where we have had to take the decision to stop activities that we believe we are no longer best placed to deliver.

Overall, we will need to reduce the number of posts (not people) in the organisation over the course of 2024/25. The well-being of our colleagues will be a key priority as we navigate this change, continuing to adopt agile approaches to align colleagues to delivery of our work for nature, climate and minimising pollution. The proposed changes will have implications for our work with partners and we will engage with them to explain what the changes mean.

## **Recommendation 5.**

NRW should develop and implement an engagement strategy that includes consultation with the public and stakeholders about decisions on service reductions or restructuring. This strategy should aim to manage expectations and explain changes in service delivery.

We are currently finalising proposals to secure our financial sustainability and resilience in 2025/26 and 2026/27. We are preparing a communications plan for our staff and will engage with our partners and stakeholders, at the appropriate time, to explain what the changes will mean for our work with them.

## **Recommendation 6.**

NRW should update the Committee in due course on the details and outcome of its invest-to-save bid.

This recommendation is accepted. We will provide an update to the Committee as soon as we are in position to do so.

## **Recommendation 7.**

NRW should report to the Committee within the next six months on the status of its visitor centres and outline plans to continue their operation.

This recommendation is accepted, and we will be in a position in the next six months to outline the direction and processes of the future operating of the Visitor Centres on the estate.

## **Recommendation 9.**

NRW should provide a detailed update on the progress of developing statutory biodiversity targets.

This recommendation is rejected.

Welsh Government, not NRW, are responsible for developing statutory biodiversity targets for Wales as part of Wales's contribution to the UK's commitments to the Convention on Biological Diversity and the Kunming-Montreal Global Biodiversity Framework (GBF) aims and targets.

On 30 January, WG launched their Environmental principles, governance and biodiversity targets White Paper consultation. Amongst other aspects it proposes introduce targets and

statutory duties for protecting and restoring biodiversity in Wales in-line with 2030 and 2050 timescales set by the GBF. The proposals include introducing a statutory Nature Recovery Framework with an overarching biodiversity target to be underpinned by additional and more specific statutory targets through secondary legislation. The proposals also include requirements for Welsh Government to publish a statutory nature recovery strategy and action plan. SoNaRR would be utilised as the key statutory reporting mechanism for monitoring and demonstrating delivery against the targets once they are developed, with Ministers required to lay a statement before the Senedd reporting whether the targets have been met. The new governance body is proposed to provide independent scrutiny and oversight of the delivery of the statutory targets.

We are working, alongside others such as JNCC, to provide information, evidence and expertise, and support Welsh Government with their development work to establish a statutory biodiversity framework and statutory biodiversity targets in-line with our Corporate Plan Well-being priority: Nature is recovering.

## **Recommendation 11.**

**NRW should keep the adequacy of resources for monitoring and enforcement of the Enhanced Nutrient Management Approach under review.**

NRWs current SLA with WG includes providing compliance monitoring and enforcement of the Enhanced Nutrient Management Approach (ENMA) which runs for the calendar year starting 1 January 2024 to 31 December 2024. Nine land managers have informed NRW that they are intending using the ENMA during this period. Those sites where the ENMA is adopted are considered “high risk” and are included in our targeted inspection programme undertaken by Control of Agricultural Pollution Officers funded by our SLA with WG. Funding for this work is in place to the end of March 2025, we will be seeking the SLA and its funding to be extended into subsequent years.

## **Recommendation 12.**

**NRW should regularly review its forestry resource plans to ensure they incorporate the latest ecological research and climate change projections and increase the use of native species and mixed planting to enhance biodiversity and build resilience against diseases.**

This recommendation is accepted. We already do this fitting those key risks and benefits in to our fully integrated way of working and our duty for sustainable management of natural resources (SMNR).

Forest Resource Plans (FRPs) are the core management document for the Welsh Government Woodland Estate. They are updated on a 10-year cycle with a 5-year review point. They set out long-term objectives and are the basis for multi-year programmes of work, for regulatory approval of tree felling, and are a key tool for consultation with

stakeholders. When developing FRPs, our team of planners use SMNR principles to respond to a range of benefits and risks, including timber production, climate change adaptation, safeguarding clean water and managing flood risk, nature conservation, landscape enhancement and access to nature. We have a programme to replace old style Forest Design Plans with FRPs, which respond to a broader range of benefits and risks. There are 70 FRPs in total.

We will accelerate the rate at which we adapt the NRW Estate to climate change, subject to resources. For forestry the main threats are drought leading to stressed trees and higher risk of wildfire, more frequent and intense gales leading to major windblow of trees, and more frequent and intense rainfall events damaging forest infrastructure. These are exacerbated by the increased threat from tree pests and disease. Actions are already in progress. For forestry this means accelerating our thinning programme to increase resilience to drought, further increasing management by thinning as opposed to management by clear-fell and restock, increasing the rate at which we diversify tree species, building wildfire management into forest design, and embedding our contingency plan for tree disease outbreaks.

These priorities are reflected in the steps to take in our Corporate Plan.

We have strong links to the latest research on forest ecology, including, for example a public sector to public sector partnership agreement with Forest Research. We both receive and contribute to this research and thinking, for example, via our State of Natural Resources Report (SoNaRR).

### **Recommendation 13.**

**NRW should provide an update on any discussions held with the Cabinet Secretary for Climate Change and Rural Affairs regarding the management and plans for internal drainage districts.**

NRW has not had any direct or detailed discussions about Internal Drainage Districts with the Minister, but as IDD's are part of our duties it may get discussed from time to time with Welsh Government officials. We have not made any request to the Minister or to Welsh Government officials for a review of IDD's, but we have shared our view with officials that it may be timely to undertake a review, given the challenges posed by the climate and nature emergencies. We responded to a request from the Chair of the Senedd's Trade, Economy and Rural Affairs Committee for our views on aspects of IDD's in March 2024 and in that we shared this view that a review may be timely. This response was shared with Welsh Government officials in our sponsoring department.



# Welsh Government Response

## Climate Change, Environment and Infrastructure Committee's *Natural Resources Wales - Annual Scrutiny 2023-24* report

27 June 2024

As Cabinet Secretary with accountability for the performance and delivery of Natural Resources Wales (NRW) I very much welcome the Climate Change, Environment, and Infrastructure (CCEI) Committee's Annual Scrutiny report of NRW.

I thank the Committee for its careful and professional consideration in undertaking this scrutiny as laid out in its comprehensive [report](#) which was published on 21 May 2024.

This sets out the Welsh Government's response to the report's 13 recommendations.

**Huw Irranca-Davies AS/MS**

Ysgrifennydd y Cabinet dros Newid Hinsawdd a Materion Gwledig

Cabinet Secretary for Climate Change & Rural Affairs

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## 1. Governance

Within this section, the CCEI Committee focused on NRW's Remit Letter, Corporate Plan, Service Level Agreements (SLAs), NRW's Business Plan and Performance measures, recruitment and skills, and NRW's post-pandemic ways of working.

The Committee made three recommendations within this section.

### Recommendation 1.

*NRW should progress the development and implementation of Service Level Agreements (SLAs) across all remaining areas of its business and provide a detailed outline of the next phase of SLA work, including specific areas to be covered and a timeline.*

Welsh Government Response: Reject

1. NRW's Corporate Plan, *Nature and People Thriving Together*, sets out NRW's vision, mission and well-being objectives to 2030.
2. To improve the way in which the Corporate Plan's objectives will be planned, resource and delivered, through 2024-25, NRW is focussed on developing and testing a multi-year planning approach, including identification of reporting delivery metrics, taking learning from the development and implementation of the SLAs. The Welsh Government will continue to work with NRW to test and refine this approach through 2025-2026.
3. As the focus will be on multi-year planning, the Welsh Government has agreed with NRW that there is no longer any need to continue with the SLA process. In developing multi-year plans, it will clearly identify the level of resource required to enable successful delivery of NRW Corporate Plan objectives. Therefore, this Recommendation has been 'Rejected'.

## Recommendation 2.

*NRW should explore opportunities to engage with stakeholders to refine and enhance the effectiveness of the SLAs, particularly focusing on the priority areas identified for the next phase of SLA development.*

### Welsh Government Response: Reject

4. Within the afore mentioned multi-year planning process, the related focus on iterating NRW's performance management framework will deliver greater clarity on how NRW has achieved its own objectives and those shared with stakeholders. This will enable a greater understanding of effectiveness, identify what is driving as well as hindering delivery and where things need to change.
5. This increased understanding, combined with insights sought from our stakeholders, will help NRW prioritise where and how it can improve service delivery. In combination, this will input into and benefit NRW's multi-year planning as referenced in Recommendation 1.

## Recommendation 3.

*NRW should provide an update as soon as practicable after October 31, 2024, on the progress of developing final strategic indicators and performance metrics.*

### Welsh Government Response: Accept

6. NRW will provide the Committee with an update following testing and development of its multi-year planning approach, enhanced by stakeholder input. This will include results of its testing and refining of impacts and strategic indicators. Please note, these are expected to be finalised and signed off by its Board in Autumn 2024.

## 2. Budget

Within this section, the CCEI Committee focused on NRW's budget pressures and management, which included the possible closure of NRW's visitor centres.

The Committee has made four recommendations within this section.

### Recommendation 4.

*NRW should work closely with the Welsh Government to develop and implement strategies that minimise the negative impacts of the current budget settlement and ensure that essential services are maintained despite the funding shortfall.*

#### Welsh Government Response: Accept

7. Over the last few years and currently NRW is successfully working closely with Welsh Government as it has undertaken a number of detailed reviews to improve the management of its budgets and associated financial risks. This approach will continue ensuring NRW focuses on delivering its priority functions and statutory duties within current and future budgetary envelopes.

### Recommendation 5.

*NRW should develop and implement an engagement strategy that includes consultation with the public and stakeholders about decisions on service reductions or restructuring. This strategy should aim to manage expectations and explain changes in service delivery.*

#### Welsh Government Response: Accept

8. NRW is finalising proposals to secure financial sustainability and resilience in 2025-26 and 2026-27. Once complete NRW will deliver targeted communications plan for employees, partners and stakeholders, at the appropriate time, to explain any changes and how delivery and/or engagement will evolve as a result.

## Recommendation 6.

*NRW should update the Committee in due course on the details and outcome of its invest-to-save bid.*

**Welsh Government Response: Accept**

- 9.** NRW is expected to share details of its invest to save bid by the end of FY24/25.

## Recommendation 7.

*NRW should report to the Committee within the next six months on the status of its visitor centres and outline plans to continue their operation.*

**Welsh Government Response: Accept**

- 10.** NRW will report to the Committee within the next six months i.e. by end December 2024 on the status of its Visitor Centres including outlining the expected, future operation of these Centres.

### 3. Other Matters

Within this section, the CCEI Committee focused on the challenges and funding for biodiversity; tackling water pollution from agriculture in relation to enforcement and ongoing assessments and policy review; tree planting and NRW's role in forest management; and internal drainage districts.

The Committee has made six recommendations within this section.

#### Recommendation 8.

*The Welsh Government should explore opportunities to develop and implement a coordinated funding framework that allows for the strategic allocation of resources from different sources to support biodiversity conservation.*

#### Welsh Government Response: Accept

- 11.** The Welsh Government continues to work with NRW in exploring opportunities to develop and implement alternative funding frameworks in order to provide NRW with additional flexibility to support its work.
- 12.** For example, for the financial year 2024-2025, Welsh Government has established a new funding model to support NRW's management of the Welsh Government's Woodland Estate. These new arrangements provide NRW with a dedicated annual budget, which will help it mitigate the impact of volatility in the timber market.
- 13.** NRW is considering and critically reviewing all activities, whilst ensuring it is focussed on delivering its priority functions and statutory duties within current budgets as outlined in NRW's Term of Government Remit Letter. Welsh Government continues to provide NRW with all necessary support in these reviews.

## Recommendation 9.

*NRW should provide a detailed update on the progress of developing statutory biodiversity targets.*

### Welsh Government Response: Rejected

- 14.** Please note it is the Welsh Government which is responsible for developing statutory biodiversity targets for Wales as part of Wales' contribution to the UK's commitments to the Convention on Biological Diversity and the Kunming-Montreal Global Biodiversity Framework (GBF) aims and targets, and not NRW.
- 15.** The Welsh Government launched its Environmental principles, governance and biodiversity targets White Paper consultation on 30 January. Amongst other aspects, it proposes introduce targets and statutory duties for protecting and restoring biodiversity in Wales in-line with 2030 and 2050 timescales set by the GBF. The proposals include introducing a statutory Nature Recovery Framework with an overarching biodiversity target to be underpinned by additional and more specific statutory targets through secondary legislation. The proposals also include requirements for Welsh Government to publish a statutory nature recovery strategy and action plan. The State of Natural Resources Report (SoNaRR) would be utilised as the key statutory reporting mechanism for monitoring and demonstrating delivery against the targets once they are developed, with Ministers required to lay a statement before the Senedd reporting whether the targets have been met. The new governance body is proposed to provide independent scrutiny and oversight of the delivery of the statutory targets.
- 16.** The Whitepaper consultation closed on 30 April. Analysis of the consultation responses is underway and final outputs are anticipated in early June. Welsh Government officials are drafting a policy response to the consultation which will be published alongside the analysis in the summer.
- 17.** NRW is working, alongside others such as JNCC, to provide information, evidence and expertise and support to the Welsh Government with the latter's development work to establish a statutory biodiversity framework and statutory biodiversity targets in-line with NRW's Corporate Plan Well-being priority: *Nature is recovering*. NRW is also supporting on the Biodiversity Deep Dive on 30 by 30, which is one of the GBF targets.

## Recommendation 10.

*The Welsh Government should facilitate dialogue between NRW, farmers and environmental groups to address the significant disagreement regarding the approach to controlling agricultural pollution.*

### Welsh Government Response: Accepts

- 18.** The Welsh Government continues to engage with a wide variety of stakeholders regarding the complex issue of pollution from agricultural sources. This includes officials regularly attending the Wales Land Management Forum Sub-Group on Agricultural Pollution. The First Minister and Cabinet Secretary Climate Change and Rural Affairs are also planning to co-chair the next rivers summit at the Royal Welsh Show with a focus on the role and challenge of agriculture.
- 19.** The Water Resources (Control of Agricultural Pollution) (Wales) Regulations 2021 require a review to be conducted every 4 years to assess the effectiveness of the measures imposed by the Regulations as a means of reducing or preventing water pollution from agricultural sources and if necessary, revise them. The deadline for the first review to be completed is April 2025.
- 20.** The review will incorporate all aspects of the Regulations and will include the Alternative Measures previously proposed and the Enhanced Nutrient Management Approach (ENMA). It will be important for a wide range of stakeholders to be engaged in the dialogue.
- 21.** In a written statement published on 27 February 2024 ([Written Statement: Farming in Wales \(27 February 2024\) | GOV.WALES](#)) the then First Minister Mark Drakeford, MS, and Minister for Rural Affairs, North Wales and Trefnydd Lesley Griffiths, MS, committed to the appointment of an independent chair to oversee the review process. The Welsh Government remain committed to this appointment and the recruitment process is currently in progress.

## Recommendation 11.

*NRW should keep the adequacy of resources for monitoring and enforcement of the Enhanced Nutrient Management Approach under review.*

### Welsh Government Response: Accepts

- 22.** NRW's current SLA with the Welsh Government includes providing compliance monitoring and enforcement of the Enhanced Nutrient

Management Approach (ENMA), this work runs from 1 January 2024 to 31 December 2024.

- 23.** A number of land managers have informed NRW that they are intending using the ENMA during this period. These sites where the ENMA will be adopted are considered “high risk” and are included in NRW’s targeted inspection programme undertaken by Control of Agricultural Pollution Officers.
- 24.** Funding for this work is in place to the end of March 2025, the Welsh Government is working in partnership with NRW as it seeks the SLA and its funding to be extended into subsequent years.

### Recommendation 12.

*NRW should regularly review its forestry resource plans to ensure they incorporate the latest ecological research and climate change projections and increase the use of native species and mixed planting to enhance biodiversity and build resilience against diseases.*

#### Welsh Government Response: Accepts

- 25.** Such reviews, incorporating latest research and future projections, are essential elements in NRW’s ongoing management of its and the Welsh Government’s Woodland Estates. These input into how NRW discharges its duty for sustainable management of natural resources (SMNR).
- 26.** Forest Resource Plans (FRPs) are the core management document for the Welsh Government Woodland Estate. They are updated on a 10-year cycle with a 5-year review point. These plans set out long-term objectives and are the basis for multi-year programmes of work, for regulatory approval of tree felling, and are a key tool for consultation with stakeholders.
- 27.** When developing FRPs, NRW’s team of planners use SMNR principles to respond to a range of benefits and risks, including timber production, climate change adaptation, safeguarding clean water and managing flood risk, nature conservation, landscape enhancement and access to nature. NRW have a programme to replace old style Forest Design Plans with FRPs, which respond to a broader range of benefits and risks.

### **Recommendation 13.**

*NRW should provide an update on any discussions held with the Cabinet Secretary for Climate Change and Rural Affairs regarding the management and plans for internal drainage districts.*

#### **Welsh Government Response: Accept**

- 28.** There have not been any discussions, on this point, between NRW and the Cabinet Secretary for Climate Change and Rural Affairs.
- 29.** NRW have not made any request to the Cabinet Secretary or to Welsh Government officials for a review of internal drainage districts. NRW has shared a view with Welsh Government officials that it may be timely to consider whether a review is required, given the challenges posed by the climate and nature emergencies.

Rebecca Evans MS

Cabinet Secretary for Finance, Constitution and Cabinet Office

11 July 2024

Dear Rebecca,

### Welsh Government Budget Timetable 2025-26

Thank you for your letter of 4 July inviting us to comment on the proposed timetable for consideration of the Draft Budget 2025-26.

I fully appreciate that the Welsh Government's budgetary position remains unclear until the UK Government confirms the date of its fiscal event. I also recognise that publishing a Draft Budget earlier, based on indicative figures only, would be problematic, and should only be done as a last resort.

Furthermore I welcome that the Draft Budget will be laid this year during term time. This is an important principle and ensures that Members of the Senedd have an opportunity to consider the Welsh Government's proposals in Plenary as soon as they are published.

However, I would like to challenge your assertion that there is "no better alternative in these current circumstances" to publishing the Draft Budget on 10 December 2024.

In particular, we believe that the proposed timetable does not sufficiently take into account the concerns raised by Committees following the scrutiny of last year's Draft Budget. These were shared



with you on 27 June 2024, and it is disappointing that you made no reference to them in your letter; the second year in a row which you have failed to do so.

In their responses, several Committees called for more time to be made available to scrutinise the Draft Budget. We agree that the shortened timescales last year made it extremely challenging for all Committees to meaningfully assess the impact the Draft Budget has on policy areas within their remit and, in particular, to incorporate views from stakeholders. We ask for further justification on why a longer scrutiny window was not considered, particularly as bringing forward the publication date of the Draft Budget to enable more evidence sessions to take place this side of the Christmas recess would be highly beneficial.

Calls were made for the Welsh Government to adhere to the two stage budget process, and we find it regrettable that you are proposing circumventing the process again this year; the sixth year in a row that this has happened. As a result, we call on you to prioritise facilitating a two stage approach this year, if there is time available after the UK Government's fiscal event takes place.

In addition, Committees requested that ministerial evidence papers should be published at the same time, or close to, the publication of the Draft Budget. Again, it is disappointing that you chose not to address this point your letter of 4 July, and we ask you to consider this when preparing the publication of the Draft Budget later in the year.

Flexible scheduling options in the Senedd was also suggested by Committees as a way to maximise scrutiny opportunities.

Whilst I understand that these are matters for the Business Committee, I would welcome your views on the following proposals relating to the scheduling of Senedd business, should the Draft Budget be laid before the Senedd on or later than 10 December:

- automatically enabling Finance Committee to hold additional meeting slots during Christmas recess, should the need arise;
- providing more meeting slots for Committees during the budget scrutiny window, including extending the business week and providing more slots for committees to take evidence from stakeholders and experts (which could be offset by cutting down on the length of Plenary meetings);
- allowing more time for the consideration of Committee reports during Plenary meetings to enable detailed policy discussions on each aspect of the Draft Budget.

I have raised similar issues in response to the Business Committee's letter consulting us on the budget timetable.

Finally, I would also like to challenge your views that “these arrangements are acceptable given the circumstances, which are driven, once again, by external factors beyond our immediate control”.

As Cabinet Secretary, you are ultimately responsible for setting the budget and the strategic management of the Welsh Government’s resources. I would also remind you that proposing the timing of the Draft Budget is within the Welsh Government’s gift.

Whilst the Committee has sympathy with the uncertainties faced by the Welsh Government in understanding its financial position, we strongly feel that this should be balanced by the need of the Senedd to scrutinise detailed proposals and that adequate time should be provided to reflect the magnitude of the tasks facing Committees. Detailed scrutiny which meets the needs and expectations of our stakeholders and the public at large cannot be achieved under the proposed timetable.

I welcome your willingness to revisit the proposed timetable once the date of the UK Government’s fiscal event is known. Given that the Chancellor has indicated her intention to announce this date before the end of this month, I ask you to provide an updated timetable as soon as possible.

A copy of this letter has been sent to the Business Committee, the Chairs of all Senedd Committees, , and the Trefnydd and Chief Whip.

Yours sincerely,



Peredur Owen Griffiths MS  
Chair, Finance Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.