

Jayne Bryant MS

Cabinet Secretary for Housing and Local Government

10 November 2025

Draft Budget scrutiny 2026-27

Dear Jayne,

Given the Committee's on-going interest in progress towards decarbonisation of Wales' existing housing stock, Members agreed I should write to you to request information about the draft budget for 2026-27 to support delivery of this policy area.

I should be grateful if you would provide a response to the questions set out in Annex 1 as soon as possible, and by 3 December 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.

Warm Homes Programme

The latest iteration of the Warm Homes Programme commenced in April 2024. The programme aims to prioritise low carbon technologies 'where it makes sense to do so'. Capital funding for the programme has increased by 2% from £37.5m to £38.25m while the resource allocation remains unchanged at £3.73m.

- What is the justification for only a 2% uplift in the capital budget given the findings of the Equality and Social Justice Committee's fuel poverty inquiry that investment in the Warm Homes Programme is "nowhere near" the level required to meet fuel poverty targets?
- What is your estimate of the number of households you will support through the programme in 2026-27, and how does this compare to previous years?
- How are you working with the Cabinet Secretary for Social Justice to balance the need to decarbonise homes through deeper retrofits with the urgent need to tackle fuel poverty?
- Are you still content with the current approach of an increased budget cap per household providing deeper retrofits to a lower number of households than previous years? What impact will this approach have on progress towards fuel poverty and climate change targets?
- Can you provide an update on work to develop an area-based scheme as part of the programme?
- Can you confirm the level of any Barnett consequential received as a result of the UK Government's investment in its Warm Homes Plan and how this is reflected in your budget?
- What consideration has been given to ring-fencing any consequential for investment in this programme?

Residential decarbonisation and quality

Capital funding for residential decarbonisation and quality has increased from £92m to £96.9m, while the resource allocation remains unchanged at £1.68m. The £96.9m capital allocation includes £3.06m of Financial Transaction Capital which funds the Green Homes Wales scheme.

- How much of the total capital funding has been allocated to the Optimised Retrofit Programme (ORP) for 2026-27?

- How is the ORP being evaluated and how is this being used to inform policy options ahead of Carbon Budget 3?
- How many households has the Green Homes Wales scheme supported to date, what is the average loan value and how many households do you estimate the scheme will support in 2026-27?