

Written Response by the Welsh Government to the Climate Change, Environment and Rural Affairs Committee's report: The Welsh Government's progress on climate change mitigation

July 2018

Recommendation 1

The Cabinet Secretary should provide details of the specific actions she has taken and will take to improve engagement and joint working across the Cabinet in relation to climate change mitigation.

Response: Accept.

In 2017 the Cabinet Secretary for Energy, Planning and Rural Affairs established a Decarbonisation Ministerial Task and Finish Group in order to ensure we work collaboratively across the Cabinet to deliver the important decarbonisation agenda. The Cabinet Secretary invited Cabinet colleagues (Cabinet Secretary for Economy and Transport, Cabinet Secretary for Finance, Cabinet Secretary for Local Government and Public Services, Minister for Environment and Minister for Housing and Regeneration) who hold the biggest levers and face the biggest challenges to achieving our transition to a low carbon economy to sit on this group.

Since then, group has met several times and produced a range of reports for Cabinet. As a result, in June 2018, the Welsh Government published interim emissions reduction targets and our first two carbon budgets. We launched a consultation in July focusing on how to achieve our low-carbon pathway to 2030 and maximising benefits on our well-being goals.

Given the importance of this issue, and the scale of the challenge we face, on 10 July 2018 Cabinet agreed to add decarbonisation as a sixth priority area in Prosperity for All for cross government working. The Welsh Government's initial five priority areas for working across government were set out in the National Strategy: Prosperity for All in September 2017.

As a result of the Task and Finish Group, we are already working together in areas such as aligning the carbon and financial budgeting cycle, public sector decarbonisation and the uptake of electric vehicles in Wales.

Alongside ongoing work with Cabinet colleagues, there is an extensive cross government governance structure to drive action around this agenda, with a Welsh Government Director Level Programme Board and many cross-government working groups to consider and develop policy actions to ensure we collectively meet our long-term goal.

The Well-being goals and the Ways of Working under the Well-being of Future Generations guide our Programme. The programme is focussed around our long term target, collaboration and involvement with stakeholders, internally and externally, to ensure we are integrating Decarbonisation in the way we work to prevent the further effects of climate change.

We believe the key to meeting our target is to continue cross-government working and continuing to involve my Cabinet colleagues and their officials in delivering this agenda. This will enable us to ensure our action to mitigate climate change enhances the people of Wales' health, well-being and realises the potential for creating sustainable businesses, jobs and leisure opportunities through facilitating the transition to a low carbon economy.

Financial Implications – None. Any additional costs will be drawn from existing programme budgets.

Recommendation 2

The Welsh Government should undertake a consultation in the Assembly and with external stakeholders on its suggested approach for Assembly scrutiny of carbon budgets.

Response: Accept.

The Welsh Government has already been subject to a review process around the scrutiny procedure for setting our carbon budgets through the development of the Environment (Wales) Act 2016. As a result of the Assembly process, the Act has put in place the requirement for Welsh Ministers to set our carbon budgets in regulation.

This subordinate legislation is subject to affirmative procedure and therefore is already subject to scrutiny by the Assembly. The primary legislation itself, was scrutinised through the Plenary process and within committee in its draft Bill form.

In addition to the Assembly Scrutiny we also have to consider advice from our independent expert Advisory Body the UK Committee on Climate Change (UKCC), who also provide advice to the UK Government and other Devolved Administrations.

Financial implications: None. Any additional costs will be drawn from existing programme budgets.

Recommendation 3

The Welsh Government should set out its engagement thus far with external stakeholders in the development of its carbon budgets and its plans for future engagement.

Response: Accept.

The Well-being goals and the Ways of Working under the Well-being of Future Generations guide our Programme. Collaboration and involvement has been integral throughout. Over the last year, stakeholders have been involved in developing our evidence base and understanding the Welsh context, which has framed our decisions around our legislative framework.

The development of our carbon budgeting framework has three main parts, which sets out:

- how we will account for our emissions in Wales;
- what pathway we will take through our interim targets and carbon budgets; and
- what action we are going to take through our Low Carbon Delivery Plan.

The development of our accounting framework and the setting of our interim targets requires us to consider advice from our independent, expert advisory body, UKCCC, in addition to a number of wider pieces of evidence.

To best target the expert and interested stakeholders across many sectors in Wales, the UKCCC held two Calls for Evidence and collectively we held three joint events at which UKCCC presented their findings and encouraged stakeholders to respond. The events were well attended given the technical nature and stakeholders included representatives from industry, business, third sector, the public sector, academia and civil society.

In addition, wider communication materials and products have also been utilised such as infographics and regular bulletins to keep stakeholders updated. We have also involved young people by launching a video competition through the Eco schools network, to ask young people on what they expect Wales to look like in 2050.

My officials regularly meet with the Future Generations Commissioner's office to ensure we are embedding the ways of working and hold meetings with interested parties such as business, industry, public sector, third sector, and civil society to ensure different stakeholder's views are heard and updated on progress.

With regards to the actions we take to decarbonise Wales, Welsh Government action alone will not be enough and will require others to take action - from individuals, organisations and businesses. It is the collective actions that we take to meet the budgets which will have the biggest impact upon Welsh organisations and society

We want to ensure everyone in Wales has an opportunity to tell us how our proposed future action to tackle climate change will affect them and why. With this in mind, this month (July) we will be launching our consultation entitled '*Achieving our low-carbon pathway to 2030*' which explores early ideas for action for decarbonising up to 2030.

Some of these ideas have been generated with the involvement of stakeholders. Their involvement has helped shape our ideas.

We will also be holding workshops and attending key events during this time, alongside continuing to involve members of the public in specific events throughout the year. Whilst we believe consultations are a powerful mechanism for involvement, we want to involve and collaborate with people in the most relevant and meaningful way to them and so seek to find their views through a number of methods.

We would urge any interested parties to respond to the consultation.

Financial Implications – The wider costs of stakeholder engagement for the whole programme including consultation publications and events. Estimated spend - £65,000

Recommendation 4

The Welsh Government should explain how it will ensure that the climate change mitigation policies it develops are subject to independent, external challenge and review.

Response: Accept.

The Environment Act sets out the role of our advisory body the UKCCC. In addition to their advisory role on the targets and budgets we set, they also advise on areas for action to meet the budgets and will provide an independent, expert review of our progress on each budget.

The UKCCC consist of a cross-cutting selection of scientific experts and the Welsh Government values its independent expert advice in the transition to a low carbon economy. As the advisory body for Welsh Government, UK and Devolved Administrations, the UKCCC is able to give us advice based on our specific devolved powers based on the action taken throughout the UK.

In addition to the UKCCC's review, as explained in my response to recommendation 3 above, we will also be consulting on our ideas for action to 2030 this summer.

Financial Implications – The UKCCC is jointly-sponsored by the Department of Business, Energy and Industrial Strategy (BEIS), Department for Environment, Food and Rural Affairs (Defra), the Northern Ireland Executive, the Scottish Government and the Welsh Government.

All are party to the Climate Change Act 2008 Concordat, under which it has been agreed for the UKCCC's 'core budget' to be divided between BEIS/ Defra and the Devolved Administrations.

The UKCCC's core budget consists of the costs of the statutory duties it is required to carry out under the Act; and some provision towards meeting requests made under the duty to provide additional advice on request. The recommendation would already be part of our existing work with the UKCCC.

As shown in Recommendation 3, there is an estimated spend of £65,000 for consultation and engagement events.

Recommendation 5

The Welsh Government should provide the Committee with details of what it believes should be the requirements of a replacement for the EU ETS.

Response: Accept in principle.

The issue of replacement arrangements for reducing emissions from installations currently required to participate in the EU ETS is inextricably linked to discussions around the UK's future economic partnership with the EU. The Welsh Government has been considering the key features of a potential replacement policy which is being refined and which will be further developed as the UK/EU negotiating position is resolved.

It should also be noted that this is one of the 24 policy areas that are now subject to more detailed discussion between the four UK administrations to explore whether legislative common framework arrangements might be needed, in whole or in part.

The core purpose of any replacement policy is to reduce emissions from industrial installations and the power sector, which in 2016 accounted for approximately 57% of all emissions in Wales.

The key issues we are considering relating to trading systems are:

- **Ambition** – we will need to ensure our ambition contributes appropriately to the overall emissions reduction trajectory to be set shortly as regulations under the Environment (Wales) Act 2016.
- **Scope** – currently the EU ETS scope covers power and industry, but we might consider flexibility to amend or expand the scope in future should it be advantageous in meeting policy goals.
- **Improvements** – there are elements of the EU ETS which we may look to improve upon in any future scheme, such as coverage and scope, or introducing greater proportionality in monitoring and reporting burdens. These divergences must be balanced against the ability to align or link to the EU ETS or other international trading systems.
- **Costs** –we are considering the impact of the carbon price on any system, and implications for the design of such systems within devolved competence.
- **Linking** – we will be considering the advantages and disadvantages of linking to other trading schemes, including flexibility for future evolution.
- **Business Competitiveness** – impact of any scheme on the competitiveness of businesses located in Wales, issues of Carbon Leakage and the ability to benefit from incentives for transitioning to low carbon technologies.
- **Liquidity** – for example, there may be significant benefits from a larger market size and therefore linking or increasing scope may be considered beneficial. However, the positives around linking must be offset against reduced flexibility for divergence. Other technical means of improving market liquidity will also be considered.
- **Governance** – a robust governance structure is required to set the scheme rules, set out monitoring verification and reporting requirements, determine an appropriate level of enforcement and manage dispute resolution.

Financial Implications – None. Any additional costs will be drawn from existing programme budgets.

Recommendation 6

The Welsh Government should share with this Committee the UK Committee on Climate Change’s analysis of the impact of leaving the EU on the Welsh Government’s carbon budgets, targets and climate change policies.

Response: Accept.

The UKCCC have published three pieces of advice of relevance to this recommendation.

In October 2016 the UKCCC published an assessment at a UK level of the implications of Brexit for UK climate policy¹. Although not bespoke to Wales, this report highlights areas at risk of a policy gap in the absence of new domestic arrangements driving climate action post EU exit. It also evidences where existing EU law does not currently drive decarbonisation, for instance in the agriculture sector, which suggests an opportunity for integrating climate change mitigation and adaptation in any future scheme in Wales.

On 13 April 2017 the Committee on Climate Change published its advice on the design of the Welsh carbon targets², informed by a public call for evidence. The report assesses the challenges and opportunities of decarbonisation in Wales, highlights issues for consideration when setting Welsh carbon targets and recommends key principles for the design of Welsh carbon targets.

On 19 December 2017, in response to a request from the Welsh Government for independent advice, a further report³ by the UKCCC advised on the level at which Welsh interim carbon targets and Welsh carbon budgets should be set.

As the situation develops, we may request further advice from the UK Committee on Climate Change and this, as is routine for all advice the UKCCC provide to the Welsh Government, will be published on their website.

Financial Implications – None. Any additional costs will be drawn from existing programme budgets.

¹ <https://www.theccc.org.uk/publication/meeting-carbon-budgets-implications-of-brex-it-for-uk-climate-policy/>

² <https://www.theccc.org.uk/wp-content/uploads/2017/04/Welsh-Carbon-Targets-Committee-on-Climate-Change-April-2017.pdf>

³ <https://www.theccc.org.uk/wp-content/uploads/2017/12/CCC-Building-a-low-carbon-economy-in-Wales-Setting-Welsh-climate-targets.pdf>

Recommendation 7

The Welsh Government referred to “a range of measures” that will contribute to achieving its long-term planting aspiration, but which will need time to progress. The Welsh Government should provide details of each of these measures, including what they are, the estimated planting that will result from each of them, and the timeline for when each measure will deliver its estimated planting.

Response: Accept

The Minister for Environment has acknowledged that this is one of her top priorities. The Cabinet Secretary for Energy, Planning and Rural Affairs will bring forward proposals for post-Brexit reform that seeks to break down barriers between agriculture and forestry. We are working with a range of stakeholders including farming unions, environmental bodies and forestry representatives to deliver sustainable land use after Brexit and this will include developing proposals as to how to achieve our long term planting aspirations.

The refreshed forestry strategy, Woodlands for Wales was launched on 26 June, this provides details of how we propose to achieve its aims over the next 50 years. It can be found at the following link:

<https://beta.gov.wales/woodlands-wales-strategy>

<https://beta.llyw.cymru/coetiroedd-i-gymru-strategaeth>

The Glastir Woodland Creation Scheme (GWC) is providing support for woodland creation in Wales. Funding for the GWC comes from the Rural Communities Rural Development Programme. With Brexit this Programme will come to an end and Welsh Government is working with stakeholders to examine options to support sustainable management of our natural resources in future.

The development of Area Statements and taking forward the local delivery of the Natural Resources Policy will provide an opportunity to embed the Woodland Opportunities Map in local delivery and decision making by landowners and regulators alike. The Welsh Government expects statements will give a clear indication locally about where new woodland should be created.

Area Statements will have a strong link to local planning and, as required by the Well-being of Future Generations (Wales) Act 2015, we expect Local Service Boards to take account of the opportunities to create new woodland as they contribute to the development of land-use planning in their respective areas.

Financial Implications: None. Any additional costs will be drawn from existing programme budgets.

Recommendation 8

The Welsh Government should commit to a national target of 20% urban tree canopy cover.

Response: Decline.

A single target is unlikely to be helpful in taking forward our policies or achieving our woodland creation goals. Each urban area in Wales is different and has different needs and priorities. The process of drawing up Local Well-being Plans and Area Statements, involving Local Service Boards in decision making, is the mechanism set out in the Well-being of Future Generations and Environment Wales Acts as the delivery mechanism for targets. Setting an additional goal would prejudge the local decision making process envisaged by this legislation.

The Welsh Government does consider some form of location-specific indicator of achievement should be available to those drawing up Local Well-being Plans. Accordingly, we support Natural Resources Wales' (NRW) work to measure canopy cover and will explore ways to monitor changes in canopy cover from the baseline established in the canopy cover report, '*Tree Cover in Wales' Towns and Cities*'.

The Welsh Government will work with NRW and Local Authorities to expand use of the iTree Eco tool for monitoring urban trees and woodlands in and around towns.

Financial Implications: None. Any additional costs will be drawn from existing programme budgets.

Recommendation 9

The Welsh Government should publish on an annual basis information about planting rates in Wales and the types of trees that are being planted.

Response: Accept.

Information on tree planting rates in Wales and types of trees planted is published annually by Forestry Commission/Forest Research and is available online from their website:
<https://www.forestry.gov.uk/forestry/infd-7aqknx>

Financial Implications: None. Any additional costs will be drawn from existing programme budgets.

Recommendation 10

The Welsh Government should provide the Committee with further information about the Agriculture Industry Climate Change Forum, including its membership, terms of reference, and details of its meetings.

Response: Accept.

This forum has and will continue to provide evidence and insight to Welsh Government. The output from this group will be used to help evidence and inform Greenhouse Gas (GHG) reduction across agricultural sectors and in turn can be used to help inform future economic resilience and public goods schemes, which are proposed as part of the future land management policy for Wales.

The Agriculture Industry Climate Change Forum (AICCF) is made up of a number of bodies representing agricultural, forestry, skills and training, and academic perspectives. The full list includes The Farmers Union of Wales (FUW), National Farmers Union (NFU Cymru), Country Land and Business Association (CLA), Natural Resources Wales (NRW), Hybu Cig Cymru (HCC), Amaeth Cymru, the Agriculture and Horticulture Development Board (AHDB), LANTRA, Farming Connect, Bangor University, Aberystwyth University (Pwllperian Research Centre), Organic Centre Wales, Institute of Biological, Environmental & Rural Sciences (IBERS), National Sheep Association (NSA), Defra, Confederation of Forest Industries (CONFOR) plus individual farmers and land managers.

The Terms of Reference are as follows;

1. To initiate, co-ordinate and monitor the overall development of the Industry Climate Change Plan in line with the Amaeth Cymru Strategic plan (under development) and the Animal Health & Welfare Framework.
2. To promote and act as one voice for the Agricultural climate change policy agenda and its subsequent action plan.
3. Members of the group will be tasked to provide narrative and evidence for their respective areas of expertise where appropriate
4. Assess and develop a risk management plan and continually review as an on-going process.
5. To develop a communications and stakeholder communication plan in line with the Amaeth Cymru communications strategy.
6. Monitor progress in working with the Glastir Monitoring environmental framework (GMEP) successor, Climate Smart Agriculture project, and Welsh Government decarbonisation team to support and advise if necessary to ensure a robust monitoring programme for GHG emissions reductions in the agriculture sector.
7. Ensure equality of opportunity and participation is considered and adopted within all project activity.
8. Ensure that the Climate Change actions are given priority across the relevant work areas
9. Identify and record all cross cutting actions carried out within the Welsh Government's Activities.

Financial Implications – There are no financial implications to the Welsh Government as a result of convening this group. Implications for incorporating this work into future policy design will be considered along with all other evidence once consultations have been completed.

Recommendation 11

The Cabinet Secretary should update the Committee as soon as possible on progress in addressing the number and frequency of agricultural pollution events.

Response: Accept.

The Welsh Government is currently giving urgent consideration to what actions are required in the short term following the number and scale of recent agricultural pollution incidents.

To help inform the approach to be taken, the Welsh Government is undertaking a full analysis of the responses received to the consultation on Nitrate Vulnerable Zones and further recommendations from stakeholders on tackling agricultural pollution. The Cabinet Secretary indicated in her Written Statement to the National Assembly on 13 December 2017 that she wishes to see a whole Wales approach, balancing regulatory measures and voluntary action.

Additional finance has already been allocated to NRW to fund field officers who will be on the ground, visiting farms later in the year to provide timely advice and to undertake enforcement action where such action proves necessary.

In addition, the Cabinet Secretary for Energy, Planning and Rural Affairs is currently consulting on a new Land Management Programme to support Welsh farmers post-Brexit. The proposals outline that appropriate regulation should underpin the provision of support for land managers. We will be issuing a statement in the autumn setting out further detail about regulatory improvement.

Financial Implications: None. Any additional costs will be drawn from existing programme budgets

Recommendation 12

The Cabinet Secretary should provide the Committee with further information about the Welsh Government’s approach to planning in the context of the concept of “net environmental gain”.

Response: Accept.

The term ‘net environmental gain’ is used in Defra’s 25 Year Environment Plan, applied to new development. It states they ‘*want to establish strategic, flexible and locally tailored approaches that recognise the relationship between the quality of the environment and development*’ and ‘*want to expand the net gain approaches used for biodiversity to include wider natural capital benefits, such as flood protection, recreation and improved water and air quality*’ (p33). However, its approach to the method of achieving this is not yet clear.

Welsh planning policy uses the phrase ‘*net benefit for biodiversity*’. This concept is set out in paragraph 5.46 of the consultation draft of Planning Policy Wales (PPW), which states that “... *development should provide a net benefit for biodiversity, and at the very least, with no significant loss of habitats or populations of species, locally or nationally.*” Technical Advice Note 5 ‘Nature Conservation and Planning’, published in 2009, expresses the same principle.

‘*Net benefit for biodiversity*’ is similar to the phrase ‘*net environmental gain*’. However, in Wales we have a duty under Section 6 of the Environment (Wales) Act 2016 to ‘*maintain and enhance biodiversity ... and in so doing promote the resilience of ecosystems*’. Welsh Government’s understanding of ‘*net benefit for biodiversity*’ is therefore shaped by this requirement.

The overall Welsh Government approach to net gain / benefit is still evolving. The most recent advice is the maintenance of existing habitats is generally considered to be more compliant with the Environment Act duty than site clearance and re-vegetation, and a net benefit approach should consider habitat quality as well as quantity.

A net benefit approach will also consider the value of green infrastructure such as trees, hedgerows, green roofs and sustainable drainage systems. These can contribute not only to maintaining and enhancing biodiversity and improving the resilience of ecosystems, but also provide key well-being benefits and services in terms of improved air quality, flood management, water purification, reduced noise pollution, and climate change mitigation. The consultation draft of PPW states that “*full advantage should be taken of opportunities to improve the quality of the built environment by integrating green infrastructure into development*” (paragraph 5.69). Increasing green infrastructure is a key element of our national priority of delivering nature-based solutions, as set out in our Natural Resources Policy (2017).

The consultation draft of PPW also referred to the need to monitor net gain or loss of biodiversity. The purpose is to require monitoring of key species and habitats as an indication of trends, and planning authorities should use the best available data to do so.

As with all planning decisions, each application will be considered on its own merits, and the balance of factors will vary depending on the specific circumstances of each case.

The public consultation period for PPW ended on 18th May, and consultation responses are currently being collated and considered. The planning approach to net gain / benefit will therefore continue to be developed in light of both consultation responses and the evolving Welsh Government approach outlined above. The official position will be finalised by the end of the year.

Financial Implications: None. Any additional costs will be drawn from existing programme budgets.

Recommendation 13

The Cabinet Secretary for Economy and Transport should review the Active Travel (Wales) Act 2013 and report back to the Committee within 6 months of the publication of this report. The review should include the impact of the legislation on levels of active travel and any lessons learned in relation to the implementation of the legislation.

Response: Accept in principle.

The Active Travel (Wales) Act 2013 includes provisions for the review of the legislation. In Section 11, it sets out that Welsh Ministers must, no later than the end of the period of 5 years beginning immediately after the end of the period mentioned in section 4(6) (a), [which relates to the submission of the Integrated Network Maps], carry out a review of the operation of this Act.

The Integrated Network Maps were submitted in November 2017, which means that the Act envisages the review to be carried out by November 2022. The legal provision was made in recognition that the impact of the Act will only be able to be felt once the networks are planned and their delivery has begun.

The Economy, Infrastructure and Skills Committee has just conducted their Post Legislative Scrutiny of the Act and published its recommendations. The Government will respond to the recommendations in July 2018.

Financial Implications – None. Any additional costs will be drawn from existing programme budgets.

Recommendation 14

The Welsh Government should provide the Committee with the Welsh Government's carbon assessments of the M4 relief road project and any carbon assessments that have been undertaken for the A487 and A470 highway improvement schemes. The Cabinet Secretary should provide further information on the extent to which officials in her department have been involved in the development of mitigation measures featured in these carbon assessments.

Response: Accept.

Carbon emissions associated with the M4 Project have been carefully considered in the context of relevant policy and legislative requirements using highly detailed modelling. Assessment indicates that the total annual user carbon emissions on the south Wales highway network would reduce as a result of alleviation of stop-start traffic conditions and reduced journey lengths on the new, 2.8km shorter, section of motorway.

A Carbon Report was submitted to the M4 Project Public Inquiry that concluded in March 2017 (available in appendix 2.1 – 2.4 starting at page 55 here: <http://bailey.persona-pi.com/Public-Inquiries/M4-Newport/C%20-%20Core%20Documents/Environmental-Statement/Appendix-2-1-to-2-4.pdf>). The Inquiry also received evidence on the details of this assessment from member of the project team available at <http://m4-newport.persona-pi.com/1-proofs-of-evidence>. This work was directly overseen by Welsh Government Transport Officials. Decarbonisation Officials are responsible for the coordination across Government of actions taken to reduce emissions including overseeing the Decarbonisation Governance Structure.

Transport Officials lead on developing mitigation measures in specific projects and programmes in their area. In the development of the Low Carbon Delivery Plan, Transport Officials are working with Decarbonisation Officials in looking at strategic emissions reduction actions.

The identification development of schemes providing overtaking opportunities on the A487 and A470 in order to improve safety and journey time reliability is at an early stage. Once the schemes to be taken forward to detailed design and construction have been identified through the Welsh Transport Appraisal Guidance (WelTAG) process the appropriate assessments will be carried out. 'Pinchpoint' highway improvements can play a part in transport networks reducing their net emissions alongside technological improvements such as ultra low and zero emission vehicles.

This is demonstrated in the published Highways England 'Carbon Routemap' (http://assets.highways.gov.uk/specialist-information/knowledge-compendium/2013-2014-knowledge-programme/HACR_Infographic.pdf).

Financial Implications – None. Any additional costs will be drawn from existing programme budgets.

Recommendation 15

The Welsh Government should provide evidence or modelling that supports its position that improving traffic flow will reduce emissions and improve air quality.

Response: Accept.

Pinchpoint' improvement schemes reduce traffic in densely populated areas, reducing emissions and improving air quality. For example, the M4 Corridor around Newport Project would reduce traffic along the current M4, and improve air quality for around 30,000 homes. Air quality expert witness evidence, based on detailed modelling, was submitted to the recently closed M4 Project Public Inquiry, and is available here: <http://bailey.persona-pi.com/Public-Inquiries/M4-Newport/C%20-%20Core%20Documents/1.%20Proofs/1.12.2%20Michael%20Bull%20Summary.pdf>.

Further evidence that improving traffic flow reduces emissions and improves air quality is contained in the Welsh Transport Appraisal Guidance Reports published as part of the consultation on Tackling Roadside Nitrogen Dioxide Concentrations which may be accessed via the following link: <https://beta.gov.wales/tackling-roadside-nitrogen-dioxide-concentrations-wales>

This modelling led to the recent implementation of 50 mph speed limits on five locations on the trunk road that exceed the Directive limit level for NO₂:

- I. A494 at Deeside;
- II. A483 near Wrexham;
- III. M4 between junctions 41 and 42 (Port Talbot);
- IV. M4 between junctions 25 and 26 (Newport); and
- V. A470 between Upper Boat and Pontypridd.

The investigations and modelling undertaken to date have indicated that the implementation of 50 mph speed limits at each of the locations have the potential to bring immediate improvements to air quality and bring forward compliance with the EU Directives.

Financial Implications – None. Any additional costs will be drawn from existing programme budgets.

Recommendation 16

The Cabinet Secretary should share with this Committee further information on the advisory group she is establishing to consider how alternative sources of funding and support can be used to facilitate an extensive programme of retrofit.

Response: Accept.

The new Advisory Group on the Decarbonisation of Homes in Wales met for the first time on 14 May and aims to meet monthly. Its role is to advise Ministers on the development of a programme of action to retrofit all residential properties by 2050 to meet the requirements of the Environment (Wales) Act 2016.

It is chaired by Chris Jofeh of Arup and with representatives from the key stakeholders who will help us deliver this programme including landlords, lenders, academia, and representative bodies such as Federation of Master Builders (FMB), National Energy Action (NEA) and the Royal Town Planning Institute (RTPI). The Group's work will look at a range of issues concerning the development of a programme including its financing.

Financial Implications: None. Costs of the establishing and running the Group will be met from existing programme budgets.

Recommendation 17

The Cabinet Secretary should share with the Committee further information about the housing conditions evidence survey and any action it intends to take as a result of the survey.

Response: Accept.

The Welsh Housing Conditions Survey (WHCS) 2017-18 forms part of the Welsh Government's Housing Conditions Evidence Programme (HCEP). Fieldwork for the WHCS 2017-18 took place between August 2017 and April 2018. The data are currently being processed and modelled. Publication of the headline, national level results has been announced for November 2018 in line with the Code of Practice for Statistics. In early 2019 detailed analysis of the resultant Fuel Poverty estimates will also be published.

Results from the survey will be used to inform policy direction and resources around improving the living conditions of people in Wales, decarbonising the Welsh housing stock and to inform discussions with stakeholders regarding future actions on tackling fuel poverty in Wales and the development of a new fuel poverty plan. It is important to ensure that there is a joined up approach to tackling these issues.

Financial Implications – None at present; The Housing Conditions Evidence Programme is currently funded to the end of March 2019. A decision to extend the Programme, to continue utilising the data, will need to be taken in the near future.

Recommendation 18

The Cabinet Secretary should share with the Committee further information about when the review of Part L is expected to be completed. In addition, the Cabinet Secretary should share with the Committee the work already undertaken by the Welsh Government to ascertain that only “fine-tuning” of current building standards is needed to achieve near-zero energy.

Response: Accept.

Scoping work for the review of Part L (Conservation of fuel and power) of the Building Regulations has commenced this month. The scoping study will inform the development of proposals for public consultation currently planned for the first half of 2019.

We are awaiting final analysis of our current standards (Part L 2014) in achieving ‘cost optimal levels’. The analysis for each administration is undertaken by the Ministry of Housing, Communities and Local Government who is responsible for responding on behalf of the UK, as the member state. Our view in which we anticipate ‘fine-tuning’ to current standards to achieve nearly-zero energy (NZE), is based on the earlier cost optimal report and the subsequent improvements made in 2014. The 2017 review is intended to at least deliver NZE, however, I will consider imposing more stringent standards if NZE does not meet our energy ambitions.

Financial Implications –: None. Any additional costs will be drawn from existing programme budgets.

Recommendation 19

The Welsh Government should clarify the timetable for its review of affordable housing supply. In particular, it should explain how it intends to act upon the evaluation of analysis of the impact of moving to deliver zero carbon homes by 2020, given that the review group is expected to report by the end of April 2019.

Response: Accept.

We launched the review of affordable housing supply on 23 April this year, and have appointed an independent panel and chair to carry out the review.

The remit of the review is wide ranging, and the panel has chosen the work streams it wishes to pursue. These include work streams looking at grant rates, rent policy, housing need, modern methods of construction and the use of public sector land.

The move towards zero carbon homes will feature strongly in the work streams identified by the group. The chair has indicated that decarbonisation is a topic which they consider cuts across all of their work. We therefore would anticipate some of the recommendations will reflect this.

The group's recommendations in the spring of 2019 will feed into the wider work underway to prepare for the move towards zero carbon homes.

Financial Implications – None. Any additional costs will be drawn from existing programme budgets.