**Climate Change Portfolio Update**

**March 2023**

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# Transport: Active Travel

New [Active Travel Act guidance | GOV.WALES](https://gov.wales/active-travel-act-guidance) published in 2021 combined these into Active Travel Network Maps.

All local authorities submitted their Active Travel Network Maps.

The approved maps were published on DataMapWales in early December and can be found here: [Active Travel Network Maps | DataMapWales (gov.wales)](https://eur01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fdatamap.gov.wales%2Fmaps%2Factive-travel-network-maps%2F&data=05%7C01%7CAmy.Henley%40gov.wales%7C727f9d80d0b54d7b53ab08dad8311679%7Ca2cc36c592804ae78887d06dab89216b%7C0%7C0%7C638060002577273712%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=SC%2FJ8ddRmuw4zJV18r8ZlCQuPyw5rZiiF894vfmSS58%3D&reserved=0)

We have allocated over £50m to local authorities for active travel infrastructure through the Active Travel Fund and the Safe Routes in Communities Grant for 2022/23 and expect to be able to allocate over £55m in 2023/24.

Each local authority will be able to access a minimum of £500,000 to undertake minor works to improve their active travel networks and undertake preparatory work on larger schemes.

Medium-term loan of e-bikes is being piloted through the e-move project run by Sustrans on the Welsh Government’s behalf. These offer loan of e-bikes to communities in 5 locations across Wales, and of e-cargo bikes aimed at small businesses in two locations. The projects are designed with an emphasis on serving more deprived communities. Two complementary projects are also receiving funding: Seeing Cycling Differently run by Pedal Power and aimed to enable inclusive cycling, and an e-cycle loan scheme run by Partneriaeth Ogwen in Gwynedd. Both schemes are being extended for a third year throughout 23/24.

Enabling more children to walk, scoot and cycle to school is a key priority for the Welsh Government. We are funding improvements to walking and cycling routes and facilities through our Active Travel Fund and the Safe Routes in Communities Grant each year. All local authorities must plan networks of walking and cycling routes, shown on Active Travel Network Maps. We have made it a condition that all schools must be served by active travel routes, which can be walking and/ or cycling routes. Furthermore, we are encouraging local authorities across Wales to introduce School Streets, which involve road closures around schools at the start and end of the school day, in order to improve conditions for walking and cycling, improve road safety and reduce air pollution. We have offered funding to all local authorities interested in undertaking preparatory work for the implementation of school streets schemes during 2023/24, if they can demonstrate that they are committed to progressing schemes.

**Background**

The Programme for Government contains five commitments relating to Active Travel:

* Work with Transport for Wales and local authorities to strengthen the promotion of walking and cycling
* Support innovative new social enterprise schemes such as bike maintenance repair cafes and bike recycling schemes.
* Develop new Active Travel Integrated Network Maps.
* Work with schools to promote Active Travel and Road Safety
* Invest in travel options that encourage public transport and support walking and cycling.

The Active Travel (Wales) Act 2013 places a duty on local authorities to prepare and publish maps of their existing active travel routes and their planned integrated active travel route networks, which must be reviewed every 3 years.

# Biodiversity: COP15 and Deep Dive

**Deep Dive**

In Wales, the current percentage coverage of terrestrial protected areas, including wider landscape designations is 29.4% However, only 10% is considered to be actually effectively managed for biodiversity.

The current percentage coverage of marine protected areas is 50% with 139 Marine Protected Areas across Wales. While this means we have already achieved the marine element of the 30x30 target, designation alone does not ensure that these sites are in good condition.

I want to ensure that our Designated landscapes better deliver for nature and therefore make a contribution to our achievement of the target in Wales.

I was extremely pleased to attend COP15 and add Wales’ voice to the calls for the Parties to the Convention to agree an ambitious global framework to drive 8 years of action to reverse nature decline.

I welcome the Kunming-Montreal Biodiversity framework that was formally adopted setting out four global goals, 23 targets and finance over this decade to put nature on a path to recovery. I was also pleased to see the agreement of the 30 by 30 target.

The focus is now on how we implement this and drive towards meeting the vision of halting and reversing biodiversity decline by 2030. We cannot afford another lost decade of well-meaning targets but little delivery.

I look forward to working with the rest of the UK to ensure we can publish the UK Biodiversity Framework and continue our collaboration working with JNCC to develop the underpinning Implementation Plan.

I was particularly pleased that the Plan of Action on Subnational Governments, Cities and Other Local Authorities for Biodiversity was formally adopted. This important decision means that the CBD formally recognises the vital role sub-national and local governments play in driving and delivering action to reverse decline and deliver a nature positive future.

I look forward to continuing our partnership with organisations such as ICLEI and Regions4 as we work together to implement the Plan of Action.

My bilateral meetings with a range of subnational Governments and regions, including Quebec, Catalonia and Paraná State in Brazil, revealed the common challenges we face in tackling biodiversity loss, and some really innovative ways in which we can approach these.

**Priorities for Nature and the Environment:**

Welsh Government is committed to embedding our response to biodiversity and climate in all we do.

**Nature Targets:** I am considering the role legally binding targets will play in driving our actions forward to halt and reverse biodiversity decline and to help us achieve our international.

**Refreshing our Biodiversity Strategy** to help drive action alongside the Deep Dive recommendations towards delivering our obligations under the new Kunming-Montreal Global Biodiversity Framework.

**30 by 30:** I recently undertook a Biodiversity Deep Dive looking at how Wales can implement the target to protect 30% of the land, freshwater and ocean by 2030.

I will continue to work with the Deep Dive Core Group and stakeholders to co-produce the Action Plan to implement the recommendations which lay the foundations for delivery of our international obligations in Wales. I am forging a ‘Team Wales’ approach to drive action across the whole of government and the whole of society.

**Transform our protected sites series** so that it is better, bigger, and more effectively connected – including accelerating action to complete the MPA network. Working with partners including NRW and Heritage Lottery to support the delivery of the **Nature Networks Programme** and **National Peatland Action Programme**.

**Unlock the potential of designated landscapes** (National Parks and Areas of Outstanding Natural Beauty) to deliver more for nature.

We must build a strong foundation for future delivery through capacity building, **behaviour change**, awareness raising and skills development and as part of this unlock responsible and ethical public and private finance to deliver for nature at far greater scale and pace.

**Monitoring and reporting** - Develop and adapt monitoring and evidence frameworks to measure progress towards the 30 by 30 target and guide prioritisation of action.

**Innovative finance –** in recognition that one of the biggest challenges we face will be the scale of funding required to effectively implement our ambition to be nature positive, I will continue to work to identify opportunities to unlock private finance at a far greater scale and pace without it greenwashing.

**Strategic leadership -** The imperative to act is now and Wales needs to deliver a decade of action if we are to become nature positive. I fully recognise we need to take ambitious and integrated action if we are to put nature on the path to recovery. This requires collective action to address the issues and reversing biodiversity decline.

**COP15**

I attended the COP15 biodiversity summit in Montreal this December, marking the end of the ‘Wales in Canada’ year. Part two of the conference ran from 7 – 19 December. It was important for me to attend in-person to participate in key negotiations as a Sub-National Government.

I spoke with other nations on the importance of addressing the nature emergency, which bears just as big as a threat to our life quality on planet earth as climate change. COP15 will provide the opportunity for all countries to convene and agree a new post 2020 Global Biodiversity Framework (GBF). During my time at COP, I highlighted our work underway to meet the 30x30 target described in the draft GBF – to protect and effectively manage at least 30% of our land, freshwater and sea for nature by 2030.

I attended a number of bilateral meetings with leaders of other sub-national governments each calling for nature restoration.

**Background**

The Convention has three main goals: the conservation of biological diversity, the sustainable use of its components; and the fair and equitable sharing of benefits arising from genetic resources. Its objective is to develop national strategies for the conservation and sustainable use of biological diversity.

Welsh Government is committed to a new ambitious Global Biodiversity Framework (GBF). COP15 in December this year will see the agreement of the post-2020 Global Biodiversity Framework (GBF) which aims to set out a decade of action towards the achievement of several goals by 2030. One of those is the 30 by 30 target which has been the focus of the Minister for Climate Change’s recent Biodiversity Deep Dive – it has looked at how we can effectively designate 30% of the terrestrial and marine environment for nature by 2030. The recommendations from the deep dive were published on 3 October and can be viewed at this [LINK](https://eur01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fgov.wales%2Fbiodiversity-deep-dive-recommendations&data=05%7C01%7CAdam.Troshin%40gov.wales%7C2dfffc6d0c9f42c2acbd08daa2dc6c06%7Ca2cc36c592804ae78887d06dab89216b%7C0%7C0%7C638001365471375446%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=9RXkfP0vXWzMzdyD50R%2Fw41v0nCb3u830wXMKb39DhY%3D&reserved=0).

On 10th January I made an Oral Statement to the Senedd providing an update on COP15 and the work ongoing under the biodiversity deep dive.

# Biodiversity in our Designated Landscapes

National Parks and AONBs provide a unique and significant opportunity to complement the role of nature conservation designations. Designated Landscapes already provide a valuable contribution to conservation management, but there is potential to do more with the right tools and resources.

They have made a valuable contribution to emerging thinking coming from my Biodiversity deep dive, and I look forward to seeing a more joined-up and strategic focus in future to improving biodiversity at a landscape scale.

Tackling the nature emergency, including within our National Parks, is a key priority for us. In October we published [ambitious plans on how we will achieve this](https://eur01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fgov.wales%2Fbiodiversity-deep-dive-prompts-welsh-government-triple-peatland-restoration-nature-recovery-promise&data=05%7C01%7CSimon.Pickering%40gov.wales%7C3b5b4af1c07f4a2d527408daac519dd3%7Ca2cc36c592804ae78887d06dab89216b%7C0%7C0%7C638011763781636040%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=pBtqKZX9PIEFpsnSTlingVBZ7yKXgTJN0y%2BLb%2B4jh%2Fo%3D&reserved=0) and these included recommendations that our National Parks play a greater role in this vital work. My officials will continue to work with these bodies to translate these recommendations into action. We are funding two new Nature recovery posts to help develop a coherent response across our Landscapes.

**Background**

Despite the requirements for our protected landscapes to maintain and enhance biodiversity and ecosystem resilience and some of the recent work being taken forward by them to more deeply embed this, it is likely that these areas will struggle to ‘qualify’ as being eligible for the 30% target in full, given the condition of much of the ecosystem network. It is widely acknowledged that they are severely constrained in improving biodiversity at the transformational level needed.

The Biodiversity Deep Dive considered these issues and asked for an expert group of Designated Landscape experts to feed into the Deep Dive. The expert group met twice and developed a long list of proposed actions for Government, the Landscape bodies themselves, NRW and other stakeholders. These informed recommendations announced by you in Carmarthen on 3 October 2022 and will help guide policy development in the coming years.

Designated Landscape bodies and NRW are helping refine an action plan for the sector as part of the follow-up to my statement. An action plan is being developed with key stakeholders to implement the Deep Dive recommendations and was discussed at a seminar on 9 December 2022. A further iteration will be shared with Designated Landscape bodies and the core Deep Dive group in the coming weeks.

To assist with delivery, two new posts are being funded by WG to co-ordinate nature recovery across our Parks and AONBs.

|  |
| --- |
| **Unlock the potential of designated landscapes to deliver more for nature and 30x30**In the immediate term we will: * Support the National Parks and AONBS to develop prioritised action plans for nature restoration embedding these in strategic planning.

In the longer term we will: * Realign Designated Landscapes priorities to enhance and accelerate nature recovery delivery, supported by updated policy, resources and guidance
* Develop the evidence and mapping tools to enable designated landscapes to baseline, target and monitor areas of high nature value
* Ensure Designated Landscapes bodies are funded adequately, sustainably and flexibly
* Ensure that the potential designation of a new National Park affords opportunities for climate change mitigation and nature recovery
* Consider the need for legislation in the next Senedd to reform the statutory purposes, duties and governance arrangements for designated landscape bodies
 |

The 2022-25 budget has enabled 3-year capital schemes to be developed for NPAs and AONBs, many focussing on biodiversity. However, severe inflationary pressures are likely to hamper the ability of NPAs to make radical progress in this area in the short term.

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# Transport: Bus Bill

We are proposing a new model for bus services in Wales, which will allow us to work with local authorities to design the bus networks their communities need and put contracts in place to deliver them.

This is the most far-reaching plan across the UK, and a vital step to reverse the damage of deregulation. We have to make sure people have a bus service they can rely on, which is easy to use, and puts people before profit.

Legislation doesn’t happen overnight, however. So, in the meantime, we’re working with the industry to explore what quick improvements can be made to passenger’s experience of our buses. We have also published Bws Cymru, our bus plan which sets out some of these steps.

**Franchising**

Even before the COVID-19 Pandemic, the public purse provided over half of the bus sector’s revenue in Wales

The draft Regulatory Impact Assessment (RIA) we published alongside our white paper specifically assesses just the benefits available from contracting a better designed network, with less redundancy.

We want to make the case to invest in the quality and level of service which will make the sustainable choice the easy choice for people across Wales, but even just better designing the network we have will allow us to make services go further and better meet the needs of our communities.

We are working to prepare legislation at pace, recognising both that time is short to meet our binding 2030 emissions targets and that people have waited long enough for better bus services.

However, it will still take years to implement a new legislative framework, so we are committed to working with local authorities and operators to improve bus services wherever we can in the meantime.

In March, we published Bws Cymru, our plan to improve bus services, which highlights a range of actions we need to take to grow services into a new franchised network rather than waiting for legislative change.

These include reviewing our funding models, supporting local action plans and partnerships, improving passenger information, and improving network planning and integrated ticketing to pave the way for a franchised network.

**Impact on Small and Medium Enterprises (SMEs)**

Small and medium sized operators play a vital role in our bus system here in Wales, as well as in the foundational economy.

As well as having close links to our communities and forming a key part of the competitive market, they fill in vital services for schools, community groups and other chartered trips.

We would not be able to, nor should we, let franchise contracts in a way which favours any specific type of operator based solely on their size or structure, but we want to create a system which recognises the distinct value different operators offer.

Given the importance of SMEs in this context, we are proposing to enshrine a specific duty in legislation to consider the impact on SMEs when franchising.

What this means in practice will be a decision which needs to be made when letting contracts, but it could mean packaging routes in a way which gives SMEs appropriately sized contracts to bid for, it could mean recognising social value in the procurement process, and it could mean looking at what we can do to make zero emission vehicles available for franchisees to lease, so there is less of a capital barrier to market entry or scalability.

**Other Policy Choices (e.g. decarbonisation, subsidised evening/weekend/rural services, or pay and conditions)**

We are clear that franchising in itself is not an immediate panacea which will deliver us a perfect bus network. There will be difficult decisions to make about what level of service is affordable, how to ensure a strong and growing bus driving profession, how best to contract services, how to decarbonise the fleet and how to grow Wales’s bus market for a successful future.

However, franchising gives us the levers to make those choices.

Currently, many of those decisions are made commercially, and driven by commercial imperatives. But the pandemic has shown, more than ever, that buses remain a public service and that ultimately the risk of their failure lies with the public.

There are difficult decisions ahead, but it is absolutely right that those decisions be made by elected representatives, in the public interest, rather than leaving us and local government to pick up the pieces when services all too often fail our communities.

**Consultation Responses**

We were pleased to have a large number of responses to our consultation, we published a summary of those responses on 6 December.

96% of respondents agreed with the need for change in how we deliver bus services. This highlights the scale of the need and appetite for change.

66% of respondents agreed that franchising is the right solution to the challenges we face, and 76% agreed with our proposed franchising model.

This shows that the public agrees with us. We need to plan and deliver bus services in the public interest if we’re going to improve connectivity, tackle transport poverty, and meet our climate targets.

Some local authorities and operators raised comments about how franchising will work in practice, and we’ll carry on working with them to deliver a bus system which works for people in Wales.

# Transport: Bus Fleet Decarbonisation

Llwybr Newydd the new Wales Transport Strategy (WTS) sets out an ambitious vision for Transport in Wales to achieve our climate change commitments and safeguard future generations. Llwybr Newydd sets out our 20 year ambition with priority to walking, cycling and public transport.

WTS and Net Zero Wales Carbon Budget 2, set out the scale of change we need to see in travel patterns. We are aiming to increase the proportion of trips by sustainable travel modes to 35% by 2025 and 39% by 2030, as well as reducing our car usage by 10% by 2030. Buses currently account for some three quarters of public transport journeys.

Buses are therefore central to our ambition for a high quality, multi modal, integrated and low carbon public transport system. Bws Cymru Welsh Governments 5 year plan to improve bus services in Wales, was published in 2021.

‘Net Zero Wales’ (NZW), our plan to decarbonise the Welsh economy focused on what has to be a decade of action. The targets for bus decarbonisation within NZW are:

* The whole Traws Cymru bus fleet to be zero tailpipe emission by 2026.
* The most polluting 50% of service buses to be replaced by a zero tailpipe emission bus fleet by 2028.
* The remaining 50% of the service bus fleet to be zero emission by 2035.
* To investigate opportunities to reduce the emissions of the less polluting service and school transport buses before their replacement before 2035.
* To review the policy for home to school transport before the autumn of 2022 and bring forward costed plans to replace the balance of the school fleet by 2035.

Until recently there have been very few zero emission buses in Wales, although recently with Welsh and UK government support:

* Newport Bus have purchased around 44 EV vehicles and Cardiff Bus some 36 EV vehicles.
* The Welsh Government Transport team have provided capital grant to Carmarthenshire and Gwynedd Councils for the purchase of fully electric buses for use on the TrawsCymru strategic bus network. Carmarthenshire CC have been awarded over £4.8m for the purchase of 8 electric buses and the construction of a dedicated depot. Gwynedd Council £4.1 for the purchase of 6 buses the construction of a dedicated depot. We are expecting both schemes to be operational next year with zero emission electric buses replacing older diesel buses on the key TrawsCymru T1 route linking Carmarthen – Lampeter – Aberystwyth and the TrawsCymru T22 route linking Caernarfon – Porthmadog – Blaenau Ffestiniog.
* The new T1 buses and new depot will be officially launched on the afternoon of the 16th March.
* Cardiff and Newport councils have been awarded £14,323m by Welsh Government for the purchase of Zero emission buses.
* The budget for 2023/24 is £40m but this will also cover some network reform costs and cost of preparation for franchising.

**Key Milestones**

Over the last 6 months Welsh Government have:

1. Completed a strategic outline business case for bus fleet decarbonisation. .
2. Completed a bus fleet transition plan.
3. Completed a bus fuelling/charging infrastructure plan.
4. Evaluated funding mechanisms, in partnership with the private sector to transition the bus fleet in Wales.
5. Worked with Economy colleagues to develop opportunities for economic gain from our investment in bus fleet. Ongoing.

Over the next 6 months Welsh Government will:

1. Complete an Outline Business case for the Southwest Wales hydrogen bus project.
2. Agree an interim Traws Cymru ownership approach.
3. Commence bus procurement for Traws Cymru fleet.
4. Place the first orders for zero emission buses for the Traws Cymru network.
5. Commence the procurement of bus depots for the Traws Cymru network.
6. Finalise proposals for the service bus ownership/funding model.
7. Commence establishment of bus ownership/funding mechanism.

We are investing in and supporting moves to invest in new green zero emission vehicles for use on the local bus services across Wales. Fully electric buses are now in daily service in Cardiff and Newport and we have grant funded fleets of new electric buses in west and north Wales for use on the Welsh Government funded TrawsCymru network.

Bus Fleet Decarbonisation is a Programme for Government Commitment and in the spring, we will be sharing our plans to deliver on this commitment and the targets set out in Net Zero Wales.

Welsh Government is determined to gain economic advantage from any investment we make in bus fleet decarbonisation.

Decarbonising the bus fleet in Wales by 2035 is an ambitious programme and we are keen to work with key partners to deliver this agenda.

# Transport: Bus Services from April 2023

Thanks to the Tories economic mismanagement we’re facing unprecedented financial pressures and difficult choices on funding allocations.

We’re grateful for the support of the industry through the pandemic – keeping key workers moving and providing a social and economic lifeline for communities

We’ve seen permanent changes in travel patterns – passenger numbers simply haven’t recovered.

We’ve recognised that by continuing emergency support for the industry, but clearly the network will change in future.

We have already confirmed funding over a 3 month period (1 April – 30 June 2023). This allows continuation of the Bus Emergency Scheme at similar rate of financial support to now

We will absolutely consider a further extension and are working closely with Operators and LAs on how best to maximise the overall impact of the bus funding and help protect our bus networks

We will decide on any extension with two points in mind - First is affordability – you are aware of wider pressures. We are committed to supporting bus, but we are highly constrained.

Second is commitment of the industry to work with LAs, TfW, WG on future network planning. This is an important bridge to franchising.

**Background**

Since the beginning of the pandemic Welsh Government has made ca. £150m of additional funding available to the bus industry. The current funding package was due to end 31 March 2023. Welsh Government has extended this funding into the first three months of the next financial year and will work with operators to plan a smooth transition from emergency funding.

# Business, Public and Third Sector recycling regulations

Supported by the Welsh Government’s £1 billion investment since devolution, municipal recycling rates have grown from just 4.8% in 1998-1999, to over 65% in 2021-22, contributing savings of around 400,000 tonnes of CO2 emissions per annum.

Every household has played its part, showing how small steps can lead to fundamental change. It’s now a part of who we are, embedded in the culture of 21st century Wales.  Recycling is what we do.

The Business, Public and Third Sector recycling regulations will build on our improvements in household recycling by rolling the approach out to businesses, the public and third sectors.  The reforms will support these sectors to separate key recyclable materials in the way the majority of Wales’ households already do. This will not only deliver significant carbon savings, but also positive benefits for the economy whilst increasing consistency in the way recyclable materials are collected across Wales.

The reforms will increase the quality and level of recycling from non-domestic premises in Wales. In doing so, this will represent a key step forward in Wales’ commitment to reach zero waste and net zero carbon emissions by 2050. This also reflects the fact that in order to tackle the climate and nature emergency, moving to a circular economy – where materials are kept in use and waste is avoided - is essential.

A circular economy, which moves away from single use, decreases our emissions, and improves supply chain resilience benefits the economy as well as the environment, as collected materials are recycled back into the economy whilst reducing our dependency on raw materials extracted from overseas. This in turn reduces the associated damage to nature, biodiversity and the environment globally caused by the extraction and processes of the raw materials.

Alongside the cost of energy, the cost of materials is impacting the cost-of-living crisis and so more effectively capturing high quality material that can go back into the Welsh economy is a key way in which we can improve the resilience of our domestic supply chains supplying key materials to businesses.

For individual businesses and organisations, the reforms will support the move away from a situation where the disposal of waste is a significant cost, to one where that waste material is instead effectively captured and returned into our economy as important commodities.  Alongside increased resource efficiency, this will also help to support business productivity and competitiveness in a decarbonising global economy.

In addition, these reforms bring benefits by creating overall savings to the Welsh economy, through for example securing higher prices for high quality materials captured, whilst creating opportunities to derive greater added economic value in Wales and creating additional jobs in the circular economy.

These reforms are therefore a key part of how as a Government, we are delivering on our Programme for Government commitments to  build a stronger, greener economy based on the principles of sustainability and the industries and services of the future as well as being an essential component of action to decarbonise and respond to the climate and nature emergency.

**Background**

* The Business, Public and Third Sector recycling regulations will increase the quality and rate of recycling of waste materials produced in non-domestic premises in Wales and are a key policy lever for achieving our commitment to reach 100% recycling and to make Wales a zero waste by 2050.
* These reforms have previously been consulted upon twice. Firstly, as part of the consultation on the Environment Bill which took place between 23 October 2013 and 15 January 2014, culminating in the Environment (Wales) Act 2016. Then subsequently with the consultation on the preferred policy option between 23 September and 13 December 2019.

The business and public sector recycling proposals are to:

* Require the occupiers of non-domestic premises (including businesses, charities and public sector bodies) to present **specified recyclable materials** for collection separately from each other and from residual waste;
* Require those that collect the materials to collect them by means of separate collection and to keep them separate;
* Ban certain separately collected recyclable materials from incineration and landfill;
* Ban all wood waste from landfill;
* Commence a ban on disposal of food waste to sewer from non-domestic premises.

The proposed **specified recyclable materials** for separate presentation and collection when the regulations come into force initially are:

* paper and card,
* glass,
* plastics and metals, cartons and other fibre-plastic composite packaging of a similar composition;
* food waste (*de minims* 5kg per week),
* **unsold** small waste electrical and electronic equipment (sWEEE),
* **unsold** textiles.

# Clean Air (Wales) Bill

On 5 July 2022 the First Minister confirmed in his legislative statement that a Clean Air Bill would be brought forward in year two of the legislative programme.

We are developing a Clean Air Bill to build on our commitments in the Clean Air Plan for Wales; Healthy Air, Healthy Wales, enhance existing legislation and to deliver air quality improvements in Wales. This will improve the quality of our air environment and reduce the impacts of air pollution on human health, biodiversity, the natural environment and our economy.

Our ambition in government is to place the most effective policies into Welsh law and require action to meet them so people in Wales can breathe clean air as well as realise the other social and environmental benefits this brings.

As set out in our Programme for Government, tackling the climate and nature emergencies are a priority for this Government. We are committed to introducing a Clean Air Bill to improve air quality and reduce the impacts of air pollution on human health, biodiversity, the natural environment and our economy.

The Clean Air Bill, which we will introduce in this Senedd term, is only one of a number of actions set out in our Clean Air Plan for Wales: Healthy Air, Healthy Wales, which we are taking to improve air quality in Wales.  Action already taken includes our Wales Transport Strategy, ‘Llwybr Newydd’; work to establish a Wales Air Quality target setting framework taking into account the latest World Health Organisation air quality guidelines and an enhanced monitoring service which will provide greater information on air quality across Wales.  This is in addition to the financial support we give directly to Local Authorities to enhance their Local Air Quality Management responsibilities.

# Climate Change - Emissions Trading Scheme

The UK ETS Authority’s consultation to develop the UK ETS has closed and officials are continuing to work through the responses.

A small number of proposals in the March consultation required implementation via legislation ahead of the 2023 scheme year. For this reason, we provided an early response on these proposals to set out final positions to stakeholders before these positions took effect.

For the remaining proposals included in the March consultation, including on aligning the UK ETS cap with net zero, we will provide a full response in due course.

The new cap will be implemented by 2024, showing our confidence in the scheme as a tool to drive emissions reductions and reduce our reliance on fossil fuels.

The UK ETS Authority is committed to protect our industry from carbon leakage as our economy decarbonises, with a proportion of allowances allocated for free to businesses at risk of carbon leakage under the UK ETS.

In the consultation, we proposed to guarantee free allocation for industry participants until 2026, subject to activity level changes.

The consultation also sought views on expansion of the scheme to more sectors of the economy, so it covers a greater share of emissions.

The HSE Scheme relieves the cost and administrative burden of participating in the UK ETS on Hospitals and Small Emitters as emissions that fall within annual emissions targets are not exposed to the carbon price. However, to preserve the integrity of the UK ETS and achieve the decarbonisation goals, excess emissions are subject to a civil penalty.

The penalty takes in to account the average carbon price in the exceedance year. Any delay in serving the civil penalty therefore does not impact the price the operators pay for exceeding their emissions targets.

Using the average carbon price as experienced by all UK ETS participants ensures a level playing field across the scheme.

**Background**

The UK Emissions Trading Scheme (UK ETS) is a cap and trade market applying a carbon price, and therefore a polluter pays principle, to the UKs largest greenhouse gas emitters. The scheme was developed as a consequence of the UK exit from the European Union. It is operated by the four UK Governments as the UK ETS Authority. The UK ETS limits the total emissions of scheme participants to a predetermined ‘cap’, which is reduced over time so that total emissions fall.

Participants of the scheme (heavy industry, power generators and aviation) must acquire allowances (permits) for each tonne of carbon emitted each year. Some allowances are given to emitters at zero cost where they are internationally trade exposed, to mitigate the risk of carbon leakage. Otherwise participants must acquire allowances through fortnightly auctions or through a secondary market.

Operators with lower emissions who meet set criteria can apply to be Hospitals or Small Emitters (HSEs). HSEs are relieved of some of the compliance burden of the UK ETS as they are instead assigned annual emissions targets (based on their historical emissions). However, if a HSE exceeds its emissions targets, they are still required to pay for these emissions, through a Civil Penalty.

The UK ETS Authority consulted in March 2022 on how the UK ETS should be developed in line with net zero, while still offering the right protections and support to industries that fall within the scheme. An early Government Response on some of the more technical elements was published on 31 August. Two Orders relating to these technical changes have been laid and came into force in December 2022.

A wider Government Response on the remaining proposals set out in the consultation will be published in due course (expected late Spring 2023). Information on the decisions ahead was shared with Ministers in January and there is a cabinet discussion on the more strategic elements on 13 March. Advice on the options and recommendations will be sent to Ministers in late March 2023 ahead of seeking Ministerial agreement across the Authority late March/early April.

# Climate Change - Impacts, Adaptation and Resilience

Mitigation and adaptation are both crucial interdependent parts of a unified response to climate change.

The impacts of climate change will continue to get worse, even in the best-case scenarios for emissions reduction, placing our communities, infrastructure and natural resources at risk.

We are taking action in Wales to build our resilience to climate change.

Our current 5 year adaptation plan, *A Climate Conscious Wales*, is already in its fourth year of delivery.

We are taking forward many very significant, strategic and interlinked policies to provide a robust framework for further climate change adaptation. These include the recently updated National Development Framework, Water Resource Management Plans, the National Peatland Action Programme and NRW Area Statements.

In addition, our National Flood and Coastal Erosion Management Strategy, published in October 2020, sets out how we will manage flood risk over the next decade in Wales.

The development of our post-Brexit Sustainable Farming Scheme also provides a real opportunity to improve land management for the sustainable management of our natural resources. The new scheme will help to deliver climate resilience through improvements to the management of nature, water resources, soils and carbon.

The Welsh Government is addressing the latest evidence highlighted within the CCC’s 2021 third Climate Risk Independent Assessment and the national summary report for Wales.

Our *Prosperity for All: A Climate Conscious Wales - Progress Report*, published in December 2022, summarises the progress we are making in delivering our current national adaptation plan. It also provides an account of the additional steps we are taking in the light of the CCC’s 2021 advice. The report recognises that many of the commitments within our Programme for Government provide opportunities to contribute towards climate adaptation in Wales or may be impacted by the changing climate.

The CCC is currently undertaking an assessment of progress and future priorities for climate adaptation in Wales. We look forward to the publication of their report in July and will consider their advice as we develop our next national adaptation plan.

The Welsh Government’s next National adaptation plan is due to be published in Autumn 2024.

**Background**

Significant changes to our climate and weather are predicted to continue to develop over the next few decades, even if we are successful in achieving net zero emissions in Wales by 2050. We can expect to experience hotter, dryer summers with increased frequency of extreme heat events and drought, and warmer, wetter winters with increased frequency of storms and flooding events at all times of year. This combined with sea level rise will also mean increased rates of coastal erosion and flooding. All these changes bring significant risks to the resilience of people, businesses, infrastructure and nature that need to be addressed broadly across all sectors.

Our current national climate adaptation plan, *Prosperity for All: A Climate Conscious Wales,* sets out a range of policy measures that the Welsh Government is taking across sectors to address the most urgent areas of climate risk identified in the Climate Change Committee’s (CCC) second Climate Risk Independent Assessment (CRIA) published in 2017. In June 2021, the CCC published their third CRIA, which provides a comprehensive report of the latest evidence in relation to different areas of climate-related risk and highlights those areas requiring urgent action within the next 5 years. It also includes a separate ‘Advice report to government’ and a national summary report for Wales.

In December 2022 the Welsh Government published a progress report on *A Climate Conscious Wales.* It sets out the huge amount of work already going on across policy areas to address the risks arising from climate change. It also acknowledges that more needs to be done and sets out some proposed next steps for improving our strategic approach and policy-specific measures as we head towards the publication of our next national adaptation plan in autumn 2024.

We have commissioned the CCC to undertake an independent assessment of progress and future priorities for climate adaptation in Wales. Their report is due to be published in July and will inform the development of our next national plan.

# Climate Change - Just Transition Call for Evidence

The Just Transition Call for Evidence was launched on 6 December 2022 and will run until 15 March 2023.

The transition to Net Zero, will be determined by actions from the Welsh and UK Government and wider businesses.

As we transition to net zero we must ensure it is planned effectively and equitably, not simply protecting industries and their employees, but strengthening them, developing skills for future markets, and ensuring the most vulnerable in society are not unfairly burdened with the costs of change.

Achieving a just transition to net zero is essential, we must take every Welsh citizen with us and leave no-one behind as we move to a greener, fairer, better future.

To do so we must understand the impacts the transition will have on society and the economy and where the opportunities lie to improving the wellbeing of the people of Wales.

The Call will be used to build the evidence base, inform the activity and work packages in the Framework and engage our key stakeholders in discussions.

Given the current economic crisis, we will need to work together, with businesses and communities to transition in a fair and equitable way.

We also need to ensure the UK Government plays its part going beyond levelling up and thinking about the wider just transition impacts and opportunities across the whole of the UK.

In the immediate term, we must find ways of tackling the cost of living and energy crisis, protecting Welsh households, workers and business in ways, which do not exacerbate the climate crisis

# Climate Change - Final Statement for the first Carbon Budget and 2020 Interim Target (aka Statement of Progress)

In December 2022 we published the **final statement for the first carbon budgetary period covering 2016 to 2020** as required under the Environment (Wales) Act 2016.

It shows we have **met both the first carbon budget and interim target**.

The interim target for 2020 was set at a 27% reduction. The final Net Welsh Emissions Account for the interim target year of 2020 saw a 39.2% reduction (Emissions totalled 33,612 ktCO2e). **Therefore, the 2020 Interim Target has not only been met, but has surpassed its original target**.

The first carbon budget (CB1) was set at an average reduction of 23%. The final Net Welsh Emissions Account for the CB1 saw a 27.8% reduction. **Therefore, CB1 has also been met and outperformed its original target**.

As well as reporting on whether the Welsh Governments targets and budgets have been met, the Environment Act also requires that the statement must highlight the reasons **why** it has been met and provide an **assessment of progress** in relation to the proposals and policies in its first plan.

Key factors which contributed to the delivery of the targets over CB1 (2016-2020):

* A large proportion of the emission reductions came from the **closure of Wales’ last coal-fired power station, Aberthaw,** in 2020.
* In 2016, the Power sector accounted for 33.6% of total emissions (making it the largest contributor that year) but this was reduced to only 15.6% of total emissions in 2020.
* Additionally, the **impact of COVID, particularly in the transport sector in 2020**, led to significant reductions in GHG emissions in the final year of the reporting period.
* We have also put in place a comprehensive performance monitoring framework to help track progress.

Now the focus is on delivery of Net Zero Wales and to help this we published a Call for Evidence to inform our approach to a Just Transition

# Climate Change - Net Zero 2035 Challenge Group

The Welsh Government and Plaid Cymru Cooperation Agreement 2021 committed to “commission independent advice to examine potential pathways to net zero by 2035 – the current target date is 2050.

This will look at the impact on **society and sectors of our economy** and how any adverse effects may be mitigated, including how the costs and benefits are shared fairly.”

Dr.Jane Davidson has kindly agreed to Chair the independent work. The group has already held 2 meetings.

Fourteen technical experts have joined the Group, selected from academia, public and private institutions, with expertise across all key sectors of our economy. They are joined by a number of observers and will be supported by the Wales Centre for Public Policy.

The first meeting considered how the Group will organise and undertake its work. We can expect the publication of further detail in due course.

# Climate Change – Public Engagement Programme

Following the Consultation on a draft [*‘Strategy for Public Engagement & Action on Climate Change (2022-2026)’*](https://gov.wales/draft-strategy-engaging-general-public-action-climate-change) in December, the final Strategy will be published in early Summer alongside a report summarising the responses to the Consultation.

 This Strategy will provide a framework and guiding principles around how we will work with Team Wales partners to support the people of Wales in making greener transport, home energy, food and consumption choices.

A programme of work using behavioural science models and frameworks and Welsh-specific qualitative and quantitative insights is currently being undertaken to determine key barriers and motivations to action. The results of this work will inform the communications and longer-term policy levers needed to help overcome other infrastructure, cost or technology related barriers to action. The aim will be to work with the sector policy teams across Government to develop a timeline for the introduction of the required policy solutions, whilst using communications in the shorter-term to help build people’s knowledge on climate change, focus on the easier ‘asks’ and introduce ‘warm-up’ communications for some of the more difficult and more impactful changes ahead.

Building on the foundations of early campaign activity already underway to share inspiring case studies of action being taken across Wales, the national ‘Climate Action Wales’ campaign and Digital Hub will be launched this Summer following the publishing of the Strategy.

The Strategy will highlight the importance of engaging the people of Wales in climate conversations and in involving people in decisions that will affect them and the way we live our lives. A review is currently being undertaken to evaluate our current engagement approach and consider opportunities to build on the success of Wales Climate Week and develop other year-round engagement activity with a particular focus on reaching marginalised groups.

The Welsh Government committed to consulting on a Public Behaviour Change Strategy on the basis that effective engagement drives our people-centred approach and will encourage active participation of people in decision-making.

This new Strategy to be published in the Summer will reinforce the important role of society in reaching net zero emissions, drawing on evidence from the [Climate Change Committee’s balanced pathway](https://www.theccc.org.uk/wp-content/uploads/2020/12/Advice-Report-The-path-to-a-Net-Zero-Wales.pdf) that almost 60% of the changes needed to achieve net zero will require some element of behaviour change in society.

We are committed to actively listening to people, communities and stakeholders across Wales and delivering opportunities for climate conversations through key engagement events such as Wales Climate Week and other activity to deepen our understanding of marginalised groups.

We also recognise the importance of communications and providing the people of Wales with the information and support they need to make informed choices on how to play a part in tackling the climate and nature emergencies.

# Climate Change - Public Sector Emissions Reporting

The reporting of public sector emissions is in line with the Reporting Guide and delivers on our commitment in [Net Zero Wales our second Carbon Budget (2021 to 2025)](https://gov.wales/net-zero-wales-carbon-budget-2-2021-2025)

The reporting of emissions by Public Bodies is voluntary so the 100% return this year demonstrates the commitment from across the Welsh public sector to achieve our ambition of a collective net zero public sector by 2030.

The reporting of emissions from 7 out of 9 academic bodies demonstrates their willingness to be part of the process and recognise their position of influence.

The data will help us understand the carbon emissions across the public sector and track progress towards our 2030 ambition.

The data will assist organisations from across the public sector to refine their decarbonisation plans and focus their resources.

With improvements to the reporting process, this year’s data is more robust, but as this is only the third year of reporting, it is too early to start drawing conclusions on the level of change.

We will continue to work with the public sector to learn from each reporting cycle and refine the guidance for the next round of emissions reporting.

**Background**

Our ambition is for the public sector to be collectively net zero by 2030, a key policy established in the Net Zero Wales plan

The reporting of emissions annually by public bodies in Wales is an important part of achieving that ambition, by helping to shape our actions and priorities. In May 2021 the Welsh Government published the Welsh Public Sector Net Zero Reporting Guide, a universal guide for use by Welsh public bodies to estimate baseline emissions. These emissions cover buildings, transport, waste, supply chain and land use.

Analysis of the 2019-20 and 2020-21 data for the public sector was published on 7 June 2022. The full report can be found here:

[https://gov.wales/public-sector-net-zero-data-and-recommendations](https://eur01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fgov.wales%2Fpublic-sector-net-zero-data-and-recommendations&data=05%7C01%7CPaul.James%40gov.wales%7Ca171aa4b1155426025d008da4e094757%7Ca2cc36c592804ae78887d06dab89216b%7C0%7C0%7C637908100653163828%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=AEJX7n17piKjgzXIM3RDTe54gaaUWdNPmMwqh3bJERY%3D&reserved=0)

The deadline for reporting emissions for 2021-22 was the 9 September 2022. All public sector bodies have submitted their data, ensuring a 100% return from public bodies. All but two of the Welsh universities, who are not part of the public sector but participate a voluntary basis, reported. A total of 67bodies reported (60 public bodies and 7 universities). A copy of the report is included here.

[Public Sector Net Zero data and recommendations | GOV.WALES](https://www.gov.wales/public-sector-net-zero-data-and-recommendations?_ga=2.154643448.1142649765.1674468803-1826154286.1657818798)

The data has been analysed and was published on 23 January 2023. We will be working with the public sector to explore any lessons learned and implement any improvements for the next reporting cycle.

The reporting cycle is a process of improvement. Through engagement with the public sector, we have improved this year’s reporting process, ensuring a more robust set of data.

This year has seen a reduction in carbon emissions, largely due to a fall in scope 3 emissions, but as this is only the third year of reporting, we are not able to identify any particular trends in the data. At this stage, we are looking to analyse and understand the main areas of emissions. The data is being shared with individual organisations to help them develop their decarbonisation plans and to help shape our support for them.

# Climate Change - Public Sector Decarbonisation Overview

The Welsh Government is committed to working with the public sector to deliver the 2030 net zero ambition.

We welcome the collaboration and partnership working that is taking place, such as the Local Authorities Climate Change Strategy Panel. This level of engagement demonstrates their commitment to this collective ambition.

The work of the public sector will show other sector across Wales what can be done to achieve net zero.

The Welsh Government is supporting the publics sector with technical and financial support.

Whilst there is increasing budgetary pressures, for example from the consequences of Covid and the cost of living crisis, we continue to place importance on this investment to enable the Welsh Government and public sector to progress our collective ambition

**Designated Landscapes Decarbonisation**

National Park Authorities and Areas of Outstanding Natural Beauty (based within Local Authorities) have made good progress on Decarbonisation in recent years underpinned by Welsh Government’s Sustainable Landscapes, Sustainable Places capital scheme. Primarily this has taken the form of reducing NPA carbon footprints by retrofitting buildings and transitioning to electric vehicles for staff.

Landscape bodies have also recognised the need to support decarbonisation across their wider landscape, where they have the policy levers to do so. This work includes promoting more sustainable travel, such as subsidised shuttle bus services and Snowdonia NPA’s partnership with Transport for Wales to seek more sustainable travel for users at Yr Wyddfa/Snowdon and surrounding area.

Carbon sequestration is also a major area of interest and BBNPA and SNPA are progressing major peatland restoration programmes supported by Welsh Government funding.

The Sustainable Development Fund has provided capital funding to community bodies to install renewable energy solutions such as solar power, storage batteries, and insulation at several public buildings within National Parks and AONBs.

# Climate Change - Public Sector Decarbonisation – Welsh Government Energy Service

The Energy Service is a key enabler in providing technical and financial help to the public sector to deliver the collective ambition of a net zero public sector by 2030.

Given the success of the Service, as recognised by Audit Wales and public Bodies in Wales, the Welsh Government is tendering a new contract to replace the existing one which ends in March 2023.

The appointment of Local Partnership will provide continuity in the delivery of an effective service, through consistent customer engagement and the continuation of pipeline projects.

**Background**

The Welsh Government Energy Service was established in 2018 to support renewable energy and energy efficiency schemes. It supports community and public sector bodies to deliver on Welsh Government commitments, for example to increase locally owned renewable generation and have a net zero public sector by 2030.

During 2021-22, the Welsh Government Energy Service saw a total of £28 million invested in 43 energy efficiency projects across 25 organisations, including health boards, local authorities, national parks and colleges. The projects ranged from LED streetlamp installations to low carbon heat solutions. The support will save 183,000 tonnes of CO2 over their lifetime.

An example of a project supported through the Energy Service is Brynwhillach Solar Farm at Morriston Hospital, Swansea. This is the first hospital in UK to develop its own full-scale solar farm, at a cost of £5.7 million. The 4MW project has been developed on land at Brynwhillach Farm, linked to Morriston by a 3km private wire. It will supply almost a quarter of Morriston’s power, cutting the electricity bill by around £1m a year and significantly reducing carbon emissions. At peak production times it could meet the electricity demand for the entire hospital.

I also officially opened an Aberystwyth University Solar Farm, on 9 March. The project was made possible by technical and commercial support by the Welsh Government Energy Service. The £2.9m project was also backed by a Welsh Government loan of £2.6m loan via Salix Finance Ltd. The farm is on University-owned land on Fferm Penglais, approximately 1km from the centre of the Penglais campus, and a field away from the recently completed Fferm Penglais student residences which provides accommodation for 1000 people. The farm will provide at least 25 per cent of the annual electricity needs of the Penglais Campus, reducing the University’s carbon emissions by over 500 tonnes annually, and up to 12,000 tonnes over its anticipated 25-year working life and generating savings of £450,000 per year.

# Coal Tip Safety

The Welsh Government is developing a national geospatial dataset of disused tips in Wales. The purpose in developing an information base for disused coal tips is to provide robust evidence to enable the assessment of the status of a tip, its required management arrangements and appropriate monitoring and maintenance requirements in the interim until a new statutory management regime is introduced.

We are committed to publishing the locations of higher-rated disused coal tips as soon as possible.

As a high percentage of these tips are within private ownership, there are issues to resolve in relation to the handling of information, including ensuring that robust quality assurance has been completed and data protection issues have been addressed fully.

**Inspections and maintenance**

The Welsh Government is continuing to fund the Coal Authority to inspect higher-rated disused coal tips, with winter inspections currently underway.

The inspection programme identifies maintenance works needed to maintain the stability of disused coal tips. We have a funding programme in place to support local authorities with undertaking any maintenance and / or capital works.

**Technology trials**

We are continuing our programme of technology trials, which encompasses more than 70 higher-rated disused coal tips. The aim of the trials is to research and pilot a wide range of technologies to determine their suitability in contributing to the safe and effective management of disused tips. The outcomes of the trials will inform the long-term technology and monitoring strategy of the future management regime.

**Coal Tip Safety (Wales) White Paper**

In November, I issued a Written Statement to announce the publication of responses to the Coal Tip Safety (Wales) White Paper.

The White Paper was launched on 12th May and set out proposals for a new Coal Tip Safety regime for Wales. This represented a significant step towards delivering our Programme for Government commitment to introduce new coal tip safety legislation.

The Welsh Government is committed to introducing legislation during this Senedd to ensure people can feel safe and secure in their own homes and I included the Bill in my summer legislative statement.

The White Paper consultation concluded in August and received strong support from respondents with broad recognition of the need for an effective management regime to help ensure the safety of tips. The aim is to protect communities, critical infrastructure and the environment by introducing new rules on the appropriate management of tips to help reduce the likelihood of landslides.

Valuable contributions were received by a wide range of stakeholders and partners which will help inform the development of a Bill.  Central to the proposals is the creation of a new supervisory body, reporting to the Welsh Government. The supervisory body will oversee the new regime and ensure management arrangements are in place for the highest-category tips, in addition to compiling and maintaining a new national asset register.

The proposals are proportionate and have been designed to reflect the scale of the challenge we are facing. They take into consideration not only the extent of the coal tip estate across Wales but also the potential expansion of the regime in the future to include other disused spoil tips.

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# Combined Storm Overflows (CSOs)

I am bringing forward a comprehensive range of policy and regulatory interventions, supported by a substantial package of investmentover the next few years. I have made available £9 capital million funding for NRW to indertake work to improve water quality this financial year.

We have already made sustainable drainage systems (SuDS) mandatory on almost all new building developments. This helps to relieve pressure on the network by diverting and slowing down the speed at which surface water enters the sewer system. This will help to ensure storm overflows are only used as a last resort.

The **Better River Quality Taskforce** has been established to drive a rapid change and improvement to the way in which combined storm overflows (CSOs) are managed and regulated in Wales. A **roadmap has been published** outlining the key deliverables for reducing the impact of storm overflows: [Wales Better River Quality Taskforce | GOV.WALES](https://eur01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fgov.wales%2Fwales-better-river-quality-taskforce&data=05%7C01%7CMeryll.Dunn%40gov.wales%7C312cdc697b43450265b708db09294814%7Ca2cc36c592804ae78887d06dab89216b%7C0%7C0%7C638113845125952010%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=38WObpQb0agciaXutHJKwz%2Fx5YioOSkznt5M%2FsSJhDc%3D&reserved=0)

The taskforce will also actively work with citizen scientists to understand how their work can support and inform a better understanding of the impact of spills on receiving waters.

Separately, water companies are developing Drainage and Wastewater Management Plans (DWMPs) which aim to reduce CSO discharges and improve water quality across Wales. Under the powers of the Environment Act 2021, we will be looking to place DWMPs on a statutory footing before the end of this Senedd term.

Our approach to DWMPs differs in Wales in that Welsh companies will need to set out how their plans will provide wider benefits to the community, environment, and economy, demonstrating alignment with the principles of the [Well-being of Future Generations (Wales) Act 2015](https://eur01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.futuregenerations.wales%2Fabout-us%2Ffuture-generations-act%2F&data=05%7C01%7CMeryll.Dunn%40gov.wales%7C312cdc697b43450265b708db09294814%7Ca2cc36c592804ae78887d06dab89216b%7C0%7C0%7C638113845126108198%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=OQYnANLAVIjSWGv5crUGjvPtsxMQFc%2FhfF1MQgS%2BsZQ%3D&reserved=0) and the [Environment (Wales) Act 2016](https://eur01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.legislation.gov.uk%2Fanaw%2F2016%2F3%2Fcontents%2Fenacted&data=05%7C01%7CMeryll.Dunn%40gov.wales%7C312cdc697b43450265b708db09294814%7Ca2cc36c592804ae78887d06dab89216b%7C0%7C0%7C638113845126108198%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=gmJAen7uapXMzCK7R0%2BGrhPPzat0kUMeBQ%2FX2S73mpA%3D&reserved=0).

It is only by working together and taking a **‘Team Wales’ approach** that we can tackle the multiple risks impacting our lakes, rivers and streams. We all have a part to play.

The First Minister held a conference of representatives from local government, farming unions, the building industry, water companies, regulators and environmental agencies, and food producers to consider how to tackle excessive phosphorus levels in Special Area of Conservation rivers which are harming delicate ecosystems and wider catchment areas and could lead to problems with food production and affect housebuilding in the longer term.

Following this summitt, 5 nutrient Management Boards were established in Wales to tackle this at a local level. The Welsh Government has made available over £400k grant funding to establish them and to drive forward proactive measures to develop a nutrient management plan to address the challenges associated with phosphate levels in the affected Special Area of Conservation (SAC) river catchments commence work this financial year

**Background**

There has been much media coverage about water quality and sewage discharges into waterways with a widespread perception this is the main cause of poor water quality.

The evidence shows that numerous factors contribute to poor water quality (agricultural pollution, private drainage misconnections, septic tanks, among others).

Storm overflows provide a controlled point of relief at times of heavy rainfall. With more extreme weather events occurring, they perform a crucial role in reducing the risk of sewers flooding homes and public spaces, preventing sewage from flooding homes and businesses.

This is why tackling overflows is one of the key, priority components of a wider, holistic approach Welsh Government is taking to improve water quality.

We are working closely with delivery partners, regulators and the relevant sectors to identify and implement sustainable solutions which not only deliver on desired water quality improvement outcomes but also support climate change adaptation, improved biodiversity and deliver against our net zero target.

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# Deposit Return Scheme for Drink Containers

On 20 January 2023 Welsh Government, UK Government and Department for Agriculture, Environment and Rural Affairs in Northern Ireland, published the joint response to the 2021 consultation on the Deposit Return Scheme for drinks containers. The consultation response sets out the detailed design of the scheme along with an outline implementation timetable.

The Deposit Return Scheme will start from 1 October 2025 at the earliest and we acknowledge that this is a stretching target.

This work is being undertaken jointly, with a scheme covering Wales, England, and Northern Ireland. A separate scheme is being delivered in Scotland, although we remain in close contact with officials and industry to learn from delivery of the Scottish scheme and align on key decisions wherever possible.

The Deposit Return Scheme is an important mechanism to drive recycling rates even higher, examples from overseas achieve return rates are in the mid 90%s. These schemes also could tackle littering. More broadly as a form of extended producer responsibility we want businesses to take responsibility for the end-of-life management of the products they place on the market.

In finalising the design of the scheme, the UK Government decided to move away from the basis on which the joint consultation was undertaken in one particular area, namely by not including glass containers within its scope.

The differing scope was announced as part of the documentation published covering the design of the Extended Producer Responsibility scheme for packaging as the operation of the two reforms are interlinked.

Our position on including glass remains consistent with the joint consultation and is the same as that in Scotland, with its scheme scheduled to start in summer 2023.

# Electric Vehicles

In September 2022, the total number of licensed battery electric vehicles (BEV) in Wales was 13,000, which represents approximately 1% of the total car fleet. BEVs are approximately 12-13% of new car sales in Wales (UK Department for Transport Vehicle licensing statistics).

Wales has 1,417 public chargepoints installed (Zap-Map.com), approximately 1 chargepoint for every 9 BEV (UK DfT Electric vehicle charging device statistics). The total UK figure is 1 chargepoint for approximately every 16 BEV.

Since we, as the Welsh Government, published our EV Charging Strategy in 2021, the installed charging infrastructure in Wales has already increased from 21 chargepoints per 100,000 residents (data in the Strategy is from June 2020) to 39 chargepoints per 100,000 residents – a change of around 666 CPs in June 2020 to 1,222 CPs in September 2022, or around 84% growth.

Significant further investment will be required to meet projected levels of EV uptake and demand, especially after the proposed ICE ban and into the 2030s.

Transport for Wales has been leading a project to deliver 19 rapid EV charging points on the Strategic Road Network (SRN). This is being delivered by a unique partnership whereby the network is largely funded commercially, but public funding is focused on “unlocking” sites with severe grid constraints through funding DNO works.

The location of these sites is focused in areas which are considered unlikely to benefit from purely commercial investment in the near to mid-term, yet are vital for ensuring consistency of provision across the SRN for “top up” charging en-route to key tourist and other destinations across Wales. Development is also focused on sites in public ownership, with the added benefit of providing a modest income stream from the lease with charge point operators. Sites have also been carefully selected based on the facilities nearby, including their ability to provide benefits to existing local businesses and the hospitality sector.

**Background**

We are investing in rolling out publicly accessible charge-points to support the switch to electric vehicles (EV) in line with our EV Charging Strategy. We are also mapping plans with industry to transition to zero emission buses, piloting taxi and private hire vehicle schemes, piloting e-bike schemes and investing in zero emission car clubs.

We published the Action Plan (October 2021) which accompanies the Electric Vehicle Charging Strategy for Wales (April 2021). The documents set out how we plan to facilitate the increase in the provision of the various types of charging infrastructure required to encourage and keep pace with the adoption of electric vehicles.

The Action Plan highlights several themes in respect of charging provision including investments on the Strategic Road Network (SRN) which will see increased deployments of rapid charging infrastructure prior to the end of this financial year.

In respect of electricity supply issues, The Welsh Government, Transport for Wales and local authorities in Wales have been collaborating with the Distribution Network Operators (Scottish Power Energy Networks (SPEN) and National Grid) to maximise the availability of power for EV charging.

National Grid and SPEN have used the Green Recovery funding awarded by Ofgem to reinforce certain areas of their network. National Grid selected sites across the South Wales region on the basis of proximity to the Welsh Strategic Road Network (SRN) and also for proximity to key substations which will make connections to the electrical network more cost effective. Whilst SPEN have also done this, they have worked closely with us to choose 19 electrical connections of up to 1MVA (megavolt amperes) across their North Wales region specifically for EV charging. These connections have an average value of £100k each. The locations were set against a preferred network of proposed rapid charging stations across the SRN generally located at key road junctions. The SPEN approach has proved successful, leveraging private sector investment in EV rapid charging infrastructure at all 17 sites.

We have developed a Preferred Network’ webmap of EV charging infrastructure for Wales, supported by a Deliverability Plan, a new National Standards online guide and a new National EV charging Procurement Framework. In parallel, a stakeholder engagement plan is being delivered to ensure structured and effectively working relationships between officials and public and private sector organisations to deliver and finance the idealised network of charging infrastructure across Wales.

#

# End of life fishing gear

We have conducted a feasibility scheme, working closely with Seafish to identify fishing gear types, and other associated items containing plastic which would could be recycled.

Odyssey Innovation were awarded a contract to operate a pilot fishing gear recycling scheme at the following harbours; Conwy, Fishguard, Holyhead, Cardigan, Milford Haven and Swansea.

Presently, the scheme collects plastic fishing gear such as whelk pots, fishing lines, nets, ropes and buoys.

To date, **2.4 tons** of end of life fishing gear has been recycled from two collections. A bilingual report will be published soon.

Welsh Government have extended the current scheme for a further 6-months until February 2023, and are actively procuring for a multi-year contract to succeed this.

**Background**

Abandoned, Discarded or Lost Fishing Gear (ADLFG) is thought to cause a number of issues to the marine environment, not least unnecessary entanglement. 20% of all marine litter originates from the sea (by quantity) but by weight this percentage is thought to be a lot more.

Welsh Government raised the issue of end of life fishing gear with the fishing industry in 2018. A report was commissioned to identify the types of fishing gear used by the Welsh fleet, its materials and current opportunities for its disposal. The report found very limited opportunities for disposal of fishing gear in Wales, leading to some cases of gear being stored, black bagged and in some cases dumped.

End of life fishing gear is difficult to dispose of due to its size, weight, materials and its classification as ‘contaminated’ in some cases, leading to increased cost to dispose. Many of the Welsh ports are local authority owned, and there is often conflict on who should cover the cost.

Following a procurement exercise, Welsh Government appointed Odyssey Innovation to run a pilot scheme. 6 harbours are currently using the scheme in Wales following a pilot, with a view to expand. The collected plastic will be graded for quality and could be used to create council street furniture, plant containers or in some cases road materials. The nets and ropes are sent to ‘Plastix’ factory in Sweden for processing. These materials are turned into canoes and kayaks for resale in the UK. There are currently no facilities in the UK which can process ropes and nets.

Welsh Government are now seeking to procure a multi-year contract for an end of life fishing gear recycling scheme following the success of the pilot.

More widely, Welsh Ministers agreed in 2019 to work with British Irish Council partners to identify and introduce management measures for all end of life fishing gear.

Welsh Government have been working closely with all UK administrations to identify policy options which could be applied across the UK. Research conducted by Resource Futures brings together all fishing gear inventory reports and shows the vast variations in fishing gear types used across the UK, component materials and waste generated.

# Energy – Announcement of Energy Developer

On 25 October I announced that we will be setting up a company to develop large scale renewable energy developments on public land.

The company will be wholly owned by Welsh Government and will initially develop wind projects on the Welsh Government Woodland Estate.

The aim is to increase the value to Wales of renewable energy project development on the Welsh Government public estate.

If we want to deliver net zero obligations in ways that benefit communities, we need new and different approaches. It is only right that if we wish to take more of the rewards from renewables for Welsh citizens, we need to take a larger share in the risks.

Once we have completed early feasibility and defined the initial projects, we will work with those who live nearby to get their input and define community benefit proposals that will really make a difference to their lives.

In Net Zero Wales, the Welsh Government committed to “Establish a Welsh Government or public energy developer to accelerate the delivery of renewables”.

We will be delivering directly on our aims to have 1.5 gigawatts of locally owned generation by 2035. We want more of this to be used locally and to be part of a smart and sustainable energy system.

# Energy – Community Energy Support

In our Programme for Government, we have committed to expand renewable energy generation by public bodies and community enterprises in Wales by over 100 MW between 2021 and 2026.

There were 897 megawatts of locally owned renewable electricity and heat capacity in Wales in 2021 – almost 90% of the way towards our 1GW target for 2030.

Our Welsh Government Energy Service provides technical and commercial support to develop viable community led projects in Wales. We offer grants for early development, and capital grants and loans to construct projects. Groups also have the services of a development manager.

We are increasing funding for the Welsh Government Energy Service to support community groups and provide grants to support their projects. The funding enables the groups to employ staff, fund project development and explore opportunities for investing in shared ownership projects.

We grant fund Community Energy Wales, a not-for-profit membership organisation that supports and represents community groups working on energy projects in Wales. Community Energy Wales received significantly increased support for their current 3-year business plan, which will enable them to scale up support for community and local energy in Wales.

We have introduced a local energy grant scheme for community led projects to help fill the gap left by the UK Government’s decision to end the feed-in tariff scheme.

# Energy - Fuel Poverty - Cost of Energy Crisis

Energy bills have risen dramatically and unfairly.

In September the UK Government announced a price cap of £2,500 for 2 years, which in October was reduced to six months. This was introduced following Ofgem announcing a rise of 80% in the domestic energy price cap.

On 17 November, it was announced in the Autumn statement, the energy price guarantee will continue beyond April 2023

On 27 February, Ofgem announced the level of the energy price cap of £3,280 for the period 1 April 2023 to 30 June 2023. This is a significant reduction compared to the cap for the three month period 1 January 2023 – 31 March 2023, which was set at £4,279

Welsh householders will not be directly impacted by the price cap due to the Energy Price Guarantee currently set at £2,500.

Wholesale prices have fallen over recent months, but it offers no relief for customers. Energy bills are set to rise with the energy price guarantee from April 2023 to April 2024 increasing to £3,000 for a typical household.

If the wholesale price continues its current trajectory, the cap would fall below £2,500 in July – meaning the additional support to maintain the EPG at £2,500 would only be needed for a further three months

In Wales, energy bills are higher due to the age of the housing stock and extremely high standing charges. This means the average used by UK Government does not reflect the reality for many in Wales,

Even with the support from UK Government, average households bills have almost doubled since April 2021 and we can expect a significant number of households in Wales to be in fuel poverty, in excess of the estimates of up to 45%.

The Welsh Government still calls on the UK Government to introduce a social tariff, warm homes discount and other winter fuel schemes and removal of other social policy costs from household bills.

The lack of investment in renewable energy technologies by the UK Government has exposed the weakness and fragility of our energy system, which is wasteful in its use of energy and overly dependent on the continued burning of fossil fuels to power and heat our homes and the economy.

We are in the midst of a crisis and are doing everything within our powers for those who are most vulnerable, including children living in poverty.

We have provided support worth £1.6 billion, through programmes which protect disadvantaged households and schemes putting money back in people’s pockets.

Since November 2021 we have targeted more than £380 million to mitigate the impact of the cost-of-living crisis.

# Energy – Hydrogen

The climate emergency demands we use all the tools at our disposal to accelerate progress to a net-zero energy system.

While it is still a developing technology, hydrogen’s unique properties mean it could, alongside extensive renewables developments, have a strong role in decarbonising Wales’ power, transport and industrial processes and may have a role in delivering low carbon heating.

It is essential that as we develop our hydrogen capacity, we do not lock in generation that relies on continued use of fossil fuels. We want to see a rapid transition to green hydrogen in Wales as soon as practicably possible.

Our hydrogen pathway sets out ten objectives focused on short term actions driving demand, production and cross-cutting action to 2025. They also set out avenues to plan for larger-scale projects to ensure Wales is well-positioned with respect to hydrogen and fuel cell technologies.

Our Smart Living HyBRID Small Business Research Initiative scheme supported 17 hydrogen feasibility and demonstration projects across Wales.

Our second phase of HyBRID will fund a pipeline of business feasibility projects as well as higher level demonstrator and prototyping work on the ground across the country.

# Energy – Offshore Wind in the Celtic Sea

Floating offshore wind has the potential to contribute significantly to Wales and Great Britain’s future net zero energy system and is a fantastic opportunity to bring social and economic benefits to our coastal communities. We are working with industry, the Crown Estate and the UK Government to make this a reality.

We are determined to seize the opportunities afforded by this new green industrial revolution, and learning from the lessons of the past. We are taking action in areas within our control and influencing other key actors to bring this to fruition.

The Crown Estate has committed to undertake a 4GW commercial scale seabed leasing process in 2023. We are actively working with the Crown Estate to ensure that the supply chain development plan process is as robust as possible, to aid the delivery of high quality manufacturing and service jobs within Welsh ports and further afield in Wales.

On ports - We have been working with the port operators and industry to encourage strategic collaborations that maximise opportunities available to our economy. We are also supporting our ports in the process of securing funding from the UK Government’s £160m Floating Offshore Wind Manufacturing Investment Scheme.

On consenting – we are taking steps to ensure our consenting process is streamlined and effective, while maintaining robust protections for people and the environment.

On skills – developing and implementing our skills action plan will ensure we have the workforce we need for a net zero future, including in the energy sector.

On intergovernmental working – we are actively working with, and influencing, the UK Government and the Crown Estate to ensure Wales receives the benefits it deserves from this opportunity.

I meet with the CEO of the Crown Estate together with the Minister for the Economy to stress the need for our communities to benefit from the Celtic Seas. We need action from the Crown Estate to utilise the significant lease income to stimulate local economic and social opportunities.

# Extended Producer Responsibility for Packaging Waste

The introduction of extended producer responsibility is a key Programme for Government commitment.

The application of Extended Producer Responsibility schemes to different waste types are at different stages of development.

Due to the integrated nature of the packaging supply and disposal chain across the UK these reforms are being taken forward on a whole UK wide basis.

The UK Government is taking the lead in policy development, stakeholder engagement and implementation. However, joint four nation governance arrangements are in place to ensure the design is fit for Wales and Welsh Ministerial accountability is maintained.

In March 2022 we published the final design of the reforms and the project is now entering its implementation phase. With the first operational changes occurring in 2024.

The reforms will see those businesses which place or import packaged goods on to the UK market become responsible for the costs of collection, disposal and recycling of the packaging when it reaches the end of its intended life.

For packaging in household waste streams this will see a movement of money from the obligated businesses in the private sector to the provision of publicly funded waste collection services. At a UK wide level this is around £1.2bn. Welsh local authorities spend around £72m on the collection and recycling of packaging material from households.

A scheme administrator will be set up to manage the flow of money from obligated businesses to local authorities, with the first payments being made in 2024.

Work continues on introducing the required secondary legislation which is expected to be laid in 2023.

# Fflecsi Demand Responsive Transport Pilots

We are currently funding a number of fflecsi demand responsive transport pilots across Wales. This project is being managed on our behalf by Transport for Wales.

Our Bws Cymru strategy identifies that fflecsi schemes are set to play an important role in ensuring more communities across Wales can benefit from access to affordable and accessible public transport services.

As these are pilot schemes we are working closely with Transport for Wales, local authorities, CTA Cymru to test approaches and explore what works best in different areas.

Our Programme for Government contains a key commitment to introduce more demand responsive transport schemes across Wales and we have made an important start by funding the Transport for Wales fflecsi schemes;

The Covid pandemic has posed many challenges to the provision of conventional bus services across Wales. New approaches are needed to the provision of bus services and demand responsive transport has a role to play in certain areas, such as lightly populated rural areas as well as in certain parts of our towns and cities which are not well served by conventional bus services.

The initial Fflecsi pilot schemes seek to trial the concept in a range of different areas including rural schemes in the Conwy Valley and Pembrokeshire, urban areas such as Newport and in small towns such as Denbigh and Ruthin.

Transport Focus recently reviewed the schemes and found that these new services have been generally well received by passengers, however as with all new services further improvements can be made.

We are encouraged that a number of local authorities are approaching Transport for Wales with expressions of interest to introduce new fflecsi schemes in their areas.

# Flood Preparedness

We have to remain vigilant to flooding throughout the year.

Natural Resources Wales operate a 24/7/365 flood warning service across Wales for rivers and the sea

Natural Resources Wales works closely with the Flood Forecasting Centre and Met Office and assess the potential flood impacts based the most up to date forecasts and catchment conditions.

Natural Resources Wales and Local Authorities engage in flood awareness and resilience activities throughout the year. NRW have guidance on ‘What to do before, during and after a flood’ available on their [website](https://naturalresources.wales/flooding/what-to-do-before-during-and-after-a-flood/?lang=en).

Officials continue to monitor and work with Civil Contingencies and National Security colleagues on any necessary response and incident management arrangements.

# Flood Programme

The 3 year capital budget, totalling £102 million, allows us to better plan our investment to support at risk communities. We will now work with our Risk Management Authorities to set in place a longer term pipeline for the 3 year budget settlement and beyond.

The revenue budget over three years provides an opportunity to plan more strategically and invest further through our local authorities and NRW in flood and coastal risk management across Wales. The additional revenue will complement the capital budgets and support not only staffing but wider flood activities such as maintenance work, asset inspection, awareness raising, mapping, modelling, flood warning systems and forecasting.

The increased budget will help support our Programme for Government commitments to fund additional flood protection for more than 45,000 homes and to deliver nature-based flood management in all major river catchments. This is in line with the cooperation agreement with Plaid Cymru to invest more in flood management and mitigation and plan to respond to the increased risk of flooding. It will support the independent review of the local government section 19 and Natural Resources Wales reports into extreme flooding in winter 2020-21 and act on its recommendations.

This financial year we are investing over £71million (capital and revenue) right across Wales through Local Authorities and Natural Resources Wales. This includes work building new flood assets, maintenance of existing assets, development of future schemes, natural flood management, property flood resilience measures, mapping, modelling and awareness raising.

This year we are investing over £71m – the highest level of funding ever provided in Wales in a single year, we have published the list of schemes being funded with an accompanying map [here](https://gov.wales/flood-and-coastal-erosion-risk-management-programme-2022-2023) and will shortly publish an interactive map providing more detail on the schemes included within the programme.

Protecting communities from the impacts of flooding and sea-level rise is a priority for this Government and we have committed to protecting an additional 45,000 properties this term.

We have increased our revenue funding to Risk Management Authorities (local authorities and NRW) to support wider resourcing and are working to assess what options we have for utilising the additional funding to address the recruitment challenges to which appear to becoming more prominent.

# Housing and Regeneration - Affordable Homes – 20K Target

My priority is to deliver more truly affordable homes within the social sector, and therefore the target for this term of government is to deliver 20,000 additional social homes for rent. We will continue to push towards this as fast as we can.

The target is ambitious, it is challenging and I make no apology for that. I have been clear from the outset that social housing should be a priority that we all support. I have allocated record levels of funding to the Social Housing Grant to achieve this: £250m in 2021-22, (doubling the budget from 2020-21), £300m in this current year (2022-23), with indicative budget allocations of £330m in 2023-24 and £325m in 2024-25.

The first release to show progress towards the 20,000-home target was published in the Statistical Release published on 2 February. The key stat is that in 2021-22, 2,676 additional affordable homes were delivered across Wales (a 26% decrease on the previous year which was a record high).

We know there are significant challenges to the delivery of the target, and we are working closely with the sector to overcome these challenges where we can, including providing additional grant to combat material cost increases.

***Phosphates***

The First Minister’s second summit about the challenges of phosphorus pollution in Wales took place on 8 March 2023. The summit continued discussions from the first summit (held at the Royal Welsh Show in July 2022).

The March summit considered an action plan about how to relieve pressures on SAC river catchments to support the delivery of affordable housing. The summit heard feedback from nutrient management boards / catchment partnerships, and a range of other stakeholders, and also discussed potential mitigation measures.

Following the summit, the action plan will be published, which will contain clear actions, timescales and responsibilities based on a Team Wales approach.

Welsh Government, CHC and WLGA has shared information about affordable led housing sites with NRW, for them to consider when setting priorities and timescales for the review of permits exercise and capital investment in water treatment.

My officials have led two affordable housing scheme/phosphates workshops and are in the process of arranging one more. The purpose of the workshops is for key partners to take a focused look at case studies of housing schemes delayed due to phosphate issues, to work them through as a group and explore if there are any areas that can be unblocked or given more consideration.

# Housing and Regeneration - Anti-Racist Wales Action plan

We are working with Rent Smart Wales, Tai Pawb and Vicitim Support Cymru to develop training for all landlords and managing agents to raise awareness of racism and hate crime. Training support will be published to the Rent Smart Wales website by the end of March 2023.

Funding of up to £70,000 has been provided to Tai Pawb over two years to support the implementation of the Goals and Actions within the Anti-racist Wales Action Plan.

This additional funding has made it possible to provide further support to social housing landlords to consider the impact of their work on Black, Asian and Ethnic Minority communities and publish revised guidance on culturally sensitive design.

Three Independent members have joined the Ending Homelessness National Advisory Board (formerly known as the Housing Support National Advisory Board).

Part of the new process for undertaking Local Housing Market Assessments includes an analysis of the need for homes of key groups (Black, Asian and minority ethnic people, disabled people, homeless people, older people, those with mental health conditions, ethnic minority women, etc.). Each Local Authority needs to understand the availability of appropriate housing; estimated future need; and what any shortfall is for each key group.

# Housing and Regeneration - Building Safety

We are committed to addressing building safety in Wales.

The Welsh Building Safety Programme has two distinct strands of work addressing fire safety issues in existing building stock, alongside a significant programme of reform to establish a fit for purpose building safety regime in Wales.

The two elements of work operate under a single governance framework. Our Operational Leadership Board brings together expertise from across Welsh Government, we engage with a wide range of external bodies through our Strategic Stakeholder Group, and the area is overseen by a Programme Board chaired by the Director General of CCRA.

The following update looks at the work to tackle fire risk in our existing building stock, and our plans for reform and legislation to safeguard the future.

**Welsh Building Safety Fund**

The fund was launched on 30 September 2021, inviting Expressions of Interest from Responsible Persons of buildings 11 metres and over.

To date we have received 261 Expressions of Interest, completed 261 digital surveys and identified 163 sites that require an intrusive survey. These surveys have started, and our contractors have contacted all Responsible Persons of the 163 buildings and are in the process of carrying out the survey work.

We have completed 122 intrusive surveys to date.

There have been some delays to the planned timetable due to restricted access in some buildings, which has resulted in the timescale being pushed back. These access issues rely on permissions from third parties, for example permission from freeholders, or permission from Local Authorities in the form of pavement and highways licenses necessary to access buildings.

**Leaseholder Support Scheme**

The Leaseholder Support Scheme was launched in June 2022, aimed at supporting leaseholders in severe financial hardship with access to independent financial advice and where appropriate, the option for the leaseholder to sell their flat at a fair market value and either rent back or move on.

Following a review, I announced two changes to the eligibility criteria in my Written Statement of the 23 January. The first is the assessment of financial hardship now considers the rising cost of energy. This is vital as it will increase recognition of those in significant financial hardship as a result of the recent increases to the energy price cap and will allow more people to access the scheme.

The second fundamental change is the removal of the Displaced Residents clause. Previously, to be eligible for the scheme, leaseholders had to either be residents, or be residents forced from their property due to changing circumstances. By removing this criterion, the scheme is now opened to leaseholders who have purchased properties as an investment, such as pensioners, or those who have received the leasehold through an inheritance.

**Developers**

I have always been clear that developers should step up to their responsibilities in matters of fire safety and that leaseholders should not be made to pay for fire safety issues that are not of their making.

I met with developers on the 6 October 2022 to discuss next steps, plans and timescales for remediation. During the meeting some developers confirmed they have started their remediation works and are making the repairs necessary.

On the 7 October 2022 I issued a Written Statement where it was confirmed that 11 developers have signed up to the Welsh Government Developer’s Pact, which is a public commitment by developers that they will repair fire safety issues in buildings of 11 metres and over they have developed in Wales over the last 30 years.

The developers are Persimmon, Taylor Wimpey, Lovell, McCarthy Stone, Countryside, Vistry, Redrow, Crest Nicholson, Bellway, St Modwen and Barratt.

The Pact is underpinned by formal legal documentation, which has been drafted and shared with the Home Builders Federation. We are working with closely with the Home Builders Federation to get the formal legal documentation signed.

On the 23 January, I visited Century Wharf in Cardiff to see first-hand the repairs being undertaken by Persimmon. Several developers have started works to address fire safety issues ahead of their signing formal legal documentation, and this is welcomed.

Although I welcome those who have committed to repair buildings, I have made it clear that I am exploring all options, including legislation, to ensure that those developers who refuse to engage will face consequences for their unwillingness to accept their responsibilities.

**Orphan Buildings**

Buildings that do not have an identified developer or where the developer has gone out of business are classed as ‘orphan’. I have recently approved the development of a pilot study to address orphan buildings.

I have made £375 million available to tackle building safety and have taken steps to ensure all appropriate routes are being explored to make sure that all medium and high-rise buildings in Wales are safe.

To deliver on this commitment, it is essential that we understand the needs of individual buildings and design bespoke solutions to best address their fire risk. A comprehensive survey provides this information, and the Welsh Building Safety Fund, which is still open for expressions of interest from responsible persons, is supporting this aim.

Our Welsh Building Safety Fund is the starting point for accessing support from the Welsh Government.  If anyone is unable to identify a Responsible Person for their building, we would encourage them to contact the Welsh Government’s building safety team for more information.

We have completed our design and construction phase transition plan which enables us over the next three years to make the legislative changes necessary to ensure that the problems identified with the current building control regimes are rectified.

Alongside investment over the next three years for building safety work, plans are underway for a significant programme of legislative and cultural reform to establish a fit for purpose building safety regime for Wales. Both works to remediate buildings and the reform of the current system of building safety are a key commitment for this Government and form an important part of our Co-operation Agreement with Plaid Cymru.

Building Safety in Wales must both address our present situation and undertake fundamental reform of the building safety regime to ensure the problems we face now cannot arise again in the future.

Our proposals will establish a robust and coherent regulatory system, which will hold those responsible to account and ensure accurate, up to date and consistent information is held on all buildings covered by the regulations/legislation.

We are committed to working with stakeholders and residents to inform the development of a new building safety regime for Wales.

We recently launched a Building Safety Strategic Stakeholder Group. The Building Safety Stakeholder Group will act as a strategic, independent advisory group for Welsh Government on matters relating to, and under the jurisdiction of, the Welsh Building Safety Programme.

Stakeholder engagement is at the core of my approach to ensure our policy development for building safety is informed, effective, robust and based on clear evidence. Obtaining the expert views, leaseholder perspective, advice and support of our stakeholders is critical to the successful delivery of our Building Safety Programme.

We have also issued invitations to expand the leaseholder representation in the Group, to ensure we capture their views and lived experience on this matter

We are working with the WLGA to establish a **Joint Inspection Team** whichwill work with current enforcement agencies to strengthen building safety. It will bring together a multi-disciplinary team that will work in partnership with Local Authorities and Fire and Rescue Authorities to support existing regulatory authorities and advise on potential enforcement action.

A strategic lead for the Joint Inspection Team, Dawood Haddadi, was appointed and took up post in October. This role is vital to refining the detailed working arrangements for the formal establishment of the team.

# Housing and Regeneration - Decarbonisation of Housing

Taking a fabric first approach, our continued investment in the Warm Homes and Optimised Retrofit Programmes will deliver further progress on improving the energy efficiency of the least energy efficient homes in Wales. We are also working with local authorities to attract investment available through the Energy Company Obligation Scheme along with TrustMark and their discussion with the UK Financial Services Sector such as the Green Finance Institute.

On 11 May I launched a consultation on proposed updates to Welsh Housing Quality Standards (WHQS) including challenging new targets for affordable warmth and decarbonisation. The public consultation ran from 10th May 2022 to 3rd August 2022.

My officials commissioned an independent analysis of the consultation responses. Initial feedback was provided to the sector on 13th December 2022 and an executive summary of the report has been published. The feedback is being considered and the policy response will be published in 2023.

Funding from ORP is targeted to be £270m over this term of government (with circa £70m invested to date). This financial year £60m was allocated to social landlords on a formula funding basis ensuring that all social landlords in Wales had the opportunity for support via the programme.

For the current phase of ORP we have changed our approach and moved away from competitive bidding and to a formula funding basis for our grant. This recognises that all RSLs need to come on the decarbonisation journey; and ensures that support is consistently available to them to support this.

ORP is working closely with colleagues across Welsh Govt, Economy, BusinessWales, Foundation Economy and Skills along with the Regional Skills Partnerships, to promote and develop the supply chain in Wales of Products & Services, the latter to develop the skill pool, as well as advising 16+ as to wide ranging careers paths in the sector

ORP supports our ‘test and learn’ approach to how homes can be decarbonised in the most efficient and cost-effective way.

The programme supports the development of Wales’s low carbon product development and supply chain as well as the development of the current workforce

The Welsh Government is evaluating options for financing retrofit in the owner-occupied and private rented sectors. These incorporate both grant funding and repayable finance.

Options include Property Assessed Clean Energy, in which the loan is linked to the property rather than the householder. Low interest and equity release loans and green mortgages.

# Housing and Regeneration - Decarbonisation of privately-owned homes

* The Future Generations Commission’s report “Homes Fit for the Future: the Retrofit Challenge” estimated the costs of decarbonising Welsh homes at circa £15bn, broken down as follows.

|  |  |  |  |
| --- | --- | --- | --- |
| **Tenure/ status**  | **Number of homes**  | **Average investment required per home**  | **Total** **Investment (bn)**  |
| **Social housing**  | 230,000 (~21,000 are in fuel poverty)  | £24,000  | £5.52  |
| **Fuel poor housing**  | 155,000 (~21,000 are socially rented)  | £35,984  | £4.82  |
| **Private Rented Sector (PRS)**  | 180,000 (~36,000 are in fuel poverty)  | £4,700  | £0.67  |
| **Owner Occupier**  | 924,000 (~99,000 are in fuel poverty)  | £4,525  | £3.73  |
| **Total**  |  | **-** | **£14.75**  |

As can be seen the areas requiring the greatest investment are social housing and fuel poor housing which are targeted by the Optimised Retrofit Programme (ORP) and the Warm Homes programme respectively.

In terms of funding, Ministers have agreed to prioritise investment in social housing decarbonisation through the funding made available to social landlords through the Optimised Retrofit Programme. We are starting in social housing, before moving to other tenures as this is where we have the most levers.

Initially the investment in social homes was targeted to be £220m over the term of government (with circa £70m invested to date) however this year £60m has been allocated to social landlords, and indicative funding of £70m per annum provided for the following two financial years, increasing the overall budget to £270m.

Channelling ORP investment through social landlords supports a ‘testing and learning’ approach to how to decarbonise homes effectively and efficiently. As well as evaluating the technical and tenant aspects of the work, actual costs will be monitored and used in the assumptions of future models of residential decarbonisation. This will provide the springboard to start the decarbonisation of homes in other tenures from 2023.

In Wales, we have a strong history of working in partnership with social landlords to provide high-quality homes for our most vulnerable households and communities. We are using those trusted relationships to ensure that, in a new and rapidly evolving market, we can assure ourselves of the quality and appropriateness of interventions. Working with the social housing sector first also helps support the growth of the skills base and offers opportunities to develop the secure materials and supply chains that are needed to decarbonise Welsh homes at scale and pace.

We are clear that in terms of retrofit, there are few simple solutions and indeed no one size fits all in terms of the housing stock here in Wales. Considering this, we are committed to getting as clear an understanding of the issues and committed to working with partners across the sector to ensure that our approach is evidence based and, while ambitious, also ultimately achievable.

We are gathering evidence and collecting baseline data from properties currently being retrofitted. This data will ensure we can measure the impact of our investment activities. Only through an evidence-based approach can we ensure that future investment relies on solutions that we can be confident work across different homes and different tenures.

Decarbonisation of privately owned homes, those in the privately rented and owner-occupied sectors is undoubtedly more complex. For example, in the private rented sector (PRS) there are significant numbers of landlords compared to the discreet group that Registered Social Landlords (RSLs) represent. Many PRS landlords own only 1 or 2 properties and may not keep these properties for long periods and may not have records of the investments that previous owners have made in the homes. This contrasts with the RSLs who keep stock over the entire lifetime of the building and have records of their investments over long periods of time.

Moreover, we know that innovative funding models will be needed to pay for the decarbonisation of these homes, the costs of which cannot rest fully on Welsh government. However, we are confident that the learning from ORP, and other schemes, along with learning from the wider system (such as other government schemes and our expert Decarbonisation Implementation Group), will put us in a strong position to start the work in other tenures.

In terms of privately owned homes initial actions have begun to be considered. Welsh Government has for example started evaluating a variety of options for financing retrofit in the owner-occupied and PRS. These incorporate both grant funding and repayable finance. The financial capacity of the end user will be utilised to help direct them to the most appropriate financing solution in the medium term.

Some of the models for financing that will be considered include Property Assessed Clean Energy, in which the loan is linked to the property rather than individual, low interest loans, equity release loans and green mortgages. A grant mechanism may also be needed for lower income households although for those in fuel poverty that meet the scheme criteria the Warm Homes Programme NEST has been providing support.

Decarbonising and improving the energy efficiency of homes in Wales across all tenures, and how we might fund this, is complex. There are significant challenges in terms of the infrastructure needed and funding. Welsh Government continues to work with partners to explore approaches.

Specifically, we have recently begun work with the Development Bank of Wales looking at funding options for the owner occupied sectors. We are also bringing together a panel of experts from across the finance sector to work with us evaluating options and shaping those viable funding solutions.

There are also wider impacts to be taken into consideration. For example, the Minimum Energy Efficiency Standard (MEES) that apply in the private rented sector are not a devolved matter. The UK Government is currently reviewing responses to a consultation in respect of the MEES, which private landlords will be expected to meet. Pressing ahead in Wales, ahead of decisions that will be taken at a UK level, risks pre-empting the results of the consultation, meaning landlords may have to undertake multiple works to meet both requirements.

This in turn risks affecting the quality of life of private tenants, and potentially pushes private landlords into selling their properties rather than undertake remediation works, reducing the number of private rental properties in Wales. The low rental values in Wales and therefore the financial capacity of landlords to undertake significant improvement work on homes in terms of the MEES target has been raised with the Department for Business Energy and Industrial Strategy (BEIS) and should be considered by them in developing the response to the consultation.

To mitigate these issues, we are currently exploring a project to support private landlords in decarbonising their properties, a tie in between the Leasing Scheme Wales (LSW) and ORP. Under proposals currently being explored homes entering the LSW would be eligible for grant funding to improve the energy efficiency of the property.

We recognise the interconnected nature of the challenge of the decarbonisation of homes and tackling fuel poverty. We are working to ensure coherence across these policy areas.

Many of those in the “able to pay” sector are keen to begin their homes’ decarbonisation journey. To support them and provide confidence that they are taking the right steps for their homes, as well as provide wider advice, support and guidance to all those involved in residential decarbonisation, there will also be an investment into a new a Housing Net Zero Carbon performance Hwb.

The ‘Hwb’ will offer a secure and virtual space for staff from Registered Social Landlords, Local Authorities and Welsh Govt to share best practice as well as to undertake international research in to other decarbonisation solutions. The Hwb will also have a public domain element that will showcase case studies, peer reviews on Wales Academic Research, A-Z of Wales Supply Chain along with details on other funding available for the decarbonisation of homes.

# Housing and Regeneration - Empty Homes/Properties, Enforcement

I recognise that empty homes/properties, particularly those which have been empty for long periods, can present problems for local communities.

For the purposes of charging council tax, a home is defined as “long-term empty” if it has been unoccupied for over six months.

As the process of selling a home can take some time, the figures for empty homes include houses that are on the market for sale. This can give a distorted impression.

We have given local authorities powers to charge council tax premiums of up to 300% on long-term empty dwellings (as well as second homes).

Local authorities decide whether to apply a premium and at what level to apply it.

Local authorities can tailor the use of the premiums to their local circumstances, and to address the particular issues and priorities in their area – recognising that different authorities can face very different housing challenges.

On the 30th January I announced the allocation of **£50million** over the next 2 years to bring up to 2,000 long-term empty properties across Wales back into use through a national empty homes grant scheme.

Under the National Empty Homes Grant scheme up to £25,000 will be available for home-owners or prospective home-owners to remove significant hazards from their properties to make them safe to live in and to improve their energy efficiency.

In order to qualify for the grant, the property must have been registered as empty with the local authority for a minimum of 12 months prior to commencement of the works.

Once the works have been completed, the successful applicant must then live in that property as their main and only residence for a minimum of 5 years.

Each applicant must provide a minimum 15% of the costs of the works in order to qualify for the grant.

Aside from owner occupiers, Registered Social Landlords, local authorities and community housing groups will also be able to access the funding for empty properties they are acquiring to bring back into use as affordable housing.

The scheme will be administered by Rhondda Cynon Taf Council on our behalf. A list of the participating local authorities can be found on our webpage, local authorities will be added once they complete full sign up to the scheme.

This funding will accelerate our work to bring empty properties back into use and complement our existing schemes.

**Loans – Property & Transforming Towns**

We have given local authorities nearly £43m of recyclable funding to provide interest-free property loans for landlords and homeowners for home improvements or to renovate empty properties and bring them back into use. This includes turning commercial properties into houses or flats with landlords able to access loans of up to £35k per unit or £250k per application.

This ongoing scheme has been used to bring back **over 1,600 homes** into use across Wales and supported improvements to a further **1300** occupied homes.

In addition to this, **330 town centre residential units** have been brought back into use through our Transforming Towns Loan scheme.

Transforming Towns Loans can be used by RSLs to provide social/affordable housing from empty properties. In the Vale of Glamorgan, Newydd Housing Association used a £1m loan to redevelop a vacant site to create nine (9) affordable flats. In Powys, a loan of £270k was provided for the RSL to convert the former Newtown Magistrates Court into seven (7) affordable domestic units.

Between them, our Houses into Homes Loans and Transforming Towns Loans have brought around 2,000 residential units into use from previously empty or derelict properties and sites.

We regularly review the scheme with local authorities including asking what they are doing to promote the scheme. We are not seeing evidence that issues around promoting the scheme are leading to lack of demand.

We continually review what we can do to bring empty properties back into use and the empty homes loan is only one of a number of measures we have taken or are taking.

Our Transforming Towns Loan scheme has delivered/is delivering 100 projects worth £100m across Wales, bringing over 500 units (330 residential and 174 commercial) into use in town centres from previously empty or underused properties and sites.

**Enforcement on empty homes/properties**

We are supporting local authorities to use the full range of legislative powers at their disposal to tackle empty properties.

We have provided training to more than 850 councillors and officials across all local authorities in Wales on using enforcement measures to deal with empty properties.

This covered the broad range of powers and legislation available to deal with poor condition and empty properties that are having a negative impact on our town centres and local communities.

All local authorities have produced Empty Property Enforcement Action Plans which each identify at least 10 empty properties (250 across Wales) for priority action.

Our Industry Expert is working in partnership with the 22 LAs to provide bespoke and specialised advice on individual cases.

We have established an Empty Property Enforcement Fund to de-risk enforcement action for local authorities. This **£15.2m** fund means that local authorities can take enforcement action without fear of losing out financially. We have recently extended access to the fund to include non-town centre residential properties, to support our wider work on empty homes.

# Housing and Regeneration – Funding for SME housebuilders – Property Development Fund and Stalled Sites Fund, including Green Homes Incentive

**Property Development Fund**

Since 2013, the Welsh Government has been supporting SME home builders with access to affordable development financing through our Wales Property Development Fund (WPDF), delivered by the Development Bank of Wales.

Through the WPDF, we provide financing to SMEs for sites which have already passed the planning stages, and where the developers need capital for the construction phase. As such it is limited in being able to address some of the issues SMEs have in making some sites available for development.

Due to the success and increased demand for the WPDF it was quadrupled in 2018 to a budget of £40.5m. I am pleased further additional funding of £24m has subsequently been made available for this scheme to increase access to development finance. The scheme is projected to deliver a total investment of £415m over the next 15 years.

There has been significant demand on these funds. The COVID-19 outbreak exacerbated the need for this targeted support to SME developers and the much needed housing and skilled jobs they provide. I am pleased that we continue to see demand for support in property development.

**Wales Stalled Sites Fund (WSSF)**

The Wales Stalled Sites Fund (WSSF) is designed to assist in creating and promoting development opportunities to SME construction companies, and unlocking the sites which provide wider benefits to the local communities in which they are located.

These sites could be unlocked through investment and support at an early stage, such as for groundwork, infrastructure improvement or simply assisting with cash flow. Despite the additional funding for the Wales Property Development Fund, affordable finance is not available for stalled sites which need an earlier intervention. The WSSF is designed to fulfil this gap.

Due to the success and demand on the fund, a further £22.5m has been made available for this scheme making a total budget of £62.5m to increase access to financing for property development and unlocking stalled sites for development. The WSSF will be recycled over a 17 year period and is projected to invest £227.5m in Welsh SME home builders.

There has been significant demand on these funds. The COVID-19 outbreak has exacerbated the need for this targeted support to SME developers and the much needed housing and skilled jobs they provide. I am pleased that we have been able to provide additional investment in the last couple of years to increase access to development finance to unlock stalled sites for housing development.

**Green Homes Incentive**

Welsh Government have worked with the Development Bank for Wales (DBW) to explore how two existing property funds for SME house builders – the Wales Property Development Fund (WPDF) and Wales Stalled Sites Fund (WSSF) - could be flexed to support the climate change agenda. The Green Homes Incentive will provide a pilot programme that offers developers tapered reductions in loan costs based on the extent of the energy efficiency and low carbon measures they incorporate into their housing developments.

Applicants will have to satisfy all the usual criteria for the WPDF & WSSF schemes, however where SME developers through these schemes include energy efficient and lower carbon options in one or more of the 3 categories in their new housing developments, they may be eligible for loan fee reductions. The Green Homes Incentive will use existing funds from the WPDF and WSSF and the related deals would need to qualify for WPDF/WSSF support regardless of this incentive.

It is vital all housing developers, large and small, play a key role in this journey and become part of the solution through relevant procurement processes and initiatives such as Green Homes Incentive.

# Housing and Regeneration - Help to Buy Wales

Help to Buy Wales has made an important contribution in supporting people who would like to own a new build home but require assistance to do so. Since its inception in January 2014 more than 13,560 homes have been delivered through the scheme.

The scheme is also an important source of support for house builders, large and small, related supply chains and all involved in the buying and selling of homes.

The scheme has been used as a mechanism to bring about desired change within the industry. Phase 2 saw the end of the delivery of leasehold houses. Phase 3 has seen improvements in quality, broadband and the requirement for estate management fees, and any other charges, to be provided in writing before a deposit for a home is accepted.

I tasked my officials with developing an extension to the scheme which would support the delivery of the Welsh Government’s housing ambitions and take account of changes in the market and impact of the current economic climate on potential home owners and developers.

In a Written Statement on 14 December I announced an extension to our current Help to Buy Wales scheme, from April 2023. We will introduce a new price cap of £300k to cover the fluctuations being experienced in the market. Working towards our goals of improving the energy efficiency of homes, all homes purchased through the scheme will need to reach EPC B, as a minimum.

Help to Buy in England has closed to new applications. We have a record in Wales of delivering programmes that are right for the people of Wales, which in many cases will be different from the needs of England.

The scheme in Wales is helping people who need assistance to achieve their dream of home ownership as well as supporting more than 90 developers who are registered with the scheme.

# Housing and Regeneration - Homelessness Prevention

Our [Ending Homelessness Action Plan](https://gov.wales/ending-homelessness-wales-high-level-action-plan-2021-2026) was launched on 30 November 2021. The Plan has been shaped by the recommendations of the independent expert Homelessness Action Group, reflecting the changes required to prevent homelessness and make the shift to rapid rehousing.

Transitional legal arrangements came into force on 24 October. They have the effect of adding an 11th category of priority need i.e., a person who is ‘street homeless’ as defined by section 71(2) of the Housing (Wales) Act 2014.

These arrangements are transitional ahead of primary legislation, which will look at wider scale reform including the potential removal of priority need.

An Expert Review Panel has been established to review existing homelessness prevention legislation and to develop recommendations for reforms by August 2023. Significant work is underway to engage stakeholders and service users from across Wales in the work. Over its twelve months operating period, the panel will consider the following:

|  |
| --- |
| * Prevention and relief duties for local authorities, and evictions
 |
| * Eligibility, Priority need, intentionality and local connection
 |
| * Access to housing
 |
|  |
| * Children and families (including leaving care, youth homelessness, and violence against women
* domestic abuse and sexual violence (VAWDASV).
 |
| * The role of health and social care in preventing and ending homelessness
 |
| * Criminal justice systems and prevention
 |

I plan to publish a White paper; setting out potential legal reforms later this year.

On average, homelessness presentations are above 1,400 a month with c.500-700 people being moved on to suitable long-term accommodation.

At the end of December, 9,247 individuals were in temporary accommodation. 2,739 of these were dependent children aged under 16. Between the beginning of the COVID-19 pandemic and the end of December 2022, over 31,200 people who were previously homeless have been supported into emergency temporary accommodation.

At 31 December 2022, there were an estimated 116 individuals sleeping rough throughout Wales.

Whilst the number of people sleeping rough have not increased in this latest data set, the numbers remain unacceptably high. One person sleeping rough is one too many and demonstrates the importance of assertive outreach and wrap around support.

No one should be forced to sleep rough in Wales. On 18 October 2022, the Senedd passed regulations to create an 11th category of Priority Need for those who are ‘street homeless’, to ensure the continuation of our ‘no-one left out’ approach ahead of wider legislative reform.

We should not lose sight of the 1,436 people presenting as homeless during the month of December who have been supported into accommodation. This is not just a number these are real people who are without a long-term stable place to call home.

Over 31,200 people have been supported with temporary accommodation since March 2020. This is as a result of our funding and the direct effort and continued commitment of local authorities and their partners. It is important to consider this in the context of the sheer scale of the issue and the impact of our collective response.

As outlined in the Programme for Government and our Action Plan, we are strongly committed to moving from a position of reliance on temporary accommodation, to a system focused on prevention and rapid rehousing.

We are aiming to publish a White paper later this year, setting out the longer term policy and legislative mechanisms needed to support this change ahead of introducing legislation later in the term. This will be a substantial and complex bill, re-shaping the whole legislative and policy framework in Wales.

Our published ‘Ending Homelessness in Wales Action Plan’ sets out how we will achieve our long term ambition and has at its core the radical shift needed to end homelessness in Wales.

In response to the growing pressures on homelessness services, I have agreed to provide an extra £6m in 2022-23 to LAs for a Discretionary Homelessness Prevention Fund.

This fund would bolster LAs funding to provide immediate support to prevent and relieve homelessness for both those on benefits and those at risk on low incomes but not on benefits. This can cover preventative measures such as offering a rent guarantee, paying for rent arrears as part of a package of action to sustain a tenancy, as well as topping up the Discretionary Housing Payments (DHP) funding.

This approach will therefore provide a more flexible option than simply topping up the DHP funding alone, as it will give discretion for LAs to target the funding appropriately, subject to their own existing legal framework and rules.

This additional funding will be distributed using the 2022/23 Standard Spending Assessment (SSA) - adjusted to isolate housing-related costs - which is used to assess the need for spend on the housing aspects within the Revenue Support Grant funding to local authorities.

We recognise the growing pressures on authorities’ homelessness services has resulted in recurring staff resourcing pressures

In response to this, we are also providing £1.32m funding in 2022-23 to LAs for a Strategic Coordination role to lead on the transformation agenda - towards rapid rehousing and away from priority need - and ensure strategic join-up across the authority.

**Transitional Legislation – The Homelessness (Priority Need & Intentionality) (Wales) Order 2022**

The pandemic changed how we responded to homelessness and increased our understanding of just how significant the problem is across Wales. This legislation continues with our person-centred approach and is a critical step to ensure we do not go back to how we operated before the pandemic where often those who needed accommodation were the same who were often excluded from accommodation.

In recognising in law that people who are street homeless are in ‘Priority Need’ for accommodation, we are placing a duty on local authorities for those who present as street homeless to be provided with accommodation. This is common sense – someone without a roof over their head should be provided with accommodation.

These regulations must be recognised for what they are – a transitional legislative amendment ahead of the wider package of legislative and policy reform that we intend to deliver to achieve our ultimate goal of ending homelessness across Wales. This is a bridging step between the advances made during the pandemic and the delivery of our wider reforms, and is critical to ensure we don’t lose momentum or revert back to practices pre-pandemic.

We do not envisage that this will lead to a significant increase in demand for services, but it will recognise the need to support those who are rough sleeping within our communities. The benefit of supporting people who are street homeless back into accommodation has the potential to generate long-lasting benefits that far outweigh the costs of housing provision or of the social costs associated with long-term street homelessness. Social inclusion, improved health and stability are clear positive factors we want to encourage, and we have a greater chance of doing so, the less time an individual is street homeless.

The availability of housing remains an issue for local authorities across Wales, and we are currently looking at options available to allow for creative and innovative solutions to this problem. This legislation alone will not end homelessness, but it does go a long way to prioritise those in greatest need of accommodation and support.

The Programme for Government sets out our commitment to reform housing law and implement the Homelessness Action Group’s recommendation to fundamentally reform homelessness services to focus on prevention and rapid rehousing. This also forms part of the Cooperation Agreement with Plaid Cymru.

This legislative reform will include consideration of priority need, in order to achieve the transformational shift to rapid rehousing, which requires long term solutions for everyone in acute housing need and not just those considered in a priority need category.

A formal consultation on a White Paper is planned for later this year setting out the longer-term policy and legislative mechanisms needed to support this change ahead of introducing legislation later in the term. This will be a substantial and complex bill, re-shaping the whole legislative and policy framework in Wales.

I am committed to developing this legislation in collaboration with stakeholders and service users.  An Expert Review Panel is currently in session and will make recommendations on proposed legal changes to me this year. The panel is chaired by Professor Suzanne Fitzpatrick who has led similar work in Scotland and I am pleased that we are able to learn from her experiences as we reform the Welsh legislative context.

The move to rapid rehousing will require the transformation of the whole housing sector from alignment of key support services, allocation policies, build programmes and temporary accommodation provision, in order to achieve our long term goal of ending homelessness in Wales. This will include consideration of the needs of, and engagement with, a range of groups.

My officials are currently working to support local authorities in developing their Rapid Rehousing Transitional Plans, which will set out the strategic direction of each authority in transitioning to an approach that is person centred and preventative in nature.

We do not underestimate the scale of this challenge – the number of people experiencing homelessness remains worryingly high. There are complex reasons and the pressures on household budgets are not helping - this is why we are working cross-Government to use all the levers we have in Wales.

Responsibility for ending homelessness extends beyond the dedicated homelessness, housing teams and departments. It must and will be based on an ‘all public services’ response.

Our commitment to transformation is also demonstrated in the investments we’re making - over £207m in Housing Support and Homelessness Prevention services.

This funding includes the Housing Support Grant which is the main homelessness prevention grant provided to local authorities. In 2021/22 this was increased by £40m (over 30%) to £166.7m.

Within the package of funding to prevent homelessness, we have made £20m available to local authorities to support the provision of temporary accommodation (this was initially £10m and was increased by £10m in-year).

We also fund a range of advice services, including Shelter Cymru, who provide independent housing advice – and anyone struggling or at risk of homelessness should contact them for advice and support.

# Housing and Regeneration - Leasing Scheme Wales

I launched in January 2022, Leasing Scheme Wales (LSW) is a key Programme for Government commitment.

Welsh Government are providing £30m capital funding over 5 years for Leasing Scheme Wales so that local authorities can lease private rental sector properties from landlords.

The scheme is designed to support individuals and households who are experiencing homelessness or at risk of homelessness. Tenants on the scheme will benefit from longer term security of tenure (between 5-20 years) at rents restricted to LHA rates.

There will be additional funding from the Welsh Government to ensure tenants have access to the level of support they would expect in social housing.

The scheme will improve access to longer term affordable housing in the private rental sector. Delivering security for tenants and confidence for property owners. Property owners are encouraged to lease their properties to local authorities in return for a rent guarantee of Local Housing Allowance (LHA) rate. Voids are covered during the period of the lease. Repairs of any damage to the property made by tenants are covered, subject to reasonable wear and tear, and the landlord’s liability for structural defects. Additional funding of up to £5K is available to meet the standards necessary and/or to improve the EPC rating of a property towards a C rating. Up to £25K grant funding is available for empty properties.

The scheme is designed to support individuals and households who are experiencing homelessness or at risk of homelessness. Tenants on the scheme will benefit from longer term security of tenure (between 5-20 years) at rents restricted to LHA rates. There will be additional funding from the Welsh Government to ensure tenants have access to the level of support they would expect in social housing.

Fifteen local authorities have signed up to the scheme and Newport is due to join from April. Conversations continue with a number of others about joining. The 15 Local Authorities currently taking part have identified that they should hopefully be able to secure 139 properties by the end of March 2023, which would exceed the Year 1 target. Overall the aspiration is to secure 1% of the Private Rental housing stock onto LSW by the end of Year 5, which would be over 1,500 properties.

Since its launch in January 2022, 43 properties have been brought onto the scheme and are tenanted, 27 (63%) of which were previously empty for six months or more. Of the 43 properties, 23 or 53% were brought onto the scheme with an energy efficiency rating of EPC C band or above. 5-year leases have been issued for 38 properties, with 5 properties being issued leases in excess of 10 years. An additional 35 properties are tenanted through the Leasing Scheme Wales pathfinder scheme, providing a total of 78 properties, 53 of all 78 properties are housing families with children. Of the 78 properties 35 (45%) were brought onto the scheme with an EPC rating of C or above, 37 (35%) were previously empty for six months or more.

Information can be accessed via the dedicated webpage [https://gov.wales/private-rented-sector-leasing-scheme-guidance](https://eur01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fgov.wales%2Fprivate-rented-sector-leasing-scheme-guidance&data=04%7C01%7CEmma.Tobutt001%40gov.wales%7Cb1ea22c54f2647c2059608da0bf28878%7Ca2cc36c592804ae78887d06dab89216b%7C0%7C0%7C637835433716577525%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000&sdata=8NGRqVdwEJV9HwoPPdVT9Qmd665DWM68S6Z0or6C2Lo%3D&reserved=0)

# Housing and Regeneration - Private Rented Sector Rent Policy

**Background**

Local Housing Allowance

The local housing allowance (LHA) set a maximum rent that housing benefit and universal credit clients can receive towards their housing costs. These only apply to the Private Rented Sector and are set at the 30th percentile of rents in a local area. Due to past benefit restrictions LHAs fell below the target level prior to April 2020. They were uprated to the 30th percentile from April 2020 as part of the UK Governments Covid-19 measures. However, the UK Government has once again frozen the 2020 rates from April 2023 to March 2024, providing no uplift to reflect inflation in rental prices or the cost of living crisis. [Local Housing Allowance (LHA) rates from April 2023 to March 2024 | GOV.WALES](https://www.gov.wales/local-housing-allowance-lha-rates-april-2023-march-2024)

A Ministerial Written Statement regarding LHAs and DHPs was issued on 8 April (see <https://gov.wales/written-statement-discretionary-housing-payments>)

What is clear is that there are people facing unsustainable increases in rents. We will continue to do all we can to protect Welsh people from the impacts, including the cuts imposed upon us from the UK Government. However, it would be impossible to plug all the gaps left by the UK Government’s welfare benefit changes and reducing budgets.

The current LHA rates reflect the level of rents which existed in the private rental market for the period ending September 2019. This is against a backdrop of reports of private sector rents rising at their fastest rate for 13 years, meaning the gap is widening gap between actual rents and the LHAs. Inevitably this creates an affordability and accessibility crisis for low income tenants in the private rented sector.

We have consistently been asking, as a minimum, that the UK Government unfreezes the LHA rate and reset LHA rates to reflect the most recent rent officer market data submitted to DWP, or the percentage increase afforded to other benefit rates (3.1%), whichever is higher. It is therefore more than disappointing that there has been no published uplift to the rates for the 23/24 financial year, and the rates remain pegged to the 2020 rate.

We have also written to the DWP about the DHP settlement Local Authorities have received for 2022/23. It is the lowest amount received by LAs since the inception of the UK Government’s welfare reform programme and is a 27% reduction on this year’s allocation.

We have committed to publish a White Paper during this Senedd term to include proposals for a right to adequate housing including fair rents and new approaches to making homes affordable for those on local incomes.

Ahead of this I set out in Plenary in October that the White paper would be preceeded by a Green Paper in Spring 2023, as part of the wider engagement on developing the robust evidence base to inform a White Paper.

We have commissioned independent research, and are engaging partners fully on the development of the policy options for Fair Rent and Right to Adequate Housing.. Any proposals on rent control will therefore be very carefully thought through, evidenced, and consulted upon widely.

# Housing and Regeneration – Rent Smart Wales

Rent Smart Wales is the national scheme for implementing Part 1 of the Housing (Wales) Act 2014. It introduces a mandatory registration scheme for private landlords and a requirement for private landlords and agents who undertake letting and/or management tasks to be licensed. Any landlord of a privately-rented property must register themselves and their properties.

Landlords can choose to become licensed, or appoint a licensed agent. Licensing involves mandatory training, and successful completion of a “Fit and Proper Person” test, which checks suitability for a licence, mainly taking into account any unspent relevant criminal convictions. Licenses last for five years from date of issue, but remain under constant review.

A key element is the statutory Code of Practice which landlords and agent must abide by. Landlords should no longer find themselves unaware of their responsibilities, breaking the law unwittingly and thus end up facing prosecution for such breaches. Tenants should benefit from having a landlord or agent who is aware of their legal responsibilities and acts in accordance with them. Rent Smart Wales may also apply licence conditions to a licence.

The legislation has sanctions which can be used for the worst offenders. Failure to abide by the Code of Practice or licence conditions can put a licence to operate in Wales at risk.

Rent Smart Wales is the single licensing authority for Wales, representing all 22 local authorities. Cardiff Council hosts the scheme, as the Single Designated Licensing Authority for Wales, appointed by Welsh Ministers.

Anyone can search the Rent Smart Wales online register by property address, landlord or agent name to check their registration and licence status: <https://www.rentsmart.gov.wales/en/check-register/>.

# Housing and Regeneration - Second Homes

We want everyone to be able to afford to live in their local area – whether that means buying or renting a home. Some of our communities are struggling at the moment with large numbers of second homes, holiday lets and empty homes. These are complex issues, and we are taking forward balanced solutions, with social justice at their heart.

 We have worked and continue to work at pace to bring into play effective and balanced solutions around Second Homes, affordability and the pilot in Dwyfor. This work aligns to the three-pronged approach to address challenges facing our communities. The three prongs are:

* *Support* – we will address issues of affordability through targeting and tailoring existing housing programmes.
* *Regulatory Framework and the System* - we have provided for better management of additional second homes and short-term holiday lets through changes to the regulatory planning framework and system. We are also currently consulting on statutory licensing of all holiday accommodation, including short-term holiday lets. Consultation open until the 17th of March, good response to date, with a range of views on the way forward.
* *A fairer contribution* – we will ensure second homeowners make a fair and effective contribution to the communities in which they buy, through national and local taxation systems, which will change from 1 April.

The **Welsh Language Communities Housing Plan** was published on 11 October 2022. The Plan includes a number of practical interventions bringing together economic, housing, community development and language planning issues to ensure that Welsh-speaking communities can continue to thrive. A central theme of the Plan is to provide support and empower communities to develop solutions in line with the specific needs of their community. This includes supporting communities to establish social enterprises and cooperatives as well as community led-housing initiatives.

I am always keen to hear community perspectives and ideas and met with **Siarter Cartrefi Cymru.** On Saturday 18 Feb, four WG officials attended the Siarter Cartrefi Cymru (SCC) housing conference in Machynlleth. The conference received financial support from Welsh Government. We expect the post-conference report to be shared with us by SCC in the coming weeks.

I recently announced the allocation of up to £50m over 2 years for the introduction of a national **empty homes** grant scheme to support bringing up to 2,000 empty homes back into occupation.

This funding will accelerate our work to bring more empty properties back into use, complementing our existing schemes to further increase the supply of housing.

We have written to and are working with local authorities to develop a national framework so they can request increased **land transaction tax** rates for second homes and holiday lets to be applied in their local area. While this work is ongoing, the resources required to develop and implement a wholly new local system within a national tax are not readily available within the current financial constraints. Along with significant policy and legal complexity, these constraints will affect the timeframe within which local LTT rates can be delivered. On 27 September, we announced the main residential rates of Land Transaction Tax (LTT) would change on 10 October 2022; LTT on second homes purchases will continue to be charged at the current higher rates.

* **Pilot:** We have also been taking forward, as a partnership, proposals to enhance communications about the pilot. A web presence regarding the pilot was published on the Gov Wales website in December: [Dwyfor second homes and affordability pilot | GOV.WALES](https://www.gov.wales/dwyfor-second-homes-and-affordability-pilot)
* **Council Tax Premiums:** We have made decisive, radical changes to the maximum level at which local authorities can set discretionary council tax premiums on second homes and long-term empty properties. Following [consultation](https://eur01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fgov.wales%2Flocal-taxes-second-homes-and-self-catering-accommodation&data=05%7C01%7CMeryll.Dunn%40gov.wales%7C9655017746ee4e0de24f08db05e36cb5%7Ca2cc36c592804ae78887d06dab89216b%7C0%7C0%7C638110246559540113%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=hybohN0ocYn7rA%2FwZ%2FbhGrY%2F%2Fr54XiDn8midiINYl4k%3D&reserved=0) the Welsh Government introduced new legislation to increase the maximum premium which local authorities may charge for second homes and long-term empty properties to 300% from 1 April 2023.  As a result of a further consultation on amendments to the Council Tax (Exceptions to Higher Amounts) (Wales) Regulations 2015, the Welsh Government has extended the existing exceptions to the council tax premium for properties with a planning condition which specifies that the property may only be used for holiday lets or which prevents their permanent occupation as a person’s sole or main residence. Such properties would become liable for council tax at the standard rate if they do not meet the letting criteria for classification as non-domestic property but they could not be charged a premium. This is consistent with our policy view that property owners should make a fair contribution to local communities either through local taxation or through the economic benefit they bring to an area.
* The amendment regulations were laid on 6 March 2023 and come into force on 1 April 2023, in conjunction with the changes to the letting criteria and to the maximum council tax premium.
* Revised guidance for local authorities on implementing and enforcing council tax premiums for long term empty dwellings and second homes was published on 9 March 2023. This highlights the discretionary powers and additional options that are available to local authorities in the event that self-catering properties not restricted by planning conditions do not meet the letting criteria.

* **NDR:** We have also legislated to increase the number of days for which self-catering properties must be let out in order to be listed for non-domestic rates rather than council tax. From 1 April 2023, self-catering properties will need to be let for at least 182 days in any 12-month period to be listed for non-domestic rates. This reflects the Welsh Government’s view that to be listed for rates, such properties should be operating as businesses for the majority of the year. It will also amend the minimum length of time a property is required to be made available to let, increasing it from 140 days to 252 days. The new criteria will apply to all assessments for the NDR list, from 1 April 2023.

* Other key action includes changes, from the same date, increasing the letting thresholds used to classify self-catering properties for local tax purposes and funding to bring back long-term empty properties into use.

* **Planning** regulations have been amended to give local planning authorities the ability to control the number of additional second homes and short-term lets in an area. The relevant Statutory Instruments came into force on 20 October. Specifically:

* The Town and Country Planning (Use Classes) Order 1987 (the UCO) has been amended to create new use classes for ‘Dwellinghouses, used as sole or main residences’ (Class C3), ‘Dwellinghouses, used otherwise than as sole or main residences’ (Class C5) and ‘Short-term Lets’ (Class C6); and

* The Town and Country Planning (General Permitted Development) Order 1995 (the GPDO) has been amended to allow permitted changes between the new use classes, C3, C5 and C6. These permitted development rights can be dis-applied within a specific area by an Article 4 Direction made by a local planning authority on the basis of robust local evidence.

* We are committed to introducing a **statutory licensing scheme** for all visitor accommodation. The scheme will make it a requirement to obtain a licence to operate visitor accommodation, including short-term holiday lets and will help raise standards across the tourism industry.  In July, we confirmed our commitment to introducing a statutory licensing scheme which will make it a requirement to obtain a licence to operate visitor accommodation, including short-term holiday lets. We are currently consulting on this scheme. A consultation is running until 17 March.

* Together with Cyngor Gwynedd, Grwp Cynefin and UK Finance, we have worked at pace to make changes to the Homebuy–Wales programme specifically in the pilot area. These changes are aimed at reflecting the local circumstances and have been backed with up to £8.5m in funding up to 2025.
* 7 x Dwyfor Homebuy applications have received Welsh Government approval, of which, 4 sales have completed. To put that into context, the last HomeBuy in Dwyfor was in the 2018/19 financial year.

# Housing and Regeneration - Support for tenants – Cost of living crisis

In addition to the £380m cost of living support, we have provided an additional £6m to Local Authorities for the Homelessness Prevention Fund. This funding can be used for both social and private tenants to prevent homelessness, including payment of rent arrears, providing a rent guarantee, or assistance with household bills.

We have committed £30m of funding to Leasing Scheme Wales, over the next 5 years, which will improve access to longer term affordable housing in the private rental sector. It delivers security for tenants and confidence for landlords.

As of January 2023 reporting, 42 properties have been brought onto the scheme 28 (67%) of which were previously empty for six months or more. An additional 35 properties are tenanted through the Leasing Scheme Wales pathfinder scheme, providing a total of 77 properties. Currently, fifteen local authorities have signed up to offering the scheme.

The Cost of Living (Tenant Protection) (Scotland) Act offers protection to in-tenancy rent increases; however, certain exemptions apply that allow some costs to be passed on through rent increases, or certain categories of tenancy that will be exempt from these protections.

Crucially, it does not prevent rental property that is vacant and being marketed from putting rental prices up, which is where the greatest cost pressures are coming from.

There are also exemptions around the moratorium on evictions, including if tenants fall into significant rent arrears, or act in an anti-social manner.

There are other potential unintended consequences of some interventions – for example, international evidence shows rent control measures can create a target rather than a cap.

Although regulated by legislation, I am very conscious of the potential difficulty that rent increases may cause tenants. There are options available for some tenants who have had rent increase notices served on them, including for some referral to the Rent Assessment Committee, but I am acutely aware that will not address the issue for some tenants.

The £6m Homelessness Prevention Fund is flexible enough to be used by local authorities to help those struggling to meet rental costs.

I have recently announced that we will publish a Green Paper in the Spring to inform the development of the White Paper within this government term on new approaches to affordable rents for local people on local incomes, and a right to adequate housing – this forms part of the Cooperation Agreement with Plaid Cymru.

We have provided £300k of funding for Citizens Advice Cymru to establish the Private Rented Sector (PRS) Debt Helpline.  During the first **year of the scheme, more than 900 private rented sector tenants have been supported.**

£90m has been made available to run another Welsh Government Fuel Support Scheme in 2022-23 which will support people on low incomes with a non-repayable £200 payment towards their energy bills. The scheme will launch on 26 September and has been extended to support more eligible households.

In support of our commitment to end homelessness in Wales, we are providing over £197m for Housing Support and Homelessness Prevention services in this financial year, as well as a record £310m for social housing.

# Housing and Regeneration - Town Centre Regeneration – Transforming Towns

Our investment in Regeneration will help support the delivery of the following **Programme for Government** commitments:

* ***Enable our town centres to become more agile economically by helping businesses to work co-operatively, increase their digital offer and support local supply chains, including local delivery services. -*** We will encourage and support the use of digital technology by town centre businesses through an extension of our Transforming Towns – SMART Towns programme.  This includes utilising data to help businesses better understand their customer base and trends which will support businesses in their future planning and marketing activities.  In addition, we will support businesses to cooperate, for example, through the development of more Business Improvement Districts in Wales. This will provide businesses with a physical presence in town centres, a competitive edge over online only operators and a stronger voice in local developments.
* ***Develop masterplans for towns and high streets.***

Our strategic regeneration investments are targeted at improving the fabric of town centres, creating the environment for them to diversify as places of living, learning, leisure and work. This diversification is fundamental to the sustainability of our towns. The Town Centre First policy of [Future Wales](https://eur01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fgov.wales%2Ffuture-wales-national-plan-2040&data=05%7C01%7CAndrew.Nicholas%40gov.wales%7C02183963f34d496012fc08da9255bfa3%7Ca2cc36c592804ae78887d06dab89216b%7C0%7C0%7C637983194277821668%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=dXQihbwF05xmDPakFcZSAi375CnxKKDHcP0yxbQNJ2U%3D&reserved=0) will directly influence the location of public services, retail and commercial development, and require them to be in town centres.

* ***Empower communities to have a greater stake in local regeneration.***

Funding through our Transforming Towns programme was previously allocated regionally and delivered by our local authority partners.  Despite the success of this approach, we are also committed to working closely with more localised groups.  Collaboration, engagement and support between the Welsh Government, local authorities and the people that rely on and use towns across Wales is more likely to develop town plans which have a legitimate base and a better chance of coming to fruition.

* ***Create more community green space in town centres.***

To help address the climate and nature emergency our Programme for Government includes our commitment to expand arrangements to create or enhance green and blue spaces. Our published Building Better Places document focuses on key areas of Planning Policy Wales, including the importance of green spaces, encouraging the creation of new spaces, and improving people’s access to green space.

* ***Repurpose public space for outdoor events, markets, street vendors, pop up parks and ‘parklets’.***

Given the challenges faced by our town centres as a result of Covid restrictions, delivery partners have sought to support business activity and vibrancy. The continuation of this support is a priority in making our towns and cities more attractive places to live, work and spend leisure time.

* ***Support the development of a register of empty buildings and help small businesses move into vacant shops.***

Empty properties are a scar on town centres, surrounding neighbourhoods, and a constant source of concern to the people who live in these communities.  They soak up resources both in local and central Government, and are often expensive to remedy. The establishment of a register of empty buildings and supporting businesses into them is one of a number of measures and interventions we are taking to tackle the issue of empty properties.

**Transforming Towns**

* Our **Town Centre First** policy, embedded in our national planning framework: Future Wales, means that town/city centres should be the first consideration for all decisions on the location of workplaces and services.
* We are investing £100 million over three years in our **Transforming Towns** programme to support our town and city centres.
* The programme is underpinned by place making principles and robust master planning and recognises the new landscape of towns. It actively encourages mixed use towns as places to live, work, visit and stay. One of the key elements of this ‘place making’ activity includes strong community involvement, well-being, enhancement of existing spaces and maintaining their unique identity.
* **Transforming Towns** is a coordinated package of support, which provides the Welsh Government’s core regeneration investment in town centres.  Individual towns can benefit by identifying the mix of interventions which best suits their specific characteristics, local strengths, culture and heritage and is deployed as follows:
	+ **Development funding** for early work to support a future full project application.  Eligible activity includes: desktop assessments, feasibility studies, site investigation and due diligence works, any masterplans or design briefs and Place-making/ town plans.  Typically, a maximum grant intervention of 50% would be provided.
	+ **Placemaking Grant**, is managed by local authorities and provides a maximum of £250,000 grant per project. It supports a range of actions in town centres such as green infrastructure, active travel, creation of residential units, support for markets and meanwhile uses and improvements to commercial premises.
	+ **Strategic funding** supports the delivery of a specific project led by a local authority where more than £250,000 grant or loan funding is required.  The National Regeneration Investment Panel (NRIP) consider applications for strategic funding.
* Our **Transforming Towns Loans** programme has delivered/is delivering 100 projects worth £100m across Wales, bringing nearly 500 residential and commercial units into use in town centres from previously empty or underused properties and sites.

* Town centres have struggled both prior and during the Coronavirus pandemic. Through Ministerial Town Centre Action and Delivery Groups we have been developing a robust approach to **operationalising the recommendations** made in both the Audit Wales report: [Regenerating Town Centres](https://eur01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.audit.wales%2Fpublication%2Fregenerating-town-centres-wales&data=05%7C01%7CAndrew.Nicholas%40gov.wales%7C02183963f34d496012fc08da9255bfa3%7Ca2cc36c592804ae78887d06dab89216b%7C0%7C0%7C637983194277821668%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=3rCjSxCU%2F0AS5VVSW1L%2BzTeifkKbPGPFHmo08AdYSM4%3D&reserved=0) and the Foundational Economy Research Ltd (FERL) report: [Small Towns, Big Issues](https://eur01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fgov.wales%2Fsites%2Fdefault%2Ffiles%2Fpublications%2F2021-07%2Fsmall-towns-big-issues-independent-research-report.pdf&data=05%7C01%7CAndrew.Nicholas%40gov.wales%7C02183963f34d496012fc08da9255bfa3%7Ca2cc36c592804ae78887d06dab89216b%7C0%7C0%7C637983194277821668%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=WF6Xb%2BbZ16oKRvz1Q%2BRm0qAfA%2Fn28aI3%2Bk%2FDuCFRR70%3D&reserved=0). Both reports set out that addressing the challenges they face requires joined-up intervention.
* Through the Town Centre Delivery Group, a draft Town Centre Position Statement has been developed which outlines the key challenges faced by Town Centres and a series of proposed actions to be undertaken across Government and other Stakeholder Organisations to address these complex challenges.
* The Position Statement has been endorsed by Welsh Government cabinet, the Ministerial Town Centre Action Group and Delivery Group and will be published together with a Written Statement in May 2023.
* Task and Finish Groups and an Oversight Group will be established to provide robust governance arrangements focussing on delivering against the identified key actions in the Position Statement.

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# Housing and Regeneration - Transitional Accommodation Capital Programme (TACP)

We recognise the need to provide good-quality transitional accommodation options to allow people to get on with their lives – places people can call their own – while we support individuals and families to find a permanent home.

A £65m Transitional Accommodation Capital Programme (TACP) has been established to respond to the need for longer term accommodation. The programme is supporting a range of initiatives by our local authorities and registered social landlords to provide this type of accommodation enabling people to move on from temporary accommodation.

Given the wider housing pressures and the positive impact TACP funding has had in delivering good quality housing at pace, with support from Plaid Cymru further funding has been made available – taking total to up to £89m in 2022-23. This will see over 1,300 additional homes delivered within the next 18 months.

We are providing grant funding to a range of schemes to quickly create accommodation capacity by bringing mothballed properties that would otherwise not be re-let into use, remodelling existing accommodation, converting buildings into good-quality accommodation, acquiring properties including from private landlords and new builds utilising modern methods of construction and using modular accommodation as a medium-term form of housing on some sites as they are developed.

# Housing and Regeneration - Welsh Development Quality Requirement

**Background**

The Welsh Development Quality Requirements 2021 (WDQR 2021), sets out the minimum functional quality standards for new and rehabilitated general needs affordable homes. It encourages housing providers and their consultants to aim for standards beyond the minimum requirements specified therein and to adopt a holistic view of quality, recognising the benefit that quality and culturally suitable homes will have on both physical and mental well-being for all.

[https://gov.wales/development-quality-requirements-housing-associations-and-local-authorities-2021](https://eur01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fgov.wales%2Fdevelopment-quality-requirements-housing-associations-and-local-authorities-2021&data=05%7C01%7CDarren.Hatton%40gov.wales%7C5dfd721fae06443e12ec08db1e6c4241%7Ca2cc36c592804ae78887d06dab89216b%7C0%7C0%7C638137222529290555%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=vqKSa8QnrrNLyH3gRzndNtIZ%2BKIS0zpKd7TwVA4lf18%3D&reserved=0)

WDQR 2021 sets quality requirements centred on flexibility, space, and sustainability. It ensures social housing will lead the way in reducing carbon emissions and favours good design so people can live well within their homes now and in the future. Homes and their surroundings built to the standard will be healthy places to live, flexible to future needs, visually attractive and both environmentally and ecologically sustainable.

**Background**

Housing is a key priority for Welsh Government. It is recognised that living well in a good quality home brings a wide range of benefits supporting the government’s wider agenda for improving outcomes in health, wellbeing and prosperity and the need to transition to net zero.

Welsh Government funds new social housing developments through the Social Housing Grant (SHG) program. Social housing providers must build housing to meet the WDQR 2021 quality standards.

Local Authorities are responsible for deciding which affordable housing schemes are a priority and which housing associations or Local Authorities (LA’s) take forward the schemes for development. SHG is only payable to housing associations or “stock retaining” LA’s.

Housing schemes applying for SHG will undergo a robust technical scrutiny process.

* The standard actively encourages the use of MMC to meet our aspirations for high quality, low carbon housing.
* WDQR 2021 shows the bold and immediate action we are taking in responding to the climate emergency by eliminating reliance on fossil fuel heating and through increased fabric specifications.
* Minimum space standards and storage areas ensure adequate space for family living.
* Best practice is encouraged in moving to a decarbonised circular economy by considering embodied carbon, maximising the use of timber, Active Travel, recycling and reduced energy demand.
* New homes built to the standard demonstrate value for money.
* The Lifetime Homes Standard requirements within WDQR 2021 ensures flexibility. This accessibility standard (whilst not to full wheelchair standard) ensures stairs capable of taking a lift, more circulation space, an accessible ground floor shower, wider access doors and convenient external access paths. This makes the homes flexible and able to be used by a range of occupants over their lifetime and responsive to the changing needs of households.
* Homes will be ‘gigabit ready’, meaning fibre optic broadband or gigabit wireless technology is provided where available from a choice of internet service providers. Where the service isn’t in place, infrastructure to enable future installation without disruption must be provided.
* Secured by Design Certification discourages crime and encourages safer and more secure places to live.

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# Housing and Regeneration - Welsh Housing Quality Standard

**Background**

The original WHQS was introduced in 2002, to boost the quality of social housing in Wales. By 31st March 2022, 100% of social housing in Wales met the original WHQS standard with some acceptable fails. 78% achieved full compliance with no acceptable fails.

The standard is being updated to reflect the levels of achievement of the current standard, and after 20 years of changes to how people live, work and feel about their homes.

A public consultation ran from 10th May 2022 to 3rd August 2022. Officials commissioned an independent analysis of the consultation responses. Initial feedback was provided to the sector on 13th December 2022 and an executive summary of the report has been published on the website. The feedback is being considered and the policy response will be published in 2023.

[Welsh Housing Quality Standard 2023 [HTML] | GOV.WALES](https://gov.wales/welsh-housing-quality-standard-2023-html)

The proposed standard for WHQS 2023 builds on the excellent achievements of its predecessor. The new standard keeps anti-poverty requirements at its heart, introducing the requirement to provide flooring throughout the home at each new tenancy if required, improve energy efficiency, and minimise exposure to noise, with the aim of putting more money in tenant’s pockets and supporting their comfort and well-being. It also introduces water efficiency standards and encourages landlords to consider biodiversity opportunities.

In the face of the cost-of-living crisis and climate change emergency we cannot stand still, and we must continue to push progress and set standards to address decarbonisation through a variety of measures in existing social housing.

The current Welsh Housing Quality Standard has already improved the energy efficiency of social homes, which is a significant benefit in the current cost of living crisis. Our proposals for WHQS 2023, are tenant-focussed and build on the excellent achievements so far – while continuing to ask for more on energy efficiency.

I accept that the targets within the standard are challenging, we have bold ambitions to build a greener, fairer Wales. The Welsh Housing Quality Standard 2023 aims to contribute to tackling the climate emergency, but also to make a real difference to people’s quality of life.

Officials commissioned an independent analysis of the consultation responses. Initial feedback was provided to the sector on 13th December 2022 and an executive summary of the report has been published on the website. The final report of responses has also been received and will be used to produce the final version of the Standard later this year.

# Infrastructure (Circular Economy)

Considered through national, regional and Local Authority-level lenses WG is working with public sector partners across Wales to invest in the infrastructure needed to deliver current, and future circular economy objectives including:

* + Reducing / Preventing Greenhouse Gas Emissions, including from Landfill, AD Plants and Waste to Energy Plants
	+ Waste Reduction
	+ Decarbonising fixed and mobile infrastructure and operations, including ULEV
	+ Preparing in readiness for EPR(s), DRS and Business Recycling regulations
	+ Hitting current and future recycling targets
	+ Reducing / ceasing waste to landfill and waste incinerated
	+ Increasing repair and reuse activity and planning to move material up the waste hierarchy
	+ Increasing the economic and social benefits of activity derived locally and in Wales
	+ Climate change adaptation for waste / recycling infrastructure and operations

*A Strategic Infrastructure Review has been commissioned to review the adequacy of the waste infrastructure in Wales to help steer our investment strategy.*

Over the last 3 years WG has invested over £70million is such projects which have been fundamental to our ongoing success.

A range of internal and external expertise is deployed in helping to design and deliver these programmes and projects.

# Infrastructure Consenting Bill

In accordance with the First Minister’s Legislative Statement on 5 July 2022, I plan to bring forward an Infrastructure Consenting Bill during Year 2 of this Senedd term in order to introduce more efficient and effective consenting arrangements both on and offshore to determine applications for energy infrastructure development, as well as other infrastructure, in Wales.

As of 1 April 2019, the Wales Act 2017 raised the devolved upper threshold for the consenting of energy generating projects from 50 Megawatts to 350 Megawatts, both onshore and in Welsh waters.  It also devolved the consenting of certain overhead electric lines of 132 Kilovolts or less.

Newly devolved onshore applications are currently determined through the Developments of National Significance process, whereas offshore applications will be determined under the Electricity Act 1989. This is an interim arrangement.

With the UK Government having placed the consenting of these important developments in former consenting processes, Wales no longer has access to a unified and streamlined consenting regime where it concerns energy infrastructure.

A more efficient and effective consenting arrangements both on and offshore is required to determine applications for such development, as well as other infrastructure, in Wales. These arrangements will need to be fit for purpose, must be able to meet future challenges and provide a greater level of service to developers while strengthening the role of local communities.

**Background**

The Wales Act 2017 (“the Act”) devolved, further legislative and executive responsibility for the consenting of energy generating projects, overhead electric lines as well as ports and harbours. As a consequence of the way these powers were devolved, Wales has been placed into consenting processes which are not fit for purpose, and in some cases, former consenting processes. Furthermore, Wales no longer has access to a unified and streamlined consenting regime where it concerns energy infrastructure.

Being placed in an inferior energy infrastructure consenting process has caused problems for developers. Namely, there is no longer any certainty in terms of timing and policy, and the consenting process no longer provides authorisation for a range of other consents as part of a one-stop shop. In England, these aspects have been retained. This situation significantly frustrates the Government’s ambitions in relation to decarbonisation and growing the green economy.

The Bill was announced in the First Minister’s Legislative Statement on 5 July 2022 for introduction in year 2 of this Senedd term (June 2023). It will legislate for a single unified consenting regime for devolved major energy and infrastructure projects in Wales, both on and offshore. It will:

* replace consenting processes which are outdated and no longer meet current requirements,
* address a competitive disadvantage in respect of the process for consenting large scale projects in comparison to England, and provide a key contribution to the Government’s required actions in relation to climate change and decarbonisation and be an enabler for a number of Programme for Government commitments.

# Introducing 20mph to make Welsh streets safer and healthier

Welsh Government passed legislation on 12th July 2022 (39 in favour to 15 against) to introduce on **17th September 2023** a new 20mph national speed limit on restricted roads (meaning residential roads with streetlighting that are currently 30mph) to improve safety and help make Welsh streets a more welcoming place for everyone and in particular children, pedestrians, and cyclists.

The evidence from around the world is very clear – reducing speed limits reduces collisions and saves lives.

The slower speeds also create a safer and more welcoming environment giving people the confidence to walk and cycle more, which inevitably will improve our health and wellbeing, and help safeguard the environment for future generations.

We also must remember that the benefits of 20mph stretch much further than casualty savings alone with evidence from the report suggesting that the new speed limit will increase physical activity and in turn help reduce obesity, stress and anxiety.

As with any cultural change we know it will take time to win hearts and minds and inevitably we will face some challenge. I am pleased to see that early indications show that the majority of Welsh people are in favour of 20mph, and I am confident that if we all work together, we can make the necessary changes that will benefit us now and in the future.”

***Public consultation***

In July 2021 the Welsh Government commissioned a public consultation to seek views on the proposal to reduce the default speed limit on restricted roads from 30mph to 20mph in 2023. The public consultation was part of the Welsh Government’s commitment to consult on this proposal.

The Consultation ran until 1 October 2021 and was available online and in printed form for people to give their views. 6,018 online responses were received by the Welsh Government.

***Public Attitude Survey:***

In November 2020 the Welsh Government funded a national public attitude survey of 1000 people living in Wales aged 16 or over to assess introducing a 20mph default speed on restricted roads in Wales. The findings of the report are published on the [Welsh Government website](https://eur01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fgov.wales%2Fsites%2Fdefault%2Ffiles%2Fpublications%2F2021-07%2Ftraffic-orders-and-20mph-public-attitudes-survey.pdf&data=04%7C01%7CKatherine.Owen005%40gov.wales%7C7bb86220dff34b8710aa08da01ed5547%7Ca2cc36c592804ae78887d06dab89216b%7C0%7C0%7C637824416086842227%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000&sdata=UyvCnDFJnOAUHi%2BxcU%2BSI07iWFAvhZgOo62zPUvuQlU%3D&reserved=0). Findings show strong support for Welsh Government’s plan to reduce speed limits in residential communities to 20mph, especially among parents or those with children in the household.

Furthermore, the introduction of 20 mph speed limits has the potential to encourage take up of active travel, with sizeable proportions of the public saying that they would be more likely to walk more and cycle more if the speed limit locally were 20 mph.

In the survey high proportions of the public expressed concerns about vehicles driving too fast generally, and around one in five did not feel safe walking their children to school.

Safety therefore is the strongest motivator for supporting the reduction in the speed limit in residential areas across Wales, particularly for pedestrians, children and cyclists. Speeding traffic emerged as the second biggest spontaneous concern of people regarding roads in their local area.

These findings, together with the impact of speed on public safety and people’s and communities’ broader health and the climate emergency are being considered together as we progress the introduction of the 20mph default speed limit in September 2023

**Beaufort 20 mph Research (October 22)**

Research conducted by the Transport Research Institute (TRI) at Edinburgh Napier University has estimated the Welsh Government’s move to introduce a new default speed limit on residential roads across Wales will save the NHS in Wales around £100m in the first year alone – three times more than it will cost to introduce the scheme.

These findings are supported by results from an independent public attitude survey recently conducted by Beaufort Research, on behalf of the Welsh Government.

New results show that 64% of people surveyed say their main reason for supporting 20mph is because ‘it makes it safer for pedestrians’, with 47% of people saying ‘the new speed limit makes it safer for cyclists’ and 57% of people agreeing that ‘20mph causes fewer serious collisions’.

The survey also showed that the majority of people were in support of the new lower speed limit – almost two thirds of people surveyed said they would support a speed limit of 20mph in the area they live and 55% saying that ‘streets would be a lot nicer for pedestrians with a 20mph speed limit’. 62% of people also said they wanted ‘drivers to slow down a bit on our roads’.

**20mph Taskforce Group Recommendations – Phase 1 trials**

Within the [20mph Task Force’s recommendations](https://gov.wales/welsh-government-response-recommendations-made-welsh-20mph-taskforce-group-report) there was a commitment to trial 20mph speed limits on restricted roads (roads that currently have a 30mph restriction and have street lighting) in eight first phase settlements across Wales. These are:

* Abergavenny and Severnside in Monmouthshire
* Central North Cardiff
* Buckley, Flintshire
* Cilfriw Village, Neath and Port Talbot
* St Dogmaels, Pembrokeshire
* St Brides Major, Vale of Glamorgan
* Llanelli North, Carmarthenshire.

The new 20 mph speed limits were made by way of Traffic Orders and those affected were consulted using the statutory processes. These phase one settlements had a phased start, from Summer 2021 and are now all live. They are being used to test processes, develop a behavioural change and enforcement strategy, provide feedback on public consultation, communication and marketing and to overcome any unforeseen issues before we press forward with national roll out in Autumn 2023.

These settlements also tested the exceptions process that recognised that a speed limit of 20mph may **not be appropriate** for all A & B class roads restricted roads, which includes trunk roads. This will effectively mean that if the Highway Authority make a Traffic Regulation Order a section of road will appear to remain at 30 mph.

We have drawn on the lessons from the first phase 20mph settlements to further refine the approach for exceptions and have reviewed the criteria, including for main arterial roads. This will help shape the proposed national rollout. This revised technical and procedural guidance was published recently.

The FAQs are updated regularly with the latest questions raised by the public:

Cymraeg: [https://llyw.cymru/cyflwyno-terfynau-cyflymder-20mya-cwestiynau-cyffredin](https://eur01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fllyw.cymru%2Fcyflwyno-terfynau-cyflymder-20mya-cwestiynau-cyffredin&data=05%7C01%7CKatherine.Owen005%40gov.wales%7C5cc17df122ca4a44e47908da3411b8f6%7Ca2cc36c592804ae78887d06dab89216b%7C0%7C0%7C637879547955021815%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=R%2FmNX3t987kuwdrquYUUsoaMdw%2FATxne7ZtmzuWJ5PY%3D&reserved=0)

English: [https://gov.wales/introducing-20mph-speed-limits-frequently-asked-questions](https://eur01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fgov.wales%2Fintroducing-20mph-speed-limits-frequently-asked-questions&data=05%7C01%7CKatherine.Owen005%40gov.wales%7C5cc17df122ca4a44e47908da3411b8f6%7Ca2cc36c592804ae78887d06dab89216b%7C0%7C0%7C637879547955021815%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=qkeEGiy3gAgpLh2pkciInmvBPTTy%2FOwzw5Tn%2BNGrrQc%3D&reserved=0)

**Background**

Welsh Government has ambitious plans to make Welsh streets safer and healthier for everybody. Wales is leading the way across the home nations in introducing an urban speed limit of 20mph across Wales in 2023.

There are **three** key reasons for lowering speeds:

* Reduce collisions and save lives
* Improve quality of life, making streets safer for playing, walking and cycling, in turn improving our physical and mental wellbeing.
* Respond urgently to the Climate Emergency – reduce environmental impact.

Wales is part of a growing global movement in introducing 20mph / 30km/h on residential streets. In February 2020, 130 countries adopted the “[Stockholm Declaration](https://www.government.se/information-material/2020/02/stockholm-declaration/)”. This requires**20mph (30km/h)** limits where vulnerable road users and vehicles mix - for safety, air quality and climate action. Many other places across the UK have already introduced 20mph, for example, Central London, Scottish Borders, Bristol. But rather than introducing this street by street, authority by authority, Wales is being bold and choosing the smarter way - to introduce it for everybody at the same time.

# Local Development Plans (LDPs)

I am supportive of a plan led approach to development. Maintaining up-to-date LDPs is essential to ensure the delivery of national and local priorities such as sustainable development, placemaking, affordable housing, climate change, air quality, renewable energy, zero carbon and sustainable transport.

23 out of 24 Local Planning Authorities (LPAs) (*Anglesey & Gwynedd have a Joint LDP*) have an adopted LDP in Wales representing 96% plan coverage. Upon receipt of a positive Inspectors Report for Wrexham’s LDP and the elected Members resolving to adopt the plan, this should result in 100% coverage by April/May this year.

Three LPAs already have adopted a replacement LDP with a further 17 formally commenced work on a replacement plan.

While there have been unforeseen delays to LDP preparation in respect of the pandemic, phosphates and resource issues good progress is being made by the majority of LPAs on LDP2. By the end of 2023, 100% of those LPAs who should have commenced a four-year plan review as set out in legislation should have done so.

The scale and location of development is a matter for Local Planning Authorities to determine as part of their LDP, reflecting the issues they have identified, supported by evidence, in line with the requirements of national planning policy and Future Wales.

The LDP process is transparent and involves a large degree of public engagement with local communities, businesses and developers and other key stakeholders, to ensure all aspirations and concerns are considered.

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# Local Places for Nature

The Local Places for Nature programme was established in 2020 to create ‘nature on your doorstep’. The idea was to create areas that support nature within communities, particularly in urban and peri-urban areas, thus encouraging a greater appreciation and value of nature. The programme delivers actions towards the commitment to create more green spaces as well as a number of measures to support this and wider biodiversity objectives.

**LPfN programme delivery 2022-23**

The LPFN programme is now in its third year and delivery remains primarily through three individual schemes. These include:

1. Pre-paid packages to allow small community groups to create wildlife gardens, currently delivered via **Keep Wales Tidy** (KWT), who also offer development packages to larger organisations within the same programme.
2. Delivery through the Local Nature Partnerships, in each Local Authority and the three National Parks in Wales, currently **managed by WCVA**.
3. A competitive grant scheme run via the **National Lottery Heritage Fund** focusing on areas of deprivation and the Breaking barriers scheme building support to organisations to help work with disadvantaged and marginalised communities

The programme also supports a fourth strand providing modest revenue funding to One Voice Wales to provide capacity building support to Town and Community Councils by employing a LPfN co-ordinator to work with applicants in local communities and councils to help develop project ideas and support delivery.

The programme of works is continuing as per profile for this financial year (22/23). The following provides more information on the individual schemes.

**Community Packages Scheme** - Keep Wales Tidy (KWT) Scheme Manager

KWT have been awarded a capital allocation of £1.4m for 2022-23. They have delivered the Local Places for Nature Community Packages Scheme for the past two years. To date they have delivered 803 new nature gardens across Wales giving people access to new food growing opportunities and wildlife spaces.

The objective for 2022-23 is to deliver:

* 125 Starter packages – consisting of 75 food packages and 50 wildlife packages,
* 80 Development packages – consisting of 49 food packages and 31 wildlife packages,
* Trial a new small, community orchard for nature package in 10 locations,
* a minimum of 10% of applicants/beneficiaries from BAME or disabled groups.

All of these packages have now been allocated. Savings have allowed extra delivery of packages to over the targeted profile, with an additional 10 locations (20 in total) agreed for orchard packages.

**Local Nature Partnerships** - WCVA Scheme Manager

£8.560m has been allocated to the Local Nature Partnerships (LNPs) for 2022-23 to deliver local places for nature projects in Wales. This includes a £7m capital allocation to LNPs to support capital projects on the ground and £1.560m in revenue to LNPs to fund staff costs to create and manage the LNP plans and associated projects. The WCVA will manage the grant scheme on behalf of the Welsh Government.

The core objectives of the 2022-23 LNP scheme are to:

* Support projects that are located in places with the highest levels of deprivation including specific hard to reach groups or places with little or no access to nature or projects that are within the most urban and peri urban areas in Wales
* To ensure all Local Nature Partnership Plans are implemented and deliver their full spend in year
* Build the capacity of the LNPs to enable them to provide support for LPfN projects and plans and share good practice and knowledge
* Create effective communications on scheme success and deliverables

There will also be a renewed focus on the following target areas under the scheme:

* Community food growing opportunities; community food growing sites including the provision of allotments ((target 1,000)
* Community orchards, cultivating native fruit (target 200)
* Habitat creation scheme at rail stations and transport interchanges (target 50)
* Sensory gardens for therapeutic purposes, delivered in partnership with health charities and the Welsh NHS.

There have been significant operational and behavioural shifts in mowing practices and verge management in 2021/22 through Local Nature Partnership intervention and action with Local Authorities. This continuing in 2022/23 to reinforce good practice, expand the reach of changes and embed these new practices into mainstream operation across Wales.

An additional £900k revenue has been agreed by Ministers to increase the operational duties of the LLP Coordinators to undertake Biodiversity duties as a recommendation of the Biodiversity Deep dive.  This is managed by variation letter and dispersed to the 25 LNPs via the standard formulae.

An additional £480k revenue has been transferred from Marine budgets to operate an additional Challenge Fund window to setup pilot projects for the delivery of Marine and Coastal partnerships.  The application process and panel has take place with 15 projects across Wales being awarded funding for rapid deployment.

**‘Natur’ Open Access Capital Grant** and **Breaking Barriers** - National Lottery Heritage Fund (NLHF) Scheme Manager

The NLHF have been allocated £800,000 capital funding and £616,000 revenue funding for 2022/23. The scheme manager will continue to run an open access capital grant scheme this year on behalf of the Welsh Government via a memorandum of understanding with DCMS. The scheme will allow not for profit organisations to bid for a capital grant to help acquire, restore or enhance nature in their local areas.

Grants are split into two categories, £10,000-£100,000 and £100,000 – £250,000. This allows larger scale projects across Wales to take place.

Breaking Barriers

The Breaking Barriers programme will continue this year and will be managed by the NLHF. The Scheme provides targeted capacity building support to organisations to help them work with disadvantaged and marginalised communities. These include communities from black and minority ethnic backgrounds, gypsy and Roma traveller groups, refugees and other excluded groups to break down the barriers that stop their involvement and connection with nature. The funding helps to employ expert intermediary facilitators to work with groups to apply for funding

£300,000 was allocated to Breaking Barriers last year and the funding has helped to support five projects in Wales. These projects are now getting underway.

A £400,000 was provided to NLHF for 2022/23 to continue the excellent work that is already taking place and increase the number of projects funded under the programme and to widen participation. Projects amounting to within 95% of the total budget have been approved.

**One Voice Wales**

£44,890 of revenue funding has been allocated to One Voice Wales for 2022-23 to provide continued capacity building support to Town and Community Councils to develop the capacity and confidence of local people by employing LPfN co-ordinator to work with applicants to help develop project ideas and support delivery.

Community and Town Councils are encouraged to focus on projects that deliver interventions to restore and enhance nature (changing mowing practices, pollinators, creating green spaces, public access to free drinking water, community growing). Projects focus on specific locations such as social housing developments, town centres, public service buildings and target a specific element of the public sector (public transport, the NHS, schools without access to green space etc, Community and Town Councils, public parks.

I am pleased we have been able to support the Local Places for Nature Programme for its third year

The programme is run through four main separate but complimentary schemes all focusing on supporting communities take action to improve nature in their local areas

It particularly enables communities to say what they would like to see and do in their areas in relation to access to nature and why it is important to them

I am also pleased to see that the programme has engaged so many charity organisations and volunteers

It's great to now start seeing the range of benefits the projects started in the earlier years is providing for both nature, communities and local people

# Marine Energy Programme

The developing Marine Energy Programme has three component projects:

* to develop a Tidal Lagoon Challenge;
* to enable and support infrastructure upgrades at Welsh ports to support the offshore wind sector and its supply chain;
* and support growth in both the Welsh tidal stream and wave sector.

Each of these projects aims to contribute to the net zero and deliver significant socio-economic benefits to Wales.

Signalling Welsh Government’s commitment to the sector to both the industry and the UKG, thereby supporting the bid for UKG FLOWMIS funding, the Welsh Government, through the Marine Energy Programme (MEP), has granted up to £1m of matched funding this year to support this development phase. We will continue to work closely with Port Talbot, Milford Haven Port Authority and colleagues in the Celtic Sea Alliance to maximise the benefits from FLOW to Wales and the South West. Discussions also continue with ports in North Wales about possible support for developments there.

# Marine Planning

I recently announced my priorities for taking forward marine planning. I am focused on delivering benefits through our existing Marine Plan. We will make best use of the policies we have in place, rather than starting the planning process again.

My officials will take forward an ambitious programme to understand more about directing development opportunities through our marine planning system. This work will also help us understand what environmental mitigation or compensation may be required.

My officials are currently mapping Strategic Resource Areas (or SRAs), including for marine renewable energy. This work will help us understand areas with potential to support future use and how these relate to environmental sensitivities.

I intend to bring forward potential SRAs for consultation later this year and I would urge all those with an interest to take part.

There is good evidence that the Marine Plan is influencing wider approaches to marine management. This includes, for example, applying adaptive management to facilitate licensing for marine renewable energy projects.

We have published Sector Locational Guidance to better understand future opportunities for tidal stream, wave energy and aquaculture, signposting activity towards more appropriate areas.

A wide range of regulatory and policy measures are in place to manage environmental impacts of projects within acceptable limits. All development will always have to satisfy robust environmental regulations before consent can be granted.

The identification of SRAs does not mean that development in these areas would be guaranteed. Developers would still need to apply for planning consents in the usual way.

**Background**

The first Welsh National Marine Plan (WNMP) introduced a new planning system for Welsh seas. Recently, there have been calls from Senedd Members and eNGOs for the development of a separate ‘statutory marine development plan’ sitting underneath the WNMP. Legal advice obtained by officials concluded Welsh Ministers do not have powers to develop a statutory marine development plan, separate to the WNMP, although a non-statutory plan could be produced through Government of Wales Act powers.

The WNMP makes provision for supplementary guidance and planning tools. Officials have published Sector Locational Guidance to better understand future opportunities for development. Officials are also mapping potential Strategic Resource Areas (SRAs) to identify and safeguard key areas of resource, ensuring the ability of developers to access these areas isn’t compromised by inappropriate development. Officials are also developing marine planning technical statements to ensure effective safeguarding of existing activity.

The first three-year review of the effectiveness of the WNMP was laid before the Senedd on 10 November 2022. On 1 March, I issued a Written Statement on my preferred approach to taking forward marine planning. I announced that officials will work with stakeholders to bring forward proposals to implement spatial direction through the WNMP. This will include consideration, at a plan-level, of environmental compensation and mitigation requirements and developing greater understanding of potential development capacity and environmental constraints.

# Metro Programmes

Our Metros Programmes are working to achieve some of the best opportunities to meet our target of 45% of journeys being made by public transport or active travel by 2040, helping to reduce road congestion, carbon emissions and air pollution. Customers across Wales can expect a network of routes and interchanges that offer faster, more frequent and reliable services on more comfortable, accessible, and greener vehicles.

Each of the Metro networks are at different stages of maturity. We are working collaboratively with communities to meet local needs and regional priorities, while meeting our obligations for future generations.

However, in the absence of the appropriate devolution of rail infrastructure and a fair funding settlement, we need the UK Government to fulfil their responsibilities for improving the rail network in Wales. Despite the clear benefits this would bring to delivering an integrated public transport network and encouraging modal shift, the UK Government has consistently rejected our request and continuously failed to invest in Wales. The continued categorisation of HS2 as an England and Wales project by the UKG Treasury further scuppers our ability to invest in rail in Wales.

**To date, we have invested £751m in the South Wales Metro, £50m in the North Wales Metro, £13m overall in FY 2022/23 in Metro projects in North, Southeast and Swansea Bay & West Wales, and £800m on rolling stock which will operate across Wales, totalling over £1.6bn.**

We have committed this funding to deliver, among other projects, the following:

* 172km of electrification to improve journey times and frequency
* Almost a third more rail services to improve connectivity across Wales
* 238 new ticket machines at stations and new technology on all buses to make our public transport network easier to use
* 100% renewable energy powering overhead wires to reduce our carbon footprint.

**Background**

Our Metros will change the way we travel by creating modern, sustainable bus, rail and cycling and walking networks, creating a range of work and leisure opportunities while reducing the environmental impact of our transport network. They will play a critical role in delivering the priorities and objectives of our ambitious new transport strategy, Y Llwybr Newydd.

Our Metros will create opportunities that enable people in Wales to connect with each other, their community, jobs, and services boosting the economy, addressing inequalities, and supporting our decarbonisation obligations.

# MPA Network Completion and HPMAs

Recognising the deep dive recommendation to ‘transform the protected sites series so that it is better, bigger and more effectively connected’ the MPA network completion programme will be a key immediate action Welsh Government will undertake.

The MPA network completion programme has launched a pre-consultation engagement starting in November through to the end of March.

Critical sectors and communities are being approached to understand the work to date and planned next steps. Further evidence and data are sought from these stakeholders with regards to biodiversity and any potential socio-economic implications.

Our approach is not to pre-determine the level of protection to be afforded to the sites.

We will consider any new evidence on the ecological benefits from HPMAs which could inform the development of future policies in Wales

**Background**

Welsh Government is committed to its MPA network completion programme with the proposed Marine Conservation Zone designations a key part of this. This programme of work was delayed in recent years due to the pandemic, however, significant preparatory work was undertaken.

Having completed the biodiversity deep dive into 30x30, there is now a clear steer and expectation to progress this work on MCZ designations. In particular, this work will respond to the recommendation to ‘transform the protected sites series so that it is better, bigger and more effectively connected’. A pre-consultation engagement process has launched that is engaging with communities and critical sectors prior to the formal consultation late next year.

UK Government commissioned a review into the possible introduction of HPMAs in English waters. This is known as [*The Benyon Review*](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/890484/hpma-review-final-report.pdf)and was published in June 2020. The review is focused on England and does not include Devolved Administration waters.

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# My Tree Our Forest campaign

Households in Wales can collect a free tree to plant in their garden from over 50 hubs across the country.

Through planting these trees people can help capture carbon, improve biodiversity and contribute to the National Forest for Wales.

People who don’t have the space for a tree can request that one is planted on their behalf.

The option to have a tree posted is available for those who are unable to get to a hub.

The regional hubs for collection are currently open but will close on the 31 March 2023.

**Background**

Coed Cadw, the Woodland Trust in Wales are delivering the campaign on behalf of the Welsh Government. Working with their community partners Llais Y Goedwig they prepared the infrastructure needed throughout the country to distribute the trees to households. Locations of tree hubs and opening times can be found online.

Volunteers have been advising on the best tree for households to collect, the species available have included: Hazel, Rowan, Hawthorn, Silver Birch, Crab Apple, Sessile Oak, Dogwood, Dog Rose, Field Maple and Elder. 295,000 trees have been made available in total.

WG worked with Football Association Wales to offer trees to Wales football fans. A weblink from the FAW site has been set up to enable fans to plant a tree for someone who didn’t get to see Wales in the World Cup 2022.

# National Infrastructure Commission for Wales (NICW)

Last summer we completed a public appointments exercise and have appointed a new Deputy Chair and 6 new Commissioners.

I am sure this new dynamic, diverse and refreshed group are up to the challenge of providing the Welsh Government with forward-thinking recommendations.

The new Commission, under the leadership of Dr Clubb meets regularly to discuss issues and co-ordinate activity.

**Renewable Energy Research**

NICW have established a Project Advisory Group to drive forward the research on renewable energy taking place this year. Research contracts on the tensions relating to renewable energy deployment; capturing the value of renewable energy development for Wales; and public engagement on renewables in the mid-Wales are underway and a report will be produced by NICW by this summer.

**Flooding / Co-operation Agreement Work**

The Co-operation Agreement between the Welsh Government and Plaid Cymru commits NICW to assessing how the nationwide likelihood of flooding of homes, businesses and infrastructure can be minimised by 2050. This will be undertaken in 2023-2025.

Work is already underway to scope out this project and a project advisory group has been formed. This work will be finished by the end of March and NICW will then proceed to undertake research into areas where it feels will have the most beneficial impact; with recommendations to the Welsh Government to follow next year.

**Background**

The National Infrastructure Commission for Wales (NICW) was established in 2018 as an independent, non-statutory, advisory body to Welsh Ministers.

Its key purpose is to analyse, advise and make recommendations on Wales’s longer term strategic economic and environmental infrastructure needs over a 5–80-year period.

In early 2022, NICW was issued a new remit by Welsh Ministers. This included a focus on the climate and nature emergencies and the need to achieve the Welsh Government’s net zero goals.

# National Forest Programme for Wales

We are making funding available through our Woodland Investment Grant to create and enhanced woodlands to meet the National Forest outcomes.

Six National Forest Woodland Liaison Officers are now in place to support woodland managers   and communities to create new areas of National Forest.

Later this year we will be inviting woodland managers across Wales to apply to join the National Forest and help expand the network.

**Background**

The National Forest will create areas of new woodland and help to restore and maintain some of Wales’s irreplaceable ancient woodlands. In time it will form a connected network of high-quality woodlands running throughout Wales, which will bring social, economic and environmental benefits.

In 2020 we announced the first 14 sites given National Forest status on the Welsh Government Woodland Estate (WGWE). These represent the best woodlands on the WGWE to become exemplars of what we would like to see as part of the National Forest.

These initial woodlands are well managed and maintained by NRW, with good visitor experience and infrastructure in place such as footpaths, cycle paths and bridleways. They are good examples of how the National Forest will be multi-purpose, benefitting both nature, people in Wales and our visitors.

In February and March (2022), we announced the first three sites to become commemorative woodlands, to remember those who lost their lives to Covid-19 and the nation’s resilience throughout the pandemic.

In collaboration with the National Lottery Heritage Fund, 13 projects have received project approval through the Community Woodlands Scheme which will help people across Wales create places for nature in their own communities.

Working in collaboration with the National Lottery Heritage Fund (NLHF) we are making funding available through The Woodland Investment Grant (TWIG) to create and enhance woodlands which have the potential to become part of the National Forest.

# National Strategy for Flood & Coastal Erosion Risk Management in Wales

The National Flood Strategy, sets out how we will manage risk over the next decade. It underlines the importance we place on flood risk and the growing risks associated with climate change.

It sets out, in one place, the overarching Government policy as well as the actions and measures we will take over the next decade to reduce flood and coastal risk. It focuses not only on reducing present risk, but also preventing issues for future generations through informed planning decisions, better management of water and natural flood management.

The 2020 flood events emphasised the need to reinforce our strategic priorities for flood prevention, resilience and climate adaptation. We are continuing to learn lessons from those floods and strengthen the Welsh Government’s resolve to do more.

The Strategy is a step-up in our approach to managing risk. It is clearer on roles and responsibilities and sets new objectives on prevention, preparedness and communication of risk. It encourages more natural flood management and greater collaboration to further reduce risk and create better, more sustainable schemes which deliver wider wellbeing benefits.

The Strategy was prepared alongside Planning officials and complements new planning policies and flood maps. These toughen our stance on development in the flood plain and encourage better land and water management.

The newly published National Coastal Erosion Risk Map (NCERM) now shows erosion rates as bands on the Wales Flood Map, supporting wider understanding of risk.

The Wales Flood Map, for the first time, shows flood risk from all sources of risk and incorporates coastal and asset information. It is a marked improvement on previous flood maps inherited from the Environment Agency.

Local Authorities have a duty under the Flood and Water Management Act to undertake an investigation (section 19 report) into flood events.  These reports are ongoing with the Local Authorities following flooding in 2020 and 2021.

We are doing our part to mitigate global warming and risks to Wales’s coastline from sea level rise. Our and [Climate Change Adaptation Plan](https://eur01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fgov.wales%2Fprosperity-all-climate-conscious-wales&data=05%7C01%7CMeryll.Dunn%40gov.wales%7Cb60c79e248dd4f733cf708dae403f081%7Ca2cc36c592804ae78887d06dab89216b%7C0%7C0%7C638073002805724700%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=xg%2FEoTUEGm3DZU7AQTG1%2BEKyq0WDSpbxREHh4YJv7p0%3D&reserved=0) set out how we are preparing and already taking action, alongside our commitment to support communities threatened by its impacts

The National Flood Strategy, sets out how we will manage risk over the next decade

**Background:**

Our National Strategy for Flood and Coastal Erosion Risk Management outlines how we are doing far more than the building of defences. Our risk management approach encourages wider resilience, prevention and awareness of risk so that better decisions can be made.

The National Strategy complements new flood guidance and advice, including:

* Newly published National Coastal Erosion Risk Map (NCERM) showing erosion rates as bands and matching SMP policy.
* Flood Risk Maps for Wales (Flood Risk Assessment Wales and Flood Map for Planners).
* National Asset Database on FCERM assets owned or designated by Risk Management Authorities.
* Improvements to Wales Flood Map products, understanding flood warnings and advice on building resilience and responding to flooding
* Fully fund NFM scheme, published new guidance to further encourage take-up and exploring further schemes options.
* Commenced a review of the effectiveness of SuDS legislation
* Delivery of two additional reviews by the Flood & Coastal Erosion committee, looking at partner contributions and investment and the need for changes to legislation to clarify and support the delivery of FCERM in Wales

# New TfW trains and electrification

We are investing £800m on a new fleet of trains that will serve 95% of passenger journeys across Wales from 2024 as part of our Programme for Government commitments.

The first of these trains are in service now in North Wales with six of the brand new CAF trains regularly in service and more being introduced each month across the network in 2023. These trains offer leather seats, modern air conditioning systems, wider doors and customer information screens.

Transport for Wales are now also operating their brand new Stadler “Class 231” trains on the Rhymney Line in South Wales replacing older less reliable trains. These trains offer significant passenger benefits including improved accessibility, modern air conditioning and improved on board passenger information.

Work to transform the Core Valleys Lines which will deliver modern, electric and more frequent train services between the heads of the valleys and Cardiff are progressing well.

Transport for Wales are transforming the Core Valley Lines to Treherbert, Aberdare, Merthyr Tydfil, Rhymney and Coryton. This includes the electrification of the track which will deliver 100% clean, electric rail services on the infrastructure we own and operate enabling improved journey times and more trains every hour.

In addition, Transport for Wales have committed to ensuring that the overhead wires on the Core Valley Lines will be powered by 100% renewable energy, with at least 50% of the energy sourced in Wales

Well used electrically powered trains are one of the greenest way’s to travel and we would like to operate more electrified services across Wales. However, currently only 2% of the UK Government controlled rail lines in Wales are electrified, which again makes clear the need for the full devolution of rail infrastructure with a fair funding settlement.

# Part L (and Part F and O)

We have recently made a significant and necessary step change in energy and carbon performance in new housing, which introduces a 37% reduction in carbon emissions for new dwellings (compared with current standards). These new standards came into force in November (2022) and could save homeowners £180 a year on energy bills (based on a semi-detached home). In addition, all new homes will also need to be future-proofed, to make it easier to retrofit low carbon heating systems (unless a low carbon heating system is fitted).

The 37% reduction is a stepping stone towards the next changes to energy efficiency in Building Regulations in 2025, where new homes will need to produce a minimum of 75% less CO2 emissions than ones built to current requirements. All new homes will require a low carbon heating system to meet the proposed Part L 2025 standard.

The recent amendments also make technical changes to Part F of the Building Regulations (Ventilation) to ensure new dwellings provide good air quality and introduce a new requirement for to mitigate the risk of overheating in new dwellings (Part O).

We have also recently made a significant and necessary step change in energy and carbon performance in non-domestic buildings, which introduces a 28% reduction in carbon emissions for new buildings (compared with current standards). These new standards will come into force in March (2023).

Part L of the Building Regulations are the means by which we regulate for minimum energy efficiency standards in new homes. (Regulated energy comprises of heating, lighting and ventilation). The recent Part L consultations (which are all now closed) outlined our proposals to improve the energy efficiency of new dwellings in Wales from 2022 and what we expect for 2025.

The first step to help on the path to the 2025 proposals is to provide a clear vision to industry so they can prepare for 2025. The interim step of a 37% improvement for new housing and 28% for non-domestic buildings is a significant improvement on current standards.

**Background**

The Building Regulations were devolved to Wales in 2012. Part L (Conservation of Fuel and Power) and Part 6 of the Building Regulations are the means by which we regulate for minimum energy efficiency standards in new homes in Wales.

Part L of the building regulations set requirements for heating, hot water and lighting, it does not include domestic appliances. Part F sets requirements for ventilation (air quality).

My officials have recently completed a review of Part L (Conservation of fuel and power) and Part F (Ventilation) of the Building Regulations. The consultation was split into 3 stages, stage 1 covered the technical proposals for new dwellings, stage 2A covered building work to existing dwellings and proposals to mitigate overheating in new dwellings, and stage 2B covered Non domestic buildings.

Consultation stage 1 and 2A contained proposals for new and existing dwellings and closed in 2020, a Government response was published in 2021, and amended regulations were laid in May 2022. The amended regulations implements our decision to introduce a 37% reduction in carbon emissions for new dwellings (compared with current standards), and introduce measures to mitigate the risk of overheating. The 37% reduction is a stepping stone towards the next changes to energy efficiency in Building Regulations in 2025, where new homes will need to produce a minimum of 75% less CO2 emissions than ones built to current requirements.

The Stage 2B consultation for non-domestic buildings was published in 2021 and proposed to introduce a 28% reduction in carbon emissions for new non-domestic buildings (compared with current standards). A Government response was published in 2022, and amended regulations were laid in September 2022. The amended regulations implements our decision to introduce a 28% reduction in carbon emissions for new non-domestic buildings (compared with current standards).

The next review for Part L 2025 proposals is due to start in 2023 to be able to publish a technical consultation in 2024.

# Purchase of farmland for tree planting

We want farmers to be central to planting more trees in Wales. We are keen to avoid outside interests buying up land and we want to work with Welsh landowners to achieve this.

We are implementing the recommendations of the woodland finance working group about how to attract investment in woodland creation, without disrupting existing communities and patterns of landownership.

We recently published an outline of our proposed Sustainable Farming Scheme. This includes a proposal for 10% tree cover on all farms. By asking all farmers to create new and manage existing woodland through the scheme, the load will be spread across Wales and should help avoid large scale land use change and keep farmers on the land.

Our new Woodland Creation Grant requires an approved woodland plan, which must demonstrate meaningful community consultation, before a project is eligible for funding.

There are good examples where this is already taking place, such as the work of Stump Up for Trees, who are harnessing private sector investment to fund local Welsh farmers to plant trees on their land.

Changes to the Woodland Carbon Code rules to make it less likely that large commercial woodland creation projects will qualify for carbon credits.

**Background**

There has been a considerable amount of press and direct correspondence regarding the purchasing of productive agricultural land in Wales by external companies for woodland creation.

It is claimed that public money (claimed through woodland grants such as Glastir) is going outside Wales. All funding is spent on creating woodland in Wales.

Most woodland creation in Wales is funded through our Glastir Woodland Creation scheme. The vast majority of projects funded support farmers planting areas of woodland on their farm.

# Recycling

Wales is a recycling nation with one of the world’s best recycling rates and we are committed to improving rates further as a core part of our action to build a stronger, greener economy as we make maximum progress towards decarbonisation by moving to a circular economy.

Since devolution, the Welsh Government has invested £1 billion in municipal recycling.  This has transformed Wales from a nation that recycled less than 5% of our municipal waste to the world leaders we are today.  Our high recycling rates already save around 400,000 tonnes of CO2 emissions per annum.

Nationally our municipal waste recycling rate for 2021-22 was 65.2% and exceeded our target of 64% despite the challenges of the pandemic, with four local authorities already achieving our next target of 70% several years early.

To further improve recycling we are:

* + Committed to building on the partnership approach with our Local Authorities that has been so successful to date to deliver against the next target of 70% by 2024-25 and work collaboratively to deliver the infrastructure needed to move to a Circular Economy in Wales.
	+ Bringing forward regulations to increase the quality and quantity of recycling from businesses and the public sector by applying the approach that has been so successful for household recycling in Wales.
	+ Working in partnership with the other nations in the UK to bring forward Extended Producer Responsibility, in particular for packaging materials, and a Deposit Return Scheme for drink containers.  These will support increases in recycling rates through incentivising manufacturers to use readily recyclable packaging and improve ‘on the go’ recycling respectively.

Our next target is to reach a 70% minimum municipal recycling rate by 2024-2025 in line with our overarching aim to reach zero waste by 2050.  I am delighted that several local authorities are already delivering over 70% recycling already.

With almost half of all emissions coming from the goods and products we make and use every-day, further increasing recycling is a key part of our work to decarbonise. The high rate of recycling in Wales already saves around 400,000 tonnes of CO2 per year from being released into the atmosphere and is a key contribution to tackling climate change.

The Welsh Government has been working with councils to encourage them to adopt the best practice system outlined in the Collections Blueprint since 2011.

All our Local Authorities also provide a separate weekly food waste collection service for Welsh households, with the avoidance of food waste being important in preventing a significant source of emissions.

We continue to provide support to all Local Authorities to improve their waste and recycling services by providing access to specialist support.

# Repair and Re-use

The Welsh Government’s Repair and Re-use Project contributes to the offer of support to those most affected by the Cost-of-Living Crisis. Opportunities include: repair of items to keep them in use for longer; providing high-quality, low-cost food; furniture and furnishings; domestic appliances; sports equipment; cloth nappies; school uniforms or enabling people to borrow household tools and equipment from a local library of things. The rapidly growing repair and re-use network in Wales is helping to people to not only reduce their expenditure but also to play a pivotal role in tackling the climate emergency.

The Repair and Re-use Project aims to maximise the number of people who can access these resources and those initiatives that can help communities through the cost of living crisis as well as tackling climate change.

Examples (all the organisations are/have been funded by Welsh Government)

* Repair Café Wales helps people repair items and saves them money by not having to buy a new one.
* Benthyg, Library of Things, hires out equipment for a modest sum, saving customers from buying a new item that they would only use now and again.
* WRAP’s Love Food Hate Waste campaign helps families to save money by reducing avoidable food waste.
* Fareshare Cymru (who we have grant funded for 10 years) redistribute food from the retail supply chain to those struggling with their weekly shop.

The Welsh Government has established a government-led Repair and Re-use Project to deliver against the PfG and the *Beyond Recycling* strategy, in terms of repair and re-use

We aim to encourage a shift from a culture of recycling to one of maintaining value in materials within the supply chain. People are encouraged to provide items for reuse and repair that they would otherwise throw away and to instil a positive second-hand culture in people across Wales – through a behaviour change campaign.

Encouraging greater uptake of repair and re-use will contribute to maximising the contribution to decarbonisation, tackling the climate and nature emergency and creating a greener, more prosperous and more equal Wales. The work will also make a contribution towards helping communities to tackle the cost-of-living crisis.

Early readout from town centre repair and re-use initiatives have cited range of benefits including carbon saving, helping people in the context of the cost-of-living crisis, supporting town centre renewal and providing opportunities for skills development.

The Project encourages people to think about how to use resources as efficiently as possible by repairing, re-using and re-manufacturing resources wherever possible and in preference to sending them for recycling or to landfill.

The Project will strengthen and expand the existing network of re-use and repair provision within Wales, with a particular focus on the items collected by Local Authorities at the kerbside and in the household waste recycling centres (HWRCs), complementing the existing extensive and rapidly growing third sector reuse network.

It encourages, facilitates and strengthens partnerships between public sector bodies, private sector and Third Sector Re-use Organisations (TRSOs) in Wales to fully embed re-use and repair within mainstream service provisions.

# Roads Review

In June 2021, The Deputy Minister for Climate Change announced a review of new road schemes funded by the Welsh Government. The Roads Review panel was established, with its membership made up of independent experts in transport policy, climate change, highway engineering and the freight and logistics sector. The panel was chaired by Dr Lynn Sloman MBE.

The panel submitted its Final Report to the Welsh Government in September 2022.

The Final Panel Report, Welsh Government’s response to the Roads Review and also the National Transport Delivery Plan setting out the schemes to be developed in the Plan period was published on 14th February 2023.

This is the first root and branch review of road building in Wales for generations.

It recognises we’re facing a climate and biodiversity crisis, and that decarbonising transport is vital to delivering on net-zero, avoiding worst-case climate change scenarios, and protecting the one in six species in Wales threatened with extinction.

To avoid the worst effects of climate change we must reduce our carbon emissions.

Transport makes up 15% of our total emissions in Wales and they have hardly reduced in the last 30 years, despite cars engines getting cleaner over time.

Our transport system is one of the most important national assets we have. It connects people, binds communities, and enables a vibrant economy.

We recognise the role of roads investment in supporting the ‘wellbeing economy’ – which drives prosperity, is environmentally sound, and helps everyone realise their potential.

The Welsh Government is also facing unprecedented financial pressure.

Thanks to long-term Tory economic mismanagement and the disastrous mini-budget last October, our capital funding has been slashed in real terms.

With many road schemes now simply unaffordable, we must prioritise scarce resources on the existing network: improving safety, adapting roads to climate change, and improving bus routes and active travel.

Of course, we will still need new roads, to provide access and connectivity to jobs and economic opportunity.

But for decades, as the number of private vehicles has increased, we’ve built new roads and added lanes to existing ones. Those new roads have become busier and busier, leading to yet more congestion. This all has an impact on our economy, environment, and society.

Breaking that never-ending cycle means investing in alternatives, improving public transport, making it easier for people to choose to walk or to cycle.

That’s why we’re reforming the bus industry in Wales. And building a system that puts passengers before profit and not the other way round.

That’s why we’re transforming train travel by investing in new services, brand new trains, and improvements at stations.

And it’s why we’re investing in hundreds of projects across Wales to make it easier for people to walk and cycle.

In Wales, the mean household income for car-owning households is £33,650. For non-car-owning households the mean income is £19,950. 19% of Welsh households do not own a car.

Of course, there can’t be a ‘one size fits all’ solution to transport in Wales – we must meet the varying needs of the towns, cities and rural communities right across Wales.

But by making the right thing to do the easy thing to do, we can ease congestion, cut carbon, help our environment and improve our health, our streets and our communities.

For decades, as our roads have become busier, we’ve built new ones and have added lanes to existing ones. But those have filled up too and we still have the same old problems of congestion. So what starts as a temporary fix ends up worsening the problem. It has become a never-ending cycle

## Welsh Government has carefully considered the panel’s advice and recommendations in line with Llwybr Newydd, the Wales Transport Strategy, which sets out a vision for an accessible, sustainable and efficient transport system.

Welsh Government has also considered alignment with Net Zero Wales, Future Wales – the National Plan, and the Economic Resilience and Reconstruction Mission. Cross-government discussions have also taken place to ensure the way forward considers impacts across all our wellbeing goals. The Welsh Government accepts the core principles and new approach set out in the panel’s report.

Reducing and re-prioritising our investment on new road schemes and increasing our investment in sustainable modes will assist modal shift, but it will also deliver wider benefits. These include less air pollution, more successful town and neighbourhood centres and a transport system that is fair to everyone, in which people have a basic right to live decently without owning a car or where the requirement to travel by car is minimised through local hubs in market towns across Wales. We recognise that this is a big and difficult change, that it won't happen overnight, and it requires us to work collaboratively, across government and beyond.

**Future road building tests**

Taking the Roads Review, wider policy objectives and context into account, the Welsh Government recognises the role of roads investment in supporting the ‘wellbeing economy’ – which drives prosperity, is environmentally sound, and helps everyone realise their potential.

All new roads need to contribute towards achieving modal shift – both to tackle climate change and to reduce congestion on the road network for freight. We are developing a Freight Plan which will explore options for modal shift for freight as it often currently impractical to use sustainable modes. As a result, the Welsh Government will continue to consider road investment in roads (both new and existing) in the following circumstances:

1. **To support modal shift and reduce carbon emissions**. This is about ensuring that future roads investment does not simply increase the demand for private car travel. Instead, we need to deliver schemes that contribute meaningfully to modal shift, which will require different approaches in different parts of Wales.
2. **To improve safety through small-scale changes**. Safety on the road network must be paramount. Investments for safety should focus on specific safety issues to be addressed (rather than wider road improvements and increases in road capacity). Speed limits should be considered as one of the primary tools for improving safety.
3. **To adapt to the impacts of climate change**. Climate change is already having an impact on our road network and is likely to become an increasing issue in future decades. Road investment can be justified to adapt for these circumstances to ensure roads can continue to function and contribute meaningfully to modal shift.
4. **To provide access and connectivity to jobs and centres of economic activity in a way that supports modal shift**. In particular, new and existing access roads will be necessary to connect new developments, including Freeports, to the existing network. The location of new developments needs to be consistent with Future Wales / PPW11, which includes the principle of maximising the opportunity of access by sustainable means and should be designed to prevent ‘rat-running’.

In developing schemes, the focus should be on minimising carbon emissions, not increasing road capacity, not increasing emissions through higher vehicle speeds and not adversely affecting ecologically valuable sites.

We will consider these tests alongside our commitments in the Well-being of Future Generations Act through our transport plans which set out the policies, funding and schemes we will develop to deliver Llwybr Newydd, the Wales Transport Strategy.

**Future Welsh Government road investment**

The Roads Review panel report provides specific recommendations on the pipeline of Welsh Government supported road schemes.

The UK Government’s Autumn Statement, which puts strain across all capital investment projects for the foreseeable future, places limitations on the number of schemes that can be progressed. Schemes that are to be taken forward are set out in the National Transport Delivery Plan. The development of other schemes will be considered in future funding rounds, subject to meeting the agreed tests for future road building and our commitments in the Well-being of Future Generations Act.

# Shark Fins Bill

I welcome the Senedd’s decision to vote in favour of the LCM. This ban sends a strong message to the world that Wales does not support this practice which is diminishing global shark populations.

My officials are currently drafting an MoU with Defra and when appropriate I will share with the relevant scrutiny committees.

**Background**

The Shark Fins Bill is a UK Private Members Bill which was introduced into Parliament by Christina Rees MP in June 2022. The Bill makes provision to prohibit the import and export of shark fins and shark fin products into the UK. Provisions also include the prohibition of ‘shark finning’ by UK vessels in UK waters and in non-UK waters, and non-UK vessels operating in UK waters.

The Bill received its second reading in the House of Commons in July 2022, and the committee stage was scheduled for 21 October 2022.

Officials from a marine perspective are highly supportive of the objectives of the Bill recognising its importance in preserving shark conservation across the world.

Lord Goldsmith wrote to me in August 2022 asking for consent in principle to the Bill which would initiate the legislative consent memorandum process. I agreed in principle, subject to an amendment to the First-tier Tribunal provision which at present only provides one route of appeal via the England & Wales platform.

Defra have since rejected the proposed amendment citing Wales does not have a First-tier Tribunal system and therefore there would be a risk in future proofing this legislation to that effect. Following the Committee Stage in UK Parliament in November, one amendment was tabled by Christina Rees MP seeking reference to the Scottish First-tier Tribunal system in respect of decisions made by Scottish Ministers. The amendment was accepted.

Following the Plenary Debate on the 17 January 2023, Members of the Senedd voted in favour of the LCM. With this vote, UK government have now progressed the Bill into the House of Lords and it is expected to receive Royal Ascent within this Parliamentary session.

Officials are drafting an MoU between Welsh Ministers and the Secretary of State which will set out the process for commencing the provisions within the Bill.

# South Wales Industrial Cluster Decarbonisation Plan

The South Wales Industrial Cluster plan was launched on Monday 13th March 2023 this is the culmination of two years’ work.  There are many asks of Government which we are now considering.  The UK Government hold many of the powers necessary to address those asks and we will work in partnership with it, local authorities and the industrial base in Wales to take this forward.

We don’t underestimate the enormity of this task and we remain committed to supporting and maintaining our current industrial base as its transitions to Net Zero.  We know this brings challenges but also opportunities for Wales as we make a just transition to a clean and sustainable industrial base.  That is why last year we set up Net Zero Industrial Wales which will support WG and champion our industrial strengths.

**Background**

The SWIC industrial cluster plan has been managed by a private consultancy named CRPlus who have been funded c:£2m to undertake the cluster plan work which brought together the major energy intensive users in South Wales. The funding is from Innovate UK via the Industrial Challenge Fund, there has been no WG funding involved in this piece of work.

The report includes 30 policy asks of Government both Welsh and UK it also calls for the Celtic Seaport to be approved, officials will take these requests forward following agreement across WG policy areas and with support from Net Zero Industry Wales which is an arms length both of Industry Wales and currently funded by WG.

# Single-use Plastics Bill

This Bill is a key step in reducing the flow of plastic pollution into our environment by prohibiting the supply of certain single-use products. It also enables us to bring forward bans or restrictions on the supply of other problematic single-use plastic products in Wales.

We are proud to be the first country in the UK to introduce legislation on such a comprehensive list of products.

Our vision is a Wales free from unnecessary single-use plastic products. We will work with communities and businesses to create a sustainable Wales, where people live in a way which respects the health and well-being of all who live here.

**Background**

The purpose of the Bill is to reduce the flow of plastic pollution into our environment. It is part of our response to the climate and nature emergencies.

It creates new criminal offences of supplying or offering to supply specific single-use plastic products, either for sale or for free and provide Local Authorities with powers to enforce them.

The following products will be banned in the autumn 20203:

* + Cutlery
	+ Plates
	+ Stirrers
	+ Drinking straws – this product has an exemption for health needs
	+ Plastic stemmed cotton buds
	+ Balloon sticks
	+ Expanded and foamed extruded polystyrene fast-food containers
	+ Expanded and foamed extruded polystyrene cups

Bans on the following products will be phased in from 2024 onwards

* + Polystyrene lids for all cups and fast-food containers
	+ Thin plastic single-use carrier bags
	+ All products made of oxo-degradable plastic

The Bill was passed by the Senedd on 6 December 2022. We expect the Bill will receive Royal Assent in July, following the end of the standstill period which is required under World Trade Organisation rules.

Officials have started working on civil sanctions regulations and will consult on the proposals in April. The regulations are intended to be introduced before the bans commence. This will give local authorities a range of tools to enforce compliance.

My officials are currently working with stakeholders to develop awareness-raising materials and detailed guidance for the implementation of the bans.

# Tackling Waste Crime

We are working with the other UK nations to introduce a mandatory digital waste tracking service to replace the current largely paper based one to track waste.

We jointly consulted with the other UK nations in 2022 on the implementation of a digital waste tracking service. We are using the responses to help inform the design of the service, refine our proposals and produce regulations to support the waste tracking service.

The Waste Tracking Project has an open invitation to help shape waste tracking by taking part in user research and usability testing. There is also a regular newsletter which provides updates on the project’s progress.

We are looking for the mandatory digital waste tracking service to be introduced in 2024. However, as set out in the consultation paper not all types of waste may be made mandatory from day one.

It is so important that we continue to tackle waste crime to reduce the impact of illegal waste disposal on the environment and local communities and prevent the leakage of valuable resource from the Circular Economy.

From June 2018, we have been funding Natural Resources Wales to help tackle waste crime. Their work is wide ranging and includes developing and trialling approaches that focus on disrupting waste crime.

NRW’s action plan focuses on interventions and disruption of illegal activities and complements its’ regulation and enforcement work to protect human health and the environment and prevent the loss of valuable resources from the Circular Economy.

We are also working with the other UK nations to introduce a mandatory digital waste tracking service to replace the current largely paper based one to track waste.

The tracking service will make it mandatory for those handling waste to record information about what happens to it, from the point it is produced to the point it is reused, recycled, or disposed.

Introducing a mandatory digital waste tracking service will greatly improve transparency in the waste sector and it will crucially also support our action to get maximum value from the materials we collect.

This will help businesses to comply with their duty of care with regards to waste and help them make more informed choices about how their waste is managed.

It will give businesses the information they need to identify and unlock the full potential value of waste materials, by replacing raw materials with recycled material and providing confidence in supply chains for new innovative solutions.

Our aim is for the service to also provide annual information on industrial, commercial, construction and demolition waste produced in Wales to replace the current periodic surveys.

**Background**

Our *Beyond Recycling* Strategy committed to introduce a mandatory waste tracking system to track where wastes end up and to provide annual information on industrial, commercial, construction and demolition waste produced in Wales. Policy 52 of the Welsh Government’s Net Zero Wales Carbon Budget 2 (2021-2025) also commits to increased resource efficiency in industry and business, including a mandatory waste tracking system to help businesses more closely monitor their wastes in order to reduce and recycle more.

The intention is to develop a bilingual electronic waste tracking service to integrate and simplify the recording of all controlled and extractive waste movements across the UK – bringing together separate systems covering commercial, household, and hazardous waste and linking this to other waste systems such as waste carriers, duty of care and environmental permitting.  This includes proposals to track waste for export under ‘Green List’ controls (low-risk waste exports which do not require prior consent), products and material produced from waste, and the tracking of Persistent Organic Pollutants (POPs) in waste.

The Waste Tracking requirements do not apply to the occupier of a domestic property when they are dealing with waste from their household. They have a lighter touch householders’ duty of care to ensure their waste is only transferred to a person who is authorised to take it.

We continue to work to improve the waste exemptions regime including tightening the regulation around ten of the most problematic exemptions. The Environment Act 2021 improved NRWs powers of entry, ability to seize vehicles and an ability to direct waste carriers.

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# Timber Strategy

The timber industry in Wales is an established and valued part of our rural economy. There has been a long-held ambition to develop the sector and we are pleased to take that forward through the Programme for Government commitment to create a timber based industrial strategy.

The strategy, which we aim to have developed by the end of 2023, will focus on how we can move towards higher value timber products produced in Wales from Welsh wood – those products that will make the greatest contribution to helping us to meet the 2050 net zero target and to growing the value of the sector in Wales.

The trees and timber deep dive identified a number of priority actions for the timber industrial strategy.

We will consider, amongst other issues, how to ensure we have a sound understanding of the sector, markets and volume requirements and that we have the right skills and skills training for the future.

# Wales Coasts and Seas Partnership (CaSP Cymru)

I am pleased the Partnership is focusing on delivery of the 30x30 Deep Dive recommendations in the marine environment, as well as improving delivery of our priorities for the resilience of the marine environment.

I welcome the collaborative and action focussed nature of the group, a Team Wales approach enabling far more delivery than could be achieved otherwise.

I have agreed to make a public appointment to the Chair of the Wales Coasts and Seas Partnership (CaSP Cymru). The new Chair is expected to commence their appointment beginning of June 2023.

Marine resilience is essential to support nature recovery and socio-economic recovery in our coastal communities and the marine environment.

I recognise the need to address the enablers identified by CaSP Cymru, including capacity building within communities, raising awareness of the value and importance of healthy seas to our well-being, and developing longer term sources of public and private finance. These areas are critical to address my wider PfG ambitions to address the nature and climate crises.

Recommendations emerged from the recent 30x30 Deep Dive focus on similar themes of capacity building, skills development, behaviour change and awareness raising, which are being developed alongside work already underway by CaSP Cymru.

**Background**

The Wales Coasts and Seas Partnership (CaSP Cymru) comprises a wide range of stakeholders from across the marine and coastal sector. They are committed to working collaboratively to achieve our vision as set out in the [Welsh National Marine Plan](https://gov.wales/sites/default/files/publications/2019-11/welsh-national-marine-plan-document_0.pdf) of Welsh seas that are clean, healthy, safe, productive and biologically diverse.

The Partnership is a prime example of how embodying [the Well-being of Future Generations (Wales) Act](https://gov.wales/well-being-of-future-generations-wales) five ways of working is able to help tackle Climate Change and address actions to improve our marine resilience. CaSP Cymru places emphasis on being outward facing, making connections and networking to enable co-design and collaborative action across interest groups.

The focus on resilient marine ecosystems and the growth they could deliver through nature-based solutions and community-based capacity building aligns with the 2021 Programme for Government ambitions for a green (and blue) transformation, building a stronger, greener economy and embedding our response to the climate and nature emergencies in everything we do. The Partnership’s work also aligns with the UN’s Sustainable Development Goals (SDGs) specifically SDG 14: “Conserve and sustainably use the oceans, seas and marine resources for sustainable development.”

CaSP Cymru are working to deliver three key ‘enablers’ necessary to achieve our vision for Welsh seas:

* Developing **ocean literacy** across all parts of society - raising awareness of the significance of our coasts and seas will encourage further action across policy areas, and other administrative frameworks such as Public Service Boards.
* **Sustainable long term investment** and developing longer term sources of public and private finance is crucial to support delivery of key objectives
* **Building capacity,** particularly at the local level, will enable meaningful community engagement to identify local opportunities and challenges and deliver action

Current work includes:

* Developing an Ocean literacy strategy for Wales and actions to connect people and work to amplify the importance of the marine environment and our impacts on it.
* Shaping content for the Wales Marine and Fisheries Scheme, particularly developing a new capacity building element to establish longer term engagement and build coastal community capacity to identify and deliver local action.
* Exploring a blended finance mechanism for the marine environment in Wales.
* Delivering the [30x30 Biodiversity Deep Dive recommendations](https://gov.wales/biodiversity-deep-dive-recommendations-html) for capacity building, skills development, behaviour change and awareness raising in the marine environment.

# Warm Homes Programme – Current

The Nest Annual report 2021-2022 was published 25 January 2023.

The most recent figures we have available are:

* + Since 2010 to the end of March 2022, more than £420m has been invested to improve home energy efficiency through the Warm Homes Programme, benefitting more than 73,000 lower income households.
	+ More than 176,500 people have received energy efficiency advice through the Warm Homes Programme since its launch in 2011.
	+ During 2021/22 the Warm Homes Nest scheme provided 15,777 households with free, impartial advice and signposting to a range of support services. 5,127 of the households received a package of free home energy efficiency measures such as a central heating system, a boiler or insulation.
	+ The Welsh Government Investment of £24.5m last year in the Nest scheme, saw 100% of installations completed by Wales-based installers, including 25 apprentices working on the scheme.
	+ These improvements are estimated to have saved households £300 on their annual energy bills. Benefit entitlement checks resulted in a household average £3,254 potential increase in benefit take-up, increasing benefit take up by nearly £950k last year.

Further changes to eligibility and other operational issues such as the funding CAP, as recommended by the Equality and Social Justice Committee inquiry and will be considered as part of the introduction of the replacement demand led scheme.

Welsh Government funding in 2022/23 has been increased by £3m to £30m and is expected to rise to £35m for the next two financial years.

We have made a number of improvements to the Warm Homes Programme Nest Scheme this year investing in innovation through solar PV and the recent introduction of battery storage enabling homes to use energy at source.

An enhanced winter fuel campaign started 1 November, through the Warm Homes Programme Nest scheme, targeting a wider audience with much needed energy efficiency advice and guidance, which is accessible to all. The campaign also links into Advice Link Cymru and claim what’s yours.

Schemes delivered under the Warm Homes Programme are subject to a maximum level of investment for each dwelling to maximise the impact of the scheme.

For properties with an EPC rating of E, £5,000 maximum level of investment on the gas network (within 30m of an existing gas main), £8,000 maximum level of investment where mains gas is not available. Properties with an EPC Rating of F or G, the investment is limited to £8,000 and £12,000 respectively

**Background**

The Warm Homes Programme provides critical advice and support to those most in need i.e. those in fuel poverty - lower income households experiencing difficulty maintaining a warm home at an affordable cost. Its interventions are design to result in sustained improvement in the energy efficiency of properties to reduce their risk of fuel poverty, based on a whole house assessment and worst first, fabric first principles.

It’s scale and scope has recently been extended in response to the cost of living and energy crisis.

The Service has an increased expenditure target this year from £24.8m to a minimum of £27.5m. This has the potential to increase for the next two years reflecting the increased budget made available to the programme (£30m to £35m). The total budget for this 3 year spending period is £100m.

Approximately 5,000 households are supported each year with free home energy efficiency measures, implemented following a whole house assessment of need. The scheme achieves an average household reduction in energy bills of £300, modelled on historic energy prices. They are expected to be much greater since the rise in energy prices.

This saving is achieved through the installation of a combination of measures including insulation and improvements in the heating regime. Whilst replacement boilers are still the predominate measure there is an increase in other measures being installed.

This year, the scheme includes solar PV for the first time which is to be supplemented with a battery storage solution. Their combination (total cost of approx. £10k per property) addresses the high cost of energy by reducing/removing their reliance on energy suppliers (by making energy available during high peak periods when solar is less efficient).

The Equality and Social Justice Committee concluded an inquiry into fuel poverty and the Warm Homes Programme. Its report was published on Wednesday 18 May 2022. The committee sought to build on the Auditor General’s recent report on the current Warm Homes Programme and the Fifth Senedd’s Climate Change, Environment and Rural Affairs Committee report on fuel poverty.

Noting the Welsh Government has limited powers to influence levels of fuel poverty in Wales, the Committee’s report makes 23 recommendations regarding:

* The Winter Fuel Support Scheme - suggesting a review before autumn 2022;
* The next iteration of the Warm Homes Programme - recommending ways to improve domestic energy efficiency through the next iteration of the Warm Homes Programme, by creating a scheme larger in scale, smarter in who it targets, greener in its interventions and better promoted;
* The formulation of a clear, long-term strategy for decarbonisation with the aim of giving industry the confidence it needs to invest in skills, technology and people; and
* Providing an update to the Senedd and this Committee on progress towards publication of its Net Zero Skills Action Plan, recommending it should be published as soon as possible and no later than the start of the Senedd’s planned Summer Recess in July.

# Warm Homes Programme - Replacement demand led approach

My officials are developing the next iteration of the Warm Homes Programme, which in its current form has helped tens of thousands of Welsh households to reduce their bills and energy consumption.

I expect to procure a new, demand led scheme which tackles both the climate emergency and fuel poverty before the end of the year. There will be no gap in provision between the new and existing programmes.

The new programme will consider the experience and lessons learned from delivering the existing programme alongside the views gathered through the consultation undertaken in 2022.

The new scheme will also reflect recommendations from the Climate Change, Energy and Infrastructure, and the Equality and Social Justice Committees as well as various audits.

By bringing forward the procurement of a replacement demand led service, we will ensure continuity to assist those least able to pay to respond to the cost of living crisis.

The new scheme will focus on supporting households least able to pay (primarily those in or at risk of fuel poverty), in the owner occupier, private rented and housing co-operative sectors, to ensure a just and affordable transition to low carbon homes.

My officials will now develop advice to support policy decisions on the eligibility criteria, funding caps and other operational issues. This will inform the procurement of a new service.

The procurement is expected to take place in the summer of 2023 with early engagement with the supply chain and other potential contributors to ensure a strong and timely response. The ambition is to have the service operational to help households next winter.

The new service will take account of learning from the findings of the Senedd Committee on Equality and Social Justice review of 2022 along with other similar reviews.

We are finalising a Review and Recommendations Report, summarising the multitude of reviews of the Warm Homes Programme soon, alongside the Welsh Governments response to the public consultation on a future Warm Homes Programme and expect to publish both in the late spring alongside the policy statement.

# Waste and Resources Common Framework

Following its agreement in 2020, the provisional framework documentation has provided a helpful outline of the desired process to discuss cross-cutting issues.

Officials from the four nations have continued to work together on policy and operational matters using both the policy working arrangements that existed before EU Exit and the policy officers working group established under the Framework.

The provisional Framework has been used at an official level to support the setting up of a sub-group, for discussions on Single Use Plastic. The process followed was as laid out in the UKIMA Exclusions Process previously shared with Committees.

The four UK nations have been working together to develop governance arrangements in waste and resource policy areas where action is needed to maintain a common approach and/or manage divergence across the UK or GB following our exit from the EU.

For Waste and Resources this work has developed a non-legislative framework with a Concordat (similar to a Memorandum of Understanding), setting out how the nations work together in the future.

The Framework will support the consideration of a common approach for future developments, whilst allowing flexibility for each nation to develop individual policy and legislation.

**Background**

Following the UK’s decision to leave the European Union, it was necessary for the UK Government and the devolved administrations to create common UK-wide approaches - or ‘frameworks’ - in policy areas that are governed by EU law, but that are within the competence of the devolved administrations.

On 16 October 2017, the Joint Ministerial Committee (EU negotiations) published a communique that set out the principles that would govern the frameworks.

The communique stated that common frameworks would be established where they were necessary in order to:

* enable the functioning of the UK internal market, while acknowledging policy divergence,
* ensure compliance with international obligations,
* ensure the UK can negotiate, enter into and implement new trade agreements and international treaties,
* enable the management of common resources,
* administer and provide access to justice in cases with a cross-border element,
* safeguard the security of the UK.

The four UK nations have been working together to develop governance arrangements for Waste and Resources policy, to maintain a common approach and/or manage divergence across the UK or GB. This includes a non-legislative framework with a Concordat (similar to a Memorandum of Understanding), which will be an agreement on how the nations work together in the future.

A provisional Framework was developed in January 2021 which was shared with stakeholders in the waste sector. A ‘light touch’ review was carried out in early 2022 by Cabinet Office and the Welsh Government European Transition Team officials.

The provisional Framework has now been agreed by Ministers in all four nations and was published on the 19 December 2022 [Resources and waste: provisional common framework - GOV.UK (www.gov.uk)](https://www.gov.uk/government/publications/resources-and-waste-provisional-common-framework).

# Water branch – BBC documentary ‘Our Troubled Rivers’

The Control of Agricultural Pollution Regulations stipulates a 10m buffer zone from water courses for manure spreading.

There is a special provision for the use of precision spreading equipment up to 6m from water. In this case the area between 6 and 10 metres needs to be highlighted in a risk map.

For springs, wells, and boreholes the buffer is a 50m radius.

**Background**

The first episode of the documentary discussed river pollution from domestic sewage, especially CSOs. The second episode, released on 5th March, features a visit to the River Wye catchment and talks about pollution caused by farming, with a focus on the recently expanded chicken farming industry. Domestic sewage and farming are the two main sources of nutrient pollution to rivers.

During a conversation with a farmer, she mentioned the requirement from Welsh Government to keep a 3 metres buffer to water courses while spreading manure. This is incorrect, the correct figure is 10m.

The Control of Agricultural Pollution Regulations includes the following requirements:

* + Nutrient management planning
	+ Sustainable fertiliser applications linked to the requirement of the crop
	+ Protection of water from pollution related to when, where and how fertilisers are spread
	+ Manure and silage storage standards

WG have provided all relevant [guidance and tools](https://www.gov.wales/control-agricultural-pollution-regulations-guidance) to support farmers. Further info: [The Control of Agricultural Pollution Regulations (gov.wales)](https://www.gov.wales/sites/default/files/publications/2021-01/the-water-resources-control-of-agricultural-pollution-wales-regulations-2021.pdf)

# Waste cleared from the River Teifi

Natural Resources Wales is investigating this matter.

The Welsh Government is working with the Wales Land Management Forum sub-group on agricultural pollution. This issue was focussed on previously by the group, when it became apparent there were significant challenges with regards to the recycling silage wrap, which is one of the main components of agricultural waste found in streams and rivers.

There is no excuse for the disposal of waste into our streams and rivers and we will continue to work with the sub-group on this issue.

**Background**

On Monday 6 March, Cambrian News reported the removal of more than 10 tonnes of debris and agricultural refuse from a three-kilometre stretch of the River Teifi by Llandysul village volunteers (see [Horror as 10 tonnes of waste cleared from tiny stretch of River Teifi | cambrian-news.co.uk](https://eur01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.cambrian-news.co.uk%2Fnews%2Fenvironment%2Fhorror-as-10-tonnes-of-waste-cleared-from-tiny-stretch-of-river-teifi-599169%3Futm_source%3Dnewsshowcase%26utm_medium%3Ddiscover%26utm_campaign%3DCCwqGQgwKhAIACoHCAowlpepCzCIosEDMPq6qAEw5vy7AQ%26utm_content%3Dbullets&data=05%7C01%7CCatherine.Morris001%40gov.wales%7C01c19ef1beca4c36cb6708db1fc2e799%7Ca2cc36c592804ae78887d06dab89216b%7C0%7C0%7C638138694181477699%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=0wbX3NNYS1GwrbbL73t5T8NNVij7l27oaRubWP6uTXI%3D&reserved=0)). Cambrian News referred to previous reports highlighting nitrate and phosphate pollution as particular issues and identifying the Teifi as being particularly prone to sewage discharges, but this report describes the waste removed as almost wholly agricultural, being comprised of bale netting and wrap.

# Water branch - Second Phosphate Summit

On 8 March, I alongside the First Minister and the Minister for Rural Affairs, North Wales and Trefnydd hosted the second summit on the challenges of phosphorus pollution in Wales.

The Summit was reconvened to take stock of the work since the first Summit and to drive progress in implementing sustainable solutions to improve water quality in our rivers.

I was delighted that the summit received such strong engagement from representatives across a variety of sectors including water, housing, planning, agriculture, and environment conservation. We had productive discussions regarding the new '*Action Plan to Relieve Pressures on SAC River Catchments to Support Delivery of Affordable Housing'.*

The themes of the Action Plan cover:

* + the need for a **joined-up approach** and the need for **fit for purpose governance** and oversight arrangements to support decision making in failing SAC rivers;
	+ the need to **use natural solutions** more effectively in order to deliver multiple benefits;
	+ the need to **work constructively with the agriculture sector** to find solutions to reduce and address excess nutrients in the soil and SAC rivers of Wales;
	+ delivering **short term solutions** to address current planning constraints;
	+ development of a **unified nutrient calculator** to directly aid planning decisions on nutrient neutrality which will have the ability to take account of catchment-level data, local features and needs;
	+ provide clarity to stakeholders on the **suitability of potential mitigation actions** and interventions to reduce pollution;
	+ a unified approach to **catchment consenting** in failing SAC rivers; and
	+ increasing our understanding of practical measures within catchments which could be provided by **Nutrient Trading**.

The Action Plan champions a cross sectoral collaborative approach, bringing together government, regulators, developers, farming unions, water companies and communities, to implement sustainable solutions to reduce the pollution in our rivers and unlock development in line with nutrient neutrality principles.

At the conclusion of the Summit, delegates all agreed to implement the Action Plan in its current form. The First Minister did however acknowledge that the Action Plan is a dynamic document with scope to develop over time. This particularly relates to timescales, where there may be opportunities to accelerate specific actions ahead of the existing deadlines outlined in the current draft.

As the First Minister reflected at the end of the summit, it is clear that we must accelerate action, simplify the associated processes to enable this, and provide certainty for sectors - all of which will build confidence across our 'Team Wales' approach.

The First Minister will shortly be publishing a Written Statement along with the Action Plan.

**Background**

The Second River Pollution Summit took place on 8th March 2023 and focused on key themes of the *Action Plan to Relieve Pressures on SAC River Catchments to Support Delivery of Affordable Housing*. The Action Plan, which was agreed at the summit, focusses on establishing a joined-up approach to improve water quality in our rivers and committing to short-term actions that will enable the delivery of housing/development in accordance with nutrient neutrality principles.

The intention is for the Action Plan to be the start of work on river restoration, with further work to follow in the medium and long term. A number of actions aimed at reducing the nutrient loading of rivers and improving their health and biodiversity have already been identified in other plans such as the River Basin Management Plans and SAC River Core Management Plans. However, the impacts of these actions won’t be realised in the short-term. The Welsh Government has received input from a range of key stakeholders on the development of the Action Plan including DCWW, NRW, Local Planning Authorities, Nutrient Management Boards, Agri unions, industry stakeholders,

The Second Summit brought together bring together those in attendance at the Royal Welsh summit as well as other key stakeholders across industries.

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# Woodland Creation Targets

Wales needs a step change increase in woodland creation to tackle the climate emergency.

Net Zero Wales sets a target of planting 43,000 hectares of new woodland by 2030, and 180,000 hectares by 2050, to meet the ‘balanced pathway’ set out by the UK Climate Change Commission.

We are creating a National Forest for Wales which will both include areas of new woodland and help to restore and maintain some of Wales’s irreplaceable ancient woodlands. In time it will form a connected network of high-quality woodlands running throughout Wales.

Planting trees can also have a range of other benefits, enhancing biodiversity, providing shelter for livestock in hot weather, helping prevent flooding or providing a source of timber for local markets.

Last year Woodland creation in Wales doubled and 580 hectares of new woodland was created. 69% of this woodland was broadleaved.

This is encouraging progress, but a rapid increase is still required to meet our target of 43,000 hectares of new woodland by 2030.

The trees and timber deep-dive exercise identified the actions we will take to increase woodland creation, including a new funding scheme and changes to the way projects are verified.

We have committed £32m to support farmers and landowners to create woodland through our new woodland creation schemes.

These include a new Small Grants scheme which provides a simpler route for farmers to plant small areas of trees.

The Woodland Creation Grant offers funding for tree planting and fencing to farmers and land managers who have a woodland creation plan, approved by the Welsh Government.

The Small Grants Woodland Creation scheme simplifies funding for farmers and other land managers to plant small areas of trees on land in Wales which is agriculturally improved or of low environmental value.

These schemes implement recommendations from the trees and timber deep dive.

Our woodlands and forest products store 1.49 million tonnes of CO2. Together they account for 84% of carbon sinks from land use.

In 2014 the ecosystem services from woodlands in Wales were valued at £310 million.