



**Cynulliad Cenedlaethol Cymru
The National Assembly for Wales**

**Y Pwyllgor Cynaliadwyedd
The Sustainability Committee**

**Dydd Iau, 5 Mawrth 2009
Thursday, 5 March 2009**

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cynhwysir cyfieithiad Saesneg o gyfraniadau yn y Gymraeg.

These proceedings are reported in the language in which they were spoken in the committee.
In addition, an English translation of Welsh speeches is included.

Aelodau'r pwyllgor yn bresennol
Committee members in attendance

Mick Bates	Democratiaid Rhyddfrydol Cymru (Cadeirydd y Pwyllgor) Welsh Liberal Democrats (Committee Chair)
Alun Davies	Llafur Labour
Lesley Griffiths	Llafur Labour
Rhodri Glyn Thomas	Plaid Cymru The Party of Wales
Brynle Williams	Ceidwadwyr Cymreig Welsh Conservatives
Leanne Wood	Plaid Cymru The Party of Wales

Eraill yn bresennol
Others in attendance

Simon Bilborough	Llywodraeth Cynulliad Cymru Welsh Assembly Government
Jane Davidson	Y Gweinidog dros yr Amgylchedd, Cynaliadwyedd a Thai Minister for Sustainability, Environment and Housing
Jocelyn Davies	Y Dirprwy Weinidog dros Dai Deputy Minister for Housing
Jon Fudge	Uwch-reolwr Cynllunio, Adran yr Amgylchedd, Cynaliadwyedd a Thai, Llywodraeth Cynulliad Cymru Senior Planning Manager, Department of Sustainability, Environment and Housing, Welsh Assembly Government
Neil Hemmington	Pennaeth Polisi Cynllunio, Adran yr Amgylchedd, Cynaliadwyedd a Thai, Llywodraeth Cynulliad Cymru Head of Planning Policy, Department of Sustainability, Environment and Housing, Welsh Assembly Government
Matthew Quinn	Cyfarwyddwr, Adran yr Amgylchedd, Cynaliadwyedd a Thai, Llywodraeth Cynulliad Cymru Director, Department of Sustainability, Environment and Housing, Welsh Assembly Government
François Samuel	Pennaeth Adeiladu, Adran yr Amgylchedd, Cynaliadwyedd a Thai, Llywodraeth Cynulliad Cymru Head of Construction, Department of Sustainability, Environment and Housing, Welsh Assembly Government

Swyddogion Gwasanaeth Seneddol y Cynulliad yn bresennol
Assembly Parliamentary Service officials in attendance

Dr Virginia Hawkins	Clerc Clerk
Meriel Singleton	Dirprwy Glerc Deputy Clerk

Dechreuodd y cyfarfod am 1.08 p.m.
The meeting began at 1.08 p.m.

**Cyflwyniad, Ymddiheuriadau a Dirprwyon
Introduction, Apologies and Substitutions**

[1] **Mick Bates:** Good afternoon, and welcome to this afternoon's meeting of the Sustainability Committee. I need to begin with the usual housekeeping announcements. In the event of a fire alarm, you should leave the room by the marked fire exits and follow the instructions of the ushers and staff. There is no fire alarm test forecast for today. Please ensure that all mobile phones, pagers and BlackBerrys are switched off, as they interfere with the broadcasting equipment. The National Assembly for Wales operates through the media of Welsh and English; headsets are provided through which simultaneous translation can be received. Those who are hard of hearing can also use the headsets to amplify the sound. Interpretation is available on channel 1, and sound amplification is on channel 0. Please do not touch the buttons on the microphones, as that can disable the system. I have received apologies from Lorraine Barrett, who has a legislation committee meeting at this time, Angela Burns, who is a new member of the committee, but has a previous engagement, and Karen Sinclair.

1.10 p.m.

**Adroddiad ar Weithredu Targedau a Pholisiau Datblygu Cynaliadwy gan
Lywodraeth Cynulliad Cymru: Portffolio yr Amgylchedd, Cynaliadwyedd a
Thai**

**Report on the Implementation of Sustainable Development Targets and Policies
by the Welsh Assembly Government: Environment, Sustainability and Housing
Portfolio**

[2] **Mick Bates:** Today we will take evidence on the implementation of sustainable development targets and policies by the Welsh Government within the sustainability, environment and housing portfolios from the Minister, Jane Davidson, and the Deputy Minister, Jocelyn Davies. In the second half of the meeting, we will scrutinise the Minister on carbon reduction via planning, which is the final evidence session in our inquiry into carbon reduction. I also welcome François Samuel, Matthew Quinn and Simon Bilsborough. Minister, would you like to make an opening statement?

[3] **The Minister for Environment, Sustainability and Housing (Jane Davidson):** Thank you for the invitation for the Deputy Minister for Housing and me to appear before you to discuss issues relating to your inquiry into how the Assembly Government's sustainable development policies have been mainstreamed into ministerial portfolios.

[4] My portfolio covers sustainable development, together with climate change, energy, waste, water, planning, walking and cycling, and biodiversity as well as housing, on which the Deputy Minister leads. It is a deliberate attempt to create a portfolio that includes key policy areas of relevance to sustainable development. As you well know, we are one of the few Governments in the world to have a statutory duty relating to sustainable development, and this duty requires Welsh Ministers to have a scheme setting out how we propose to promote sustainable development in everything that we do, to keep the scheme under review, to review its effectiveness every four years, and, if necessary, to remake it. Sustainable development has been at the heart of the activities of the Welsh Assembly Government since day one. This will be further reflected by our new sustainable development scheme, which is due to be launched in May.

[5] We currently have four high-level indicators: biodiversity, the ecological footprint, the percentage of population in low-income households, and GVA. Furthermore, with our new scheme, we are introducing the fifth high-level indicator of wellbeing. To ensure delivery

of this commitment, Clive Bates has been appointed as the new director general for sustainable futures. He will take forward and champion delivery of this commitment across all departments in the Assembly Government. He will take up his post later this month, and will work directly to the Permanent Secretary, Gill Morgan, to mainstream sustainability across all departments. This will parallel and reinforce the role that I have as the Cabinet Minister championing sustainability and our sustainable development duty and the Minister with the duty to develop the scheme.

[6] The new corporate management structure will help to strengthen collective implementation of the duty, and Clive will drive this work and support me in my role as the chair of the climate change Cabinet sub-committee and the sustainability working group, which is made up of lead officials from all the departments. The responsibility for ensuring that sustainable development is mainstreamed into other portfolios lies with the relevant Ministers. I understand that you will have an opportunity, as part of your inquiry, to scrutinise other Ministers and their officials on their actions. The Deputy Minister and I set out in our submission to you the action that we have taken to embed sustainable development in our portfolio. We are happy to answer any questions you have relating to this.

[7] **Mick Bates:** Thank you. Does the Deputy Minister wish to make an opening statement?

[8] **The Deputy Minister for Housing (Jocelyn Davies):** No, thank you.

[9] **Mick Bates:** Thank you for your opening statement, Minister. Annex C to 'One Wales' lists 70 consultation or supporting documents. Which of all these strategies, schemes and action plans that the Welsh Assembly Government has put forward do you consider to be most important for delivering sustainability?

[10] **Jane Davidson:** We would expect every document from the Assembly Government to be clear about our legal duty in the context of sustainability. That is why officials work extremely closely together on ensuring that sustainability works across the piece. For example, before strategies leave Cabinet, I ensure that sustainability requirements are fully articulated and supported in the documents and in political discussions. Therefore, there are two mechanisms for ensuring that that happens.

[11] On which documents are most important, I see the sustainable development scheme as the key document for the Assembly Government, because it will drive that sustainability duty into every other strategy by every Minister.

[12] **Mick Bates:** Further to that, which are the schemes and strategies that you consider the most important in your portfolio?

[13] **Jane Davidson:** I consider every strategy in my portfolio to be entirely necessary and contributing to this agenda. I have never believed, as a Minister, that you should create strategies for the sake of it. We create strategies because there are issues that need to be tackled effectively and because we need to make a strong political statement about our intentions in those areas. Of the strategies that I inherited, the environment strategy is absolutely crucial in the context of this agenda, and that strategy included a 20-year plan when it was published in 2006.

[14] **Mick Bates:** I will ask the Deputy Minister the same question: what are your key priorities in your portfolio?

[15] **Jocelyn Davies:** I have the homelessness plan, which is currently out for consultation, and the Supporting People strategy, but they both come under the national

housing strategy, which is called ‘Sustainable Homes’, and which went through the policy gateway and was assessed as ‘good’ in relation to the sustainable environment criterion. All strategies go through that policy gateway assessment, and I know that the other strategies that sit under this are in line with our goals in relation to sustainable development.

[16] **Jane Davidson:** If I may, I will add another issue. As Jocelyn said, the housing strategy, ‘Sustainable Homes’, went through the policy gateway. The policy gateway was put together by the Assembly Government and Forum for the Future to test the sustainability of all our strategies. So, all our strategies are assessed through that policy gateway, and that assessment is published in the strategy documents.

[17] **Jocelyn Davies:** They are assessed against a number of criteria, of which sustainable environment is one.

[18] **Mick Bates:** You raised an important point, Minister. One issue that gives me some concern is that there are so many strategies. How do you enable all those strategies to link together and form a consistent framework? Is your policy gateway the main way for delivering consistency across all these policies?

[19] **Jane Davidson:** I will ask Matthew to explain how he, as a director, relates to all the other departments through the policy gateway process.

[20] **Mr Quinn:** The policy gateway is essentially an opportunity for all the departments to be represented, sometimes with external partners, and to review the position of a document. So, there is an opportunity to ensure that we have not missed any connections across the office as a whole. It is an important part of ensuring that we are making those connections. At the moment, we are also working on a series of programmes around the way that we do our business planning, which links to the appointment of the new directors general, which will look at making a much clearer connection between the individual activities in departments and the top-level goals that we are pursuing, so that we will be able to track down to ensure that each activity in our department is contributing towards the top-level goal.

[21] **Mick Bates:** Given that the Minister has highlighted the importance of the environment strategy, although I accept that it is over a long period of time, do you relate the outcomes to you policy gateway? Do you take any account of the outcomes or is it just to fit the words?

[22] **Mr Quinn:** I am sorry—

[23] **Mick Bates:** You could say, for example, as you go through the gateway, ‘Provided that there is a mention of biodiversity within road-building programmes, that is fine by us’. To what extent would you take into account the implementation of those strategies?

[24] **Mr Quinn:** It is much more robust than that as regards what we bring to the table. If you go down to the level below the level that is published, specific questions relating to the aims of the different strategies are posed, and there will be a discussion around whether the document has picked up enough of those issues and whether it will contribute positively or not.

[25] **Mick Bates:** We will leave it there for the moment, because I know that we are particularly concerned about outcomes.

1.20 p.m.

[26] **Rhodri Glyn Thomas:** Byddwn yn **Rhodri Glyn Thomas:** I would like to ask a

falch iawn o ofyn cwestiwn ynglŷn â chyflawniadau'r Llywodraeth dros y 10 mlynedd diwethaf. Un o'r pethau mwyaf cynhyrfus ynglŷn â sefydlu Cynulliad Cenedlaethol Cymru oedd y cyfrifoldeb statudol dros ddatblygu cynaliadwy. Yr wyf wedi edrych ar y cynnydd gyda chyfuniad o siom a rhwystredigaeth, gan nad wyf yn gallu gweld y cyflawniadau—beth yn union sydd wedi digwydd. Beth sy'n gwneud Cynulliad Cenedlaethol Cymru yn wahanol i sefydliadau gwleidyddol eraill yn y ffordd y mae'n gweithio a'r hyn mae'n ei gyflawni oherwydd bod gennym gyfrifoldeb statudol dros ddatblygu cynaliadwy?

question about the Government's achievements over the past 10 years. One of the most exciting things about the establishment of the National Assembly for Wales was the statutory duty for sustainable development. I have looked at progress with a mixture of disappointment and frustration, because I cannot see the achievements—what exactly has happened. What makes the National Assembly for Wales different from other political institutions in the way in which it works and what it achieves because we have the statutory duty for sustainable development?

[27] **Jane Davidson:** The statutory duty for sustainable development was a very important part of all parties' contribution to the development of the National Assembly for Wales. This means that we have a set of sustainable development indicators for Wales, which are published annually. We have an annual debate on the sustainable development scheme and an annual reporting structure. We also have an independent analysis of the success of the scheme, which we published last year. It is because of our commitment to the delivery of the scheme that you have these mechanisms in place, in terms of politicians of all parties being able to engage in this process.

[28] You asked what is different about the National Assembly for Wales or the Welsh Assembly Government as a result of having this duty. There has been a real appreciation across all parties of the importance of sustainability. It is still possible for me to empty the Chamber when I speak about sustainability, which is a matter for all parties to consider. It is very important that we continue to drive this agenda forward in a sustainable way. We can do that in two ways. The first is to make sure that all Members of all political parties in the Assembly fully sign up to the sustainable development scheme. They have done so in the past, in the context of there being a scheme that fulfills the statutory duty. However, we need to take it a great deal further than that, particularly given that climate change is one of the biggest challenges that we face and the fact that it is the absolute consequence of unsustainable development.

[29] This is why this scheme did two things. The first was that, when we consulted upon it, we allied ourselves to the 'One Wales' manifesto to make sure that everyone understood that there was a clear commitment to deliver across the manifesto commitments that the Assembly Government was supporting. Secondly, we proposed—and this has been very warmly supported—the idea that sustainable development should be the single key organising principle, not only of the Assembly Government, but of public service in Wales. When I take the consultation responses, which are now available publicly, to the Cabinet, I will strongly endorse that principle.

[30] The Assembly Government cannot do this on its own. It has to have the political support of all parties in a very active rather than passive way, which is why the work being done in this committee at the moment is so important. What looks different is the fact that we measure ourselves against these sustainable development indicators. We were the first country in the United Kingdom to, for example, calculate our ecological footprint and then to re-calculate it so that we could test whether the Assembly Government's agenda would contribute towards our development imperatives. So, we have a set of mechanisms, a set of performance indicators and a policy direction that will take us forward on this.

[31] We are now at that cusp where I would like to see this being taken forward in a much more explicit way. This is why that fundamental imperative about the single organising principle is crucial. Having a new director general in charge of sustainable futures, who is answerable directly to the Permanent Secretary and able to influence all the other director generals is also crucial. It is the political engagement and the official engagement.

[32] **Rhodri Glyn Thomas:** Yr wyf yn gwerthfawrogi'r datganiad hwnnw'n fawr ac yn croesawu'r penodiad newydd. Yr wyf yn cytuno bod y penodiad yn un allweddol. Yr oeddwn yn falch o glywed y Gweinidog yn sôn am geisio mynd i'r afael a'r agweddau hynny ar bolisi a gweithgaredd y Llywodraeth sy'n anghynaliadwy. Credaf mai dyna'r ffordd i ddangos i bobl bod rhywbeth gwirioneddol yn digwydd o ganlyniad i hyn—nid oeddwn yn cwstiyu ymrwymiad y Gweinidog presennol i'r broses hon. Efallai fy mod yn cyfeirio at ei rhagflaenydd yn hynny o beth.

Rhodri Glyn Thomas: I very much appreciate that statement and I welcome the new appointment. I agree that the appointment is crucial. I was pleased to hear the Minister mention her attempts to tackle aspects of the Government's policies and activities that are unsustainable. I believe that that is the way to show people that something really is happening as a consequence—I was not questioning the current Minister's commitment to this process. Perhaps I was referring to her predecessor in that regard.

[33] Mae gennyf gwestiwn penodol ynglŷn â'r dyfodol. O dderbyn nad ydych wedi bod yn gwbl lwyddiannus yn eich ceisiadau ar gyfer y gronfa buddsoddi cyfalaf strategol—nid yw hynny'n annisgwyl—ac o ystyried y dirwasgiad, a fydd y cyfuniad hwnnw'n cyfyngu ar yr hyn y gallwch ei gyflawni o ran datblygu cynaliadwy a symud y broses yn ei blaen?

I have a specific question about the future. In accepting that you have not been completely successful in your bids to the strategic capital investment fund—that is not unexpected—and given the recession, will that combination of factors limit what you can achieve with regard to sustainable development and moving the process forward?

[34] **Jane Davidson:** No, because I am actually very pleased with our success with the SCIF funding. In relation to the sustainable development agenda, SCIF funding has been allocated to flood prevention work, to anaerobic digestion for food waste, to a low-carbon zone in the Heads of the Valleys area, and to increased regeneration in relation to renewables. We are content that all these examples demonstrate major commitments to energy use reduction, energy efficiency, and sustainable building, which, I am sure, are issues that we will want to explore in further detail. It is also relevant to responding to climate change in the most sustainable way. I do not know whether I have missed any of the bids.

[35] **Mr Quinn:** No.

[36] **Jocelyn Davies:** I will just expand on the Heads of the Valleys low-carbon initiative, which the Minister mentioned. It is in Leighton Andrew's portfolio as regeneration work, but it links to housing associations and local authorities in relation to achieving the Welsh housing quality standard. It will, in fact, install sustainable energy measures in about 40,000 social homes in the region, which will make it the largest concentration of microgeneration in the EU. Even though that is in Leighton Andrew's portfolio, it links in well with my housing portfolio and with the Minister's commitments. Some 65,000 homes will be assessed for energy efficiency, making it an ambitious project that links in to several different portfolios.

[37] **Mick Bates:** Can you clarify that that is directly from SCIF funding, or is it a partnership?

[38] **Jocelyn Davies:** That is the Heads of the Valleys low-carbon zone.

[39] **Jane Davidson:** And that was Leighton Andrew's bid for SCIF funding. It demonstrates, as Jocelyn said, that these bids are supported across the whole of the Assembly Government, because they lead to a large number of opportunities in the sustainability agenda.

[40] **Jocelyn Davies:** Yes, and in relation to reducing energy costs for tenants in social rented housing.

[41] **Mick Bates:** Absolutely; people's ability to live in an affordable home that is also affordable to run is a key issue for us.

[42] **Alun Davies:** Minister, I was fascinated by the way in which you answered some of Rhodri Glyn's questions. You seemed to be hinting at a lack of political imperative in the National Assembly in its totality, in that it is not driving forward some of the work that you seek to do.

[43] **Jane Davidson:** I do not actually think that there is a lack of political imperative in the political parties in Wales—they are completely signed up to this agenda. The next stage of the process about making it a single organising principle will mean that each individual Member feels that they have a stake in the annual statement to the Assembly Government on the delivery of the scheme in the previous year.

1.30 p.m.

[44] I previously gave a commitment that when the sustainability indicators for Wales are published, as they are every autumn, we will have another debate on sustainability to ensure that the information is based on hard and fast evidence and is right across the piece, which will provide more engagement for Members. Although it is true to say that, if you look at the sustainability statements made to the Assembly, not all Members have necessarily engaged in them, we have a duty, as Government, to ensure that we make sustainability more accessible, which is why the debate on the indicators will give all Members a greater stake in the process.

[45] **Alun Davies:** I was interested in your response, 'I can always empty the Chamber by talking about sustainability'. Do you feel under political pressure?

[46] **Jane Davidson:** In what sense?

[47] **Alun Davies:** To achieve the sustainability objectives that you have set yourself?

[48] **Jane Davidson:** When you say that they are objectives that I have set myself—

[49] **Alun Davies:** Objectives that the Government has set itself.

[50] **Jane Davidson:** I am a strong subscriber to the National Assembly for Wales committing itself to the sustainable development agenda. I am delighted to have been given the ministerial responsibility of taking that forward. I feel a sense of frustration that the messages on sustainability are so important, but so difficult to deliver. That is not just in the context of the Assembly Chamber; it is also how we discuss these issues in the context of the people of Wales. To promote Wales as a lean, clean and green sustainable nation will be a tremendously important marketing tool. However, in order to do that, we have to, not only apply the word 'sustainable' as an adjective to what we do, but ensure that we can apply it to directly available technology and in delivery on the ground so that people can see what 'sustainable' means.

[51] **Alun Davies:** Do you feel under political pressure from Members across the whole of the political spectrum?

[52] **Jane Davidson:** I feel under political pressure from the Cabinet and the First Minister to ensure that we deliver this as effectively as possible, and I look forward to being put under further political pressure by Members in that context.

[53] **Alun Davies:** That is a very diplomatic response.

[54] **Mick Bates:** We will deliver that right now; Leanne is next.

[55] **Leanne Wood:** The ‘One Wales: One Planet: A New Sustainable Development Scheme for Wales’ consultation document states that we recognise that the vision for a sustainable Wales will require radical change in all sectors of society. In what ways are the key policy documents that deliver sustainability radical?

[56] **Jane Davidson:** One of the high-level indicators is the ecological footprint. As I said in my response to Rhodri Glyn, the ecological footprint was calculated and then recalculated against the ‘One Wales: One Planet’ agenda. I am sure Members here will know that ‘ecological footprint’ means that we are currently using 2.7 planets’ worth of resources; we are using 5.16 global ha per person when there is only 1.88 ha available and Brynle, as a farmer, will know that you cannot use 5 ha if only 1.88 are available. So, we are determined through the ‘One Wales: One Planet’ agenda to decrease our use of resources over the lifetime of a generation to the fair share across the world. That means that we have to be radical. Our ecological footprint work means that we have to be particularly radical in three areas.

[57] The first area is housing and housing efficiency, which is why the Deputy Minister and her official are here to talk about what they are doing explicitly on this—why we are looking at the zero-carbon aspirations and energy efficiency across existing stock, and why we are publishing the national energy efficiency and savings plan, which will look at decarbonising the energy sector and increasing the energy efficiency of our existing stock.

[58] The second area is food. My colleague, Elin Jones, will produce her locally-sourced food strategy and you have a major interest in growing your own food, in allotments and other issues, which the Assembly Government strongly supports.

[59] The third main issue is transport, and you will be talking to officials from the Deputy First Minister’s department in that regard. In each of these areas, there will be Assembly Government strategies that take the principle of sustainability forward, and looking at how fast and how far we can lower our ecological footprint. By their nature, they are radical strategies in terms of reducing that footprint because our re-calculations showed us that we could stabilise our footprint by 2020, but we would not reduce it. So, the strategies must be more radical to reduce our footprint.

[60] **Brynle Williams:** We appreciate that we must reduce our ecological footprint, but as a farmer I find it a problem to balance both aspects, because we are seeing an increased demand in food production. Where do you see that we can strike the balance between food production and reducing our ecological footprint—not only in Wales but worldwide—because I do not think that we have done so yet? On the one hand, we are trying to live in a sustainable environment with less carbon, but there is an increased demand for food production because the population is soaring. As you pointed out, acreage or hectareage per person is reducing. I still have difficulty in finding whether or not we have achieved that balance—I do not think that we have done so yet. We must look seriously at food production and food security. The Minister’s portfolio is extremely important in this regard, as massive

steps can be taken, and are being taken according to the evidence given. I am sorry to go on, but it is about balancing both aspects.

[61] **Mick Bates:** It is a very important point. Rhodri?

[62] **Rhodri Glyn Thomas:** On the housing issue, to what extent does the fact that we do not have responsibility for building regulations constrain your efforts to work in that area? Would it not be easier to do a lot more in terms of new build if we had that responsibility?

[63] **Jocelyn Davies:** It is a good question. In relation to my portfolio, although we do not have responsibility for building regulations, as far as social landlords are concerned we can set a different standard. That is why you often see new social build of a better standard than you see on the open market in terms of space, and so on. We can dictate that, because we give grants. We decided that we would do a pilot, and you will know from the evidence that we gave that 400 units are being built to code level 4/5 to encourage the development and the techniques, to see what the costs are, to encourage developers, to see how the lenders react to that and, most importantly, to see how people live in those properties. These will not be ordinary houses in the conventional sense, and you might have to live slightly differently in a way that will be less complicated. We need to see how that works out, so we are able to encourage that through the grants system. There are already projects that were part of the social housing grant programme, but as a pilot we are building 400 units to code level 4/5. It will inform the way in which we build in the future, and the code may become applicable to market properties as well. These properties should be very cheap to live in, which is important for social rented tenants, of course.

[64] **Rhodri Glyn Thomas:** In terms of the radical nature of the policies that you have spoken about, if we had responsibility for building regulations you could ensure that every new build in Wales was environmentally friendly, and incorporated all of the things that the Deputy Minister is trying to do with rented accommodation at the moment.

1.40 p.m.

[65] **Jane Davidson:** Your question makes it sound as if there has been no movement on this front, whereas we have had an agreement in principle with the UK Government over the devolution of building regulations for a year. We are in the final stages of the detailed negotiation in terms of the devolution of building regulations—these are very complex issues. We are already doing substantial work with what I call ‘the coalition of the willing’, that is, the very large range of organisations and contractors across Wales who are already signed up to deliver a zero carbon agenda from 2011, as is our aspiration. Therefore, we hope to have the final agreement from the UK Government very shortly and we will then be prepared to deliver, very quickly, our ambitions in the context of the 2011 aspiration in zero carbon homes.

[66] As Jocelyn has said, the Assembly Government has not waited for that. We introduced the code for sustainable homes almost immediately when I became Minister in the social housing sector. We look for a minimum of code level 3, we have these demonstration sites there, we have demonstration sites through the Department for the Economy and Transport at higher levels through our planning system, which we will talk about shortly, and we are also encouraging exemplar sites. Therefore, we are looking at planning and building regulations and policy and finance all working together on these issues.

[67] **Jocelyn Davies:** Perhaps it is also worth mentioning the other project that we have with Valleys to Coast Housing in relation to refurbishment and the need to ensure that that is carried out sustainably. It has a little project, which only involves five houses, but it will then inform our thinking in terms of best practice in how refurbishment can be done sustainably. If

you were influencing new build, the majority of the stock will still be already built.

[68] **Mick Bates:** Absolutely. Alun, I think that you wished to come in on this.

[69] **Alun Davies:** Just on the building regulations. You said, Minister, that you have, in principle, an agreement with the UK Government for the devolution of building regulations. I assume that that also includes a level of legislative competence.

[70] **Jane Davidson:** Over building regulations, yes.

[71] **Alun Davies:** It is legislative competence rather than just executive responsibilities?

[72] **Jane Davidson:** Yes, it is a legislative function that is being transferred.

[73] **Mick Bates:** Further to that, is there any timescale for that?

[74] **Jane Davidson:** As soon as possible, Chair.

[75] **Mick Bates:** We have heard that many times.

[76] **Jane Davidson:** Exactly. It is not in our hands, but we have to say that we have very good relationships with our colleagues in Westminster over this. We are just in the final negotiations.

[77] **Mick Bates:** It is the outcomes that we are particularly interested in, in this particular scrutiny. Do you want to continue with indicators, Leanne?

[78] **Leanne Wood:** Yes. You mentioned the sustainable development indicators, which you are holding in your hand. The 2008 report shows that there is deterioration in some areas: six out of the 39 indicator assessments show clear deterioration. They include short-term changes in bird populations, nitrogen pollution, waste arisings by sector, household waste arisings and the number of people walking and cycling. For those areas in which sustainable development indicators do not show improvement, how have the Ministers responsible responded to remedy the situation?

[79] **Jane Davidson:** To take bird populations, for example, the proposals contained in the current review of the axis 2 agri-environment schemes offer the best opportunity of reversing the decline of these species because they require significant habitat change and modification of farming practice in some areas of Wales. We have some notable areas of success, which demonstrate that the principles of management for these species are correct. However, it is only if we are able to do this habitat management on the scale required through agri-environment schemes will we be able to see this happen across Wales. Obviously, that is the responsibility of Elin Jones.

[80] In terms of air pollution, we first published an air quality strategy in 1997. Now, trends of the ecological impact in air pollution of nutrient nitrogen are fairly static and show a slight improvement. Therefore, we are seeing—

[81] **Leanne Wood:** Did you say that this was in 1997?

[82] **Jane Davidson:** Originally, yes. The UK Government and the devolved administration's first national air quality strategy was published in 1997, which set out the national objectives for a number of air pollutants, including nitrous dioxide, and set the measures and so forth in place. That set the baseline against which they are all measured. We have indicators for waste arisings by sector and in terms of household waste. We know that

the proportion of waste that is recycled or composted is increasing dramatically every year, and Wales is outperforming all other parts of the UK in terms of the speed at which that is changing. With regard to waste arisings by sector, namely people putting more waste out, certainly up until the early part of 2008-09, quarters 1 and 2, the figures showed lower tonnages than the equivalent quarters in 2007-08. So, hopefully, when this is published next year, we will see that turn around, because there will be lower tonnages of waste coming in, but we have to wait a year for these figures; the figures published in the 2008 document are the 2006-07 figures. The amount of household waste arisings have shown year-on-year reductions since 2004-05, apart from a minor blip in 2006-07, and the year-on-year reduction in household waste is 0.7 per cent per annum. It is worth pointing out, as Simon did to me on the way in, that where you get the 3 per cent margin in the context of change, as laid out on page 10 of the document, the traffic lights are set at amber, indicating little or no change, but we want to monitor them much more closely than that. The 3 per cent was an arbitrary delineation, but it has proved to be helpful, depending on the appropriateness of the traffic light.

[83] We have just produced our walking and cycling action plan. There is a bit of detail in the document, but we have tried to demonstrate that the Welsh Assembly Government is taking action on each of the indicators about which we had concerns in order to drive forward change.

[84] **Leanne Wood:** Are you confident that the next report will show a change in direction with regard to all six indicators? You said that you are confident about the indicator on waste. Are you confident that the changes to the agri-environment schemes will deliver on the bird population front? Are you confident that all of these six will be turned around next year?

[85] **Jane Davidson:** Bird populations do not necessarily respond to changes within 12 months, so that is why we will be looking at these indicators every year—so that we can see trends. I am confident that the trend will see the appropriate changes, but if you look at the waste arisings, for example, you will see that the change is 0.7 per cent per annum, so, as that is within the 3 per cent, that would not feature for some time. So, we will continue to look very hard at these issues. Our new national waste strategy, which is focused on resource efficiency, will be published on 29 April, and that looks at all waste streams together, so it is going to be very important to this agenda.

[86] **Jocelyn Davies:** I would like to make a point on the housing indicator for unfit dwellings. Members will see that there has been a reduction. The 2004 Living in Wales survey showed that the unfitness level was 4.8 per cent; in 1986, it was 20 per cent, so that is a big reduction, but that fitness indicator no longer exists and, in housing, we have gone over to a health and safety rating system. So, the new Living in Wales survey measures that, and if we are using that standard now, next year, when the indicator is published, it will not be comparing like with like.

[87] **Leanne Wood:** So, to look at a trend in that area, you have to start from this year as being the first year.

[88] **Jocelyn Davies:** I am not sure that fitness was a fabulous indicator in terms of sustainability, but we have been working through the Building Research Establishment to use EcohomesXB, which I am hoping that François will know a lot more about than I do. We have also been working with several housing association consortia to assess the stock so that we could have a baseline sustainability indicator, rather than an indicator on unfitness. I am sure that that would be a better indicator of sustainability, if that is what you are trying to measure.

1.50 p.m.

[89] **Mick Bates:** Leanne, would you like to expand on that to talk about the Welsh housing quality standard, because it links to the point that has just been made regarding the change of baseline indicator?

[90] **Leanne Wood:** In the paper, you say that 57 per cent of housing association stock complied with the energy efficiency standards of the Welsh housing quality standard. What action is planned to enforce that—both the energy-related aspects and others—in cases where they are not met by the 2012 deadline?

[91] **Jocelyn Davies:** We do not have enforcement powers. The 2012 target is set and Members will know that a number of local authorities have asked, in line with the One Wales commitment, for an extension of time. Some local authorities are not targeted to meet that until 2015, but we have no enforcement powers. All registered social landlords want to do it.

[92] **Leanne Wood:** What if there are cases where you have not agreed an extension to 2015, but they still have not met the standard by 2012? You have no enforcement powers, so what else can be done?

[93] **Jocelyn Davies:** I do not have enforcement powers, but in 2012 we intend to see where everyone is in relation to that. That would certainly be placed in the public domain.

[94] **Mick Bates:** We will move on to Lesley Griffiths.

[95] **Lesley Griffiths:** Minister, could you clarify why cycling promotion is now your department's responsibility, and how you co-ordinate that work with the department for the Economy and Transport?

[96] **Jane Davidson:** It was felt that it would make sense if we were to look at walking and cycling not just as transport, but in a wider sustainability sense. Also, my department already had the functions on rights of way improvement plans and access, so it made sense to bring the promotion of cycling over to this department. The Minister for Heritage also has an interest in cycling as a sport, and the Minister for the Economy and Transport has a major interest in terms of transport infrastructure. There are a number of departments in the Assembly Government that are keen to promote the benefits of walking and cycling for a range of leisure, health and transport opportunities, as well as for tourism.

[97] **Lesley Griffiths:** Turning to the environment strategic action plan, how do you monitor the targets that are set out for national parks, the Environment Agency and the Countryside Council for Wales?

[98] **Jane Davidson:** We have an annual remit letter that goes to each of those bodies. That letter looks at the targets that we have set, and, of course, the environment strategy action plan was a clear setting of targets over a relatively brief period of time to ensure that the imperatives that were laid out in the environment strategy back in 2006 were not lost in the 20-year strategy, but that there would be a set of plans to deliver on specific targets for each administration of the Assembly Government, should they choose to continue that agenda in this way.

[99] In the annual remit letters and my quarterly meetings with each of the statutory agencies we go through these issues to ensure that they are appropriately met. It is tightly monitored.

[100] **Mick Bates:** Are you happy with that, Lesley?

[101] **Lesley Griffiths:** Yes.

[102] **Mick Bates:** Brynle, I think that you would like to come back on the housing issue, following on from the Welsh quality housing standard to talk about the codes.

[103] **Brynle Williams:** Yes, if I may. What is the difference between code 5 and 6? Why was the decision taken to scale back targets as soon as they were published?

[104] **Jocelyn Davies:** François tells me—I suppose that he could tell you himself—that code 5 is a 100 per cent improvement on the current standard. Please accept that. It relates to heat, water, lighting and ventilation. Did I get that right, François?

[105] **Mr Samuel:** Absolutely, Minister.

[106] **Jocelyn Davies:** Code level 6 is zero carbon. You look as though you would like me to expand on that, but perhaps it would be better if my glamorous assistant did. The Assembly Government is consulting on the aspects involved in achieving true zero carbon, and code level 5 is still very ambitious and difficult to achieve.

[107] **Jane Davidson:** I will add one point to that, if I may. In policy terms, we are broadly using code level 5 as the 100 per cent improvement that is our aspiration for 2011. However, it is worth listening to François on the differences between code levels 5 and 6 and why we are going for level 5.

[108] **Mick Bates:** Just to clarify, Deputy Minister, who is the glamorous assistant? *[Laughter.]*

[109] **Jocelyn Davies:** François Samuel.

[110] **Mr Samuel:** In fact, the Deputy Minister succinctly outlined the difference. True zero carbon means net zero emissions over a 12-month period, and that includes all energy use. So, it covers appliance use, heating, lighting, ventilation and all the rest of it. Currently, building regulations regulate only heating, ventilation and hot water. Code level 5 relates to 100 per cent improvement on those. The Minister referred to the working definition, as far as the thinking here is concerned, as being code level 5. That is because of the degree of uncertainty about how one achieves net zero carbon within a dwelling or otherwise. The Deputy Minister referred to a consultation. That is a UK Government consultation on the definition of zero carbon, currently under way, which the Assembly Government Ministers have supported—that is, they support having a single definition of zero carbon. That will influence the thinking on code levels.

[111] **Jocelyn Davies:** Among the outcomes that we hope to get from our pilot schemes with social landlords is that we can see what sorts of materials would be needed, whether sufficient supplies are available, and so on. It will not be easy for developers if this is mainstreamed, so how those pilot schemes go will certainly inform our thinking for the future.

[112] **Mick Bates:** Although all those aspirations are fine, the big problem here is how relevant the implementation of code level 5, say, is for a large-scale builder who will build 500 houses, as opposed to a smaller scale builder who may already have accepted certain environmental standards? Are they equally relevant across the board? I can see François looking puzzled, but it seems to me that larger scale builders have always built to a much lower standard than many small-scale builders.

[113] **Jane Davidson:** We will deal with some of this when we go on to our discussions on

planning, because we can use the planning system to drive different levels of building for builders.

[114] **Mick Bates:** As long as you have the power, of course, as we discussed earlier.

[115] **Jane Davidson:** We have.

[116] **Jocelyn Davies:** It is probably worth mentioning that some developers work exclusively for social landlords. I have always tried to be positive about this, and once something is compulsory, I am sure that it will get done.

[117] **Brynle Williams:** It was very interesting to see what is happening in Austria. It may have seemed to be a radical step to us that its Government's legislation—and I will not say 'interference'—on planning stated that people must do this. The industry there said that it could not do it, but then it was interesting to see how industries had sprung up as a result of the Government's insistence on laying down those regulations. To be honest, it was a flagship project, and everyone on the committee appreciated it and would like to see it happen here, as would the Minister and Deputy Minister, I am sure. However, it shows that, sometimes, Government 'interference' can be of great benefit.

[118] **Jocelyn Davies:** We will be able to be more confident about costs once we have done the pilot project of 400 properties.

[119] **Mick Bates:** I detect a high level of confidence that you will be able to implement code level 3 and move on to code level 5. Code level 3 will apply to all new build, will it not?

[120] **Jocelyn Davies:** It applies now for the new build that we influence.

[121] **Mick Bates:** Social housing, in other words.

[122] **Jocelyn Davies:** Yes.

[123] **Mick Bates:** So, it does not apply to the private developer?

2.00 p.m.

[124] **Jane Davidson:** We have already discussed the planning. Our 'Planning for Climate Change' consultation looked at delivering a minimum of code level 3 from April this year for all builders.

[125] **Mick Bates:** Perhaps we will discuss that in more detail later. Alun, I think that we will move on to discuss climate change now.

[126] **Alun Davies:** Sorry, I am still reflecting on that last answer.

[127] **Mick Bates:** Same here.

[128] **Alun Davies:** On the Government's climate change commitments, I think that you are either committed to or have yet to respond to a number of different targets for emissions reductions from 'One Wales', Kyoto and the recent Climate Change Act 2008. Could you outline the progress that the Government is making on achieving the carbon emissions reductions that you have to achieve—those that you have set yourself and those that you are responding to as a UK administration?

[129] **Jane Davidson:** We had already set a target of securing a 3 per cent reduction per

year in the emissions of all greenhouse gases when the UK Government then agreed to raise its 60 per cent target to 80 per cent by 2050 in the context of the climate change legislation. The targets fit very nicely together. We continued the work that we had commenced. In January, we published our high-level climate change strategy, which lays out the baseline, the fact that it will include all greenhouse gases, not just carbon dioxide, and how we will look at delivering the second stage of that work through detailed sectoral targets, which are being worked up at the moment. There is a working group of officials from across the Assembly Government, which has submitted proposals from individual Ministers, and they are being calculated before we go out to consultation. The intention is to go out to consultation on the second stage of the climate change strategy in June, which will give us the opportunity to set targets ready for their commencement in 2011.

[130] **Alun Davies:** Do you believe that emissions reduction is occurring at present?

[131] **Jane Davidson:** The intention is to take action to reduce emissions. The big emissions reductions outside our devolved responsibilities will come in the traded sector, and that will be dealt with through the European Union emissions trading scheme, which is to include aviation and shipping from 2012. That work goes alongside ours. So, we are looking at working very closely together on these issues. Emissions reductions will happen in a planned way only if we have all the policy levers in place from all the Ministers in the UK Government and the Assembly; otherwise, driving down those emissions will happen in a haphazard way. For example, when the blast furnace closed in Corus, our emissions in Wales went down. That is not in our devolved area, but the emissions for Wales went down. When it reopened, they went up. That is partly why we are taking an average of the five years preceding 2011 as our baseline rather than any individual year. That has been warmly welcomed through the consultation.

[132] **Alun Davies:** I appreciate that, and thank you for that answer, Minister. Focusing on the areas of devolved responsibility, you seemed to suggest in your response that you do not believe that reductions are taking place in a planned way at present. When do you expect reductions to take place?

[133] **Jane Davidson:** I expect us to see a quantified response to your answer from 2011. Part of the issue has been that we do have the adequate data in place to enable us to quantify where we are and then to look at the reduction. So, the quantified reduction will be in relation to the sectoral targets, which we will see from then. We are certainly seeing emission reductions in Wales, and it is important not to undersell those issues. The Carbon Trust or the Energy Saving Trust can demonstrate very large emission reductions achieved by the people who have worked with them, at the small, medium and large level. We need a planned approach right across the ambit of Government to take this forward. I think that Matthew wanted to come in on this.

[134] **Mr Quinn:** At the moment, we are working on the quantification of the different measures, and we have gathered them together. We held a full day-and-a-half session with the Climate Change Commission for Wales during which we went through those topics, sifting through them and prioritising them. We are doing the number-crunching at the moment.

[135] The scale of the ambition and the fact that we are really moving ahead of many other countries has not been appreciated. We talked earlier about whether these things get enough of a day in the sun, if you will. Personally, I am disappointed by the lack of coverage of the initial statement on climate change. That is a seriously radical approach and a seriously radical vision, but it just slipped through. Climate change is the biggest issue facing us. We are in a position to take a lead on this, and I think that we will show a lead. There are some tremendously easy gains to be made, such as the work on the national energy efficiency savings plan that the Minister mentioned, and that makes so much sense in the current

climate: it tackles fuel poverty, it tackles economic activity issues by creating jobs, and it will make a serious contribution to reducing our carbon figures. It will also be tangible for people. The Deputy Minister mentioned the low carbon zone project, and, in a way, the energy efficiency measures will have the same tangible quality for people as recycling has had in recent times. People will be able to see change and understand how they are contributing to it, and that will make a tremendous difference to progress.

[136] **Alun Davies:** I do not disagree with the scale, the ambition, or the personal commitment of the people in Government to achieving these objectives; I am trying to pin down where we are today and how we will get to where we want to be by 2011. ‘One Wales’ included the aim to achieve a 3 per cent annual reduction by 2011. If we accept that no reductions are taking place at present in this planned and co-ordinated fashion, that means that, in two years’ time, we have to leap from zero to 3 per cent.

[137] **Jane Davidson:** The interpretation of ‘One Wales’ has always been that we would get everything in place so that the annual reductions would be counted from 2011. Therefore, all this work—the preparatory work, the consultation so that we get as wide an engagement as possible on the delivery of the agenda, the sectoral consultations that will come out later this year—will concentrate minds on the role that people will have to play in the delivery of this agenda.

[138] In the recently launched walking and cycling action plan, we are strongly encouraging employers to look at different ways of rewarding their employees’ choice of transport, such as cycling. We are looking to ensure that every single action that we take as a Government contributes to the sustainability agenda and responds to the climate change agenda. The two are not the same, however. They are both important, but climate change is a critical issue that faces us because of the unsustainable way in which we are managing our lives.

[139] **Alun Davies:** I appreciate that, Minister. How satisfied are you with progress? If we accept, further to your previous answer, that it will take the entire third Assembly to put these mechanisms in place before we see any reduction at all, do you think that that reflects sufficiently the urgency of the problem facing us as a society? You sometimes sound quite frustrated, Minister, as though you would like to move faster and do more, quicker. Are you satisfied with the Government’s progress?

[140] **Jane Davidson:** I am satisfied with the progress, because there are two different issues to your question. The first is that if we are to quantify reductions, we have to have the data in place. With the best will in the world, you sometimes have to create the data mechanisms so that that can be done. I can assure you that Assembly Government officials and our partners—and we have the Climate Change Commission for Wales, with all sectors and political parties represented on it—are working flat out to achieve this agenda. So, I am not in any way frustrated with that. However, I think that we are all a bit frustrated that we do not have the data mechanisms in place now, as they would enable us to quantify the delivery quicker.

2.10 p.m.

[141] When I went to Poznań last year, it was clear to me that Wales is seen to be a world leader as a region, at sub-member-state level, because we have taken this agenda on in a focused way. To some extent, to be honest, the idea that we are a world leader on such an issue when we know that there are many bigger countries that need to take major action to combat this, which I believe is the single biggest threat facing the human race, is terrifying. We must take every action that we can. However, as a Government, in taking action, you ensure that you can justify the actions that you take, that you can monitor and count them and

look at the outcomes of those actions. All of those processes have to be in place and we are doing all that as quickly as possible.

[142] **Alun Davies:** In that final response, you touched on the work of the Climate Change Commission for Wales. Could you outline how the work of that commission is being used to inform and guide you, and to advise your work?

[143] **Jane Davidson:** The secretariat for the climate change commission comes from our department and is fully involved in the sub-groups of the commission. There are a huge number of stakeholders now. There are around 200 experts who are involved in the work on this in Wales. The minutes of the climate change commission are circulated to all Ministers within two weeks of the meeting. Then, as you know, I make an oral statement to Ministers and in Plenary, on which I am asked questions. Advice from the commission is explored in more depth by Ministers in the Cabinet sub-committee meetings on climate change, which I chair. When those minutes are published, they are a matter of public record. Officials from across the Assembly Government meet regularly and I chair the officials' meeting to ensure that they are all fully apprised of the need to take appropriate actions in their portfolio. So, we have a mechanism whereby all of this is tied together.

[144] **Mick Bates:** In what year would you anticipate the first announcements being made on carbon reduction, based on 'One Wales'?

[145] **Jane Davidson:** We are determined to get things in place for delivery from 2011, including all the data and reductions. That is what we have worked towards. Therefore, we anticipate that 2011 will be the first year when data will be available, but it will not just be from the all-Wales agreement, but from the 3 per cent reduction commitment, which is a minimum commitment that we could make in the context of meeting targets on achieving 80 per cent reductions across the UK by 2050. That baseline information has to be in place.

[146] **Mick Bates:** Many witnesses have told us about baseline data. If I understand correctly, 2011 will be the first year when you will be confident that you can collect the right data; when will the first announcements be made on how each department has measured up against individual reductions to achieve the overall 3 per cent reduction? Will that be in 2012?

[147] **Jane Davidson:** Issues relating to timescales and departmental ambitions will go out for consultation during the second stage of the climate change strategy. We will be able to fix all of those elements then. If you remember, the last data on greenhouse gas emissions were from 2006 and we are now in 2009, so with regard to the overall greenhouse gas emissions data, we have a three-year time lag in terms of how they are measured across the UK. So, this committee should not underestimate the difficulty of finding data mechanisms that will enable us to report annually to the Assembly. We have made a very real political commitment on that, but we have to have the data in place on which we can report. I hope that we can start from the point at which we have agreed sectoral targets as a result of our climate change strategy. Therefore, my ambition was to report back first in 2011.

[148] **Mr Quinn:** What the Assembly will be able to see is whether we have done the things that we have given a commitment to do in order to achieve those targets, and also why we believe that the steps that we are taking should have that impact. That is the work that we are doing at the moment.

[149] **Mick Bates:** I accept that point, but I am still unclear as to when the first statement could be made by a future Government about achieving a 3 per cent reduction in Wales in the devolved competencies.

[150] **Jane Davidson:** As I said, we will be consulting on the sectoral targets and how we

deliver on those in June.

[151] **Mick Bates:** Thank you. We have various sections that we have not yet reached, but I wish to end on ministerial issues about integration across departments. I believe that Alun has a series of questions on that issue. We will end on that.

[152] **Alun Davies:** In terms of how you achieve the objectives that you have set yourself, as the Minister taking the lead in this area you will rely on your colleagues to achieve, for example, emissions reduction in their portfolios. What structures has the Government put in place to ensure that all Ministers regard this as a priority across the whole of their portfolios?

[153] **Jane Davidson:** When I gave my introductory statement, I spelt out the Assembly Government arrangements and how we intended to enhance those arrangements. In line with the Permanent Secretary's desire to see co-ordination of key policy imperatives across all departments, from the official level as well as from the ministerial level, we now have new directors general. From the ministerial level, the functions of Cabinet sub-committees and the Cabinet itself are the main vehicles, but in order to ensure that the Cabinet is not looking to add sustainability after a paper has already been through a set of policy imperatives, the policy gateway that we referred to earlier will ensure that every major action of the Assembly Government is assessed. We also have a group of officials with which we have been working very closely, with leads across all departments on climate change. We also want those officials to take on the sustainable development function, once the new scheme is agreed. The Assembly will need to support that scheme before we can demand of our officials that it is the legal imperative for taking this forward.

[154] **Alun Davies:** I appreciate that response and I understand the point that you make. However, how do you anticipate that the appointment of directors generals will better co-ordinate this work? It appears to be a sensible move forward in terms of the overall senior management of the civil service in Wales, but I am not completely sure that I understand how it will help individual Ministers to achieve the emissions reduction, for argument's sake, within individual portfolios.

[155] **Jane Davidson:** That is a different question, and it is crucially important that we do not mix a question about climate change with asking about how we co-ordinate sustainability. In terms of sustainability, we are looking to all Ministers to ensure that they deliver on the legal duty of the scheme in the context of their portfolios. As we said, there are a number of mechanisms for officials and political mechanisms to ensure that that happens. When Cabinet formally agrees, as it did in the consultation, that sustainable development becomes the single organising principle for the Assembly Government throughout all public services, it will impinge not just on what we do inside the Assembly Government, but also on how we relate to every organisation that the Assembly funds.

[156] In terms of how Ministers will be involved in the 3 per cent annual emissions reductions, sectoral targets will be set under the climate change strategy, and each Minister and their department will be accountable for their sectoral targets.

[157] **Mick Bates:** Thank you, Minister, and to the Deputy Minister for Housing and your colleagues for your answers. There are issues concerning waste and water that we have not reached in this session, about which I will write to you. If there is any further information that you wish to forward to the committee—I may have missed odd things about code level 5; I apologise if I missed bringing you in, François—please do so in respect of the areas that we have managed to cover this afternoon. I thank you all for your evidence.

2.20 p.m.

**Ymchwiliad i Leihau Allyriadau Carbon yng Nghymru: Sesiwn Graffu ar
Gynllunio
Inquiry into Carbon Reduction in Wales: Scrutiny Session on Planning**

[158] **Mick Bates:** I welcome Jon Fudge and Neil Hemmington. As usual, Minister, I will offer you an opportunity to make a brief opening statement. I am sorry to announce that, at the end of this session, a further meeting will be held in Llandoverly for many members of our committee; therefore, unfortunately, we are quite short of time at present. My intention is to finish the committee meeting within the next 40 minutes, if that is agreeable to you.

[159] **Jane Davidson:** Thank you for the opportunity to speak to you today. As you know, I am very supportive of your inquiry into carbon reduction in Wales as it will help to inform the Government's work in securing annual 3 per cent reductions in carbon emissions in areas of devolved competence. A consistent theme running through the evidence received by the committee is the important role that the planning system can play in facilitating a low-carbon future. I agree that, where new development is proposed, planning provides an important tool that must be used in innovative and constructive ways to maximise the potential for carbon reduction. In my paper, I identified the principal ways in which the planning system can help reduce carbon emissions. These include locating new developments to minimise the need to travel and promote sustainable travel choices, introducing sustainability standards for new buildings that include carbon reduction targets, promoting good design to minimise energy use, and providing the planning framework for renewable and low-carbon energy.

[160] I will be publishing the national energy efficiency and savings plan this month, demonstrating how the Assembly Government seeks to reduce the emissions from the existing building stock, which I need to point out, because there will always be more buildings in the existing stock than there will be new buildings coming on stream.

[161] Since 2004, the Merton-rule approach has given planning a new responsibility in facilitating the introduction of renewable energy technologies into new development proposals. However, we need to appreciate that, since these early days, the carbon reduction agenda and renewable energy technology has moved on considerably. I am a great supporter and advocate of what the Merton rule has achieved in its short lifetime, with local authorities incorporating the approach into existing and emerging development plans. A wide, holistic approach to reducing carbon emissions, ensuring the energy hierarchy of reducing energy demand, being more energy efficient, and incorporating low and zero carbon energy technologies, must be at the heart of how we design new buildings. This will help to deliver homes that are more affordable to live in.

[162] Last year, I consulted on an innovative national development control policy that utilises the code for sustainable homes and the Building Research Establishment environmental assessment method standards to not only deliver carbon savings but to deliver more sustainable buildings for generations to come. Interestingly, that approach will deliver carbon savings in excess of 30 per cent, whereas the Merton policy alone would only deliver a 10 per cent improvement. I am looking for the most practical way of delivering the largest carbon savings through the planning system, which I am sure that the committee would want to support.

[163] I will be publishing the final policy on sustainable buildings in the next few weeks, which will be supported by a draft technical advice note for sustainable buildings, a final technical advice note 12 on design, and specific training for local planning authorities. This package will help drive the low carbon agenda through the Welsh planning system. National planning policy can only take us so far; local authorities should also actively seek opportunities where their developments can exceed national minimum standards.

[164] They should also ensure that planning decisions are made in accordance with national and local carbon reduction policies. The carbon reduction agenda is a challenging agenda for everyone, and through the climate change community engagement strategy we are trying to raise awareness of the impact that individual decisions can make on carbon reduction. For the built environment sector, we have published a booklet, 'Improving Your Home: a climate change guide', 11,000 copies of which have been distributed to local planning authorities across Wales. I launched it in B&Q this morning and it is being made available to customers there and in other selected DIY shops across Wales. I am also seeking to ensure that building designers and contractors have the information that they require to help to deliver our zero-carbon aspiration. The zero-carbon development and support programme will act as a bridge between policy and delivery, with the emphasis on sharing information across the industry. Finally, I have provided a grant to the Royal Town Planning Institute Cymru to roll out training to local authority planning officers on planning and climate change, delivering sustainable buildings and good design. This will help to upskill planning officers to become the low-carbon champions that we all require for the future.

[165] **Mick Bates:** Thank you for that opening statement, Minister. Throughout all our evidence from witnesses, and particularly in the written evidence, there is a perception that land-use planning has been a barrier to carbon reduction. Why is that?

[166] **Jane Davidson:** The land-use planning system needs to be used to its full potential in carbon-reduction, and if it is not, it can be a barrier. For example, lifting the planning obligations on microgeneration in the way that we described at the meeting of the micro-power council this week demonstrates unequivocally how a planning change can further a policy agenda. What I aim to do as Minister is to ask planning officials to deliver the planning agendas to the optimum. It is useful to hear from officials about what can be done to the planning system.

[167] **Mr Hemmington:** It is important that we get the policy in place to start with. We focused on policy, but we also need to work with everyone along the delivery chain, and that is why we are working through a national planning policy, setting standards nationally where that is appropriate—that is, on the sustainable buildings policy, and changing permitted development rights as they relate to microgeneration. We need to do an awful lot of work with applicants, agents and local planning authorities to ensure that our policy aspirations transfer into action on the ground. In some ways, I feel that that is more important than changing policies—we need to look at the policies that we have and ensure that they work. That is why we are grant-aiding bodies such as the RTPI Cymru and working with other partners on how we can use the planning system to its maximum potential.

[168] **Mr Fudge:** Just to add to that, in the Cabinet statement in December the Minister made it clear that we are looking at the process of planning applications in general, with a view to streamlining the process in order to make the experience of applying for planning permission, or the perception of that experience, less difficult.

[169] **Mick Bates:** That is interesting. I welcome that comment about streamlining the process. As the questions proceed, I would like you to focus on how it is being streamlined in certain areas in order to assist carbon reduction in particular. Minister, would you like to come in on this point?

[170] **Jane Davidson:** In the paper that I gave you, paragraph 33 mentions that we have commissioned a local authority zero-carbon barriers research project, and the first report is due this month. That will be important in this context.

[171] **Mick Bates:** To move on to another area, we have this economic recession at the

moment; what impact is it likely to have on the progress that has already been made? There are areas where the planning system has operated well, so what will be the likely impact, in the longer term, of the recession?

[172] **Jane Davidson:** We can see two immediate impacts. There are fewer planning applications, and therefore there is a drop-off in fees received by planning authorities.

[173] **Mick Bates:** I suppose that some will suggest that the fees should go up, in that case.

2.30 p.m.

[174] **Jane Davidson:** That is why the issues around guides such as ‘Improving your home—A Climate Change Guide’ are important. Through the guide, we are suggesting that those people who are not looking to build but change their existing properties can make carbon-reduction savings by following the climate change agenda. The public purse becomes incredibly important in the context of the current economic situation. That is why we feel that it is crucial to drive the sustainability agenda forward at a time when people are struggling at the local economic level, not least for the critical point that you made, which is that the houses that are built that respond to this agenda will be much more affordable to live in for the future. That is the very strong message that we have put forward.

[175] **Mr Hemmington:** I think that it is fair to say that we have an opportunity at the moment. We had a planning system that, two years ago, was creaking under the pressure of planning applications, and dealing with this sort of agenda at that time would have been challenging. At the moment, we have an opportunity to upskill the staff so that they can start to deliver this agenda for us.

[176] **Lesley Griffiths:** Moving on to the Wales spatial plan, could you describe its role in delivering the low-carbon agenda and how it is co-ordinated at national and local levels? Currently, there are no binding carbon-reduction targets for the Wales spatial plan areas. Will any be set?

[177] **Jane Davidson:** The spatial plan is not the responsibility of this department, but of the Minister for Finance and Public Service Delivery. The spatial plan is not a planning document in itself; it is an approach that ensures that there are economic, environmental, educational, social justice and planning imperatives that drive the way in which delivery on the ground should be looked at spatially, across traditional boundaries. From our perspective, our top document, so to speak, is the national ‘Planning Policy Wales’ document, which is a consolidated document. Underneath that, sits a set of technical advisory notes on the whole range of issues. The spatial plan is a very important document for informing the work that we do, and we feed national planning policy into what happens in the context of the spatial plan, but it is not a planning document per se.

[178] **Lesley Griffiths:** So, it would not come under your remit to set targets?

[179] **Jane Davidson:** No. You would need to discuss that with the Minister for Finance and Public Service Delivery, who is responsible for the delivery of the spatial plan.

[180] **Mick Bates:** We will do that. However, it seems strange that the list of activities that you described under the Wales spatial plan relates directly to the issue of sustainable development. It seems to me that there ought to be some recognition of sustainability issues. I have always felt that the Wales spatial plan, since it is directly related to planning, should be under your portfolio. However, you obviously do not agree.

[181] **Jane Davidson:** The spatial plan is not a planning document in the context of

Planning Policy Wales. The decision to put the spatial plan under the direction of the Minister for Finance and Public Service Delivery is to make that absolutely explicit—that it is a document covering the whole range of services delivered by the Assembly Government. That is why a whole range of Ministers on the Cabinet chair the spatial plan in different parts of Wales. However, Chair, you are absolutely right about the spatial plan in the context of sustainability, because the actions of all Ministers contribute towards achieving sustainability. That is the point about ensuring that sustainable development becomes the key principle that guides the delivery of the Assembly Government and public service.

[182] **Mick Bates:** Very good. Brynle, can we move on to national planning policy?

[183] **Brynle Williams:** Minister, what is your reaction to the views heard by the committee that planning guidance on carbon reduction issues needs to be replaced by a simpler and stronger national policy, even specifying legislative requirements in order to ensure delivery?

[184] **Jane Davidson:** I will ask Neil to talk about how 'Planning Policy Wales' operates through those technical advisory notes and others, because they are statutory guidance.

[185] **Mr Hemmington:** We have a series of national planning policies in Wales. The main document, as you probably know, is 'Planning Policy Wales'. We consulted on a series of changes to that document in 2006. It is like any other Assembly Government policy. One of the key changes was a policy in relation to seeking local development plans to secure 10 per cent improvement in carbon reductions for buildings. One of the findings of that consultation was that local authorities did not know how to operationalise that policy, and they thought that it would be difficult to do. So, we looked again at the policy and, last year, we consulted on using the code for sustainable homes as a tool. In some respects, it is much easier for planning authorities to operationalise that. They have an external process that they can use. It is about receiving and checking information against another process rather than trying to invent a policy and introduce it through the local development plan process. The attractiveness for us of a national planning policy is that it can be introduced much more quickly, and it sets a level playing field across Wales, so that is the policy that we hope to introduce within the next few weeks. If you were to wait for an LDP process to take place, you would discuss it through 25 separate examinations in public, and there would not be an outcome for two or three years. So, we see it as much more straightforward to use national planning policy to deliver that process. No planning policy is statutory in that sense. We had discussions with our lawyers about the wording that we could use in the policy and, consequently, the policy wording is around an expectation rather than a requirement. We cannot require it, as it is policy rather than statute.

[186] I personally do not see any advantages in introducing a statutory requirement in that way. If you are looking for statutory requirements, in the fullness of time, once building regulations are devolved, the carbon reduction element could certainly start to come through that particular route. The sustainable buildings policy that we are talking about incorporates carbon but also deals with other things too, such as health and wellbeing and water use. So, it is a broader policy. It is more of a sustainable approach rather than an approach that purely focuses on carbon, although that is an important element of it.

[187] **Mick Bates:** I would like you to clarify one thing. This relates to a comment from local authorities, which was similar to a comment made by the Welsh Local Government Association. What would be the role of the climate change compendium in all this?

[188] **Mr Hemmington:** The climate change compendium, as it was in 2006, was an attempt to signpost best practice. Best practice has moved on considerably since then, and there is a lot more material out there. I think that we ourselves are questioning whether or not

there is a role for it.

[189] **Mick Bates:** So, there is no intention to update that?

[190] **Mr Hemmington:** Not at this moment. There is a lot of other material, and other organisations are providing that information out there.

[191] **Mick Bates:** Leanne, I believe that you have a question on the Home Builders Federation's comments.

[192] **Leanne Wood:** When we took evidence from representatives of the Home Builders Federation, they said that, in the current economic climate, it would not be possible to deliver the Assembly Government's policy aspirations to reduce carbon as well as meet the affordable housing targets. Would you accept that there might be a need to compromise on carbon reduction in order to deliver on the affordable housing targets?

[193] **Jane Davidson:** The affordable housing targets are for this side of 2011, and the carbon targets are for the other side of 2011. So, we do not see a need to compromise.

[194] **Mick Bates:** I am just considering that response.

[195] **Leanne Wood:** Me too.

[196] **Mick Bates:** Would you accept that there are opportunities in the affordable housing agenda to construct houses that would reduce carbon?

[197] **Jane Davidson:** As we heard from the Deputy Minister, we have done that. We have ensured that housing meets the minimum standards of code level 3 and, in some of the exemplar sites, the social housing meets the standards of code level 4 and above. So, we are demonstrating, through our investment as an Assembly Government, that we want to see carbon reduction in the context of social housing and private housing.

[198] **Mick Bates:** As part of that process, would you be able to quantify the carbon saving through that planning policy?

2.40 p.m.

[199] **Mr Hemmington:** We are actively looking at that carbon saving. If we go through the planning process, and set certain levels in the code for sustainable homes and any other Merton-type policy, and know the number of houses that are constructed to that standard, we can work out the carbon saving. We are looking at how we can do that practically with the least impact on local government at the moment.

[200] **Jane Davidson:** Not least because there will be a sectoral target, which means that there must be that kind of quantifiable information.

[201] **Mick Bates:** Absolutely, but, from previous scrutiny sessions, I am not sure at what date the Government will be obliged to publish that sectoral reduction in carbon.

[202] **Jane Davidson:** As I have said, we will publish a consultation on how we will deliver the 'One Wales' commitment on these issues in June.

[203] **Rhodri Glyn Thomas:** I ddod yn ôl **Rhodri Glyn Thomas:** To return to a point at bwynt mae'r Gweinidog wedi ei wneud yn that the Minister has already made in her barod yn ei thystiolaeth a newydd gyfeirio evidence and has just referred to, namely the

ato, sef y gofyniad i gyrraedd lefel 3 o'r cod, yr ydych yn gwneud hynny o fewn y sector tai cymdeithasol, yr oeddwn yn meddwl y bu ichi awgrymu'n gynharach y byddai pawb yn gorfod cyrraedd y safon sylfaenol honno o lefel 3, ond nid yw hynny'n gwbl gywir ynglŷn â thair newydd, onid yw? Mae hynny oherwydd ei fod yn dweud bod yn rhaid i ddatblygiadau o 10 uned neu fwy o 1,000 medr sgwâr neu'n fwy gyrraedd lefel 3. Yr ydym wedi derbyn tystiolaeth y bydd hynny'n golygu na fydd llawer o ddatblygiadau, yn enwedig yng nghefn gwlad, yn dod o dan y gofyniad hwn. Os cofiwch, awgrymodd y pwyllgor y dylai fod yn bum uned neu fwy. A ydych yn meddwl bod angen i chi edrych eto ar y criterion hwnnw, ac a oes perygl y bydd rhai datblygwyr yn rhannu datblygiadau, a datblygu llai na 10 ar y tro, er mwyn osgoi'r gofyniad, neu a yw hynny wedi ei gynnwys yn eich rheoliadau?

requirement to achieve level 3 of the code, which you are achieving in the social housing sector, I thought that you suggested earlier that everyone would be required to meet that basic level 3 standard, but that is not entirely correct when it comes to new build, is it? That is because it states that developments of 10 units or more of 1,000 square metres or more must achieve level 3. We have received evidence stating that that will mean that many developments, particularly in rural areas, will not come under this requirement. If you recall, the committee suggested that it should be five units or more. Do you think that you need to review that criterion, and is there a danger that some developers will stagger the developments, and develop less than 10 units each time, to avoid that requirement, or has that been covered in your regulations?

[204] **Jane Davidson:** I have two points in response to that. The first is that the question was asked previously in relation to the large housebuilding sites, and I said that they would be covered as a result of the consultation, because they would be over the 10 unit mark. As to what the Assembly Government will say in response to that consultation, I also said that you would have to wait a few weeks.

[205] **Rhodri Glyn Thomas:** Beth am y pwynt na fydd llawer o ddatblygiadau yng nghefn gwlad yn dod o dan y gofyniad os yw ar gyfer 10 neu fwy? A oes unrhyw ffordd y gall datblygwyr osgoi hyn drwy ddatblygu llai na 10 ar y tro, gan gyflwyno cais cynllunio am lai na 10 un tro ac wedyn cyfwyno ail gais am naw, ac adeiladu datblygiad o 27, 54 neu faint bynnag o dai yn raddol, ac osgoi'r gofyniad hwn yn gyfan gwbl?

Rhodri Glyn Thomas: What about the point that many rural developments will not fall under the requirement if it is for 10 or more? Is there any way that developers can avoid it by developing less than 10 at a time, submitting a planning application for less than 10 at first, and then submitting a second application for nine, and gradually build a development of 27, 54 or however many units, and avoid this requirement completely?

[206] **Jane Davidson:** I am always concerned that people should not be able to pervert the good desires of Government. You will have to wait for my response.

[207] **Rhodri Glyn Thomas:** Well, as long as you are aware of the issue.

[208] **Mick Bates:** Talking of perverting the grand desires of Government, we will move on to renewable energy planning.

[209] **Alun Davies:** The Planning Act 2008 may pervert a lot of the wishes of the Government, as well as of others. The Planning Act transferred responsibility for major energy developments in Wales from the UK Minister to the new infrastructure planning commission. While many of us felt that that was not the right way to take these decisions and not how we would want to enhance democratic debate in this country, the fact is that that has happened. Our concern now is about how the infrastructure planning commission takes its

decisions and the basis on which that happens. We know, because of this legislation, that its decisions will be based on the national policy statements issued by the United Kingdom Government in this area. Can you explain how you see the Welsh Assembly Government feeding into that process and how you expect to be able to influence decisions or policy statements from the United Kingdom Government? What processes or structures are already in place to ensure that any Welsh planning decision that goes in front of the infrastructure planning commission reflects the wishes of the Welsh Assembly Government?

[210] **Jane Davidson:** I can respond to your question to some extent. We also expressed concerns about the introduction of the infrastructure planning commission. Now that it has gone through its legislative process, we would all like it to work as effectively as possible and, particularly, to streamline planning applications in the very important area, for example, of renewable energy, until those powers are devolved to the Welsh Assembly Government, as we have called for strongly over the years.

[211] The main input for the Welsh Assembly Government will clearly be to ensure that our colleagues in the UK fully understand the energy agenda of the Welsh Assembly Government. We articulated that very clearly for the first time in the renewable energy route-map, published about this time last year. We will clarify that in the energy strategy, which will be published later this year following the publication of the national energy efficiency and savings plan. That will become the Assembly Government's strategy in terms of influencing the national policy statement on energy, which will have to go through Parliament, because the agreement is that these statements will be put before Parliament and will, therefore, be debated.

[212] So, we cannot pre-judge the outcome of that parliamentary process, but we can ensure that the Assembly Government's views in terms of contributing to that national policy statement will be clearly articulated. Other work is going on between our officials to look at how that relationship is developed. Is this one for you, John?

[213] **Mr Fudge:** Certainly, Minister. At official level, officials from the Assembly Government are talking to their counterparts in the various UK Government departments about involvement in the national policy statements, which are at various stages of evolution within the UK Government.

[214] One other thing that I would like to add to what the Minister has said is that the Planning Act 2008 gives Welsh Ministers the ability to nominate commissioners, which are Welsh commissioners appointed by the Minister to consider cases in Wales. That is a hook that the Assembly Government can use to ensure that Welsh interests will be taken forward through this process.

[215] **Alun Davies:** Thank you for that response. I would like to ask you two further questions, Minister. Can you tell us when you last discussed these issues with the relevant UK Minister? How do you intend to ensure that the National Assembly for Wales has an input into the formulation of Welsh Assembly Government input into national policy statements?

[216] **Jane Davidson:** I last discussed these issues with the UK Government Minister just before the Planning Bill was enacted. We were involved in detailed discussions until that point. We also gave evidence to the committee before that. The subsequent discussions have been between officials. The infrastructure planning commission has not been set up yet. So, in a sense, we are still ahead of matters. The legislation to establish it is in place, but the infrastructure planning commission itself is not fully established. So, there is a lot of official dialogue going on in relation to that delivery. We continue in discussions with regard to how we can have an effective influence. I will discuss in the Assembly in due course the way in which the Assembly can influence Ministers here in order to influence Ministers in

Westminster.

[217] **Alun Davies:** Would it be possible for you to write us a note on how you foresee these structures operating? I appreciate that, at the moment, we are still in the process of debate and discussion within the Welsh Assembly Government and between the Welsh Assembly Government and the United Kingdom Government. It might well be premature to come to firm conclusions today. However, would it be possible, Minister, for you to write us a note outlining how you see these structures working when the infrastructure planning commission is established and what role you see for the National Assembly for Wales in delineating and creating policy, or certainly responding to a part of the policy creation process for the Welsh Assembly Government?

2.50 p.m.

[218] **Jane Davidson:** I am happy to write a note on how the Welsh Assembly Government sees its relationship with the infrastructure planning commission and how we will manage our input to the national policy statement on energy.

[219] **Alun Davies:** I have one final question: you have a review of TAN 8, but do you have a timescale for the completion of that review?

[220] **Jane Davidson:** No.

[221] **Mick Bates:** But there is a commitment to review it.

[222] **Jane Davidson:** Yes, as we have said on many occasions, and we have also explained the process on many occasions: following the renewable energy route-map, the national energy efficiency and savings plan and the other action plans, including the bio-energy action plan and the marine strategic framework, and following the publication of the energy strategy, we will then look to review TAN 8, because all those other aspects will influence the change of targets in TAN 8. The commitment of the One Wales Government is to review the targets upwards.

[223] **Mick Bates:** I thank you and your colleagues for your answers to questions on carbon reduction via land use planning. I will write to you about some issues that we have not covered in this session. I also thank Members for their attendance. The next meeting is on 19 March.

*Daeth y cyfarfod i ben am 2.51 p.m.
The meeting ended at 2.51 p.m.*