



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

**Y Pwyllgor Cynaliadwyedd  
The Sustainability Committee**

**Dydd Iau, 15 Hydref 2009  
Thursday, 15 October 2009**

**Cynnwys**  
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Cofnodir y trafodion hyn yn yr iaith y llefarwyd hwy ynndi yn y pwyllgor. Yn ogystal, 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)
Angela Burns	Ceidwadwyr Cymreig Welsh Conservatives
Alun Davies	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**

Claire Bennett	Pennaeth, Is-Adran Newid Hinsawdd a Dŵr, Llywodraeth Cynulliad Cymru Head of Climate Change and Water Division, Welsh Assembly Government
Jane Davidson	Gweinidog dros Amgylchedd, Cynladwyedd a Thai Minister for Environment, Sustainability and Housing
Peter Jones	Pennaeth, Rheoli Perygl Llifogydd ac Arfordirol, Llywodraeth Cynulliad Cymru Head, Flood and Coastal Risk Management, Welsh Assembly Government
Matthew Quinn	Cyfarwyddwr, Yr Adran Amgylchedd, Cynaliadwyedd a Thai, Llywodraeth Cynulliad Cymru Director, Department of Environment, Sustainability and Housing, Welsh Assembly Government
Siân Way	Uwch Rheolwr Arian, Yr Adran Amgylchedd, Cynladwyedd a Thai, Llywodraeth Cynulliad Cymru Senior Finance Manager, Department of Environment, Sustainability and Housing, Welsh Assembly Government

**Swyddogion Cynulliad Cenedlaethol Cymru yn bresennol**  
**National Assembly for Wales officials in attendance**

Dr Virginia Hawkins	Clerc Clerk
Meriel Singleton	Dirprwy Glerc Deputy Clerk

*Dechreuodd y cyfarfod am 9.06 a.m.*  
*The meeting began at 9.06 a.m.*

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

[1] **Mick Bates:** Good morning. I welcome you to this morning's meeting of the Sustainability Committee. First, I will make some 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 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 medium of both the Welsh and English languages. Headphones are provided, through which simultaneous translation may be received, and, for any of you who are hard of hearing, they are also useful to amplify the sound. Interpretation is available on channel 1 and the verbatim proceedings on channel 0. Please do not touch any of the buttons on the microphones as they can disable the system, and please ensure that the red light is showing before speaking. I have received apologies from Karen Sinclair, Lorraine Barrett and Lesley Griffiths.

9.08 a.m.

**Craffu ar y Gyllideb Ddrafft—Y Gweinidog dros yr Amgylchedd,  
Cynaliadwyedd a Thai  
Scrutiny of the Draft Budget—Minister for Environment, Sustainability and  
Housing**

[2] **Mick Bates:** I welcome the Minister for Environment, Sustainability and Housing, Jane Davidson, who is here for items 1 and 3 this morning. Item 1 is the scrutiny of our draft budget. The Minister is accompanied by Matthew Quinn, director of the Department for Environment, Sustainability and Housing, and Siân Way, the senior finance manager for that department. I invite the Minister to make a brief opening statement before we move to the scrutiny of the budget.

[3] **The Minister for the Environment, Sustainability and Housing (Jane Davidson):** Thank you, Chair. As in previous years, I will be focusing on the environment and sustainability aspects of the portfolio, as my colleague, the Deputy Minister for Housing, appeared before the Communities and Culture Committee yesterday to discuss the housing draft budget allocation. We are at the beginning of a very tough financial period for Wales. We are working hard to relieve the pressure of the immediate financial crisis on businesses, employees and homeowners among other groups, but we are all very aware of the constraints on public sector finances and the fact that those are likely to endure. All departments have recognised the need to make efficiencies in our budgetary allocation, as we said in the paper that we sent to you. A 1.6 per cent saving on revenue budgets and a 4.6 per cent saving on our capital budgets have been delivered across the Assembly Government. However, a central part of my role is to help Wales become more resilient to future challenges; waste, energy and climate change all sit within the heart of my portfolio. Obviously, with our new sustainable development scheme, entitled ‘One Wales: One Planet’, we have committed ourselves as an Assembly Government to sustainability being our central organising principle.

[4] Therefore, in line with this, my portfolio’s draft budget shows that my priorities lie in the areas that will have an impact on our use of resources and the wellbeing of our communities, namely energy efficiency and fuel poverty issues, flood risk management, and waste reduction and management. I am very pleased that we received an additional central allocation of nearly £15 million in revenue, after we have taken off our efficiencies, which has mainly gone to the waste agenda, but also to climate change and energy efficiency. On capital, our central allocation was reduced by £5 million through the efficiency programme, and by £10 million overall. However, we have received an extra £22 million funding from the Welsh Assembly Government strategic capital investment programme, which will help deliver the key priorities, including the anaerobic digestion plants across Wales, acceleration of the flood and coastal defence programme and the all-Wales low carbon building programme.

9.10 a.m.

[5] In addition to that, we also expect to lever in at least £8 million of European Union convergence funding for our flood risk management programme. There is so much more to be done on this agenda in the medium term to protect people and communities and to engage them in taking action themselves. This draft budget helps us along the way. I am sure that we will discuss those elements further a little later this morning.

[6] In the longer term, we know that budgets will be tight across the board and we need to work together closely across departments, and with sponsor bodies and external partners, to deliver our collective agenda and make more from less. In relation to our partners, we have applied a 0.03 per cent reduction rather than a 1.6 per cent reduction, so that we can sustain their services.

[7] **Mick Bates:** On a point of clarification, you mentioned an extra £20 million from the SCIF and £8 million from convergence funding. Does that form part of the information on the budget that you have given us this morning?

[8] **Ms Way:** No, that is not included in the published budget figures.

[9] **Mick Bates:** That is not included in the figures that you have given us.

[10] **Ms Way:** No, that is not included in the published budget figures, but we refer to it separately.

[11] **Mick Bates:** I know that other Members may wish to pursue that, but I wanted to establish that fact from the beginning. Thank you, Minister, for your opening statement.

[12] One enlightened part of our scrutiny was to look at other departments in your Government and see what they were doing on sustainable development. To what extent do you liaise with other departments to ensure that this sustainability aim that we share is promoted through this budget?

[13] **Jane Davidson:** We have liaised with all Assembly Government departments on this. The committee will receive the Assembly Government's response tomorrow on looking at sustainability issues across the Assembly Government. On the decisions that the Minister for finance has made with all departments, sustainability has been the central organising principle in terms of delivery.

[14] **Mick Bates:** Could you give us an example of how you have effectively used parts of other budgets to further the aims of sustainable development?

[15] **Jane Davidson:** It is not for us to use other budgets to further the aims of sustainable development. This is about using the principle of sustainable development as the framework against which all Assembly Government policy decisions are made in relation to all budgets. It is completely mainstreamed in this context and that is the strong message in 'One Wales: One Planet'.

[16] **Mick Bates:** I accept that that is a strong message but, at some stage, every message has to lead to some action. Our scrutiny of other departments clearly demonstrated that some used their budgets to reduce carbon emissions, for example, while others did not. Were you able to identify areas of other budgets in this budget round that would assist the 'One Wales' statement on carbon reduction of 3 per cent?

[17] **Jane Davidson:** It is important that you do not mix the clear framework on sustainable development, which is not an agenda on carbon emissions reduction; it is a central

principle with an economic and environmental component as well as a social component. We also measure through the ecological footprint and our new headline indicator on wellbeing. Climate change is the biggest example of unsustainable development. On considering carbon and greenhouse gas emission reduction, the climate change strategy that has been out to consultation, lays out actions across all departments on achieving measurable outcomes with measurable costs. Each one of those costs is factored into the budget proposals and delivery in terms of our colleagues.

[18] **Mick Bates:** Thank you; we will return to that later. Brynle, you are interested in strategic capital investment.

[19] **Brynle Williams:** What bids have put into the SCIF framework? How much capital have you bid for and what are the implications should these bids be unsuccessful?

[20] **Jane Davidson:** We put four strategic capital investment bids forward: two related to housing and two related to sustainability. I will comment on the sustainability bids. One was on an energy-efficient community, and one was a low-carbon, how-to network. We were looking at the idea of using a network to help people to make decisions that contribute towards carbon efficiency. The Strategic Capital Investment Board has met to consider those, and the Cabinet committee met at the beginning of this week to discuss the shortlist. The final decision will be made at Cabinet next Monday, but that shortlist includes the energy-efficient community, which is a really exciting bid. The idea of the project is to create Wales's first energy-efficient community, where all houses have an energy performance certificate rating of at least level C. Since we want to get houses off EPC levels D, E, F and G, we have focused on F and G through the home energy efficiency scheme, but we want to lift houses to level C. That community will be located in one of Wales's strategic regeneration areas. The bid is for £5.1 million, by the way.

[21] **Brynle Williams:** Which projects in your portfolio have been funded through the strategic capital investment fund for 2009-10?

[22] **Jane Davidson:** The all-Wales low-carbon building programme is being funded, and is worth £26 million between 2009 and 2011. The delivery of the anaerobic digestion plants across Wales is a £4 million programme. Acceleration of the flood and coastal defence programme is an £8 million programme. So, those are the projects in my portfolio funded through the SCIF.

[23] **Alun Davies:** May I come in at the point? First, could we as a committee have a brief on those projects? I know about the flood and coastal defence project, as I have seen some information on that. However, I have not seen any information on the anaerobic digestion plants, or the low-carbon building programme, and it would be useful for the committee to receive a note on those.

[24] The question that I have for you, Minister, is on the ability of your department to access SCIF funding. Do you have the option to make further applications to the strategic capital investment fund over the coming financial year?

[25] **Jane Davidson:** This is the second round of SCIF funding that we have applied for in this context. Siân, perhaps you can help by telling us when the third round will be.

[26] **Ms Way:** I am not sure when a third round of projects will be put forward. However, we have made our bids for SCIF funding for this financial year, so there will not be an opportunity to put any additional bids in.

[27] **Alun Davies:** When you say 'this financial year', do you mean 2010-11?

[28] **Jane Davidson:** Yes, this round.

[29] **Alun Davies:** Could you give us a timescale for these bids? For example, if I were to approach you over lunch, Minister, with a concept that you thought was a great idea, and you said, ‘Alun, we have to run with this’—

[30] **Rhodri Glyn Thomas:** That is not likely, though, is it? [*Laughter.*]

[31] **Alun Davies:** In that scenario, if you decided to apply for £10 million from SCIF, what would be the process for developing a project and taking it through to SCIF funding? I accept that projects will be different, but what would the timescale be?

[32] **Jane Davidson:** It is probably better to ask the Minister for Finance and Public Service Delivery to give you a note about how SCIF funding works. When the round of SCIF funding opens, we are invited to apply for funding, as are all other departments. Then, the external, independently chaired Strategic Capital Investment Board looks at those applications and makes recommendations that are considered by the Cabinet committee.

[33] **Alun Davies:** So, it is quite a reactive process in that sense.

[34] **Jane Davidson:** It is reactive in the sense that it is the Minister for finance’s responsibility to call for bids under the programme, but it is proactive in the sense of our department ensuring that we have bids ready to go so that we can deliver on our big imperatives. We have been very successful. In fact, proportionally, we have been more successful than any other department with SCIF.

[35] **Alun Davies:** That has been noted, Minister. Do you have any further bids ready to go if another round of SCIF funding were to be opened in the next year or so?

[36] **Jane Davidson:** We would have other bids that we would make ready to go when we knew the timetable for another round of SCIF funding.

9.20 a.m.

[37] **Alun Davies:** I am just trying to get a picture in my mind of the capital investment available to you. I assume, Minister, that you are not in a position to share with us this morning what these potential projects are, for us to understand the nature of the department’s work over the coming year.

[38] **Jane Davidson:** Our successful bids last year related to each of the key capital areas in the portfolio, of which there are only three: energy efficiency, flood and coastal erosion management, and waste. We had a major bid agreed in each of those areas, and each of those areas remains a major priority for the Assembly Government, not least in the context of climate change, our strategy, and greenhouse gas emissions reduction. So, in a sense, we will always have ready further opportunities to spend in this area.

[39] Another important point to make is that European funding requires additionality. Part of the reason why we have been so successful in our department is that we have been able to draw down European funding where the SCIF has been a contribution to the match funding mechanisms. So, we have been able to bring in additional European funding as well as through the SCIF.

[40] **Mick Bates:** Is there a time limit on spending SCIF money, given that there is on spending conversion funding?

[41] **Jane Davidson:** The SCIF funding has, in a sense, been top-sliced from the Assembly Government. It is therefore part of our funding as a Government; it is not European funding in that sense. The Minister for finance is responsible for all aspects of the delivery of SCIF money. So, if you want further detail on the process of the SCIF, as opposed to our departmental contribution, that would be a matter for that Minister.

[42] **Alun Davies:** To follow that up, the Minister makes a good point. It would be useful to have a brief on how SCIF funding works and the processes involved so that we understand the context of these answers.

[43] **Angela Burns:** I have a quick point of clarification. I did not hear the comment that Siân made about the two sums of money that are not currently in the budget. I think that one was about £20 million of SCIF money.

[44] **Ms Way:** Yes, there is £22 million of SCIF funding and £8 million of European funding.

[45] **Angela Burns:** Is that figure of £22 million of SCIF funding money that you received last year that you have not yet spent but which is in your revenue budget figures here?

[46] **Ms Way:** Round 1 of SCIF allocated money for three years, so we had some SCIF funding, which we spent last financial year. We have some funding this financial year, and there is £22 million for the next financial year.

[47] **Angela Burns:** Thank you.

[48] **Mick Bates:** That is a bit clearer.

[49] **Brynle Williams:** We have seen the Welsh Assembly Government's capital budget reduced by some £75 million. What effect will that have on your portfolio?

[50] **Jane Davidson:** In a sense, I hope that I have already described that. As portfolio holders, we were asked to deliver a reduction of 4.6 per cent in capital spending across the Assembly Government. We also had the opportunity to bid for new capital, according to the strategic priorities of the Assembly Government. The SCIF fund is very much related to the overarching strategic priorities of the Assembly Government. This department has done very well out of that because the work that I do all relates to the strategic priorities of the Assembly Government.

[51] **Mick Bates:** I wish to go back to the spending of SCIF funding. What happens if it is not spent within the three years of the allocation? Does it roll over to next year's budget, for example?

[52] **Ms Way:** When the bids are put through, we are allocated an amount for each financial year. Therefore, if there was to be any slippage with the bids, we would have to renegotiate the timing of that with the finance department. Generally, the amounts provided in that year are set to be spent within that year.

[53] **Mick Bates:** What happens if they are not spent?

[54] **Jane Davidson:** In this context, it is probably also important to say that the SCIF projects have to be ready for delivery for the SCIF board to support them. It is not the case that funding would be provided when, for example, Alun suggested his good idea over lunch. A good idea suggested over lunch would have to be worked up for delivery before the SCIF



board would consider it. We still want to work up the how-to network, for example, because that is about how communities can deliver on climate change initiatives, and is irrespective of whether it is a SCIF bid. We believe, as a department, that that kind of approach is important. So, we will be working it up in other ways.

[55] **Leanne Wood:** How have you provided for the forthcoming national energy efficiency and savings plan in your budget, and what are the implications of the reduced budgets for the home energy efficiency scheme in 2010-11?

[56] **Jane Davidson:** The HEES funding has been quite complicated because we were given a one-off, additional allocation last year, so that additional allocation is not reflected in the continuing funding that is operating this year.

[57] **Leanne Wood:** Was that SCIF money?

[58] **Jane Davidson:** No, we were given a one-off HEES allocation.

[59] **Mr Quinn:** It was a consequential from changes in England's budget, as I recall.

[60] **Ms Way:** It related to the Warm Front grants in England.

[61] **Jane Davidson:** I seem to remember that I came to committee and told you about that additional allocation and about the fact that it was a one-off. It was not reflected in the regular budget proposals going through.

[62] The national energy efficiency and savings plan will be delivered through a range of elements in our budget. There is the strategic energy performance investment programme and HEES funding—and we will be looking at regulations on the new scheme fairly shortly. There is the community-scale renewable energy generation project that European funding is contributing towards. I will announce that fairly shortly, too. Then there is the overarching support of the Carbon Trust and the Energy Saving Trust, which work with business, communities and individuals. All those elements fit into the support for the national energy and efficiency savings plan.

[63] **Leanne Wood:** So, there was some one-off money last year, which will not be continued into the future. Will the fact that that funding is not being continued have implications?

[64] **Jane Davidson:** It is swings and roundabouts. There will be slightly less funding in that budget, but we have won extra money through SCIF and there is substantial extra money sitting with the energy suppliers. There is £300-odd million in contributions to energy efficiency coming through CERT, the carbon emissions reduction target, and CES, community energy saving, both of which are community programmes. We are working with them to maximise that. Our regeneration work, funded through the Department for the Economy and Transport, is also looking at energy efficiency. That is why I mentioned that our proposition about the energy-efficient community will be in one of the strategic regeneration areas. This is cross-Government working, and hugely substantial extra investment is going into energy efficiency through the overarching budgets.

[65] **Leanne Wood:** But the budget for HEES is going down. Is that right or are you saying that it is not?

[66] **Jane Davidson:** The budget for HEES will not have the additional element that was put into it last year, but we have been working on that, and the whole point of the national energy efficiency and savings plan is to ensure that all contributions from all providers are co-

ordinated in a way that they were not previously, in any way whatsoever. For example, I had my most recent meeting with Ofgem and the energy suppliers yesterday, who commended Wales. They said that, as a result of our co-ordination, we are seeing much more of their money being spent in Wales than would otherwise have been the case.

[67] **Leanne Wood:** Can we take it from that that more people will become eligible for HEES after the review?

9.30 a.m.

[68] **Jane Davidson:** The focus of the new HEES scheme—and we will be going out to consultation on the regulations fairly shortly—will be those who are least able to pay in the most energy inefficient properties. That is the fundamental principle. The current HEES scheme only had a 29 per cent match with fuel poverty. Part of the reason that there was such a strong call to change the regulations, not least from Members who are interested in fuel poverty, was to ensure that we had a greater match with fuel poverty. We are also looking at whole-house solutions. It is likely that fewer people will benefit under the HEES scheme itself, but some people have benefited under the HEES scheme who could otherwise have had their energy efficiency measures provided by the suppliers. We want to make sure that no-one receives money through the HEES scheme who could otherwise receive it through the suppliers, but we will facilitate that relationship through a central hub and many more people will benefit from energy efficiency measures in Wales. Although our small focused scheme will benefit fewer people, it will benefit the smaller number of people better and get a better match with fuel poverty.

[69] **Leanne Wood:** Could we have a note, Minister, outlining your proposed changes regarding the people who will now be eligible? I am trying to get an understanding of how this will affect people on the ground.

[70] **Jane Davidson:** That of course is the national energy efficiency and savings plan. That is the set of proposals. So, in a sense, we have had discussions about those before.

[71] **Leanne Wood:** Okay. I will move on now. Can you tell us what assistance is included in your budget for the provision of support for carbon reduction and energy efficiency for businesses?

[72] **Jane Davidson:** One of the two key elements is the money given to the Carbon Trust. The Carbon Trust operates across the whole of the United Kingdom and it has a set of very innovative grant programmes that it delivers. It provides support to businesses and has seen massive reductions in terms of greenhouse gas emissions from the businesses that it has worked with. In the context of the green jobs strategy, we have also introduced the new Flexible Support for Business, which now includes environmental and carbon-reduction advice as a norm in terms of businesses' engagement. It was important that we mainstreamed it and did not just have a situation whereby businesses that were aware of the Carbon Trust worked with it and others, particularly smaller ones, did not receive any information. We know that many thousands of our smaller businesses engage with the business support mechanisms funded by the Assembly Government, so we hope that mainstreaming it through FS4B will signpost people effectively.

[73] **Mick Bates:** If I may, I will return to the theme of working with other departments. In your last answers, it has become quite clear that you are working with other departments to deliver some programmes. Where in the budget is that money for the Carbon Trust and Energy Saving Trust, similarly? You mentioned particularly the Carbon Trust—

[74] **Jane Davidson:** This is one for Siân. She can give you the particular reference.

- [75] **Mick Bates:** Start with the main line.
- [76] **Ms Way:** It actually comes under the new theme: climate change and sustainability. That is actually what we are trying to achieve from there. It is to be seen there.
- [77] **Jane Davidson:** It is BEL 3771.
- [78] **Ms Way:** Yes—support for the Carbon Trust and other bodies.
- [79] **Mick Bates:** Have you got a figure? Did I hear a figure, Siân?
- [80] **Ms Way:** The figure for 2010-11 is £5.3 million.
- [81] **Mick Bates:** We are all catching up with you here. Sorry, could you just repeat the line number?
- [82] **Ms Way:** The BEL number is 3771. It is on the first page of the BEL tables and it is the second action on there.
- [83] **Mick Bates:** The print is so small that, even with my glasses, I cannot see it. Where is the Energy Saving Trust?
- [84] **Ms Way:** It is within that.
- [85] **Mick Bates:** It is within that one—the other bodies. Thank you. When I look back at another budget line, on developing and delivering overarching policy and programmes on sustainable development and environment, there is a very large capital amount there—are you with me? What is that capital used for?
- [86] **Ms Way:** That is the local authority—
- [87] **Mr Quinn:** It is the notional allocation for local authorities from our budget. So, it is part of the overall local government settlement. It is not a sum of money that we can alter.
- [88] **Mick Bates:** What is that? It is an interesting one.
- [89] **Ms Way:** This has always been in there. The funding for this has not changed over the years. It has always been shown under the BEL for general capital funding. It is the amount of money that is paid to local authorities to deliver our environment, sustainability and climate change agenda.
- [90] **Jane Davidson:** Nominally, it has been used generally in the terms of local authority flood defences, for example.
- [91] **Alun Davies:** Is it just for flood defences, or is that an example?
- [92] **Jane Davidson:** It is not hypothecated.
- [93] **Alun Davies:** It is unhypothecated.
- [94] **Jane Davidson:** Yes.
- [95] **Mr Quinn:** Each department has an element of local authority capital funding shown in its budget as part of the overall Government funding.

[96] **Jane Davidson:** This is the environmental capital funding, and other departments will have other capital funding, which is notionally allocated to the overarching priority of the department.

[97] **Alun Davies:** When you say that it is unhypothecated, Minister, do you mean that it is unhypothecated within an environment budget, or do you mean that it is unhypothecated in totality, so that it could go used to pay for school books, for example?

[98] **Jane Davidson:** It has to be spent on capital. [*Laughter.*]

[99] **Alun Davies:** The argument that I am making is that—

[100] **Mr Quinn:** It is general local authority capital. It is to be spent as the local authority sees fit.

[101] **Alun Davies:** So, it could be spent on roads.

[102] **Jane Davidson:** Yes.

[103] **Alun Davies:** That is ironic.

[104] **Mick Bates:** How is that capital amount reached? Who decides what that is?

[105] **Ms Way:** That is paid through the Department for Social Justice and Local Government, so it is all worked up. I am not sure of the calculations for the notional amounts, but we all have a notional amount for each separate part of the different portfolios, and this is the environment, sustainability and climate change notional amount. We also have an element within housing that is paid across.

[106] **Mick Bates:** Is that monitored in any way?

[107] **Ms Way:** It is monitored through social justice and local government.

[108] **Mr Quinn:** It is general local authority expenditure, so, if you want to go into the detail of it, it would probably be better to ask the Minister for local government, because it is not dissimilar to the revenue support grant settlement, in that sense.

[109] **Alun Davies:** It sounds like it is the revenue support grant.

[110] **Mr Quinn:** On the capital side.

[111] **Jane Davidson:** It is ‘capital support’.

[112] **Alun Davies:** That is quite interesting, because, in looking at your budget, Minister, I would expect all of that money to go towards your department’s objectives and to sustain policy direction through different layers of government, public bodies and local government. This element, however, could be used in any way, so it is not environmental spending at all. You have no way of knowing what Powys, Ceredigion, Pembrokeshire or Carmarthenshire spent that money on in any financial year.

[113] **Jane Davidson:** Monitored through the local government budget, they will know exactly what the local authorities have spent the funding on.

[114] **Alun Davies:** But will they, Minister? They will know what local authorities will

have spent their capital on, but the element of that capital that comes through your budget is not traceable, is it?

[115] **Jane Davidson:** No, in the sense that, as Siân said, it is unencumbered funding. That is the way in which the Minister for local government works with local authorities in prioritising their own capital investment projects. There is, however, quite properly, a notional allocation to each spending portfolio, recognising that local authorities have responsibilities in the area of environment just as they have in education or any other of their local democratic responsibilities. Once again, it is a question for the Minister for local government as to the management or the monitoring.

[116] **Alun Davies:** I accept and agree with that—as you know, I prefer the unencumbered approach over one in which we try to turn local government into local administration. However, it must be a matter of some concern, given that the Assembly Government has a policy objective and a responsibility in law to promote sustainable development and so on. This money is allocated through the department, which is at the vanguard of pushing this through Government, but we cannot, at any point, identify how another body uses the funds that have been allocated through this department in order to promote sustainable development or any of your other policy objectives. That must be a point of some concern for us as an Assembly.

9.40 a.m.

[117] **Jane Davidson:** I return to the point that sustainable development is not an environmental issue; it is a central principle for all.

[118] **Mick Bates:** However, that line refers to sustainable development and the environment.

[119] **Jane Davidson:** Yes, but I return to the point that, as I said, sustainable development is an overarching principle for our relationship with local government. We can test the unencumbered capital funding in the sense that local authorities have applied for assistance over capital investment in flood defences, and before they received any assistance from the Assembly Government, we would have to be reassured that they had spent their allocation and needed money over and above that. So, there is monitoring, and tests can be put in place, but the detail of that will have to come from a dialogue with the Minister for local government.

[120] **Mick Bates:** You also specifically mentioned FS4B; so, could that line be used for FS4B?

[121] **Jane Davidson:** No. I mentioned FS4B in my previous answer to Leanne Wood regarding the Carbon Trust. I was asked about the support for businesses to reduce carbon emissions. Since a number of the questions that you have asked me so far are related to the budgets of other departments, not this department, I was making the point that one of the major contributions to business is our green jobs strategy, out of which FS4B is funded, and out of which we give support to business on reducing carbon emissions. That demonstrates cross-Government working on these initiatives.

[122] **Mick Bates:** Our curiosity is based on the £80 million that is in your budget, namely the capital expenditure that we have just been talking about for sustainable development and the environment. Yet, there is no monitoring, so you do not know what happens to that money, do you?

[123] **Jane Davidson:** I have made the point twice now that it is unencumbered funding.

Our department does not monitor unhypothecated funding to local government. However, I am absolutely confident that, as part of his close relationship with local authorities over spending, the Minister for local government carefully monitors what happens with the capital funding that goes to local authorities.

[124] **Mick Bates:** We shall see.

[125] **Alun Davies:** We should see whether we can identify how much of that notional cash is being spent in this area of local government. It is not a matter for this Minister, however.

[126] **Mick Bates:** No, but it is in this budget.

[127] **Rhodri Glyn Thomas:** Yr ydych wedi cyfeirio sawl gwaith at yr arian cyfalaf sydd ar gael ar gyfer amddiffyn yn erbyn llifogydd. Fodd bynnag, mae'r arian cyfalaf sydd ar gael yn eich cyllideb wedi disgyn ac mae'r arian refeniw wedi cynyddu. A allwch egluro rhywfaint ar hynny? Pam y newidiadau hynny? Ai eich dymuniad chi oedd hynny ynteu ddymuniad y Gweinidog dros gyllid?

**Rhodri Glyn Thomas:** You have referred many times to the capital funding that is available for flood defences. However, the sum of capital funding that is available in your budget has decreased while the revenue funding has increased. Can you shed some light on that? Why those changes? Was it your wish or was it the Minister for finance's wish?

[128] **Jane Davidson:** I can give you the broad explanation, which I have already given. We have had opportunities to bring a lot of additional capital funding into the portfolio as a result of bidding successfully to the SCIF and for European funding. There was a general instruction to all departments, which all Ministers complied with, in terms of reduction in revenue in the context of efficiency savings and reduction in capital as a result of the reduction in the Assembly Government's budget more generally. We were successful in bidding for additional capital allocations, but we have also been successful in the context of revenue, because the priorities in my portfolio are important priorities for the Assembly Government.

[129] Therefore, at a time where other Ministers are having to reduce their budgets this year, effectively the capital and revenue elements in delivering my portfolio responsibilities have increased.

[130] **Rhodri Glyn Thomas:** Felly, mae'r ychwanegiadau o ran cyfalaf wedi dod yn allanol, ac o ganlyniad, mae eich cyllideb chi, o ran cyfalaf, wedi gostwng ac yr ydych wedi cael rhywfaint o gynnydd o ran refeniw. Gwn eich bod wedi cyfeirio at hyn ynghynt, ond faint yn union yw'r arian allanol hwnnw, o ran cyfalaf, o'i gymharu â'r gostyngiad sydd gennych yn eich arian cyfalaf o fewn eich cyllideb?

**Rhodri Glyn Thomas:** Therefore, the capital funding increases have come externally, and as a result, your budget, in terms of capital, has decreased and therefore you have had some increase in revenue. I know that you have referred to this previously, but how much external funding have you received in capital funding compared with the reduction in the capital funding within your budget?

[131] **Jane Davidson:** I will ask Siân to give you the figures.

[132] **Ms Way:** I am sorry; I missed some of that.

[133] **Jane Davidson:** The question was about the increase in capital funding from external funding.

[134] **Rhodri Glyn Thomas:** There is a decrease in your own budget in terms of capital funding, but you have had some money coming in from outside your budget. I just want to know how those figures balance.

[135] **Mr Quinn:** For 2010-11, we have an additional £5 million in SCIF funding in that line, which is for floods. The European funding is on top of that where we have already been awarded a programme for flooding defences. Those are two significant capital sums over and above what we have, on which point we may have found the actual figure.

[136] **Ms Way:** On the flood side, we have the £5 million. We also have £8 million in European funding. Therefore, that is the additional capital funding that we have received. We have also received additional revenue funding through the resource assessment exercise and a certain amount of that has been allocated for flood risk management.

[137] **Rhodri Glyn Thomas:** What is the decrease in your capital?

[138] **Ms Way:** In terms of the efficiency savings we have a £1.2 million decrease.

[139] **Rhodri Glyn Thomas:** Therefore, it is only efficiency; nothing else.

[140] **Ms Way:** It is efficiency savings; it is part of the 4.6 per cent capital funding that we have had to save.

[141] **Mr Quinn:** Unless the increase is significant. Again, the latest discussion that we have had on the revenue funding is around looking at the wider approach to flood risk management for which, in many circumstances, additional physical defence is not the most appropriate solution because it just increases risk. Therefore, it is that wider management approach and the work that the Environment Agency does.

[142] **Rhodri Glyn Thomas:** O ran y gwaith a'r cyfrifoldeb rheoli y cyfeiriwch ato, bydd y Mesur drafft ar gyfer rheoli dŵr a llifogydd yn dod i fodolaeth. Faint o'ch cyllideb chi sy'n mynd tuag at y gwaith hwnnw?  
**Rhodri Glyn Thomas:** In terms of the management responsibility that you have mentioned, the draft water management Bill will come into existence. How much of your budget will be allocated to that work?

[143] **Jane Davidson:** It is not so much about the money allocated to the draft flood and water management Bill; it is about our responsibilities in the context of flooding. We have seen increased funding from the Assembly Government, including European funding and SCIF money each financial year as the flooding risk becomes more real. So, we have seen additional funding going into this area. We are continually looking at ways of bringing extra funding into this area in the context of our responsibilities.

[144] **Rhodri Glyn Thomas:** A ydych yn rhagweld, gyda'r Mesur newydd hwn, a gofynion y Mesur hwnnw ar Lywodraeth Cymru, y bydd mwy o'ch cyllideb yn mynd i'r cyfeiriad hwnnw?  
**Rhodri Glyn Thomas:** Do you anticipate that, with the emergence of the new Bill, and the requirements of that Bill on the Welsh Assembly Government, more of your budget will be allocated to that end?

[145] **Jane Davidson:** I think that you can see in the additional funding that I mentioned in my opening remarks—and Siân has also mentioned this in the context of investment for flooding—that we are continually looking at additional funding in this area. As we operate on a very strong evidence base, there is a whole range of other flood information mechanisms that we will discuss later this morning, which will impact on the departmental bid for finance in future financial years.

[146] **Rhodri Glyn Thomas:** The additional money that you have is through the SCIF and the convergence fund. Convergence comes to an end in 2013. You cannot be confident of receiving SCIF money year on year, therefore the requirements of this Measure will be year on year in your department, so will you face difficulties when convergence funding comes to an end and you are not successful in bids to the SCIF?

9.50 a.m.

[147] **Jane Davidson:** To look to 2013 to try to suggest that there is a problem—

[148] **Rhodri Glyn Thomas:** You may have trouble next year because you must put another bid to the SCIF.

[149] **Jane Davidson:** To look to 2013 to suggest that there is a problem with our successful budget application in 2010-11 seems to me to be the wrong way around. Between now and the end of 2011, some substantial extra detailed studies in relation to the impact on Wales in the context of flooding, whether in terms of surface water flooding or shoreline management issues, will be there for a subsequent Minister for finance and a subsequent Minister for environment in terms of bidding to the Assembly Government. We have had the opportunity to demonstrate the importance of continuing to put more investment into this area, and we are delighted that that has been successful. Although it is additional to the budget as outlined, the SCIF funding is part of Assembly Government funding in terms of the overall piece of funding, and, therefore, that amount will continue to be potentially available to future bidders.

[150] **Rhodri Glyn Thomas:** Fy mhwynt sylfaenol, Weinidog, oedd bod eich cyllid cyfalaf wedi gostwng, a dyna'r realiti o ran eich cyllideb. Mae unrhyw beth sy'n ychwanegol at hynny yn rhywbeth na allwch ddibynnu arno yn y blynyddoedd sydd i ddod.

**Rhodri Glyn Thomas:** My fundamental point, Minister, was that your capital funding has decreased, and that that is the reality with regard to your budget. Anything additional is something that you cannot depend on in the years ahead.

[151] Trof eich sylw yn awr at y strategaeth swyddi gwyrdd, sy'n rhywbeth y mae'r Gweinidog dros yr Economi a Thrafnidiaeth wedi cyfeirio ato'n aml. Beth yw'r goblygiadau'r strategaeth honno i'ch cyllidebau refeniw a chyfalaf?

I will now turn your attention to the green jobs strategy, which is something that the Minister for the Economy and Transport has referred to many times. What are the implications of that strategy to your revenue and capital budgets?

[152] **Jane Davidson:** The green jobs strategy is a cross-cutting agenda, and the issue of greenhouse gas emission reductions and the whole climate change strategy will be very important in its delivery. The opportunities for the people involved in the low carbon, no waste economy will also be important in that. There is a close working relationship, not only between my department and the Department for the Economy and Transport, but also the Department for Children, Education, Lifelong Learning and Skills because of the issue about getting the skills match right. Only in the past few days have we have seen an additional £34 million announced by our First Minister in the context of the Low Carbon Research Institute. So, it is not so much an issue about which budget element it sits in.

[153] In response to your previous remark, our bid to SCIF was successful because it is a major strategic responsibility of the Assembly Government. I am sure that any future Assembly Government will continue to respond to major, strategic responsibilities, and, in the context of climate change, issues related to adaptation will be major, strategic responsibilities



of a future Assembly Government.

[154] **Rhodri Glyn Thomas:** Credaf fod y cwestiwn yn eithaf penodol ynglŷn â chost y strategaeth swyddi gwyrdd i'ch cyllideb chi, o ran refeniw a chyfalaf, ond yr unig ateb a glywais oedd nad oedd fawr o wahaniaeth o ba gyllideb y daw. Felly, gofynnaf eto, beth yw'r goblygiadau o ran eich cyllideb yn y flwyddyn ariannol nesaf? Rhaid eich bod wedi edrych ar y ffigurau hyn.

**Rhodri Glyn Thomas:** I think that the question was quite specific regarding the cost of the green jobs strategy to your budget, with regard to revenue and capital, and the only answer that I heard was that it does not matter from which budget it comes. So, I ask you again, what are the implications for your budget for the coming financial year? You have obviously looked at those figures.

[155] **Jane Davidson:** What I find slightly odd about the question is the fact that every single element of my portfolio contributes to the green jobs strategy, in the sense that all of those people who are working in these fields are in green jobs. Virtually the whole of the waste budget can be considered as a contribution to the green jobs strategy. That is £73 million—

[156] **Rhodri Glyn Thomas:** Are you saying that there are no new implications to your budget in terms of the green jobs strategy?

[157] **Jane Davidson:** If I may continue to give you an answer, there is £73 million for the sustainable waste management grant, which is about increasing recycling and collecting food waste separately, and that has brought in extra jobs to local government. Envirowise has funding of £1.75 million, and Constructing Excellence in Wales has £0.5 million. Ecodesign Centre Wales has £0.2 million. Then there is the £3.5 million allocated to the capital grant scheme for recycling infrastructure, run by the waste and resources action programme; £0.6 million to help green jobs in the public sector, specifically advising on waste reduction and recycling; £1 million for the Cylch capacity-building investment fund, which creates green jobs and enterprise; the waste procurement programme; £4.8 million from the Carbon Trust to support businesses to become more energy efficient; and of course we have had a further £5 million allocated to the Carbon Trust to support two invest-to-save programmes for the public sector.

[158] That is a substantial element of my budget, and as well as specific amounts of money, there is also the fact that all the jobs related to my portfolio are, in a sense, green jobs. The green jobs strategy does two things: first, it encourages industry and investment to come to Wales, focused on green jobs, and of course we are doing exactly that with the anaerobic digestion programme. Secondly, we are greening existing jobs, including all the jobs in this portfolio, as well as looking more widely at how we can green jobs in other portfolios.

[159] **Mick Bates:** I am mindful of the time, Rhodri Glyn, and I think that the point has been laboured—

[160] **Rhodri Glyn Thomas:** I think that the answer is that there is no change to the budget.

[161] **Mick Bates:** You never know—it might have been that £18 million for capital. We do not know where that goes.

[162] We will end this item with two questions from Alun, one on planning, and one on waste.

[163] **Alun Davies:** I am not sure if my question is on planning, exactly; I am concerned with building regulations.

[164] **Mick Bates:** That has a lot to do with planning.

[165] **Alun Davies:** Regarding the current situation, I understand that building regulations will now be devolved on 31 December 2011. That is quite a long timescale; we are two-and-a-half years into this Assembly, and we have had this discussion about the devolution of building regulations on a number of occasions, and you have always been clear and explicit in your desire to see building regulations devolved. However, there is a good chance that neither of us will be here when they are finally devolved. I assume that your department has been making provision for this devolved function to be delivered to Cardiff. Could you explain the financial arrangements that you have made to ensure that you have the necessary resources in place when the function is devolved?

[166] **Jane Davidson:** I hope that you and I will still be here at Christmas, and the intention is that building regulations will be fully devolved by then.

[167] **Alun Davies:** Sorry, Minister—

[168] **Jane Davidson:** Can I finish? I will be going on to explain.

[169] We have laid the transfer of functions Order at Parliament, and we hope that it will be completed by December, so that the transfer will take place this side of Christmas. What we have done, very imaginatively—and not least to avoid an additional cost to the Assembly Government prior to our introducing changes—is to effectively introduce a sunrise clause, so that all our pre-legislative scrutiny and policy will be in place before 31 December 2011, when the commencing of the functions, and therefore the costs related to that, will occur. We will be doing all the policy work on devolution of building regulations this side of the election in 2011, and we will be able to immediately follow the actual commencement with a consultation on regulations for delivery.

[170] **Mick Bates:** Did you get all that, Alun?

[171] **Alun Davies:** The reason that I express surprise is that, at the Finance Committee meeting on Monday, I heard that these functions will be devolved from 31 December 2011.

10.00 a.m.

[172] **Jane Davidson:** That is the date of commencement. We are grateful to the UK Government for the helpful discussions we have had on this. Otherwise, we would have had a cost to this department for the delivery of a function that we were not immediately exercising, because we must do all that policy development and pre-legislative development prior to taking on the functions. Therefore, it is an imaginative solution to dealing with the appropriate devolution of building regulations.

[173] **Alun Davies:** I completely trust your management of it, Minister. I am not challenging the way it is being done. Who is paying for it at the moment?

[174] **Jane Davidson:** At the moment, there is no cost—that is the point. The point is that there is no cost to the department of the transfer of functions until the commencement. The cost will begin with the commencement.

[175] **Alun Davies:** I understand that the costs to your department will begin then; I accept that. The point I am making is that someone must be paying for the build-up of capacity and the work that you have outlined.

[176] **Jane Davidson:** Those are internal departmental costs.

[177] **Mr Quinn:** There is also the support that we give to the low/zero carbon hub for the work with industry. There is funding for that.

[178] **Alun Davies:** Are there additional costs associated with this? There must be.

[179] **Mr Quinn:** We are not sure yet. We are doing a piece of work between our department and the Department for Economy and Transport, which has a number of responsibilities in this area. Our aspiration is that, over this period, it will be cost neutral. There are a number of people on the economy and transport side who have this construction skills set. The idea is to bring this work together under one team rather than bits of work being dotted around the place, as is the case now.

[180] **Alun Davies:** So, there will be a building regulations unit or department in January.

[181] **Jane Davidson:** It may not be in January, but, following the transfer of functions, we will ensure that the appropriate arrangements are in place for delivery of the policy agenda. We will carry out the pre-legislative consultation on the changes that need to be made to building regulations so that, I hope, following the commencement, the only thing remaining to be done by the future Minister will be a relatively short and easy consultation on regulations, because the policy development work will all have been done this side of the next Assembly elections.

[182] **Alun Davies:** Am I correct in thinking that it is a transfer of functions to Welsh Ministers, rather than a transfer of legislative competence to the Assembly?

[183] **Jane Davidson:** Yes, the transfer of functions will be to Welsh Ministers.

[184] **Mick Bates:** Thank you for that information, Minister. I called for a statement on this, so it might be useful if there were a note of the details. Is it your intention to make a statement?

[185] **Jane Davidson:** I am happy to respond to that now, Chair. I saw your request to the Leader of the House. As soon as the building regulations transfer has gone through Parliament, I will issue a written statement to explain what will happen following the transfer.

[186] **Mick Bates:** Thank you very much. Brynle has some questions on waste.

[187] **Brynle Williams:** The revenue budget for the waste strategy is set to increase by quite a substantial amount, compared with the budget for 2009-10. However, earlier, you identified efficiency savings in this area. What activities will be affected by these savings?

[188] **Jane Davidson:** What we had in that area was potentially a very large increase in the budget for this coming financial year. We are getting a reduced increase as a result of that. The department has looked at the delivery. We have been working so closely with local government over the past year and a half that we are confident that efficiency savings can be achieved in this area. It is the more-for-less agenda; as a result of our close work, we will achieve better outcomes. We have been able to provide additional funding to local government for the increase in food waste collections in particular.

[189] We are also looking at delivering a different kind of education and communications programme. Historically, the Assembly Government has produced Government adverts for television; you have probably seen them. However, that is a very expensive way of doing business, and I have been looking at much more localised community campaigns, which are

more efficient in spending terms and which will, I think, have better outcomes. The trouble with high-profile television adverts is that, as a small Government, we cannot afford many; blink and you miss them. So, we are determined to have a much more consistent, longer-term message about waste. We have amalgamated our resources and local authority resources in terms of the delivery in that regard, which is strongly supported by local government.

[190] **Mick Bates:** Thank you for the answers. Notwithstanding a note on the strategic capital investment fund, we look forward to the announcement on building regulations. Thank you for your evidence today.

[191] **Alun Davies:** I thought that we had asked for a note from the Minister for Finance and Public Service Delivery on SCIF as well.

[192] **Mick Bates:** Yes. Are there any other points that Members wish to follow up at this stage before I draw the item to a close? I see not. It is my intention to have a short break for a couple of minutes before we return for the item on the flood inquiry. Members should be mindful that we are due to finish at 11 a.m..

*Gohiriwyd y cyfarfod rhwng 10.05 a.m. ac 10.11 a.m.  
The meeting adjourned between 10.05 a.m. and 10.11 a.m.*

**Ymchwiliad i Lifogydd: Craffu ar Waith y Gweinidog dros yr Amgylchedd,  
Cynaliadwyedd a Thai  
Inquiry into Flooding: Scrutiny of the Minister for Environment, Sustainability  
and Housing**

[193] **Mick Bates:** We will now scrutinise the Minister as part of our inquiry into flooding in Wales. The introduction was to be our video of people's evidence, but I will dispense with that, because we have to finish at 11 a.m. Minister, would you like to introduce your associates and make a brief opening statement?

[194] **Jane Davidson:** I will make it brief, because I have appeared in front of the committee before to discuss flooding, but I am very happy to be back. Since I last came before the committee, we have had a number of localised flooding incidents in Rhydfelin, Newtown in June, which saw 40 properties flooded, roads blocked and an industrial estate cut off. We know, through climate change predictions, that events like this will become more frequent in the future.

[195] We have been clear since the launch in July 2007 of the New Approaches programme that we cannot simply take one approach to managing the risks of flooding and coastal erosion across Wales. We need to ensure that we fully understand the risks that we face, map them and identify the areas most at risk. We need to communicate the risk to the people who are affected and we need to ensure that each community at risk is aware of the problems and what we can do to manage them. That has been of particular interest to the committee.

[196] Managing the risks in a uniform way is not possible, because each risk in each location presents specific issues that have to be addressed. For some, the construction of defences will be the answer; for others, it is about increasing drainage options and making better use of natural resources, such as salt marshes and wetlands. In all cases, we need to use the most appropriate management methods. We also need to have comprehensive systems in place to rescue people affected by flood and coastal erosion events and to repair damages. Interestingly, only yesterday, we met the person who looks after flooding issues in Malaysia, where the capital is flooded almost yearly and yet people are back in their houses within a week. We know that some of the people affected by the flooding in England in 2007 are still

out of their homes two years later. So, we have to change the culture across all of our communities at risk of flooding in relation to what people need to do for themselves as well as assessing the role of Government.

[197] The paper that we have provided sets out the risks and the actions that are under way. We are working with partners from the Environment Agency, local authorities, the emergency services and the third sector to develop holistic and complementary approaches to the different facets of flood and coastal erosion management.

[198] I want to finish by saying that it is very much about a partnership approach. A recommendation made by Michael Pitt in his review was that people need to understand their role in the partnership and there needs to be clarity on the roles, so that is what we are taking forward. We have already discussed the fact that there is additional funding to help that to happen.

[199] **Mick Bates:** Could your officials please introduce themselves for the record?

[200] **Ms Bennett:** I am Claire Bennett, and I am deputy director of the climate change and water division in the Welsh Assembly Government.

[201] **Mr Jones:** I am Pete Jones, head of the flood and coastal risk management branch of the climate change and water division.

[202] **Mick Bates:** As you are aware, we approached this from the point of view of a person who had just experienced flooding and we looked at all the aspects of that. It was an interesting piece of work and we have yet to make our full recommendations. However, I am also mindful of the impact of climate change on this and that there is a global flooding issue. In one respect, when I look around the globe at countries like Bangladesh, where entire communities can disappear under floodwater, it throws this issue into stark relief, but that does not reduce the problems faced by those who have been kept away from their homes for two years because of flooding. Angela has the first question on this subject.

[203] **Angela Burns:** May I first clarify whether the Minister has seen the short film?

[204] **Mick Bates:** I must apologise for that, and explain. We have a short film of the evidence that we gathered in each constituency in Wales on board the Assembly bus. It was my intention to show it this morning but, because we are running 10 minutes late, I had to cancel it.

[205] **Angela Burns:** I understand that, Chair, but would it be possible to give the Minister a copy of that film because I think that she would be interested in it?

[206] **Mick Bates:** When we debate this in the Chamber, I intend to show it on the screen there.

[207] **Angela Burns:** The film is interesting because it shows a number of the scenarios experienced by people throughout Wales. They told us their stories and explained what happened to them. While I understand that you must not allow sympathy for someone's plight to dictate an entire policy, what that film highlights time and again is the lack of co-ordination between agencies, and individuals' lack of understanding of who to turn to. There is one gentleman in the film who had a pump fitted on his land to help to save the rest of his village from flooding, but it saves everyone except him; he is constantly flooded. He cannot move back into the main part of his house and has had to live in a flat above his garage for eight years. His house is completely blighted and he cannot sell it. He lives on my patch, and so his local MP and I have fought for years, particularly his MP, to try to get some redress for him,

but he is just batted from one agency to another. I highlight his case in particular because it shows why, from all the evidence on flooding that I have seen so far, my main concern is about absolute accountability.

[208] I understand that you intend to give the Environment Agency a more overarching role to ensure that all flooding issues are dealt with while strengthening local authorities' ability to handle surface water flooding caused by the extreme rainfall that we get. I am worried about this. I believe that all water issues should come within one jurisdiction because you then ensure accountability and responsibility. It is hard for a person in the middle of a crisis to work out whether to phone this or that helpline, which are not always effective, whether to go to the council for redress, or whether to talk to the Environment Agency. It is also hard for them to know what part the Welsh Assembly Government will play in it. I would like to understand your decision on this.

[209] On the Environment Agency and the additional remit that you wish to give it, I want to understand whether it is really up to the mark on this. Again, I am not filled with confidence that it has the resources, the capability, the communication skills or the ability to integrate fully with local authorities and to encourage and inspire people. The other point that you make eloquently and with which I agree 100 per cent is that an individual also has a personal responsibility to ensure their safety from flooding. So, could I open up with that rather broad question?

10.20 a.m.

[210] **Jane Davidson:** There is often an attraction in thinking that if you make structural changes, by making one body responsible for everything, you can solve the problem. However, the difficulty with flooding is that the reasons for it are different in different areas and therefore the solutions for dealing with it are different. As a result, a range of agencies will be needed to ensure an appropriate response. When Sir Michael Pitt reviewed this, he explicitly did not recommend making a single agency responsible, but he did recommend ensuring clarity about the responsibilities. The Environment Agency has a general supervision duty for flood defence under the Environment Act 1995, and local authorities are the first port of call, in a sense, for the local response. He took a huge amount of evidence, came up with a lot of recommendations, and we have been working with that expert advice in formulating the policy that we have put forward.

[211] I do not believe that the Environment Agency lacks the capacity to deliver its enhanced oversight role. I do not believe that that role, in itself, will be particularly onerous because, in Wales, it will be the Assembly Government that sets the policy through a national strategy. It is our intention to have that national strategy in place by 2010, so we will be looking at consulting on that fairly early in the year, once the flood and water management Bill comes before Parliament—and, as you know, that will happen in the final session at Westminster. That will mean that we have a national strategy from Government in Wales with the responsibilities of other agencies denoted very clearly.

[212] Those other agencies are not just the Environment Agency and local authorities, but the registered social landlords who provide houses for their tenants, the police, the fire service and other emergency services because almost every single aspect of our functions can be affected. Infrastructure, for example, was a critical issue highlighted in Michael Pitt's review because we were so close to having major problems with our electricity as a result of the flooding in the midlands in 2007. We are not concerned that the oversight role cannot be appropriately delivered, and we are delivering on Michael Pitt's recommendations. That came through from the evidence of the flooding in Avon and Gloucestershire.

[213] I would just emphasise one point that you rightly made, which is that we have been

doing pilot studies of those communities affected by flooding, and because there have been different reasons for the flooding, the community responses are different to some extent. The answer to some is improved drainage but drainage is not an issue for others. Therefore, we have our surface water integrated management group producing information for us on those parts of Wales that are most at risk of surface water flooding. From the Government's perspective, we can then have a clear view of all those areas to articulate clearly whose responsibilities are whose in the context of the national strategy in Wales, and therefore where the community can get the right support.

[214] **Angela Burns:** I hear what you say as I have been listening carefully, but I am worried when I see the evidence on the ground. Rhodri Glyn will know this area, but there is a place in Whitland called Velfrey Road where there are about six houses that get flooded very regularly. The householders literally have to stand in their gardens and figure out whether the flooding is coming from the river behind them, which is the responsibility of the Environment Agency, or racing down Waungron hill from Pembrokeshire because the drains in Carmarthenshire are already full. When I talk to all the agencies involved in that area and try to get a resolution I am just told things like, 'It's not us, guv', or 'That definitely didn't come from the river' or 'No, we didn't get that much rain'. The ultimate effect is that the people in these six houses are living in complete misery for most of the time, and I sure that you could find that pattern repeated throughout Wales.

[215] Scotland has taken the silo approach. There, a local authority is responsible for all the surface water flooding, all the coastal flooding, and all the river flooding in a county—and I think that Scotland has counties—and then, when it spreads, given that coastlines are not confined by county boundaries, it forms a consortium with the councils next door. They have the Scottish Environment Protection Agency, an overarching Government effort, and my concern is that the Environment Agency has responsibility for delivering some of it, and the local authority for delivering the rest of it. I would have thought that one delivery mechanism would be good, even if the Environment Agency were to retain its overarching strategy view.

[216] **Jane Davidson:** In a sense, that is what we are doing. The Environment Agency will have an overarching role according to the policy laid out in the national strategy. The role of the Environment Agency will be clear, as will be the role for local authorities. A critical element of this is ensuring that we have the appropriate information. That is why I made the point about surface water mapping. The reason for the lack of clarity at the moment is because flood legislation takes no account of surface water flooding. That is why legislation is the right answer to this problem, and not just policy. We therefore strongly supported the idea of having that legislation, and Michael Pitt proposed that legislation would give clarity about the roles. That is why we are taking it forward in that way.

[217] I have visited several communities in which people have suffered flooding, and I have experienced exactly the same responses from individuals. It is therefore critical that the issue of improving communication be taken forward in a major way at all levels. Our pilot studies are showing that clearly.

[218] **Mick Bates:** I have three Members waiting to contribute: Alun, Rhodri, and then Brynle. Angela, you can then sum up.

[219] **Alun Davies:** Following on from Angela's point, I accept the point that you make, Minister, about the structural relationship between these different bodies. May I press you further on the relationship between all these different bodies and the public, particularly people who have been affected by flooding? Is it not possible for us to create a one-stop-shop of sorts, as the public face more flooding? That could be the Environment Agency, which I assume would be the most appropriate candidate, or it could be the local authority. That shop front, if you like, would take responsibility for delivering for people in the event of a flood

and for clearing up afterwards. The public gets frustrated when it has to deal with different bodies that refer them to other bodies. That is, you deal with someone at one organisation, who says, 'Oh, we don't do that; you will have to go there'. This is happening to people who have been through a traumatic experience that has left them feeling bruised, hurt and emotional. The public response to that at whichever level of Government is poor, because people do not feel any sense of appreciation of what they have experienced. There is no sympathy shown by any of these different bodies, which seem to be more concerned with what they are responsible for, leaving an enormous gulf between that and the next public body, which is responsible for something else.

[220] I accept what you said about structural change, Minister, with regard to Pitt and all the rest of it. That is all fine and fair enough in the back office, in the function of delivery, but what about the front of shop? Would it not be possible to create a mechanism or a means by which the public would have one office, one telephone number and one website to contact, and then that single entity would take responsibility for delivering for the person, family or community affected? It would then be left to that entity to sort out all the business between the different bodies that have the responsibility for delivering various services? At the moment, many people feel very hurt, and that the public space, as it were, does not sympathise with them.

10.30 a.m.

[221] **Jane Davidson:** I think that you are right. I have two points to make in response. The first is that we should not underestimate the impact of bringing surface water flooding formally into legislation as a statutory function. When I first became Minister and witnessed my first major surface flooding incident, which was in Barry, I was initially told that I could have an interest, but that it was not my responsibility. I said that we could not have a situation in which Assembly Government Ministers have the wrong sort of flooding. It completely exposed the structural issue, long before we saw those dreadful floods in Gloucestershire. So, there is an important set of relationships that we can explore through the national strategy. I am keen that we end up with a one-stop-shop approach; an example is the idea of having one telephone number. We are unable to do that with energy, because we have a liberalised energy system, but we could take a floodline-type approach.

[222] We have talked before about the fact that we think that people who are at risk of river flooding can be given notice, because that is where there is a real difference in terms of flooding: you can be given notice of how many hours it is likely to take before a river will affect your community. You cannot be given that notice with some surface water flooding, where life-threatening situations can arise in 20 minutes. We are also keen to ensure that that is an opt-out system rather than an opt-in system. So, we are actively looking at communications that can deliver that objective. You will be able to explore those when, undoubtedly, I will come back in front of you at the beginning of next year to discuss the development of our national strategy and the role of communications. We foresee that the Environment Agency will have the lead function on this.

[223] **Mick Bates:** The major point is the communication between the various bodies involved. I hate to mention it, but Farming Connect once operated well in a similar situation; a great many bodies delivered different aspects, but there was one telephone number under Farming Connect. You could call it Flood Connect, but you need a body to co-ordinate all the issues. That is where we are travelling with the inquiry.

[224] **Ms Bennett:** May I briefly reinforce what the Minister said? That is what we are aiming for. In the current situation, people are saying 'It's not me, gov. It's not really our type of flooding'. That will not be acceptable and the national strategy will make it absolutely clear that the Assembly Government's steer is that it is everyone's job, collectively, to deal



with flooding. Individual operating authorities will have particular responsibilities, but part of those responsibilities will be to ensure that the person who has been affected by flooding gets the information, help and support that they need, regardless of who has to deliver that to them. We will make that explicit. To be fair to the operating authorities, the European programme has been a good opportunity for us to start to move towards that sort of approach. We said, 'You won't get a project funded unless you can demonstrate that you are working in partnership with other organisations and that you are showing how you are making this a risk-management project that's looking at the communication of the risks to the community'. It is not just about building a wall or a ditch.

[225] We are not there yet, and we would all acknowledge that, but we will be setting out this very clear direction to all the operating authorities and bringing ourselves as the Assembly Government into that. We will have to demonstrate that we are able to play our part in communicating clearly to communities. There is a good opportunity to link this to some of the work that we are doing on climate change communication and working with communities on that, and bringing in the adaptation aspect alongside emission reduction. We have not solved this, but that is where we are heading.

[226] **Jane Davidson:** It is also worth pointing out that the Environment Agency is doing some pilot work on communication in terms of communities at risk, and is testing this. I am a great fan of klaxons. If a community is at risk and we are asking people to leave, a sound that everyone can hear may be the most effective way of doing that.

[227] **Mick Bates:** In our area, it used to be the church bell.

[228] **Jane Davidson:** I am not wedded to the idea of a klaxon.

[229] **Mick Bates:** Seriously, people were trained in flood risk. Do not let us lose sight of this issue of internal communication. Pitt mentioned 'clarity of roles and responsibilities'. Too often, those silos that Angela referred to mean that people do say, 'Sorry; it is not ours'. That co-ordination for the individual is absolutely crucial, which is where I think that we need to end up after our inquiry.

[230] **Jane Davidson:** We absolutely do remember. The point that Claire has made very strongly is that the structural responsibilities will be laid out in legislation and it will tackle that responsibility gap—it is a responsibility gap, at present. Our opportunity to have a national strategy will enable us then to look at the delivery and the clarity of responsibilities so that no-one will be able to say, 'It's not me, guv'.

[231] **Mick Bates:** We had evidence from the Environment Agency that it did not evaluate at the end of the flood what had happened and what people felt was lacking during the whole process. To me, the whole process of communication needs a big overhaul.

[232] **Jane Davidson:** I am determined that evaluation and monitoring is part of this for the future. I am happy to put that on the record.

[233] **Brynle Williams:** On that theme, Minister, it was interesting to see, in Gloucester, a very simple thing like the town council keeping drains open, and watching for fly-tipping. It is a simple thing that we, regrettably, do not see in many areas now. I go around my own town of Mold and I see shopping trolleys and old mattresses in ditches. The public has a role to play in this. We must keep on top of simple things like that.

[234] However, I will move on briefly to the mapping of areas susceptible to surface water flooding. When will this be completed, Minister, and how often will it be updated, taking into account new build? Will these maps be available to the public? An aspect on mapping that

emerged from our research was that it should not simply be a matter of postcodes, because that leads to many properties having trouble getting insurance or seeing their insurance become extremely expensive. This needs to be separated out, if possible.

[235] **Jane Davidson:** In response to your first point about shopping trolleys and so on, we had an interesting meeting yesterday with the representative from Malaysia, where they deal with flooding on an ongoing basis. One of the aspects of discussion that emerged was that something as simple as fencing along rivers would stop cars from going into them, which then raises flood levels when they block bridges, for example. All of us saw the pictures of Boscastle where cars were seen rushing down the river. There are a number of those quite simple mechanisms that, if you are thinking flooding first, you can put some quite simple preventative measures in place that will contribute. In terms of surface water mapping and other issues, those are exactly the kind of things being considered, as well as the removal of the shopping trolleys and mattresses, and keeping drains and culverts clean.

[236] The integrated surface water management group has completed its work. It is the first time that that has been done. I understand that it is being currently tested with the local resilience partners: the other partners who are involved in dealing with these issues, whether that is local authorities, emergency services and others, which includes the Environment Agency. Our understanding of flooding from rivers and the sea is a lot better than our understanding of surface water flooding. We know that further work has to be done to refine this data, because when you collect it for the first time, it will not be perfect. We will be making the maps available to the public; therefore, in a sense, it is being peer-tested at the moment. When it has been through that approach it will go into any actions for local authorities in terms of their own local flood risk management strategies, which will be part of the proposals out of the legislation.

10.40 a.m.

[237] On the issue of insurance, I have had an interesting dialogue, informally with insurers, as well as with the National Flood Forum. I know that Peter and his colleagues have been dealing with the Association of British Insurers to look at incentives for households to take action themselves, and to see that reflected in the level of excess in relation to flooding, or to have particular elements in relation to flooding in the context of the insurance that does not affect the other household insurance. There are imaginative proposals coming forward that will be consolidated in our strategy when we launch it.

[238] **Brynle Williams:** When do you plan to publish this guidance on the flood-risk management approach to the operating authorities?

[239] **Jane Davidson:** I suppose that our guidance will be our strategy. Since Peter is our flood guru in the Assembly Government—a skilled practitioner as well as a civil servant—perhaps he could say a little about the timetable.

[240] **Mr Jones:** We plan to develop, consult on and publish a national flood risk management strategy for Wales during 2010. Incorporated in that strategy will be guidance on what a flood risk management approach would look like in Wales, and how that flood risk management approach would be implemented. That will clearly establish roles and responsibilities and will put a lot of emphasis on how organisations work together in partnerships, to understand the complete picture, so that any community or individual at risk, if they are approached individually, have a complete understanding of the overall picture rather than just a picture of individual responsibilities. That will pick up this issue of whether the flooding comes from surface water sources or from main river sources. We want to see all of the partners understand the whole picture in terms of the risk, and to be able to explain that. That is what we would look to incorporate in the strategy, which we hope to see published in

2010.

[241] **Jane Davidson:** It is worth adding one more point. One critical element of this is the responders, so that the response, and its framework, is agreed by all partners. That framework will be coming to us, I understand, in March of next year, which will contribute towards the strategy. So, we will have a clear picture, at a national, regional and local level, for all responders in the context of the response framework. So, we are ensuring that, for every aspect of this, we have the right information and evidence, in terms of surface water mapping and the traditional mapping that has been done by the Environment Agency on catchment basis, for example.

[242] **Mick Bates:** On the strategy that you referred to, Peter, will its publication be dependent on Draft Flood and Water Management Bill going through Parliament?

[243] **Mr Jones:** Yes.

[244] **Ms Bennett:** Having the strategy is not dependent on the Bill, but having a statutory strategy is, if you see what I mean.

[245] **Mick Bates:** Yes, I do.

[246] **Ms Bennett:** So, we will be publishing a national strategy regardless.

[247] **Mick Bates:** However, elements that would be contained in the Bill would not necessarily be in the strategy.

[248] **Ms Bennett:** The point is that we might intend to make a statutory strategy using the legislation. Sir Michael Pitt, in his review recommendations, has made it clear that there are many things that need legislation before they can happen, but he has also made it clear that that is not an excuse to not get on with things. An awful lot can be achieved by organisations choosing to work together, adapting their operating practices and being more flexible, even though some of that needs legislation to back it up. So, that is what we have been working towards since that report was published.

[249] **Jane Davidson:** It is worth saying that the resilience arrangements that we had in Wales meant that our teams were able to offer incredibly effective help during the floods in England, because we already had those relationships here in our small country. I do not think that any hares should be set running over not getting legislation, because there is all-party support for getting this legislation through in the fifth term, and we know that it is coming in the Queen's speech. It is a shorter, sharper Bill than we might have wanted, but it is a Bill that will clarify responsibilities, which is the critical issue in this area.

[250] **Mick Bates:** I am mindful that we have to finish promptly at 11 a.m., so there are 15 minutes left, and there are some substantial issues to cover. I therefore ask Leanne to start on the planning questions.

[251] **Leanne Wood:** Minister, could you tell us how you are ensuring that current and future drainage systems are adequately built to deal with the expected increases in rainfall events?

[252] **Jane Davidson:** We have changed planning legislation in the context of climate change more generally to ensure that buildings for the future are able to cope with flooding events.

[253] **Leanne Wood:** Do you mean new build?

[254] **Jane Davidson:** Yes, because the planning system is not retrospective. It focuses on what we will build for the future, so our planning policy is about ensuring that we do not have additional problems in the system by having an inadequate response in this area.

[255] **Leanne Wood:** You say that you are working with the Environment Agency to explore different scenarios for long-term investment in flood and coastal defences. Can you expand on which scenarios are being explored? When do you see those scenarios being implemented?

[256] **Jane Davidson:** I will turn to Peter to explain a bit more about those scenarios.

[257] **Mr Jones:** I will start by stating the obvious: it does not matter how much we invest in flood-risk management measures, we will continue to be flooded, and there will continue to be a residual flood risk. That is important. Irrespective of how high the defences are, if we are sitting on the floodplain, then we will flood.

[258] Over the last few years we have developed a data set that is sufficiently consistent to enable us to model the implications of our existing networks. That gives us an indication of the residual risk. The latest information is that, on average, we can expect about £200 million of damage each year as a result of flooding from river, sea and surface water.

[259] As for the range of scenarios that we have looked at, we are looking to determine the residual risk over the next 25 years. We have started by looking at an option whereby we continue with the current level of investment, and that will indicate the residual risks that we could expect over the next few years as a result. We have covered a range of options, and work is ongoing, so I have not seen all of the results as yet. However, the other extreme of that range of options would be to look at a scenario where we would maintain existing flood risk levels, taking into account the increase in risk as a result of climate change. That would involve replacing our existing infrastructure as it reaches the end of its working life, as well as looking at those properties at significant risk now, and starting to manage down the numbers of those properties. Obviously, there would be a cost to deliver that, and between those two extremes, we have a range of different scenarios.

[260] I must emphasise that this is the first attempt at doing this, and is very much a high-level assessment across the whole of Wales. What it will do, in my view, is provide sufficient information to enable us to start a debate on which options are appropriate. Obviously, it will be used to determine or inform a decision as to the appropriate level of investment.

[261] **Leanne Wood:** So, when you say that you hope that a debate will be started, is it the plan to ensure that there is full consultation with communities before any measures are put in place to deal with the scenarios that you come up with?

10.50 a.m.

[262] **Mr Jones:** The exercise that we are doing and the level of detail that it would pick up do not go down to the community level. We are looking to use this information to put high-level options on the table to start the debate. Obviously, the more detailed information would come later.

[263] **Leanne Wood:** On the impact of climate change, Minister, how long do you think our current coastal flood defences will be effective? What are you doing to ensure that communities are protected from coastal flooding in future?

[264] **Jane Davidson:** This is the issue around shoreline management plans, which will

assess the potential effect of climate change, including the information from the Met Office Hadley Centre—the climate impacts programme information—over the next 100 years. The plans will look at the short, medium and long term. I assume that the long term is 50 to 100 years. We understand from the work done so far that our existing defences with regard to sea level rise will be effective in the short to medium term. However, we will have a public consultation on the shoreline management plans because, although it does not look as though there are any communities at risk in Wales in the short to medium term, we know that there are communities already at risk in England and we are therefore also learning from the experience with the UK Government.

[265] **Mr Jones:** It is important to recognise that our existing network of coastal defences is extremely effective. It has provided an excellent service in the past, protecting communities, and that defence and protection will continue into the future. We recognise that, with time, the standard of protection that those defences provide may reduce, and we will be monitoring that reduction. However, we will continue to maintain the coastal defences to a level sufficient to ensure that they continue to offer the adequate protection that they currently provide. When they reach the end of their working life we will consider what to do with them. If the policy from the shoreline management plans is to continue to defend, we will look at the investment in that area.

[266] **Jane Davidson:** To re-emphasise that point, in a qualified way, we are reassured that the shoreline management plan policies will defend coastal communities for the medium term, and not just for the short term. Obviously, plans are under review with regard to climate change, but we do not anticipate significant change in that respect, because that factors in the data with regard to predictions of climate change.

[267] **Leanne Wood:** Are you saying that the existing defences will be adequate for the next 50 years?

[268] **Jane Davidson:** Broadly, we are saying that the view is that the current shoreline management plan policies will continue to defend coastal communities for the medium term. You could not ask any person to predict what is going to happen over the next 50 years. We have to use the evidence base at our disposal to see whether there must be any changes in policy direction now or in future. That is where the shoreline management plans are most important, and they affirm that we have the right policies in place for now and the medium term. However, as Peter says, these issues will have to be held under review all the time as new data become available.

[269] **Mick Bates:** Can everyone please keep their points brief as I want to get something on the record about the Cave and Walker reviews?

[270] **Leanne Wood:** Finally, what is your position on managed retreat? Have you commissioned any research on that area?

[271] **Jane Davidson:** The shoreline management plans are the vehicle by which all of these issues are being looked at. In the short term, it may be appropriate to consider localised managed realignment rather than retreat, for habitat creation purposes. We are looking at the experience of the UK Government on this issue because these issues have already been faced in East Anglia, for example. Peter, did you want to come in on the publication of the shoreline management plans?

[272] **Mr Jones:** The shoreline management plans are being reviewed as we speak and they should be complete by 2011, by which time we will have an assessment of what the policies will be for the next 20 years, 50 years and 100 years. So, the specific question about whether existing defences will be appropriate for 50 years will be answered by that time.

[273] **Jane Davidson:** This is being led by the Environment Agency, so you may wish to have conversations with the Environment Agency specifically around this agenda.

[274] **Brynle Williams:** My concerns are about Tywyn in my constituency of north Wales. There is still great concern—a concern that my colleague has raised several times—that where the river Clwyd runs into the sea the banking is higher on one side than on the other. If the river over-tops, a new development will be engulfed by flooding again. I would appreciate if you could look at this issue most urgently. It is a serious specific problem, but Tywyn has suffered from floods and people still have not returned to their houses after 20 years. The fear is that the river could over-top again if we had spring high tide.

[275] **Mick Bates:** There possibly needs to be a letter from you about that.

[276] **Alun Davies:** It might also be useful to have a note on the Cave and Walker recommendations in view of the limited time that is available to us. I found some of the things in the Cave review absolutely terrifying—I thought that the principles behind the Cave review were wholly inappropriate to be extended to Wales, as were many of the recommendations. You have said that it is your intention to consult on the recommendations by Cave and Walker. Can you give us a timeline for when you expect to be able to do so? Following on from that, we are working on a very tight timescale in terms of parliamentary time before the end of the current parliament. Is it realistic to be able to expect to consult fully, draw up recommendations on the basis of it and take forward any necessary legislation as part of the draft flood and water management Bill before the general election?

[277] **Jane Davidson:** We have made it clear as a Government that we do not see any need for additional competition in the water industry in the context of domestic householders. I made that clear when I came before the committee previously. The joint consultation is already out there—the consultation on the Cave review went out on 17 September, and it closes on 18 December. The consultation provides an opportunity to comment on the proposed new regulations to extend and enhance competition and innovation in the water and sewerage industries in England, and it provides people with an opportunity to comment on the appropriateness of the recommendations in relation to Wales. As I said previously, to not be involved in any way could end up with things being done to us which we are not happy about, whereas we can put back our views in this context very strongly. So, this document clearly shows that there is a policy difference in England and Wales—you will see that the two proposals sit very unhappily together in the document. However, it is important that we ask for people's views in Wales.

[278] The Walker review comes out at the end of November or the beginning of December. Although we have had access to the types of areas that will have recommendations, which has been factored into our thinking, we will be able to formally consider the recommendations and consult. However, there will be opportunities during the passage of the Bill to make sure that all these issues are picked up.

[279] **Alun Davies:** So, you believe that there will be time to make changes to the legislation before parliament is dissolved.

[280] **Jane Davidson:** In my view, yes, but Claire will come in on this.

[281] **Ms Bennett:** The detail of the Bill that will be published is not yet known, but what is known is that a number of issues might need to be picked up in later legislation, and one might assume that the vast majority of these would be picked up at the first stage of the legislative process. I do not want to pre-empt what Members of Parliament will say when the legislation is before them, but it is difficult to see how the considerable amount of work that

would need to be done on many of these areas could be completed in time to be included in this Bill.

11.00 a.m.

[282] **Jane Davidson:** As I said earlier, we know that this will be a short, sharp Bill that is deliberately focused on all-party support, so that it goes through and clarifies the responsibilities and delivers on the Pitt recommendations. The other issues are likely to be picked up subsequently, but there will certainly be time to have the consultation prior to any legislation being drafted. That is the critical point.

[283] **Mick Bates:** Thank you very much, Minister. I am mindful that you have a journey to make. Is it to open an aerobic digester, perhaps? Unfortunately, I see not, but perhaps one day it will be. Thank you very much for your evidence. You are familiar with the process, so, as you know, you will be sent a copy of the draft transcript. Thank you very much.

11.01 a.m.

**Papur i'w Nodi**  
**Paper to Note**

[284] **Mick Bates:** You have a copy of the work programme. The next meeting will be on 22 October and will follow the Rural Development Sub-committee meeting. Its purpose is to approve the budget reports. Thank you very much. I bring the meeting to a close.

*Daeth y cyfarfod i ben am 11.01 a.m.*  
*The meeting ended at 11.01 a.m.*