Agenda – Climate Change, Environment, and Infrastructure Committee

Meeting Venue:	For further information contact:
Hybrid – Committee room 3 Senedd	Marc Wyn Jones
and video Conference via Zoom	Committee Clerk
Meeting date: 20 September 2023	0300 200 6565
Meeting time: 09.30	SeneddClimate@senedd.wales

Private pre-meeting (09.15-09.30) Briefing from Expert Adviser

Public meeting (09.30-11.40)

- Introductions, apologies, substitutions, and declarations of interest (09.30)
- Infrastructure (Wales) Bill Evidence session with Natural
 Resources Wales and the National Infrastructure Commission for
 Wales

(09.30–10.30) (Pages 1 – 72) Lisa Phillips, Senior Specialist Advisor, Water, Land, Biodiversity and Marine Regulatory Approaches Team – Natural Resources Wales Rhian Jardine, Head of Development Planning Advisory and Marine Services – Natural Resources Wales Dr David Clubb – Chair of the National Infrastructure Commission for Wales Steve Brooks – National Infrastructure Commission for Wales Member Attached Documents: Infrastructure Bill – Bill summary Infrastructure (Wales) Bill – Summary of written evidence



Senedd Cymru Welsh Parliament Infrastructure (Wales) Bill – Suggested questions Paper – Natural Resources Wales Paper – National Infrastructure Commission for Wales

Break (10.30–10.40)

Infrastructure (Wales) Bill – Evidence session with Community groups & RTPI Cymru (10.40–11.40) (Pages 73 – 87) James Davies, Chief Executive – Planning Aid Wales Dr Roisin Willmott, Director – RTPI Cymru Attached Documents: Paper – RTPI Cymru Paper – Planning Aid Wales

4 Papers to note (11.40)

4.1 Natural Resources Wales: Scrutiny of Annual Report and Accounts 2022-23 (Pages 88 - 133)

Attached Documents:

Welsh Government response to the Climate Change, Environment, and Infrastructure Committee Report on Natural Resources Wales: Scrutiny of Annual Report and Accounts 2022-23

Natural Resources Wales response to the report Natural Resources Wales – Annual Scrutiny 2022–23

Natural Resources Wales response to the report Natural Resources Wales – Annual Scrutiny 2022–23 (Annex 1)

4.2 Transport for Wales – Procurement of Rolling Stock

Attached Documents:

Letter from the Chair of the Public Accounts and Public Administration Committee to the Chair of the Climate Change, Environment and Infrastructure Committee on the Procurement of Rolling Stock by Transport for Wales

Letter from the Chair of the Public Accounts and Public Administration Committee to Transport for Wales on the Procurement of Rolling Stock by Transport for Wales

Response from Transport for Wales to the Chair of the Public Accounts and Public Administration Committee

4.3 Draft Budget Timetable 2024-25

(Pages 144 - 146)

Attached Documents:

Letter from the Chair of the Finance Committee to the Minister for Finance and Local Government regarding the Draft Budget Timetable 2024-25

4.4 Annual scrutiny of operation of interim environmental protection measures

(Pages 147 - 153)

Attached Documents:

Letter from the Chair to ESS in relation to Annual scrutiny of operation of interim environmental protection measures

Letter from the Chair to OEP in relation to Annual scrutiny of operation of interim environmental protection measures

Response from ESS in relation to Annual scrutiny of operation of interim environmental protection measures

Response from OEP in relation to Annual scrutiny of operation of interim environmental protection measures

4.5 Landfill Disposals Tax (Wales) Act 2017

(Page 154)

Attached Documents:

Letter from the Minister for Finance & Local Government regarding the Landfill Disposals Tax (Wales) Act 2017 - 6 July 2023

(Pages 155 - 162)

Attached Documents:

Attached Documents:

Response from the Deputy Minister for Climate Change to the Chair in relation to Bus Services

Letter from the Chair to the Minister for Climate Change in relation to the

Response from the Minister for Climate Change to the Chair in relation to

Ffos-y-Fran opencast coal mine in Merthyr Tydfil

4.7 Ffos-y-Fran opencast coalmine

Ffos-y-Fran opencast coalmine

(Pages 163 – 168)

(Pages 174 – 181)

(Pages 172 – 173)

Attached Documents:

Attached Documents:

Statement

Letter from Jonathan Edwards MP to the Chair in relation to Cable Ploughing **Electricity Transmission Lines**

Response from the First Minister to CCEI Chair letter regarding the Legislative

Letter from A. Thomas Plant Hire Ltd to the Chair in relation to Cable

4.6 Bus services

(Pages 169 – 171)

Attached Documents:

Letter from the Chair to Stakeholders in relation to the Environmental Protection (Single-use Plastic Products) (Wales) Act 2023 Correspondence from the First Minister to the LLlywydd in relation to the

4.8 Environmental Protection (Single-use Plastic Products) (Wales) Act 2023

Environmental Protection (Single-use Plastic Products) (Wales) Act 2023

4.9 Legislative Statement – Environmental governance

4.10 Cable Ploughing Electricity Transmission Lines

Ploughing Electricity Transmission Lines

Open letter from the Llanarthne and Area Community Pylon Group to the Secretary of State for Energy Security and Net Zero in relation to New electricity lines

5 Motion under Standing Order 17.42 (vi) and (ix) to resolve to exclude the public from the remainder of today's meeting (11.40)

Private meeting (11.40–12.10)

- 6 Infrastructure (Wales) Bill Consideration of evidence received under items 2 and 3
- Consideration of Supplementary Legislative Consent
 Memorandum (No.4) on the Levelling-up and Regeneration Bill

(Pages 182 - 200)

Attached Documents: Supplementary Legislative Consent Memorandum (No.4) on the Levelling-up and Regeneration Bill - Briefing from officials

8 Consideration of forward work programme

(Pages 201 - 205)

Attached Documents: Paper – Forward work programme

9 The Environment (Air Quality and Soundscapes) (Wales) Bill – Order of consideration at Stage 2

(Pages 206 - 207)

Attached Documents:

Stage 2: The Environment (Air Quality and Soundscapes) (Wales) Bill – Order of consideration

Agenda Item 2

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Infrastructure 33, Natural Resources Wales

Senedd Cymru | Welsh Parliament

Pwyllgor Newid Hinsawdd, yr Amgylchedd a Seilwaith | Climate Change, Environment, and Infrastructure Committee

Bil Seilwaith (Cymru) | Infrastructure (Wales) Bill

Ymateb gan Cyfoeth Naturiol Cymru | Evidence from Natural Resources Wales

General principles

What are your views on the general principles of the Bill, and is there a need for legislation to deliver the stated policy intention?

As there is no scope in this form, we include here an introductory section before going on to respond specifically to the question posed. We have been in dialogue with Welsh Government in relation to specific aspects of the Bill, particularly in relation to the deemed marine licence process. We warmly welcome the engagement to date and would hope to continue timely engagement as the Bill, Secondary Legislation and Guidance are developed.

In addition, it is understood that statements of policy intent in support of the Bill will be published at the end of the Senedd's summer recess, which may provide further detail on both compulsory and optional SIPs. We would welcome the opportunity to review such additional information and provide further comments as necessary to inform the scrutiny of the draft Bill. Similarly, we look forward to contributing to the preparation of secondary legislation and responding to future consultations on any draft regulations.

We have provided a detailed response to the relevant questions outlined within the form. In summary, key points in relation to the Bill are:

- The framework nature of the Bill does make it challenging to review and understand the full implications to NRW's statutory functions. Whilst we understand and support the need for flexibility, to ensure that the unintended consequences are reduced we consider that further ongoing dialogue with NRW and Welsh Government to be essential.

- The inclusion of a deemed marine licence as part of the Bill places different duties upon NRW. Whilst we do not object to the inclusion of a deemed marine licence we consider, however, it is paramount that the secondary legislation and guidance allows for a robust assessment (please see our response to 2vi)

- Section 81 allows the creation of regulations to outline certain consents that can be deemed or removed with the consent of the regulator. We support and encourage parallel tracking of permit and licence applications, however, the potential to remove or deem permissions requires careful consideration to avoid unintended consequences (please see our response to 2vi).

- We warmly welcome the provision under Section 121 to enable regulations to set out the charging of fees by specified public authorities for performing a function and providing a service in relation to infrastructure consent. It is essential for statutory consultees to be appropriately resourced to respond to these applications and the charging of fees is a critical element of ensuring adequate resourcing. Ensuring that appropriate statutory consultee charging schemes are created is a critical part of this (please see our response to 2viii).

In relation to the general principles of the Bill we broadly agree that legislation is required to address the policy intentions as outlined and that the Bill as drafted will meet those intentions. However, given the level of detail available within the Bill it difficult to provide a final view as to whether the Bill will achieve the policy intention. We would welcome continued dialogue with Welsh Government as the Bill, Statutory Instruments and Guidance develops to allow us to continue to advise to ensure that the Bill can achieve the policy intent.

We do have specific comments to make with regards to the following principles:

Consistency and confusion: We agree that the Bill will enable developers and the public to engage with a consistent process for areas within devolved competence and listed within the Bill.

Certainty: The Bill does allow for a clear 52-week examination period, with the ability to extent which we support, particularly for novel projects. Whilst the examination period is clear, there is the potential for either the pre-application, or post permission phases of a development to be extended, which overall may not result in precise end-to-end timescales. A clear timescale may also lead to an outcome of refusal of applications should the examination time period to allow for consent to be granted within that time.

Quality of applications: We welcome strengthening of pre-application consultation, however, highlight that this depends on the appropriate resourcing of consultees to support the preapplication consultation, and the need to signal to applicants to follow the pre-application advice provided. Chances of success: A policy framework is provided for within the Bill.

Complexity: In certain cases, such as the disapplication of the Transport and Works Act, there will be a reduction in complexity. We also hold significant concerns in relation to the potential to remove the need for or deem wider permissions under section 81 of the Bill. Whilst this may reduce complexity, without careful consideration on which consents this may apply to and the associated procedures, this may reduce the level of protection afforded by these consents. We understand that this will be subject to subordinate legislation and would welcome early engagement to understand the potential implications.

What are your views on the Bill's provisions (set out according to parts below), in particular are they workable and will they deliver the stated policy intention?

Part 1 - Significant infrastructure projects

The identification of compulsory Significant Infrastructure Projects (SIPs) within Part 1 of the Act is welcomed as it provides certainty over which projects fall within the new infrastructure consenting regime. The efficiency benefits of being able to add, vary or remove SIP projects via regulations (Section 17) in response to changes to UK legislation and technological changes in industry, particularly associated with Decarbonisation, are also welcomed, and acknowledged.

However, we have specific comments related to matters of detail of the drafting of certain compulsory SIPs.

Within Part 1, the marine area is specifically listed in relation to certain sections, for example section 2 in relation to Electricity Infrastructure, but not in others for example section 7 Highways.

There may be certain cases that a marine licence would be required for Highways projects where a bridge is constructed over an area seaward of Mean High Water Springs. For the avoidance of doubt, we recommend the Welsh Marine Area is referenced throughout all relevant sections and are happy to provide further advice on this as required.

We note that certain thresholds may be complicated to determine such as section 10 "Harbour Facilities". To assist in the application of the thresholds in future we would encourage the development of associated guidance to support later implementation. Section 18 provides clarity on cross border projects in relation to the Welsh Marine Area. We note that the explanatory memorandum that refers to the "Welsh Zone" and not the "Welsh Marine Area". We would recommend, for clarity, that reference is made in the explanatory memorandum that the legislation does not apply within the Welsh Offshore Area (beyond twelve nautical miles).

Confirmation that optional SIPs will be added via regulations that amend Part 1 would be welcomed. The proposed affirmative procedure for making this secondary legislation is considered appropriate to allow for an additional degree of scrutiny by the Senedd.

As part of the original consultation on the proposed infrastructure consenting process in 2018, we recommended aligning the optional threshold for offshore generating stations with that proposed for onshore generating stations (i.e., where the installed capacity is between 10MW and 50MW). This would help achieve the ambition of harmonisation where technologies straddle the on and offshore. It is noted that this recommendation has not been taken forward with the optional SIP threshold for offshore generating stations remaining as 1MW to 50MW (see Annex 3 of the Explanatory Memorandum). Whilst we note that this may be due to the requirement for these developments to also obtain a section 36 consent (under the Electricity Act 1989) from Welsh Ministers, it nevertheless creates inconsistency on and offshore.

Similarly, the optional SIP threshold for harbour facilities continues to refer to facilities that have a significant impact on the environment (i.e., it requires an EIA), despite our previous recommendation that other quantifiable means are used to determine the optional threshold. It remains our view that the optional threshold as drafted has too broad a scope for interpretation and could potentially be open to challenge, particularly if significant environmental effects come to light during a later stage in the application process of a project and that sets a more numeric/calculable threshold.

It is therefore recommended that the optional SIP thresholds for offshore generating stations and ports/harbours are reconsidered when the secondary legislation is developed.

It is understood that statements of policy intent in support of the Bill will be published at the end of the Senedd's summer recess, which may provide further detail on both compulsory and optional SIPs. We would welcome the opportunity to review such additional information and provide further comments as necessary to inform the scrutiny of the draft Bill. Similarly, we look forward to contributing to the preparation of secondary legislation and responding to future consultations on any draft regulations.

Part 2 - Requirement for infrastructure consent

We welcome the clear statement that, should a project require an Infrastructure Consent that certain consents such as section 36 of the Electricity Act 1989 or section 1 or 3 of the Transport and Works Act 1992 do not apply.

We note the removal of a need for authorisation (section 20(c) under the Historic Environment (Wales) Act 2023. To ensure the historic environment is properly protected we want to ensure that the appropriate historic advisors (Cadw, the Royal Commission of Ancient and Historical Monument Wales and the relevant Welsh Archaeological Trust) are listed as statutory consultees as part of the process.

As indicated 2.i, it is anticipated that optional SIPs will be added via regulations under Section 17. There is the potential for confusion to arise over the appropriate consenting regime for optional SIPs, which has particular implications for projects with associated deemed or disapplied/removed permissions. The regulations should therefore provide as much clarity and certainty as possible on this matter, and further procedural guidance may also be necessary to set out how developers obtain a direction from the Welsh Ministers confirming that their project is of national significance. It is essential that such a direction can be obtained at the beginning of the process to provide certainty for developers, public bodies and communities from the outset and avoid any abortive work at a later stage. The Welsh Ministers' decision on whether an optional SIP is of national significance should also be based on clear and consistent criteria to ensure that directions are consistently made for similar types of projects. All parties should expect a reasonable degree of certainty over which consenting regime is appropriate for the consideration any given infrastructure project.

Part 3 - Applying for infrastructure consent

Section 30 (2)(e) will require 'a person', which is assumed to include NRW, "to publish a report about their compliance with any consultation requirements in relation to preapplication consultation and publicity" as set out in regulations. Whilst it is acknowledged that the details of this pre-application report will be provided via regulations, it is important that any requirements are of the same nature and scale as those currently required for the existing Development of National Significance (DNS) regime, which are included in our annual performance report. Any additional requirements are unlikely to have been accounted for in the regulatory impact assessment submitted alongside the draft Bill.

In addition to the above, clarification would be beneficial on the significance of the use of the term "person" used in section 30 (2)(e) in relation to a preapplication report compared to the use of the term "public authority" in section 126 (4)(c) in respect of a statutory consultation report. Both are assumed to potentially apply the requirement to produce consultation reports to NRW, but the significance of the use of different terms is unclear. Moreover, the use of term "person's compliance" in section 30 (2)(e) could be interpreted as preparing and publishing a report on the applicant's compliance with pre-application consultation and publicity requirements, which is not understood to be the intention. It is therefore recommended that the draft wording within this section of the Bill is reviewed to ensure that is sufficiently clear to meet its legal intent.

Section 36 outlines new duties for NRW in the submission of a Marine Impact Report. We have been in dialogue with Welsh Government including the scope, content, and associated procedures, including the extent to which it is intended that NRW consult other bodies to do so.

We welcome Welsh Government's commitment to continue to engage with NRW to ensure that the MIR process is appropriate and ensure the continued robust assessment of the projects in the Welsh Marine Area, including interactions of a marine project with the coastal and terrestrial zones. Any procedures developed by subordinate regulations or guidance need to ensure that advice can be provided within NRW's advisory remit, and advice from a regulatory viewpoint, in addition to ensuring appropriate cost recovery mechanisms (see our response to 2.viii).

We have significant concerns that the Marine Impact Report places a requirement for NRW to provide advice on marine archaeology. Whilst we do consider the impacts to Marine Archaeology, in NRW's marine licensing process, alongside a vast range of other impacts including environmental, navigation and other sea users, NRW does not have a remit, nor the expertise to provide technical advice on marine archaeology.

In determining a Marine Licence NRW would consult with a wide variety of bodies including, but not limited to, NRW, the relevant Archaeological Authority, Trinity House, Maritime and Coastguard Agency, The Crown Estate and the relevant Local Planning Authority: <u>Natural Resources Wales / Applying for a marine licence</u>. Whilst the detailed content of the Marine Impact report is as yet unknown, we would not anticipate undertaking consultation on behalf of process and would

wish to ensure that these bodies remain a consultee as part of developments in the marine area.

We welcome the requirement for pre-application consultation in section 30. We would expect NRW to be included within any subsequent legislation as a 'person to be consulted.' We recognise the benefits of early engagement in ensuring the quality of applications examined by the new process, and any opportunities to strengthen this would be welcomed.

However, NRW would require the resourcing to respond as a Statutory Consultee via a suitable charging scheme or Grant in Aid (please also see our response to 2.viii).

For projects that would normally require a marine licence, the relevant regulations for Environmental Impact Assessment would be the Marine Works Regulations (2007) as amended. Before the new regime receives applications, it will be key for all parties to understand which are the relevant EIA regulations for those to be determined under the Infrastructure (Wales) Bill. Supplementary guidance may assist here.

Part 4 - Examining applications

We note that the Bill brings the consideration of marine projects to be part of the wider planning system within which there may be limited experience to date. Consideration of marine applications require specific skills and expertise. In our view, in appointing an examining authority it would need to be ensured that they are able to provide a robust assessment of marine applications.

The examination procedure is similar to the established Developments of National Significance regime or UK Development Consent Order regime. This can be extremely resource intensive for all involved. It is essential to ensure that consultees of the process are adequately resourced, either via a flexible charging regime or Grant in Aid (please see our response to 2.viii) and reasonable time periods are allowed for the submission of all consultation responses. We would welcome ongoing discussion with Welsh Government on this as the Bill and subordinate legislation is developed.

Given the potential for highly technical or novel developments to be considered as part of the SIP we welcome the ability within the legislation for the appointment of "Assessors" in section 47. As an example, in the current marine licence process, we do utilise contractors or the Centre for Environment Fisheries and Aquaculture Science (Cefas) in relation to whether material meets OSPAR requirements for the disposal of sediment at sea.

Part 5 - Deciding applications for infrastructure consent

We welcome a clear requirement to consider the Marine Impact Report, examination, and other matters as part of the decision making for relevant applications.

We note that the examination period is set to 52 weeks and include the ability to allow for an extension. The procedures for examination, including appropriate consultation timescales will be critical to ensure that applications are robustly and proportionately assessed. We support the ability to extend examination process.

We note that section 53 (1) states that "The examining authority or the Welsh Ministers (as the case may be) must decide each application for infrastructure consent in accordance with—

...(c) any marine plan (within the meaning of section 51(3) of the Marine and Coastal 25 Access Act 2009 (c. 23)) prepared and adopted by the Welsh Ministers so far as relevant to the kind of development to which the application relates"

We would query as to whether this should for consistency relate to "appropriate marine policy documents" as defined by section 59 of Marine and Coastal Access Act (2009).

In addition, in relation to Section 53(2)(b) – "If there is any incompatibility between a provision in a relevant policy statement and a provision in a marine plan the application must be decided in accordance with the relevant policy statement. We would wish to understand the reasoning as to why the Policy Statements are given precedence.

Part 6 - Infrastructure consent orders

Section 74, in relation to authorising the operation of a generating station. We wish to have assurance that this is in relation to the generation of electricity, and not, for example the operation of a generating station through an Environmental Permitting Regulation (EPR) permit.

Section 80 allows for Deemed Marine Licences. We have been in dialogue with Welsh Government in relation to this inclusion and we warmly welcome the engagement to date. We do not object to the ability to deem a marine licence as part of the consent, however it is paramount that the secondary legislation and guidance allows for a robust assessment.

We also note that subsection 80 (2) allows for deeming a marine licence, subject to conditions specified in the infrastructure order and conditions specified in the

deemed marine licence. In order to ensure there is clarity and consistency the future development of guidance to help with drafting of the consent order will be necessary to identify what should be included within the order itself, and the deemed marine licence, and consistency between the two consents.

With the exception of Marine Licensing under Part 4 of Marine and Coastal Access Act 2009, we note the potential for regulations under Section 81 to include consents potentially including other NRW regulatory functions. It is impossible to provide detailed comments in the absence of a definitive list of statutory provisions or Statement of Policy Intent around this power. However, we make the following broad comments.

We support and encourage parallel tracking of permit and licence applications, however, the potential to disapply or deem permissions requires careful consideration to avoid unintended consequences. We consider the development and identification of specified consents to be very carefully considered to ensure robust assessment and management of environmental risk. In many cases, the relevant authority would need to make an assessment equivalent to determining that consent in order to determine if the requirements set out in the Order would be sufficient to not need the relevant consent. This work would be carried out without the receipt of the appropriate fee for such a consent, and outside of the timescales normally set to determine that consent, resorting in a loss of income and potential decrease in environmental or other protection. We note that this will need to be considered in subsequent regulatory impact assessments for the subordinate legislation.

NRW is responsible for over forty different regulatory regimes across a wide range of activities, including those under the Environmental Permitting Regulations, such as major industry, waste industry, water quality discharges, flood risk activities, Marine Licences, tree felling, species licences, consents, and assents in relation to designated sites including Sites of Special Scientific Interest. In the context of permits required for any development, permissions may be required at the early stages of development, for example, those relevant to land clearance, activities during construction, operation and de-commissioning. Operational development may refer to the project throughout its lifetime or the operation of development in an already built structure.

For specified consents that are ultimately not included, the development of policy to provide an opportunity to potentially strengthen the requirements for parallel tracking between applications would be beneficial. A statement of Intent for section 81 of the Bill would be welcomed and we would welcome future dialogue with Welsh Government as the secondary legislation is developed.

Within section 80(5) we welcome clarification that a deemed consent for marine licence can be varied, suspended, or revoked as per the established procedures under the Marine and Coastal Access Act (2009). In future we would welcome further dialogue with Welsh Government related to variations to ensure, for example that any subsequent variation to a marine licence does not undermine the scope of the project assessed or is considered to be a material change to the wider Infrastructure consent and how this procedure would work including associated resourcing and fees.

Section 84 allows for the ability to correct errors within the Infrastructure Consent Order. This does not include deemed consent which upon issue would revert to the responsibility of the relevant authority. In the case of marine licences, NRW would then need to take an NRW led variation which is not subject to fees under the relevant legislation (Marine Licensing (Fees) (Wales) Regulations 2017). The proposed system would prevent NRW from recovering costs for correcting mistakes not made by NRW. We would recommend that this power is also extended to any deemed consent, including a deemed marine licence.

Part 7 - Enforcement

Whilst NRW does have a role in the discharge of conditions which we expect to continue with deemed marine licences, NRW does not have enforcement powers in relation to Marine Licences, Welsh Government have retained the enforcement function. As such we note the inclusion of the ability for Welsh Ministers to appoint persons for marine enforcement (section 107) and would anticipate that this continues to be the Welsh Government who currently undertakes this duty for marine licences.

We understand section 107 relates to regulation under the Infrastructure Consent body, as opposed to the deemed marine licence, and as stated in our response to question 2.vi, we recommend that there is clarity as to what should site within the body of the consent, and which conditions or requirements should sit within the deemed marine licence.

It is essential that any ongoing enforcement and regulation against potential risk, should be fully considered in developing the subordinate regulations related to permits or licences to be removed or deemed. For deemed permissions it is essential that, at a minimum, the existing regulatory tools and powers for compliance and enforcement are maintained. Ensuring that the relevant regulator is able to fully participate in process will be key.

Part 8 - Supplementary functions

The provision under Section 121 to enable regulations to set out the charging of fees by specified public authorities for performing a function and providing a service in relation to infrastructure consent is warmly welcomed. It is essential for statutory consultees to be appropriately resourced to respond to these applications and the charging of fees is a part of ensuring adequate resourcing.

NRW would expect to be included as one of the specified public authorities and seek to secure full cost recovery for any function/service it is required to undertake. We consider that the ability for consultees to set their own charging regimes (subject to Ministerial agreement) to be the most appropriate mechanism for securing full cost recovery, including the ability to review and if necessary, update annually, including the ability to charge an hourly rate. The SIPs listed within the legislation will vary significantly in complexity and therefore the amount of resource required to provide advice will also vary significantly. Allowing the creation of a charging scheme, through powers outlined in legislation (such as those outlined in section 41 of the Environment Act (1995) will ensure full cost recovery can be met.

We also note the current consultation on operational reforms to the Nationally Significant Infrastructure Project (NSIP) consenting process highlights the intention to support specific statutory consultees, including NRW, to move towards full cost recovery of direct project advice and engagement in relation to this consenting regime. The current proposals involve enabling statutory consultees to set charging schemes that allow them to recover both statutory and non-statutory activity from early pre-application engagement through to postconsent activities. Each statutory consultee will be responsible for establishing their own charging schemes and setting their own fees within the legislative framework. This method of cost recovery is generally preferrable to setting fees within regulations as it allows for fees to be updated more regularly to reflect changes to operational costs. The ability to regularly update our own fees (including the ability to set at an hourly rate) is also a benefit of our current discretionary advice service. It is therefore our view that a similar approach to recovering statutory consultee costs should be applied to the SIP consenting regime and we would welcome the opportunity to work with the Welsh Government in preparing secondary legislation that brings this into effect.

Section 126 (4)(c) will require a public authority, such as NRW, to publish a report about their compliance with any consultation requirements in relation to a valid application for infrastructure consent as set out in regulations. Whilst it is acknowledged that the details of the statutory consultation report will be provided via regulations, it is important that any requirements are of the same nature and scale as those currently required for the existing DNS regime, which are included in our annual performance report. Any additional requirements are unlikely to have been accounted for in the regulatory impact assessment submitted alongside the draft Bill (see also our response to question 6).

Part 9 - General provisions

We have no comments to make on this section of the Bill.

What are the potential barriers to the implementation of the Bill's provisions and how does the Bill take account of them?

There is the potential for confusion around the new regime, particularly in the marine area, where due to the extent of devolved powers in the offshore region or the England/Wales Boundary causes the potential for interaction of multiple legislative frameworks.

In addition, coordination between authorities here may be challenging, particularly if there becomes a divergence between the environmental assessment legislation between England and Wales.

As indicated under section 2(viii) above, it is essential that subsequent regulations enable full cost recovery as part of the Infrastructure Consent (IC) process. It should also be noted that even if full cost recovery forms part of the IC process, future income in relation to SIPs will not necessarily be sufficient to maintain adequate capacity within our teams, or build further capacity as demand requires through the employment of additional specialists that are required to advise on projects that are often technically complex with wide ranging environmental impacts. There will be a need to appropriately balance Grant in Aid funding with Cost Recovery mechanisms to ensure that there is appropriate trained resource available with Statutory Consultees such as NRW.

In addition to the above, it is essential that appropriate guidance and training is provided for all participants in the new IC consent process to ensure that they have the appropriate level of skills and knowledge to enable its successful implementation. Without it, there is a risk that the IC consent process does not achieve the timely delivery of SIPs in Wales that are necessary to meet renewable energy targets as we move towards 'net zero' emissions by 2050. The need for a very large part of the implementation to be set out in secondary legislation could be a barrier. The current bill is over one hundred pages long. Multiple sets of secondary legislation setting out further detail results in the need for developers and other stakeholders to understand an increasingly complex framework in order to make an application. This may hinder the intended streamlining effect of the proposed process.

How appropriate are the powers in the Bill for Welsh Ministers to make subordinate legislation (as set out in Chapter 5 of Part 1 of the Explanatory Memorandum)?

Although we have no specific concerns over the powers in the draft Bill for Welsh Ministers to make subordinate legislation, we would like to highlight the difficulty in commenting on the draft Bill when so much of the detail on new IC process and procedure has been left to subordinate legislation. As only the general principles of the legislation are currently under consideration, it is very difficult to discern the full implications of the new IC regime for our current consenting and statutory consultation practices, and the potential impacts across our organisation. It is also not possible to confirm the extent of any issues that will arise with its future implementation. As such, we are not able to provide detailed comments on the acceptability of the IC process without further details on how exactly the proposed regime would function.

It is understood that statements of policy intent in support of the Bill will be published at the end of the Senedd's summer recess, which is likely to provide further detail on the IC process. We would welcome the opportunity to review such additional information and provide further comments as necessary to inform the scrutiny of the draft Bill. Similarly, we look forward to contributing to the preparation of secondary legislation and responding to future consultations on any draft regulations.

Are any unintended consequences likely to arise from the Bill?

We are not able to provide comments on the extent of unintended consequences at this stage, due the majority of the detail on the processes and procedures of the new IC regime being left to subordinate legislation. It is, however, considered that careful consideration should be given to the deeming or disapplication of permissions in particular, to avoid any unintended consequences. NRW is responsible for many different regulatory regimes across a wide range of activities and the establishment of a new unified regime has the potential to be complex. We welcome the opportunity to provide further detailed comments as part of any future consultation on associated regulations to help establish a regime that is fit for purpose for Wales.

There is the potential for smaller works to be more costly and time-consuming to consent – for example, small offshore energy projects in the marine area currently require only marine licence and Section36 Electricity Act (1989) consent. We consider that the entirety of the Section 36 consent considerations can be made within the standard marine licensing procedures.

What are your views on the Welsh Government's assessment of the financial implications of the Bill as set out in Part 2 of the Explanatory Memorandum?

We note that the Regulatory Impact Assessment (RIA) (page 58) states that the evidence base has been collated on a broad time period and may alter in future. We agree that this may be the best available data, however these figures will need to be updated when the details of the regime become known, and not be relied upon in the development of an associated fee structures.

We note that in the RIA methodology the figures provided in February 2023 by NRW, as a consultee to marine application, have not been included. The reasoning provided in the RIA is that this is due to NRW receiving Grant in Aid funding and that the response required would not differ across the different options assessed in the RIA. Whilst we do not dispute this, we wish to highlight that the cost incurred by NRW undertaking this function is significant, particularly for more complex projects. As a point of clarity, which does not affect the conclusions of the RIA, the four example project costs we provided to Welsh Government were Awel y Môr Offshore Wind Farm, Morlais Tidal Demonstration Zone, Erebus Floating Offshore Wind farm and Holyhead Port Expansion. We did not provide figures for Swansea Bay Tidal Lagoon.

We would expect, in cases that NRW responds as a statutory consultee for a development that considers similar aspects, such as a Marine Licence and a Planning Permission that NRW could potentially receive a resource saving (as one set of responses to a consultation will be sufficient), however, NRW, in its marine licensing capacity does receive an hourly rate fee to determine marine licences which would no longer be received.

We note that in paragraph 8.132 it states that "the cost of the MIR to NRW is likely to be similar to that engaging in the process under Option 1". We note that the cost in Option one (excluding areas already funded by Grant in Aid) is listed as £4600 (Table D). Whilst we concur that it is not possible to provide estimates of costs to NRW due to the new requirements we anticipate it would be more than this figure. In addition, NRW will no longer be receiving an application fee. It will be imperative that there are appropriate fee structures set, including the cost of the MIR. We do, however, agree with the RIA conclusion that "Further consultation would be required to establish an appropriate amount and thus cannot be costed for the purpose of this RIA."

The Regulatory Impact Assessment (RIA) incorporated into the Explanatory Memorandum published alongside the draft Bill does not appear to have taken into account the setup/transitional costs for statutory consultees. This would potentially involve modifications to IT systems, the provision of operational guidance on the new IC process and training for NRW staff. Approximate cost estimates for setup/transitional costs for NRW can be provided if required.

In addition, the deeming or disapplication of consents, other than a marine licence, do not appear to have been considered as part of the RIA. If other consents that fall within NRW's regulatory regimes are to be added via regulations at later stage, we would expect the financial implications to be taken into account in associated RIA's for the secondary legislation. It should be noted that a large proportion of NRW's regulatory regimes operate on a full cost recovery basis, often by a combination of application and subsistence fees. These fees can differ depending on the regime and the type of application. Should applications no longer be made then there would no longer be an associated fee. The costs to provide technical advice as a statutory consultee and other associated regulatory functions would therefore need to be funded by other means.

Are there any other issues that you would like to raise about the Bill and the accompanying Explanatory Memorandum or any related matters?

Consideration should be made regarding the effect of this legislation in combination with other UK and Wales legislation that is being drafted with the intended aim of 'streamlining consenting such that it is viewed holistically. Other proposals include provisions in the British Energy Security Strategy, the REUL Act and LURB. The interaction of lots of new legislation has the potential to significantly increase consenting complexity by creating multiple systems, with additional multiple ways of making assessment. This is particularly relevant in the marine area.

Infrastructure 02 National Infrastructure Commission for Wales and the Future Generations Commissioner

Senedd Cymru | Welsh Parliament

Pwyllgor Newid Hinsawdd, yr Amgylchedd a Seilwaith | Climate Change, Environment, and Infrastructure Committee

Bil Seilwaith (Cymru) | Infrastructure (Wales) Bill

Ymateb gan Comisiwn Seilwaith Cenedlaethol Cymru a Comisiynydd Cenedlaethau'r Dyfodol Cymru | Evidence from National Infrastructure Commission for Wales and the Future Generations Commissioner



Comisiwn **Seilwaith** Cenedlaethol **Cymru** National **Infrastructure** Commission **Wales**



Comisiynydd Future Cenedlaethau'r Generations Dyfodol Commissioner Cymru for Wales

Climate Change, Environment, and Infrastructure Committee <u>SeneddClimate@senedd.wales</u>

31st July 2023

Dear Chair

Infrastructure (Wales) Bill – Climate Change, Environment, and Infrastructure Committee Consultation

Thank you for the opportunity to comment on the draft Infrastructure (Wales) Bill. We have taken the opportunity to compose a joint response that incorporates suggestions from the Office of the Future Generations Commissioner for Wales and the National Infrastructure Commission for Wales.

We believe that the main concept that underpins the rationale for the Bill is sound, namely the need to simplify and accelerate the project development process, whilst improving transparency and the ability of stakeholders and community organisations to scrutinise large infrastructure projects.

The additional benefits of a reduction in the cost of administering the planning process of infrastructure give rise to the opportunity to recycle those savings into the planning system. This opportunity should be grasped; our engagement with the planning sector leads us to understand that many components of the system are currently under-resourced. We would welcome further scrutiny by the committee on this issue.

With respect to aspects that we believe could improve understanding and communication around the Bill, we suggest that the Welsh Government could take the opportunity to describe their vision for infrastructure in the long term in line with the Well-being of Future Generations Act. Notwithstanding that many levers for change currently reside outside Welsh devolved competence, the Bill could explicitly reference the long-term requirements for Wales that depend upon robust, resilient and future-proofed infrastructure, helping emphasise that the legislation is embedded within the Well-being of Future Generations Act's Ways of Working and must aim to help achieve the national goals.

The Section 20 review undertaken by the Future Generations Commissioner for Wales in 2022 identified an implementation gap underpinned by a lack of capacity and understanding of how the Well-being of Future Generations should be appropriately applied in decision making. This has also emerged in the current programme of work to gather views on the priority work programme of the new Commissioner.

An example of this is the view that planning decisions are more heavily weighted towards economic well-being to the detriment of the other three dimensions of well-being under the

Act. We suggest, therefore, that the Bill is an opportunity to address this gap in implementation both on the face of the Bill and in secondary legislation. Involving the people affected by the decisions is also an important part of the Well-being Act and this should be made clear.

Involvement has emerged as one of the least applied ways of working. Involving people beyond just consultations - in shaping their communities and places is a key aspect, through which the planning process can contribute to the Act. We would like to see the importance of involving people in planning highlighted and strengthened through the Bill and any accompanying statutory instruments.

Also on the theme of being forward-looking, we would expect the legislation to be aware of the future energy and infrastructure needs of Wales and of potential shifts in devolved competence. For example, floating offshore wind is likely to be developed at pace in the Celtic Sea in the coming decade. The legislation should ideally be drafted in such a way that a future Welsh Government that has responsibility for planning out to international waters would not need to undertake another piece of primary legislation development on this or other foreseeable issues.

We understand that much of the detail on how the Bill is to be implemented will follow in secondary legislation. We anticipate that this will enable the Welsh Government to highlight good practice on transparency through the project development process, and to require good practice in engagement with affected stakeholders and communities. This good practice exists in many places; some examples include the 'Future Energy Landscapes' community engagement toolkit developed by the Centre for Sustainable Energy, and the Sustrans Scotland 'Places for Everyone' guide.

We look forward to seeing more detail on how the Infrastructure (Wales) Bill proposes to deal with the detail of projects in due course. NICW and the Royal Town Planning Institute are seeking to hold an event on the Bill later this year to gather further detailed comments, and we welcome a discussion with yourselves on how this can feed into the process.

Yours Sincerely,

Dr David Clubb Chair National Infrastructure Commission for Wales

Jalker

Derek Walker Future Generations Commissioner for Wales

Infrastructure 05, RTPI Cymru

Senedd Cymru | Welsh Parliament

Pwyllgor Newid Hinsawdd, yr Amgylchedd a Seilwaith | Climate Change, Environment, and Infrastructure Committee

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Ymateb gan RTPI Cymru | Evidence from RTPI Cymru



Royal Town Planning Institute Cymru (RTPI Cymru) Studio 107 Creative Quarter 8a Morgan Arcade Cardiff CF10 1AF Tel +44 (0)20 7929 8197 email walespolicy@rtpi.org.uk www.rtpi.org.uk/wales

9 August 2023

e-mail response sent to: SeneddClimate@senedd.wales

Dear Sir/Madam, Response to: Infrastructure (Wales) Bill

The Royal Town Planning Institute (RTPI) is the largest professional institute for planners in Europe, representing some 27,000 spatial planners. RTPI Cymru represents the RTPI in Wales, with 1,300 members. The Institute seeks to advance the science and art of planning, working for the long-term common good and well-being of current and future generations. The RTPI develops and shapes policy affecting the built environment, works to raise professional standards and supports members through continuous education, training and development.

Thank you for the opportunity to respond to the above inquiry. We welcome the Infrastructure (Wales) Bill, that will facilitate projects that are vital in adapting, and mitigating against climate change. The existing Welsh consenting process is complex, with decision-making powers across different consenting regimes split between Local Planning Authorities (LPAs), Welsh Ministers and the UK Government's Department of Energy Security and Net Zero (DESNZ) and Natural Resources Wales (marine licensing). RTPI Cymru has long called for a regulatory framework to enable an effective infrastructure consenting regime to support decision making on large infrastructure projects, providing structure and clarity to the delivery of much needed infrastructure, which takes account of the needs of communities. The recent rise in renewable energy applications on the Development of National Significance (DNS) register is one indicator of the increasing volume of infrastructure applications coming down the line. We would expect this to continue, as targets and policy continue to change to address climate change.

RTPI Cymru largely supports the ambition and principles of the Bill. The integration of multiple consent applications into a singular consent would appear to have many

advantages and benefits. However, we recognise that it is the detail set out in future secondary legislation that will shape the day to day consenting processes and procedures. In developing this detail, it will be important to not lose sight of the aim of this Bill, which is to provide "simplified and efficient consenting arrangements".

Planning cannot work effectively in isolation. Tackling infrastructure challenges individually, or on a sector-by-sector basis, is a highly inefficient process. RTPI Cymru therefore supports evidenced and adequately resourced proposals that create a more joined up approach to infrastructure delivery.

We recognise that the geography of Wales raises unique issues in relation to infrastructure planning, for example, in relation to energy, the availability of existing grid infrastructure in Mid Wales is problematic, impacting on onshore wind development and could affect other renewables such as the deployment of electric vehicles etc. required to decarbonise transport. Both new and upgraded grid infrastructure is required, raising issues for both renewables seeking to connect into the system, but also investment for projects that will create a demand for electricity.

RTPI Cymru has the following observations to make in response to the proposals in general, and more specifically in relation to option 2, the preferred option, set out in the Infrastructure (Wales) Bill. Our comments cover general principles, enforcement, potential barriers and unintended consequences:

Resource, capacity and skills

For the planning system in Wales to fulfil its statutory duties and deliver quality placemaking there is a critical need for more investment. LPA departments are significantly underfunded, and research shows that planning services are suffering most severely of all local government services due to budget cuts.

In 2019, Audit Wales published a report on a national review of the planning system in Wales (<u>The effectiveness of local planning authorities in Wales | Audit Wales (wao.gov.uk)</u>). Overall, the review highlighted a planning system that was struggling to deliver against the ambitions of the Planning (Wales) Act 2015, to implement national policy, and unlock the value planning has to offer.

Planning services in Wales have seen drastic budget cuts over the last decade, leading to the stretching of planning officer capacity and a decrease in skills in key areas, as found by the Audit Wales Report (2019). Problems have been further exacerbated by a drop in the number of trainees entering the profession in the public sector. RTPI Cymru's Big Conversation (big-conversation.pdf (rtpi.org.uk) January 2023) found high levels of planners being overstretched in their work with this having a significant impact on well-being. The Big Conversation survey found:

- 61% of all respondents reported being overstretched at least several times a week;
- 74% of LPA officers felt overstretched;
- 21% of all respondents felt they were overstretched all of the time.



It is equally essential the strain within the wider public sector which supports the planning system, is recognised as part of this discussion. Sufficient resourcing of public bodies, investment in key skills and specialisms and effective and efficient consenting processes are all important aspects of meeting targets. In response to RTPI Cymru's Big Conversation, respondents noted the inability of planning's supporting functions to "source and retain staff", notably biodiversity and drainage. This is having a significant impact on the planning system and the delivery of quality development. Respondents to the survey called for high quality, timely input from both specialist and statutory consultees, including Natural Resources Wales (NRW), Cadw etc.

Certainty in terms of consenting timescales is welcomed, this is currently the case with the DNS regime, which also includes statutory determination timescales. However, while addressing timescales and certainty is important, we believe that resourcing and expertise in the public sector, including Welsh Government, PEDW, LPAs and Local Authorities more widely e.g. Highways Departments, NRW and other statutory consultees, is currently a key barrier to the timely decision making and delivery of projects, which if addressed and resourced adequately would in turn impact on timescales, certainty and quality.

RTPI Cymru believes that efforts to deliver a more efficient and effective service should focus on long term adequate resourcing, capacity, skills and workforce development. RTPI Cymru is asking Welsh Government to support the introduction of a Town Planning Apprenticeship scheme as a means to encourage more into the planning profession. We would also suggest for example, that developing project management skills could be an effective means of ensuring that applications are processed to a high standard in a timely fashion. RTPI Cymru are currently working with Neil Harris at Cardiff University on a project that is looking at 'Making the most efficient and effective use of existing planning resources in Wales'. The project will explore if and how public sector planning organisations are being driven to innovate and examine their efforts to make more efficient use of existing resources. The scope of the project extends to the statutory planning support and administration. The primary focus is on LPAs, yet any innovation or actions to drive efficiency in other public sector organisations is also in scope. This work builds on RTPI Cymru's work around the Big Conversation. The project report is expected to be published in November 2023.

We would urge further clarity at the earliest opportunity on how the transitional arrangements from DNS to Significant Infrastructure Projects (SIP) will work in practice. The transition to the new process needs to be clear and straightforward for all parties, particularly given current resources are already stretched, impacting on the well-being of planners.

Costs and fees

As discussed above, resourcing in its widest sense is a fundamental issue that must be addressed.

The ring fencing of fees for LPAs to help improve the planning service is an issue that has been widely discussed, and could be considered as part of a long term package of measures to support planning services, alongside recruitment, training etc. However, since the

introduction of DNS by the Planning (Wales) Act 2015, planning authorities in Wales have reported a significant loss of fee income. While a fee is received by the LPA in relation to the Local Impact Report (LIR), we are aware of a number of cases where this fee does not cover the estimated costs incurred by the LPA, taking into account planning officer time and time spent by other local authority staff including ecologists, landscape officers, historic building / conservation officers, highways and public protection staff. Equally, we believe it is unlikely that this fee would cover any external consultant resource that LPAs need to buy in, where they do not have in-house expertise.

We note that Table L of the Explanatory Memorandum (page 80) and further text in paragraphs 8.99, 8.103, 8.109 and 8.114 proposes that Welsh Government (including PEDW) will have all costs reimbursed, while LPAs will have some costs reimbursed (£38,900 reimbursed) they are estimated to have additional costs of £21,200 per annum. We also note the detail in Paragraph 8.109 on the costs associated with general participation in Infrastructure Consent (IC) examination, such as providing evidence at hearings. Therefore LPAs will get costs associated with LIRs reimbursed, but not other costs such as preparing for and attending inquiries.

We question why provision is not made for LPAs to be reimbursed all costs. We would suggest, given current resources and capacity within the planning system that this proposal be revisited. It is vital that LPAs and their supporting services are fully supported and adequately resourced if they are to provide an efficient and effective service. There has been wide support from sectors and bodies outside planning, for more resources for planning services. Recognising the strain that LPAs are under, a variety of organisations have given their support for resourcing of planning services to ultimately provide an improved service.

In relation to costs, there does not appear to be an increase in the cost of producing LIRs. Again we would suggest this is revisited to ensure this is in line with the full cost that is being incurred by LPAs. Equally, there will be many other officers from other disciplines within the LA that will contribute to the report along with external consultants, where there is a shortage of in-house expertise. A local authority wide, team approach is required for joined up infrastructure planning and therefore, both planning and non-LPA costs therefore need to be recognised in the Bill, acknowledging the importance of all contributions to the process, including highways, drainage etc.

It is unclear how the LPA savings are calculated. We note that other consenting regimes will no longer be needed and therefore the cost of administering those will be subsumed within the infrastructure consenting process, however professional officer input is still required, incurring time and cost to that department and there will no longer be a fee for the separate planning applications.

We also note that page 88 of the Explanatory Memorandum, predicts a cost saving for statutory consultees as a result of an amalgamation of consenting regimes under the proposed infrastructure consenting process. While we understand streamlining should reduce costs, the volume of information provided to support planning applications, marine

licenses, other permits and consents is unlikely to reduce. We must recognise the strain that statutory consultees are already under, and while some procedures would be dropped under the Bill, their professional input will still be required and must be supported.

Joint working

A combination of sufficient officer capacity and the right skills are required not only to deliver planning functions, but also to ensure that land use plans are fully integrated with other local authority strategies and plans, such as Local Transport Plans (LTPs) and Active Travel Network Maps, ensuring that planning decisions support the wider vision. This is particularly key in relation to infrastructure delivery.

RTPI Cymru supports the proposal of a 'one stop approach', with a unified consenting process to manage multiple consents. Many stakeholders have been frustrated by further procedure requirements not understanding that they were separate to planning. A more joined up approach at this stage will provide clarity for stakeholders and the public in general. However, Local authority resourcing is, yet again, key to the success of this proposal. We note that the table at page 10 of the Explanatory Memorandum sets out a comparison of the advantages of using existing consenting regimes against the advantages of introducing bespoke consenting arrangements. It would be useful to also consider resourcing around this proposal and be clear on what Local Authority officers require to support them in providing an efficient and effective one stop approach, including the need for specialist knowledge and skills and time capacity, etc., and again recognising that the wider public sector, alongside LPAs are currently struggling to meet expectations:

"Performance relies on the speed of our consultees such as Highways and Ecology and these local authority departments are also struggling with resources and recruitment which means that they cannot respond quickly or in full and this impacts on LPA services both in terms of the ability to provide timely and informed decisions and the perception of the planning process by customers." (Big conversation report page 15)

Accessing a pool of experts, similar to the existing minerals and waste resource, is something that has been frequently raised. While this is linked to wider resourcing, it would be interesting to hear if and/or how this might support the ambitions of the Bill, and planners work more widely, albeit recognising the importance of local knowledge and services/place within decision making.

Supporting planners, through training, to better understanding any new policy and guidance would help to ensure that legislation is implemented as planned and its delivery on the ground is not compromised.

Paragraph 8.226 of the Explanatory Memorandum states that "Option 2 ... provides for enhanced community engagement". It is worth noting the importance of this in the process from this early stage. Recognising the need to build meaningful engagement into the process.

Evidence and baseline information

We note that page 11 of the Explanatory Memorandum sets out categories of infrastructure which a new and unified process is mainly expected to capture. These being energy, transport, waste and water, "with minimum thresholds requiring only the most significant infrastructure to be included".

Further clarity is required in respect of the evidence base behind the thresholds. It would be useful for all parties to understand the evidence and thinking behind these thresholds and if consideration was given to scale and impact, rather than a standard measure? For example:

- In relation to highways in particular, we question whether the highways thresholds would be likely to take in active travel provision, as currently worded, and if so, is this threshold appropriate?
- We note the optional SIP thresholds at column B of Annex 3 and question whether the optional threshold is likely to cause ambiguity in the system?

Planning for infrastructure was raised at the RTPI Cymru / National Infrastructure round table on the 'Exploration of the Development of Placemaking since Devolution in Wales'. It was suggested that there is a lack of clear, robust surveys on what infrastructure is needed and when to provide the evidence base. It was equally felt that Welsh Government's infrastructure strategies should play a stronger role in integrating with the development, at all levels, including Future Wales, emerging Strategic Development Plans and Local Development Plans. The Bill is being advocated as a transformative mechanism towards achieving net zero and supporting mitigation for the climate change emergency and therefore policy needs to align to support this.

We note that S53(2) (Duty to decide applications in accordance with statutory policies) provides that where there is incompatibility between a provision in a relevant policy statement and either a provision in the National Development Framework for Wales or a provision in a marine plan, the application must be decided in accordance with the relevant policy statement. It is important that infrastructure policy statements do not undermine Future Wales which is now the established national strategic spatial plan for Wales. To support a simplified and efficient consenting process the national documents must be kept up to date, align and support the decision making process.

We note there is no reference to future technologies in the Bill, such as production and transport of hydrogen. Technology can move at pace and future proofing the Bill is important in this respect. Should these be explicitly referenced in the Bill or are the provisions for seeking a project to be designated as a SIP sufficient? Further clarity would be useful.

Enforcement

We note the Bill allows for both Welsh Minister and LPAs to take enforcement action. We assume this relates to paragraph 4.20, which refers to previous consultation responses that supported "designating the LPA as the main onshore enforcement authority, with the Welsh

Ministers as the relevant authority offshore". Further clarity is required in this respect to avoid confusion.

Although we note that the number of enforcement cases is anticipated to be minimal for the proposed infrastructure consenting applications, it is important to recognise the potential magnitude of costs and officer time at the enforcement stage for LPAs, for example legal challenges can be prolonged, costly and often involve multi officer/agency input, including senior staff.

If you require further assistance, please contact RTPI Cymru on 020 7929 8197 or e-mail Roisin Willmott at <u>walespolicy@rtpi.org.uk</u>

Yours sincerely,

P. - AR

Dr Roisin Willmott OBE FRTPI **Director**

Infrastructure 45, Planning Aid Wales

Senedd Cymru | Welsh Parliament

Pwyllgor Newid Hinsawdd, yr Amgylchedd a Seilwaith | Climate Change, Environment, and Infrastructure Committee

Bil Seilwaith (Cymru) | Infrastructure (Wales) Bill

Ymateb gan Cymorth Cynllunio Cymru | Evidence from Planning Aid Wales



Written Submission to the Climate Change, Environment and Infrastructure Committee regarding the Infrastructure (Wales) Bill

22nd August 2023

1. This submission is made by Planning Aid Wales to the Climate Change, Environment, and Infrastructure Committee as part of its scrutiny of the Infrastructure (Wales) Bill in advance of the organisation's participation in a committee panel on 20th September 2023.

About Planning Aid Wales

- 2. Planning Aid Wales is a charity that supports community engagement in the planning process in Wales. We provide a range of information, advice, training and support services that meet these aims. More information about our work is available at: <u>https://planningaidwales.org.uk/about-us/our-work/</u>
- 3. Planning Aid Wales' mission is *"for all the people of Wales to be able to fully and effectively participate in a fair, transparent and responsive planning system"* and we strive to apply our values of *Innovation, Inclusion, Collaboration, Independence* and *Enabling* to all of our work.
- 4. Planning Aid Wales is funded by the Planning Division of Welsh Government to the sum of £121,500 per annum. This funding facilitates the provision of a range of services that benefit members of the public, chiefly:
 - i). A Planning Helpline. Subject to eligibility, the helpline addresses questions around the planning process raised by members of the public. This service is delivered via a network of planning volunteers throughout Wales.
 - ii). Programmes of training courses and mini conferences to raise awareness and build understanding of planning matters amongst

community and town councils, third sector organisations, community groups and individuals.

- iii). Information and awareness raising services including easy-to-read guidance on all aspects of the planning system via our website and regular our bi-monthly newsletter *Planning4communities*.
- 5. In addition to our Welsh Government funding, Planning Aid Wales also undertakes projects and commissions that meet our charitable objectives. These activities primarily facilitate community engagement and community involvement in plan-making on behalf of Local Authorities, guidance and support on the production of Place Plans for Community and Town Councils and early-stage site engagement on behalf of Registered Social Landlords.

Planning Aid Wales' Submission

- 6. As an organisation committed to supporting community engagement in the planning process, our submission will be limited to such matters. This submission is based on three elements:
 - i). A summary of exemplar issues raised by members of the public in relation to infrastructure applications via the Planning Aid Wales Helpline.
 - ii). Feedback from our own officers on their experiences in working with members of the public in complex planning matters.
 - iii). The findings and recommendations made by our research on *'The Value of Engagement in Planning in Wales'*, published in 2021.

i) Issues raised by members of the public regarding infrastructure applications

- 7. The Planning Aid Wales helpline service is our longest-running service and currently administers on average 250 cases per year.
- 8. Most of these cases relate to planning application matters with a small percentage relating to infrastructure schemes. The following summarises the issues raised by members of the public with respect to larger scale development / infrastructure / Developments of National Significance.

Matters relating to impact of the development:

- Pollution / environmental impacts
- Noise / safety / public health impacts
- Scale & size of development

- Unsightly / blot on landscape etc.
- Proximity to residential addresses

Matters relating to process:

- Unclear identification / concern over selection of sites in *Future Wales The National Plan 2040* & feeling that 'hands are tied' by the time the public become aware.
- Poor / incomplete advertising of applications / consultation not advertised widely enough.
- Process is not transparent / information being withheld.
- Feeling of inability to fully participate in process due to its complexity.
- Feel unequipped to challenge e.g. developer reports due to costs of financing independent reports / legal advice.
- Distrust of Local Planning Authority to make a fair decision.
- 9. It should be noted that the above issues are not necessarily applicable to every enquiry and represent feedback from a selection of cases. Concerns over fairness of process can often outweigh specific concerns relating to the development; this is true in much of our casework.

ii). <u>Feedback from Planning Aid Wales officers on their experiences in working</u> with members of the public in complex planning matters.

- 10. Planning Aid Wales recognises that infrastructure proposals can be amongst the most controversial applications due to their size, scale and potential impacts on the environment and landscape. Given their size, public awareness of them is likely to be higher and are likely to attract larger scale objections, petitions and campaigns. In some respects, this is unavoidable, although it should be recognised that these views are not necessarily indicative of the views of an entire population. Some of the key issues our staff encounter in relation to infrastructure and other complex matters are summarised below:
 - Timing of engagement. The most prominent / focused consultations normally occur late in policy allocation and development design cycles. Infrastructure and major developments are normally identified and / or allocated in development plans (Future Wales and Local Development Plans). As a consequence, the principle of whether a scheme should be permitted or not is often established before the wider public are aware of

it. When the Pre-application Consultation (PAC) / planning application consultation arrives and public awareness increases, the public feel aggrieved that they are unable to challenge the principle of the development. Similarly, the PAC process occurs after developers have invested in design and are less likely to make changes following the PAC consultation – in both scenarios more front-loaded engagement would be beneficial.

- ii). Principles vs details. National Infrastructure debates can sometimes get bogged down in the principle issue ('wind turbine or no wind turbine') and other important community issues sometimes get marginalised, such as the need for support networks, traffic and maintenance generation etc. There also seems to be a disconnect to regular objections raised over a *lack of infrastructure* with respect to housing applications – although this tends to be understood more as healthcare, education and water / sewerage provision rather than energy generation and transport infrastructure.
- iii). Understanding of process. When discussing infrastructure schemes with the general public there is confusion in relation to process. Whilst there is a general understanding of planning applications and who makes the decision i.e. LPA, the current process for national infrastructure projects is not well understood. As a consequence, there are problems engaging or being able to participate fully in the process.
- iv). Understanding technical information. Information can be very long and very technical in relation to major development and infrastructure development. Even non-technical summaries are hard for lay people to understand. There have been initiatives in policy development consultations to produce 'easy read' versions of documents which are not necessarily provided in relation to large infrastructure schemes.
- v). Feedback. As with other forms of development, there is a lack of meaningful feedback on consultations and engagement undertaken. It is often not enough to refer to PAC reports or application reports as a form of feedback, as members of the public are not often aware of their existence. As an example, members of the public do not necessarily understand that objections on non-material considerations can excluded from consideration. It is important people know they views have been heard even if a different decision is made and why that decision is made; without doing this there is a continuous cycle of distrust – "Why bother? They didn't listen to us last time" is one of the more common pieces of feedback Planning Aid Wales receives from the public.
- vi). Competing legislation / policy. Conflict between issues such as climate emergency and nature emergency. e.g the Solar Farms on the Gwent

Levels. Powerful arguments are made for the benefits of the renewable energy resource, at the same time powerful arguments are made to protect naturally important areas such as the Gwent Levels. Similarly, many concerns have been expressed that the principles of the Wellbeing of Future Generations Act is not being adequately considered in planning matters - it is often difficult to understand the nature of planning and to balance these sorts of judgements.

iii) <u>The findings and recommendations made 'The Value of Engagement in</u> <u>Planning in Wales'.</u>

- 11. Undertaken during 2020, this research involved an academic literature review, stakeholder surveys, focus groups and interviews to explore the value of community engagement in the entire planning process in Wales with a view to improving practice. The key findings of the report were:
 - i). 'Community engagement' is used interchangeably with 'community involvement', 'participation' and 'consultation' and is ill-defined.
 - The perceived value of engagement varies by sector (government, developers, and public), although all sectors agreed on its importance, despite of poor performance in delivering engagement (see Audit Wales' report on the *Effectiveness of Local Planning Authorities in Wales, 2019*).
 - iii). Principles to encourage positive outcomes in engagement include *'starting early', 'building trust', 'clarity of process', 'managing expectations'* and *'providing clear feedback'.*
 - iv). Barriers to effective engagement propagate distrust, misunderstandings and low participation in the planning process. These include:
 - a. Low awareness of process
 - b. Public apathy, often based on past negative experience
 - c. Negative perception bias on the scope of the process
 - d. A technical process bias that can obfuscate meaningful engagement
 - e. Disjointed, narrow and limited engagement practice, often focused on 'box-ticking'.
 - f. Negative elected member perception
 - g. A need for better definition on the nature, terms and scope of engagement.

- v). There is a need for further guidance, training, case studies, support services, celebrations and leadership in community engagement in order to improve practice.
- vi). The research concludes with a wide range of recommendations to improve practice see <u>https://planningaidwales.org.uk/wp-content/uploads/2021/07/Summary-Report-Value-of-Engagement-in-Planning.pdf</u> for further information.

Conclusion

- 12. The majority of Planning Aid Wales' work is at the interface between planning and members of the public; we only comment on changes to the planning system that affect the way this interface is delivered. In many respects the *Infrastructure (Wales) Bill* will provide greater clarity and certainty on aspects of infrastructure decision-making in Wales which is currently difficult to understand.
- 13. Planning Aid Wales recognises that legislative change is not always the most appropriate tool to address the concerns highlighted in our submission. However, we are also of the view that non-legislative interventions such as policy and guidance can only go so far in delivering positive change with respect to community engagement and building trust. Ultimately, greater front-loading of engagement and provision of meaningful feedback in all parts of the planning process is necessary.
- 14. We will be exploring these matters and the Infrastructure Bill further with representatives of members of the public in an online conference to delivered jointly with One Voice Wales on 24th October. Any proposed legislative interventions or recommendations discussed will be submitted to the Planning Division at Welsh Government thereafter.

Agenda Item 4.1

Written Response by the Welsh Government to the Report of the Climate Change, Environment and Infrastructure Committee on Natural Resources Wales Scrutiny of Annual Report and Accounts 2022-23

Provided by: Julie James MS, Minister for Climate Change

Date: 3 July 2023

Thank you for the report of the Climate Change Environment & Infrastructure Committee's annual scrutiny of Natural Resources Wales annual report and accounts for 2022/23.

I have noted the issues and recommendations raised in the report and have provided the Welsh Government's response below to each recommendation.

Recommendation 1. Natural Resources Wales should share with the Committee the detailed Service Level Agreements (SLAs) it has developed in collaboration with the Welsh Government as soon as possible. It should publish high-level summaries of the SLAs in the interests of openness and transparency.

Accept – Natural Resources Wales will respond to the Committee directly on this recommendation.

We expect NRW to share with the committee before the summer Recess.

Recommendation 2. Natural Resources Wales and the Welsh Government should establish a monitoring and evaluation process for its SLAs. This process should include consultation with stakeholders and regular updates to the Committee on how the SLAs continue to reflect both parties' evolving needs and priorities.

Accept in principle– NRW's service level agreements are developed in collaboration with their delivery partners to ensure any proposed SLA's supports the delivery of both NRW's statutory functions and any Ministerial commitment.

NRW's corporate plan <u>Natural Resources Wales / Our corporate plan to 2030 -</u> <u>Nature and People Thriving Together</u> places an emphasis on the use of monitoring and evidence to enhance their understanding of the state of environment to improve how they meet their customer's needs.

With their corporate plan they have committed to sharing this information in an open, transparent, and readily accessible way. NRW acknowledge new evidence approaches and collaboration will need to be developed so that their key information can be used more effectively. As such, they have committed to continuously innovate to optimise resources and enhance their understanding of the state of the environment, improving how they meet the needs of their customers.

Recommendation 3. Natural Resources Wales should provide regular updates on the measurable outcomes and milestones achieved under the Adfywio/Renewal programme and outline future targets.

Accept in principle – As part of NRW's new corporate framework they are reviewing and re-assessing at their outcomes and indicators to encourage a more consistent approach for future targets.

Recommendation 4. Natural Resources Wales should collaborate with academic institutions and industry partners to develop targeted capacity building and training initiatives, such as internships, apprenticeships, and specialised courses, to address the skills gap in critical areas. NRW should set a timeline for implementing these initiatives and consult with stakeholders to ensure their effectiveness in recruiting and retaining specialist staff.

Accept in principle— we believe there is an opportunity to link this recommendation to work within the Economy, Trade and Rural Affairs Committee's "General Scrutiny of the Minister for Economy"; where the Welsh Government has produced a report discussing the future skills needs across the whole Welsh economy and highlighting the need for a collaborative approach across Government and a wide variety of external stakeholders.

NRW already encourages placements within the organisation and offers a number of opportunities for apprenticeships and secondments. NRW plan to provide a highlight summary of some of the work they already do in this space for the committee to consider.

Recommendation 5. Natural Resources Wales should provide the Committee with an update on the progress of its Strategic Review of Charging and the proposals for increases in charges/fees.

Accept – NRW will provide the committee with their review.

NRW consulted on its <u>proposed regulatory fees and charges for 2023-24</u> in October 2022, where the consultation covered both proposals for permitting / application charges (SRoC Programme), and inflationary increases relating to its subsistence charges (Annual Review of Charges (ARoC)).

Following NRW's 12-week consultation, they have submitted their proposals for permitting / application charges to the Minister for consideration and approval.

Recommendation 6. Natural Resources Wales should include in its advice to the Minister information on the financial implications of its proposed changes to charges/fees on individual applicants.

Accept – NRW has engaged with the Minister and the Minister is currently reviewing.

Recommendation 7. Natural Resources Wales should provide a summary report to the Committee on the main challenges in achieving good status for all water bodies by 2027 and outline its plans to overcome them. This Report should also include NRW's approach to ensuring the timely implementation and review of the River Basin Management Plans (RBMPs).

Accept in principle - The Water Framework Regulations are implemented via River Basin Management Plans (RBMP). These plans outline the challenges to meeting good status by 2027 and the actions needed to achieve this.

The plans can be accessed via this link - <u>Natural Resources Wales / River basin</u> <u>management plans</u>

Recommendation 8. Natural Resources Wales should regularly review the adequacy of staffing levels and resources for enforcing agricultural pollution regulations and Report on its findings. NRW should also strengthen collaboration with stakeholders, including farmers and agricultural organisations, to promote sustainable practices that minimise pollution.

Accept - The level of support provided to NRW, to support the delivery of the compliance and enforcement of the 2021 Regulations beyond 2024-25 will be subject to NRW revieing the implementation of the 2021 Regulations, which will be carried out in consultation with the Welsh Government in 2024.

The 2024 review would ensure NRW are delivering its statutory duties effectively and will provide necessary evidence of the need to either maintain or enhance funding to ensure NRW are meeting the statutory requirements of the 2021 Regulations.

The strengthening of collaboration with stakeholders is an essential aspect of tackling agricultural pollution and improving the resilience and sustainability of the sector.

Recommendation 9. Natural Resources Wales should demonstrate progress in bringing unpermitted storm overflows within the regulatory regime and expedite the review of Storm Overflow Classification guidance. Additionally, NRW should continue working closely with water companies to improve infrastructure and reduce the

frequency and impact of sewer overflows. NRW should report on progress six months after the publication of this Report.

Accept – Together, the Welsh Government, NRW, Ofwat, Dŵr Cymru (DCWW) and Hafren Dyfrdwy (the partner organisations) established a Better River Quality Taskforce to set out detailed plans to drive rapid change and improvement in water quality.

The Taskforce published five storm overflows action plans for Wales in July 2022. These plans set out clear objectives and measurable outcomes for delivering improvements to overflow management from the immediate through to the long term.

NRW work with the water companies to develop Drainage and Wastewater Management Plans. The plans will look at ways to address existing and future pressures on the sewer system, including population growth and climate change, to build a more resilient wastewater and drainage infrastructure. These measures will relieve pressure on the sewer network by slowing down the speed at which surface water enters the sewer system, further minimising discharges from Combined Sewer Overflows (CSOs).

DCWW having commissioned a programme of investigation for all unpermitted assets, and NRW's expectation that all water companies in Wales will ensure all unpermitted storm overflows meet satisfactory standards over the course of the asset management plan period (2025-30). The update paper is available to view at Briefing note from Natural Resources Wales in relation to a recommendation made by the Committee in .pdf (senedd.wales).

As part of <u>Environmental regulation of overflows: action plan [HTML] | GOV.WALES</u>, the Storm Overflows Report is being developed to assess the policies of the two water companies in Wales (DCWW and Hafren Dyfrdwy) relating to CSOs. A near final version of the report has been shared with the Better River Quality Taskforce for consideration, and it is currently being finalised for publication.

Recommendation 10. Natural Resources Wales should provide further details on the progress and effectiveness of the SAC rivers project and the national nutrient calculator. NRW should also engage with local communities and stakeholders to develop and implement catchment-scale solutions for nutrient management.

Accept in principle – We support the recommendation but note this needs a holistic collaborative approach from all relevant stakeholders, of which NRW is not solely responsible for.

The First Minister's River Pollution Summit is a key enabler for this work, developments across a range of actions including an All-Wales Nutrient Calculator and local engagement via the initiation of Local Authority Nutrient Management Boards. Reporting on progress is already in place via the SAC river Pollution Ministerial led group.

Welsh Government lead the development of a unified nutrient calculator to directly aid planning decisions on nutrient neutrality which will have the ability to take account of catchment-level data, local features, and needs.

The establishment of Nutrient Management Boards will support several Programme for Government Commitments. This includes our commitment to strengthen water quality monitoring and build 20,000 new low carbon social homes for renting. Nutrient Management Boards are expected to gather evidence for their respective SAC rivers, engage with local communities and stakeholders to develop and implement solutions for nutrient management through the development of a Nutrient Management Plan.

Recommendation 11. Natural Resources Wales should continue its work with the Better River Quality Taskforce and keep the Committee updated about the progress of action plans.

Accept – The Better River Quality Taskforce, chaired by Sir David Henshaw, has been established to drive rapid change and improvement to water quality. The Taskforce is made up of representatives from Welsh Government, NRW, and water companies, with industry stakeholders providing independent advice to the taskforce and offering insight and challenge from a stakeholder and consumer perspective.

In July 2022 the Taskforce published a storm overflows roadmap for Wales. These plans set out clear objectives and measurable outcomes for delivering improvements to overflow management from the immediate through to the long term.

The Minister for Climate Change intends to produce a written Ministerial statement to update on the work of the task force by the summer recess.

Recommendation 12. Natural Resources Wales should expedite the development and testing of criteria for inland bathing waters and provide a clear timeline for their implementation. NRW should also engage with local authorities and tourism organisations to promote the responsible use of inland waters for recreation.

Accept in principle - We support the recommendation but note NRW is not solely responsible.

The Programme for Government makes a commitment to begin designation of Wales' inland waters for recreation and strengthening water quality monitoring.

NRW are working with stakeholders, including Local Authorities, organised swim groups and local community groups to continue to improve water quality and recreational water opportunities across Wales. This includes early policy development for increased designation of inland bathing waters in Wales.

Natural Resources Wales, through their dedicated Inland Bathing Waters programme lead, are responsible for delivering the pilot bathing season and engaging widely with stakeholders in supporting the PFG commitment.

Recommendation 13. Natural Resources Wales should ensure that the delay in publishing the first Report on the National Strategy for Flood and Coastal Erosion Risk Management does not impact the planning and implementation of flood risk management initiatives. NRW should address any reasons for the delay in future reporting cycles to ensure timely information sharing with stakeholders and the public.

Accept – NRW reports on collective progress in implementing the National Strategy via a Section 18 report every two years after publication of the Strategy. The report due in autumn 2022, has been postponed until autumn 2023 due to workforce pressures. The extension was agreed following discussions with the Flood & Coastal Erosion Committee and the Welsh Local Government Association. On completion the Flood and Coastal Erosion Committee will then review the report.

The last published section 18 report was in 2020 which covers the progress undertaken in implementing the previous national strategy.

The Welsh Government agreed to the proposed reporting extension of one year, giving NRW a wider 2.5-year period of information to report. The reasoning behind the extension was to also provide wider Risk management Authorities additional time to work on some of the data collections required, specifically supporting mapping, having all agreed this must be one of the priorities.

Any delay in reporting on the Section 18 would not hinder or impact the planning and implementation of flood risk management initiatives, this report specifically concentrates on monitoring progress. The extended period has now provided wider evidence over a larger period on implementation of the National Strategy Measures.

Recommendation 14. Natural Resources Wales should provide updates on the progress and effectiveness of the action plan developed in collaboration with stakeholders for biodiversity conservation. NRW must continue to work closely with the Welsh Government to develop primary legislation, and a comprehensive

framework of nature recovery targets for Wales and should regularly report to the Committee on its role in this regard.

Accept in principle NRW are not solely responsible for the action plan developed from the biodiversity deep dive but are responsible for a number of the actions.

NRW remain actively engaged with the Welsh Government policy leads in this area, who provide the Minister with updates on progress. The Minister agreed to provide 6 monthly updates on the action plan recommendations. The first six monthly update was published on 22 May and is available here- <u>Biodiversity deep dive: progress</u> <u>update October 2022 to April 2023 | GOV.WALES</u>



CCEI Scrutiny Recommendations 2023 – NRW's response

Recommendation 1.

Natural Resources Wales should share with the Committee the detailed Service Level Agreements (SLAs) it has developed in collaboration with the Welsh Government as soon as possible. It should publish high-level summaries of the SLAs in the interests of openness and transparency.

Working with WG, our teams have prepared 10 service level documents relating to:

- Flood Risk Management
- NRW Estate (including the woodland estate)
- Pollution Incident Management
- Enforcement
- Water Quality
- Enabling tree planting
- Freshwater Monitoring
- Marine Monitoring
- Terrestrial Monitoring
- The Water Resources (Control of Agricultural Pollution) (Wales) Regulations 2021

These services are currently funded by a combination of funding streams (flood, non-flood, charges and commercial income) and account for 25% of non-flood Grant in Aid.

The documents follow a common template and describe the service, setting out the scope, objectives, exclusions and output and input metrics (\pounds and FTE – Full Time Equivalent) and then move on to describe three options:

- Current service (as reflected in the 2022/23 NRW Annual Business Plan)
- Reduced service
- Improved service

There are clear choices to be made and to aid this process, policy officials from NRW, working in collaboration with Welsh Government, have recommended one option which they believe represents their shared understanding of the service required to meet our current legislative requirements and duties as well as specific commitments in the Programme for Government and the Co-Operative Agreement with Plaid Cymru. When identifying these recommended service levels, officials focussed on the service levels and meeting our statutory requirements rather than on the specific financial costs or the potential benefits that could be realised through the invest to save proposals.

A table summarising the service level agreements is included with a slide pack that summarises for each service the different options and recommendations. These service level documents are not static and will be regularly reviewed based on feedback from stakeholders to ensure we meet evolving needs. Please accept our apologies that this attachment is currently in English only. The agreed service levels have informed our 2023/24 Business Plan.

Due to the complex nature of the exercise, we would warmly welcome an early opportunity

to discuss this with the Committee members and the Senedd Research team to help you understand the interdependencies, and answer any questions you may have.

Recommendation 2.

Natural Resources Wales and the Welsh Government should establish a monitoring and evaluation process for its SLAs. This process should include consultation with stakeholders and regular updates to the Committee on how the SLAs continue to reflect both parties' evolving needs and priorities.

Our monitoring and evaluation of the SLAs will draw on evidence and insight from our stakeholder and customer feedback channels including: our consultations, our complaints and commendations processes; our advocacy work with strategic stakeholders; and our broader engagement with the citizens of Wales through our national conversation 'Natur a Ni', to inform our discussions with Welsh Government on the current SLAs and any future agreements with them.

As part of our focus on improving our service to our customers, we have reviewed our Complaints Policy and Procedures - it is now quicker and easier for customers to provide feedback and we can effectively measure the implementation of service improvement recommendations.

In line with the Public Services Ombudsman for Wales (PSoW) we have streamlined our complaint process and reduced our SLA for Stage 1 complaints from 20 working days to 10 working days, focussing on the root cause of the complaint and resolving the issue at first point of contact. Formalised stage 2 complaints are more customer focussed, and we take a proportional approach, ensuring they are resolved effectively and quickly within 20 working days, and identifying mitigation measures to avoid repeat complaints. We are open and transparent in relation to complaint performance and provide quarterly service level information to the PSoW, which is published on their website.

During 2022/2023, 98% of Stage 1 and 90% of Stage 2 complaints were responded to within 20 working days, compared to 88% of Stage 1 and 11% of Stage 2 complaints during 2021/2022. We actively listen to our customers and seek feedback from peer organisations, to ensure we continue to respond to complaints effectively and learn lessons which help us improve our services as an organisation.

Using feedback and insight, we have improved our Access to Information processes and procedures to ensure customers and stakeholders receive timely, accurate and easy to read responses to their requests for information. We also publish information about the requests we receive on our website, to demonstrate openness and transparency. During 2022/2023, 92% of requests were responded to within 20 working days, compared to 76% in 2021/2022.

We continue to develop our ability to listen to customers by promoting Customer Journey Mapping as our continuous improvement approach to services. Colleagues from across the organisation have attended in-house introductory training and we continue to empower and enable a customer focus with our colleague practitioner network.

Recommendation 3. Natural Resources Wales should provide regular updates on the measurable outcomes and milestones achieved under the Adfywio/Renewal programme and outline future targets.

Since the programme was established, we have provided annual updates on our Adfywio work as part of our written evidence ahead of our annual scrutiny sessions with the Committee.

The ambition of delivering financial and emissions savings will be realised over a number of years as this programme is introducing significant changes to the way we work, and will require significant upfront investment. We have to ensure we are horizon scanning best practice so that what we are investing in now is fit for purpose in the context of our wellbeing objectives and the broader nature and climate emergencies.

The performance of the programme is reported on a quarterly basis as part of our business plan performance management. These dashboards are available publicly as part of our published board papers on our website.

Recommendation 4.

Natural Resources Wales should collaborate with academic institutions and industry partners to develop targeted capacity- building and training initiatives, such as internships, apprenticeships, and specialised courses, to address the skills gap in critical areas. NRW should set a timeline for implementing these initiatives and consult with stakeholders to ensure their effectiveness in recruiting and retaining specialist staff.

NRW's approach to Placements is set out in our Placement Policy and Procedure. This is the Framework for the recruitment, co-ordination, support and implementation of all placements. As an organisation we are committed to helping to develop a skilled workforce for Wales. We believe that placements give people the opportunity to gain valuable skills and share experience and expertise whilst also making a significant contribution to the success of our business.

The Framework was developed with advice from trade unions, legal representatives drawing on comprehensive research into what other organisations offer. It currently consists of 7 strands split into Paid and Unpaid placements:

- **Apprenticeships (paid)** A long-term placement of up to 100 weeks with specified study time (days or block release).
- **Paid Placements with External Funding (paid)** Dependant on funding scheme criteria.
- Higher Education Placement (paid) A long-term placement of up to 100 weeks.
- Work Placement (unpaid) A short-term placement for and up to 6 weeks or 30 days
- **Research Placement (unpaid/contribution)** A short-term placement for a up to 6 weeks or 30 days, or a long-term placement of 6 weeks or longer, up to 12 months.
- Student Work Experience Placement (unpaid) A short-term placement for a up to 6 weeks or 30 days.

• **NRW Volunteer Placement (unpaid)** - Dependent on placement opportunity and work programme. Any opportunity longer than 12 months requires an annual review.

These opportunities combined with our education and learning programme (educator training, resources, setting support linked to Careers and the World of Work, links with Careers Wales and career advice) provide many opportunities for routes into employment to NRW and the wider sector.

To reduce risk and maximise opportunity, all placements offered by NRW are administered in line with a Placement Policy and Procedure. This is designed to comply with all relevant NRW policies and procedures, legal advice, governance and best practice. We also have a well-established, multi-disciplinary Placements steering group and a growing community of practice.

A number of principles underpin our approach to placements. All placements are advertised to ensure equal opportunities to all and placements do not replace paid staff nor are used to displace an existing paid post. Paid placements are remunerated in line with our commitments as a Real Living Wage employer.

A table of a selection of current and past opportunities under the various strands is provided in Appendix 1. This provides a snapshot, and more detail can be provided if required.

NRW recognises the vital role placements can play in helping to attract, develop and retain people with the right skills, capabilities, commitment and behaviours needed for the current and future organisational success. We also work with the wider environment sector to provide opportunities to secure a workforce equipped to tackle the climate and nature emergencies now and in the future.

A Service Design approach is currently being used to inform the development of a talent management framework of which Placements is a vital component. This project will be concluded in April 2024.

We have and continue to feed into the development, and realisation of, Curriculum for Wales. We are in regular contact with WJEC and Qualifications Wales and hope to sit on the Advisory Board for a number of subjects as part of the 14+ GCSE development (application pending) in order to influence subject content.

Recommendation 5.

Natural Resources Wales should provide the Committee with an update on the progress of its Strategic Review of Charging and the proposals for increases in charges/fees.

The review has been completed and revised charges approved by the Minister have come into force from 1st July. This includes new charges for applications for water quality, waste, water resources, industry regulation, species licensing and reservoir safety applications.

A 6% increase in subsistence has been approved from 1st April for water quality, water resources, COMAH, emissions trading, flood risk applications, non-nuclear radioactive substances, reservoir compliance and materials recycling facilities.

Recommendation 6.

Natural Resources Wales should include in its advice to the Minister information on the financial implications of its proposed changes to charges/fees on individual applicants.

This has already been sent to the Minister as part of our advice package when requesting ministerial approval.

Recommendation 7.

Natural Resources Wales should provide a summary report to the Committee on the main challenges in achieving good status for all water bodies by 2027 and outline its plans to overcome them. This Report should also include NRW's approach to ensuring the timely implementation and review of the River Basin Management Plans (RBMPs).

The latest River Basin Management Plans for the Western Wales and the Dee River Basin Districts and the Welsh part of the Cross border Severn River Basin district, and their summaries can be found on our website: <u>Natural Resources Wales / River basin</u> <u>management plans 2021-2027.</u>

Updated every six years, these set the direction for how we will manage, protect and improve our water environment in Wales. Our rivers, lakes, wetlands, ground waters, estuaries and coastal waters - including those in protected areas - all fall under these plans. Through this process we develop a detailed understanding about the state of our water environment, the pressures acting upon it and what measures are required to improve and protect it by using existing and new evidence.

The River Basin Management Plans detail the improvements which have been made over the last six-year cycle, and outlines the further improvements necessary to prevent further damage to our waters. We have identified ten Opportunity Catchments where we will focus staff resource across NRWs functions to support partners to deliver integrated catchment management solutions.

We believe that the detailed plans and summaries on our website should be sufficient to answer the Committee Member's questions, but if there are any outstanding queries, please do get in touch.

Recommendation 8.

Natural Resources Wales should regularly review the adequacy of staffing levels and resources for enforcing agricultural pollution regulations and Report on its findings. NRW should also strengthen collaboration with stakeholders, including farmers and agricultural organisations, to promote sustainable practices that minimise pollution.

The CoApr SLA includes a requirement for the submission of reports to WG on the progress of our compliance and enforcement, this will include assessment of delivery levels with staff funded by SLA. NRW has committed to update the membership of the Welsh Land Management Forum agricultural pollution sub-group. Collaboration with stakeholders, including farmers and agricultural organisations will form part of the newly recruited CoAPR Officers role.

Recommendation 9.

Natural Resources Wales should demonstrate progress in bringing unpermitted storm overflows within the regulatory regime and expedite the review of Storm Overflow Classification guidance. Additionally, NRW should continue working closely with water companies to improve infrastructure and reduce the frequency and impact of sewer overflows. NRW should report on progress six months after the publication of this Report.

Following our update to the Committee in December, we are due to release our Storm Overflow Classification guidance on permitting storm overflows in the coming weeks. This will set out our expectations for compliance, and will ensure we can progress the permitting requirements for both unpermitted and those overflows that are currently substandard and unsatisfactory.

We will ensure that the Committee receives a copy of this guidance when it becomes available.

Recommendation 10.

Natural Resources Wales should provide further details on the progress and effectiveness of the SAC rivers project and the national nutrient calculator. NRW should also engage with local communities and stakeholders to develop and implement catchment-scale solutions for nutrient management.

The First Minister's Action Plan 'Relieving Pressures on SAC River Catchments to Support Delivery of Affordable Housing' is a key enabler for this work. It includes a number of actions for NRW and other organisations.

In 2021 NRW established an internal SAC rivers project to provide strategic oversight and co-ordination across 6 workstreams. The workstreams include priorities in relation to our statutory duties as well as those NRW specific tasks included in the First Minister's Action Plan.

The Action Plan includes the development of an All-Wales Nutrient Calculator. NRW produced the specification for this work which has now been procured by Welsh Government. NRW sits on the steering group and will be involved in the testing of the calculator.

NRW is also committed to reviewing permits for water discharge permits of 20m3/day or more in SAC rivers.

NRW is a member of each of the Nutrient Management Boards, where stakeholders and communities will be involved in discussions particularly in relation to catchment scale naturebased solutions for nutrient management. NRW are also exploring the provision of a database, setting out projects in development or completed so that evidence is effectively shared, to draw out lessons learnt and understand the effectiveness of different approaches. NRW is also exploring the acceptability of citizen science data in decision making.

Progress reports are provided to the SAC river pollution Ministerial led group, as well as through the NRW Annual Business Plan Performance Report.

Recommendation 11. Natural Resources Wales should continue its work with the Better River Quality Taskforce and keep the Committee updated about the progress of action plans.

NRW's Chair, Sir David Henshaw, continues to chair the Better River Quality Taskforce and provided an update to the Committee on progress against the recommendations set out at the Committee session in December 2022.

As mentioned previously, progress is being made against the NRW actions on the 5 action plans for storm overflows, with guidance due to be issued shortly.

Recommendation 12.

Natural Resources Wales should expedite the development and testing of criteria for inland bathing waters and provide a clear timeline for their implementation. NRW should also engage with local authorities and tourism organisations to promote the responsible use of inland waters for recreation.

Welsh Government's Programme for Government 2021-2026 makes a commitment to "Begin to designate Wales' inland waters for recreation, strengthening water quality monitoring". NRW are committed to supporting this ambition and welcome funding from WG to establish a project group and to scope a project plan for delivery.

The project is likely to include identifying freshwater sites used by the public for bathing and recreation; land ownership and access rights; infrastructure and signage needs and maintenance; health & safety and water quality.

NRW and Welsh Government are making progress developing pilot sites, which will allow for new landowners and local authorities to learn how to manage a bathing water during a season and allow for comms and customer engagement to be managed effectively. During the pilot, existing processes and support will be evaluated and recommendations will be provided at the end of the pilot season, for amendments and support.

Recreational access to inland water is part of NRW's continuing work to promote responsible recreation, in particular through the issuing of the Countryside Code and related Family of Codes in Wales. The Family of Code includes a 'waterside code' and codes for canoeing, angling and wild swimming. NRW has recently issued a Promotion Strategy and Action Plan to guide our promotion of the Countryside Code; the Plan includes a commitment to work closely with stakeholders, as well as working with Natural England to ensure the Code is promoted to Wales and England audiences. NRW also support the UK 'Check, Clean, Dry' initiative, aimed at preventing the spread of invasive non-native species (INNS).

Recommendation 13.

Natural Resources Wales should ensure that the delay in publishing the first Report on the National Strategy for Flood and Coastal Erosion Risk Management does not impact the planning and implementation of flood risk management initiatives. NRW should address any reasons for the delay in future reporting cycles to ensure timely information sharing with stakeholders and the public.

The Section 18 report is a report of progress against Welsh Government's National Flood and Coastal Erosion Risk Management Strategy, and so is a factual report on past performance. It does not impact the planning and production of flood risk management initiatives, and such initiatives draw on other information (e.g. flood risk maps), which are readily available. Flood risk plans and initiatives are described in other documents, such as Risk Management Authority Flood Risk Management Plans and Strategies, and production of these has not been hampered by this delay.

The delay was agreed by all parties, including Welsh Government and Welsh Local Government Association, and is a one-off. As stated by WG, a key factor was practical workforce pressure (on all parties), but also it will allow more time for a better product to be produced. The section 18 report is on schedule to be published in Autumn 2023.

It should be noted that whilst this is the first report on the second cycle (2020) National Strategy for FCERM, there have been 3 previous reports on the first cycle (2011) National FCERM strategy. These are available on NRW's website, as are NRW's flood risk management annual reports.

Recommendation 14.

Natural Resources Wales should provide updates on the progress and effectiveness of the action plan developed in collaboration with stakeholders for biodiversity conservation. NRW must continue to work closely with the Welsh Government to develop primary legislation, and a comprehensive framework of nature recovery targets for Wales and should regularly report to the Committee on its role in this regard.

The action plan from the Biodiversity Deep Dive is being developed for 'Team Wales' delivery. NRW is leading the delivery of some of the actions but not all of them. The Minister has agreed to provide 6 monthly updates on the action plan recommendations. The first six monthly update was published on 22 May and is available here - Biodiversity deep dive: progress update October 2022 to April 2023 | GOV.WALES.

NRW provided updates as part of this report and continue to attend and update on action delivery as part of the Ministerial led Core Deep Dive Groups meetings which are happening at 3 monthly intervals. NRW remain actively engaged with the Welsh Government policy leads in this area.

Appendix 1. NRW Placements

Placement strand	Past	Current	Future
Apprenticeships	Long running scheme of Integrated workforce placements studying the Environment and Conservation Level 2 Framework Forestry programme studying the Trees and Timber Level 3 Framework	6 x Enforcement apprentices studying Environment and Conservation Level 3 Framework.	Integrated workforce x 12 studying the Environment and Conservation Level 2 Framework from September 2023 – funding dependant. Development of further programmes, funding dependant.
Higher Education	Annually offered Forest Operation placements for up to 5 sandwich students studying a degree in Forestry and Land management <u>Natural Resources</u> <u>Wales / We're looking</u> for our next Forestry students – could it be you?	Annually offered Forest Operation placements for up to 5 sandwich students studying a degree in Forestry and Land management <u>Natural Resources</u> <u>Wales / We're looking</u> for our next Forestry students – could it be you?	An area to which more parts of the business are looking. It supports the university whilst providing valuable staff resources to NRW. Forest Operations funded for up to 3 further years.
	Marine Specialist Monitoring team placement opportunity <u>Our Work Diving into</u> <u>marine conservation:</u> <u>on placement with</u> <u>#TeamNRW</u> (<u>sharepoint.com</u>) offered for 18 months.	Marine Specialist Monitoring team placement opportunity <u>Our Work Diving into</u> <u>marine conservation:</u> <u>on placement with</u> <u>#TeamNRW</u> (<u>sharepoint.com</u>) offered for 18 months.	We are in early talks with the University of South Wales about their Network 75 programme <u>Network75 </u> <u>University of South</u> <u>Wales</u>
	Year 1 of 5 Flood and Water Management students placed throughout the Flood Risk Management portfolio	Year 2 of 5 Flood and Water Management students placed throughout the Flood Risk Management portfolio	Potential of future employment with

		12 Waste Regulatory Reform Programme placements across Wales recently recruited,	NRW for the Waster Regulatory placements
Paid placements with external funding	Kickstart - 50 roles offered and 24 filled, hosted across Wales and work area with a number securing permanent roles post scheme.		Actively engaging with a variety of schemes to ascertain if suitable.
Research	Ongoing research placements across the organisation.	Partnership with EPW. <u>Training –</u> <u>epwales.org.uk</u> £50K allocated to fund PhD placements during 22/23. 15+ opportunities across MSc and PhD and in a diverse range of topics e.g., Designs to support population health and well-being and Assessing Welsh Fishing activity	Continue to grow this area and strengthen partnerships with Universities across Wales and beyond. Considering: Academi Wales and their 'All Wales Public Service Graduate Program' Develop partnership with EPW around evidence needs and careers advice offer.
Student Work experience	Due to the pandemic interest in this strand had ceased.	Summer 2023 – 26 placements offered to learners aged 15 and over across Wales including fisheries, visitor centre, land management and hydrometry and telemetry	The summer 2023 placements scheme will be evaluated with a view to expanding the offer next year and beyond.
Work Experience	A number of placements offered to help those looking for a career change which has included ex- servicemen and the		An area which can be adapted and progressed as required.

	Welsh Governments Esgyn/Lift programme		
Volunteers	Ongoing boat, shore and diving support volunteer programme	20 boat, shore and diving support volunteers based in South West Wales Gower Scheme – 12 volunteers working on general conservation land management <u>Natural Resources</u> <u>Wales / NRW Gower</u> <u>Volunteer</u>	Lots of potential for more schemes across Wales. Early talks with Probation Service.



Workstream 1: Service Level Agreements



Service Level Agreements developed



- Managed estate
- Enabling tree planting
- Water Quality
- New Control of Agricultural Pollution Regulations
- Incident Management & Enforcement
- Flood Risk Management
- Monitoring
 - Freshwater
 - Marine
 - Terrestrial

Approach to Service Levels



- Jointly developed an SLA template keeping it simple
 - Descriptor, exclusions, objectives, output and input metrics(£ & people)
 - Three options:
- Pack Page 109 - Current service
 - Reduce service
 - Improve service
 - Opportunities for process improvement/ efficiency invest to save



SLA Summary Heatmap

Pack Page 110



Service	Current	Reduced 1	Improved 2	Improved 3	Improved 4
NRW Estate	Recommend				
Pollution Incident Management			Recommend		
Enforcement			Recommend		
Agri Pollution Regulations				Recommend	
Water Quality			Recommend		
∯lood Management					
Enabling Tree Planting			Recommend		
Monitoring – Freshwater			Recommend		
Monitoring – Marine			Recommend		
Monitoring - terrestrial			Recommend		

Commitment to additional SLAs – Potential list

- Biodiversity including inland fisheries
- Marine
- $\overline{\mathbb{R}}$ Water Resources
- Pack Page 112
- Sustainable land management scheme
- Area Statements/PSBs
- Climate/decarbonisation
- Development Planning Advice Service





SLA Summaries



Pollution Incident response SLA

<u>Scope</u>



• NRW's pollution incident response activities

Service level	Outputs
Current	Assessment of 8000 reports of environmental incidents, response to 1400 high risk incidents. Operation of 24/7/365 incident response service
Reduced Option 1	Raise threshold of high impact and/or stop all work on lower impact incidents and/or reduce out of core hours activities.
Improved Option 2	As current + address knock-on impact on other core activities of responding to incidents
Improved Option 3	As 2 + fill gaps in current service provision + invest in preventative work
Improved Option 4	As 3 + and lower threshold of response to include a proportion of low impact incidents, and/or investigate more lower impact incidents

Budg	et and	Risks			
	Current	Reduced Option 1	Improved Option 2	Improved Option 3	Improved Option 4
Staff (FTE)	48*, plus 38 **	48	86	106	126
Budget	£2.1m*, plus £1.5m**	£2.1m****	£3.6m***	£4.4m***	£5.2m***

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*core planned staff resource/budget funded from incident management allocations

** unplanned staff resource/budget from environment and regulatory teams

*** fully from incident management allocations, reallocating £1.5m back to env/reg effort (so in reality costing an additional £1.5m)

**** £1.5m reallocated back to env/reg work and not replaced by incident budget (so in reality costing an additional £1.5m)

Reduced Service Risks

- Significantly more pollution impacts, on health, environment, economy
- Significant reputational risks to WG and NRW

Enforcement

<u>Scope</u>



 Enforcement responses across full range of NRW regulatory regimes to stop offending, restore/remediate or punish/deter

Service level	Outputs
Current	 1000+ enforcement responses (Advice, Warning, Formal Caution, Prosecution or Civil Sanction) following; a. non-compliance with permit/consent/registration conditions (40%) and/or; b. illegal activity e.g. where no authorisation in place (60%) Variable enforcement activity & outcomes across regimes
Reduced Option 1 (nominal -20%)	Stop: More offending will receive lesser enforcement responses Reduce: Process improvement, support for regulatory reform e.g. wider ability to utilise civil sanctions
Improved Option 2 (nominal +20%)	As current + increased delivery against enforcement priorities, intelligence analysis & targeting organised/serious crime, process improvement, regulatory reform, improving systems & data architecture, collaboration with other enforcers

Budget and Risks



	Current	Reduce Option 1	Improved Option 2
Staff (FTE)	60	48	72*
Budget	£3.1M	£2.5m	£3.7M

* Proposed phasing 30%/70% over 2 years

Reduced Service Risks

- Erosion of public confidence in our enforcement capability
- Illegal/non-compliant activity likely to increase
- Support for other enforcement bodies (e.g. police, rural inspectorate) is withdrawn, weakening their enforcement capability
- Reduced capability to modernise our enforcement approach and tools
- NRW not delivering or supporting the climate and nature emergencies.

The Water Resources (Control of Agricultural Pollution) (Wales) Regulations 2021 (CoAPR)

<u>Scope</u>

Provision of applied evidence, compliance and enforcement, internal/external statutory advice and guidance in relation to the introduction and implementation. Note substantial increase in regulatory requirement from 1 Jan 2023

Service level	Outputs
a Current	No inspection programme. Limited cross compliance (XC) inspections with WG. Incident related enforcement. Provision of limited advice and guidance. Agri Regulatory Campaign (ARC) former Dairy project
Reduced 1	As above, without XC inspections and ARC
Improved 2	In addition to current:a) Inspection programme high risk agri activities. 8 year return periodb) Complex cross compliance inspections attend with WG
Improved 3	In addition to current a) Inspection programme of high risk agri activities 4 year return period
Improved 4	 In addition to current: a) Inspection programme of high risk agri activities 4 year return period AND lower risk activities 8 year return period

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Budget and Risks



	Current	Reduce 1	Improved 2 MVP	Improved 3	Improved 4 Ambition
Staff (FTE)	4.6 + 12.8 ACR	2	31.2	51.2	77.7
Budget	£360k	£0.1	£1.56m	£2.53m	£3.84m

Reduced Service Risks

- Unable to support the transitioning to measures into the Control of Agricultural Pollution Regulations.
- Increase in agricultural pollution incidents.

Water Quality

<u>Scope</u>



• Our work to support and pursue the sustainable management of water

Service level	Outputs
Current	 NRW Business Plan working with WG to set and implement sustainable water management policy, develop and implement plans for improving the quality of our Water environment, working collaboratively with stakeholders
	 Over the last 18 months water quality issues have been the subject of intense public and political scrutiny, and we have had to significantly re-prioritise and adjust our workplans to respond, leading to minimal service or less in some other areas of our water quality work whilst we instigated SAC Rivers projects.
Reduced 1	Stop: less than minimal level of service, cease critical projects such as SAC Rivers with consequences for development and programme for Government commitments (or decisions elsewhere on stopping other lower priority services elsewhere, with consequences to be defined).
Improved 2	*Preferred Option: As current + CSO roadmap commitments, new obligations including DWMPs, further work on SAC Rivers, chemicals and ramping up to deal with Pr24, support for Programme for Government commitments around Inland BW
Improved 3	As 2 + being in a position to replicate the improvements made to bathing waters around the coast inland, initiating a "decade of River Restoration"

Βι	Budget and Risks				
	Current	Reduced 1	Improved 2	Improved 3	Natural Resources Wales
Staff (FTE)	46.5*	37.2	131**	219	
Budget	£2.2m*	£1.7m	£6.3m**	£10.3	

 $\frac{1}{2}$ + 26 FTA posts temporarily funded by NRW, at a cost of £1,026,429 for 2022/23 plus £215k non-staff costs, (to support work on SAC rivers, some of our new or enhanced obligations and to support the start of a review of water quality work) proposed phased of 50% / 50% profile over 2 years.

Risks of a reduced service or not further enhancing current service

- Failure to deliver programme for Government commitments inland BW, new homes
- SAC Rivers Project works stops affecting planning and development and Programme for Gov commitments around building of new homes.
- Water Quality status remains static or further declines, with consequences for biodiversity, ecosystem resilience and public services it provides.
- We are unable to respond to public and political concern around the status of Water Quality
- Reduced support leading to inability to support changes in legislation, policies etc

Flood Management

<u>Scope</u>

Cyfoeth Naturiol Cymru Natural Resources Wales

• All NRW flood risk management activities

Service level	Outputs
Current	Manage 500km of defences, 4000 assets, operate, maintain and improve assets. Flood warning service for 130,000 customers, 190 locations. Regulate 380 reservoirs, operate and maintain 340 river gauges, deliver flood modelling and mapping, advise on flood risk. All on a prioritised risk basis (no or reduced activity at medium/lower risk sites)
Reduced 1	Stop: All community/resilience work, all collaborative work, enforcement work, reduce all other activities. Retreat to core high risk asset and basic flood warning services.
Improved 2	As current + address gaps in current service provision e.g. we are doing ~25% less than optimal maintenance now
Improved 3	As 2 + respond to climate change and improve service delivery (e.g. expand flood warning coverage)
Improved 4	As 3 + more on integrated catchment planning and community resilience and adaptation planning and delivery

Budget and Risks

Cyfoeth Naturiol Cymru Natural Resources Wales

	Current	Reduced 1	Improved 2	Improved 3	Improved 4
Staff (FTE)	357	321	429	501	573
Budget	£36m	£32m	£43m	£50m	£58m

Reduced Service Risks

- Flood risk increases drastically: more people and livelihoods at risk, including risk to life, more often;
- Significant social, health, economic and environmental impacts and disbenefits to Wales;
- Opportunities for multi-benefits and to respond appropriately to climate and nature emergency disappear;
- Huge reputational risks to WG and NRW

Managed Estate

<u>Scope</u>



- Welsh Government's Woodland Estate (WGWE) & National Nature Reserves
- Land Stewardship and Commercial Teams

Service level	Outputs
Current	As NRW Business Plan Climate change adaptation: upgraded infrastructure (roads, tracks, bridges, culverts, coal & waste tips over 40 years Market up to 750,000m ³ timber <i>(in line with current forestry staff capacity)</i>
Reduced Option 1	Stop: Formal recreation, visitor centres, new tracks Keep: Safety, liabilities and climate change programmes Reduce: All other programmes including biodiversity
Improved Option 2	As current + faster climate change adaptation through infrastructure improvements over 15 years. Increase commercial recreation opportunities
Improved Option 3	As 2 + enhanced biodiversity, recreation and safety work
Improved Option 4	As 3 + market up to 850,000m ³ timber (in line with our plans to increase forestry staff skills & capacity)

B	Sudge	et and I	Risks				Cyfoeth Naturiol
		Current	Reduced Option 1	Improved Option 2	Improved Option 3	Improved Option 4	Cymru Natural Resources Wales
	Staff (FTE)	409.1	300.5	424.3	424.3	424.3	
	Budget	£51.7M	£41.5 M	£56.9M	£58.8M	£59.3M	

Reduced Service Risks

- Lack of formal recreation facilities resulting in unmanaged visitors access across the estate, increasing the liabilities and cost of claims, reduction in health benefits, and knockon implications to private enterprises reliant on NRW visitors experience.
- Stopping forest track building will lead to inability to access for future management, impacting delivery of climate resilience and nature recovery activities;
- Delaying forest track building leading to just in time delivery increasing risk of damage and costs if track is used before it beds in;
- Reduced support leading to inability to support changes in legislation, policies etc
- Increased risks of catastrophic failure of infrastructure, flood risk, large scale tree & habitat loss, soil erosion and peatland loss resulting from significant climatic events such drought, fire, windblow and pests/disease.

Enabling tree planting Scope

- WG verification service (of WG grant funding for woodland creation)
- NRW Liaison Officers to support WG National Forest programme ٠
- Other services to support woodland creation, including Plant!, implementing • recommendations of the Ministerial Deep Dive, forestry regulation, and forestry policy, strategy, advice, guidance and evidence.

Cyfoeth Naturiol

Resources

Cymru Natural

Wales

Service level	Outputs
Current	 Target 2,000 ha verified (£9M of grant funding) Delivery of 30 National Forest Sites by 2024/25 and Plant! All other areas delivered on time and within budget
Reduced 1	 Target 400 ha verified (£2M of grant funding). Delivery of 30 National Forest Sites by 2024/25 and Plant! Do minimum / stop work across all other areas.
Improved 2	 Target 4,500 ha verified (£20M grant funding) More workstreams, e.g. Sustainable Land Management Framework guidance, enhanced evidence capabilities.
Improved 3 (recommended)	 Target 7,500 ha verified (£30M grant funding) Delivery of 50 National Forest sites (i.e. plus 20) More workstreams, e.g. integrated spatial planning, green finance development, casework conflict resolution, skills

Budget and Risks



	Current	Reduced Option 1	Improved Option 2	Improved Option 3
Staff (FTE)	31.66	12.95	43.79	64.51
Budget	£2m	£0.8m	£2.6m	£3.6m

Note: NRW liaison officers to support WG's National Forest programme is a fixed 3 year level of service, and is common across Current, Reduced Option 1 and Improved Option 2. Improved Option 3 is an enhanced option, but has not been discussed with WG.

Reduced Service Risks

- NRW's role to promote and facilitate tree planting will be significantly reduced.
- WG's ambition to expand tree cover to deliver climate mitigation targets will not be delivered
- Lack of support across all areas so inability to respond to changes in legislation, policies etc

Freshwater Monitoring and Analysis

<u>Scope</u>



- Chemical and biological monitoring of rivers, lakes, groundwaters and bathing waters
- Whole monitoring and analysis cycle network/programme design, sample collection, laboratory analysis, data processing/validation, data management, data analysis/synthesis

Service level	Outputs
Current	Sampling and analysis of freshwaters is close to the absolute minimum level of compliance for most statutory monitoring and reporting duties. Only 63% of WFD water bodies are able to be classified. The frequency and spatial coverage of sampling is not sufficient to provide a comprehensive evidence base on state and trends of water quality in Wales.
Reduced 1	Stop: lab method development for new pollutants; national trend analysis of water quality parameters; evaluation of water quality improvement schemes Reduce: sampling and analysis of WFD water bodies (50% are classified), bathing waters and SAC rivers; quality assurance of monitoring data;
Improved 2	As current + increased sampling and analysis in WFD water bodies (75% are classified), bathing waters, SAC rivers, and new inland recreational water designations.
Improved 3	As 2 + additional sampling and enhanced data analysis / synthesis provides comprehensive evidence base. 100% of WFD water bodies classified; bathing waters monitored at WHO recommended frequency. Instrumented catchments allow real-time collection and communication of water quality parameters

Budget and Risks



	Current	Reduced 1	Improved 2	Improved 3
Staff (FTE)	102.8	82.2	126*	199
Budget	£5.5m	£4.5m	£6.7m*	£11m

recognised need to go further to meet WG stated ambition (something between options 2 and 3)

Reduced Service Risks

- Failure to meet Programme for Government commitments to strengthen water quality monitoring and to increase inland recreational water designations
- Failure to collect sufficient samples to meet statutory monitoring and reporting duties
- Insufficient evidence to support SoNaRR and SMNR, and to inform our response to the nature and climate emergencies
- Reputational damage from having insufficient up-to-date evidence on the condition of freshwaters and trends in pollutants
- Likelihood of deterioration in the condition of the freshwaters due to a lack of evidence to inform management of pressures and impacts
- Enhanced public health risks resulting from fewer bathing water samples being taken
- Economic risk if bathing waters lose Blue Flag status due to insufficient sampling or inaccurate classification based on limited number of samples

Marine Monitoring

<u>Scope</u>

• Marine chemical, biological and physical monitoring focussed on Marine Protected Areas (MPAs) to provide evidence of environmental condition and trends.

• All components of the monitoring and analysis cycle – network and programme design, sample collection, laboratory analysis of samples, data processing and validation, data management, and data analysis and synthesis, MPA condition reporting

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Wales

Service level	Outputs
Current	Only 5% of marine MPA features are monitored adequately, 17% partially. Condition reporting confidence moderate/poor. WFD monitoring just sufficient to provide data confident classification results for those elements at 'high' risk.
Reduced 1	Stop/Reduce by 15% - <5% MPA habitat features monitored. Poor confidence levels. Non-compliant with statutory reporting duties. WFD monitoring only just sufficient to provide data confident classification for the highest risk elements.
Improved 2	50% of MPA habitat features get monitored adequately. MPA condition reporting with good confidence. WFD monitoring at required level for all WFD elements and sufficient to achieve a data confident classification.
Improved 3	80% of MPA features get monitored adequately. MPA condition reporting with v. good confidence. All WFD waterbodies 'at risk'/ 'probably at risk' monitored for data confident classification.

Budget and Risks



	Current	Reduced 1	Improved 2	Improved 3
Staff (FTE)	24.3	20.8	42	57
Budget	£3.05*m	£2.6*m	£6.5*m	£10.4*m

Reduced Service Risks

*includes estimated lab costs

- Insufficient sample data to meet statutory reporting duties (eg. WFD,HD)
- Lower confidence associated with assessments leading to increased potential for challenge when used as evidence inform permitting and policy decisions, or reporting on status/ classification.
- Level of uncertainty remains high therefore more cautious approach to permitting.
- Economic/ reputational risks from the resulting increased burden of monitoring/ survey falling on developers instead (eg marine renewables).
- Deterioration in condition of MPAs due to lack of evidence to inform management climate and nature emergency. risks

Terrestrial Monitoring

<u>Scope</u>

• All components of the terrestrial monitoring & analysis cycle covering design, sampling, data processing, validation, data management, analysis, synthesis and reporting.

Cyfoeth Naturiol Cymru Natural Resources Wales

Service level	Outputs
Current	Monitor 30% of terrestrial protected site features within 5 a year cycle. Size & quality of evidence base will remain largely unchanged.
Reduced 1	Reduce service to 15% of terrestrial features. Failure to update condition data for c. 85% of features, leading to significant deterioration in our evidence base.
Improved 2	Monitor 60% of terrestrial features within SACs, SPAs & SSSIs over a 5-year programme cycle.
Improved 3	Monitor 90% of terrestrial features within SACs, SPAs & SSSIs over a 5-year programme cycle.

Budget and Risks



	Current	Reduced 1	Improved 2	Improved 3
Staff (FTE)	15.67	8	33	64
Budget	£0.72m	£0.37m	£1.98m	£3.71m

Reduced & Current Service Risks

- Lack of delivery number of features lacking assessments will rise significantly.
- Poor resilience due to limited skills, staff and infrastructure.
- Failure to innovate reduced resources will prevent investment in innovation.
- Reputational damage will have significant reputational issues given the current nature and climate emergencies.
- Environmental damage risks deterioration in the condition of the Welsh environment.
- Reduced confidence in reporting -Weaker evidence will result in a fall in the confidence we can have in inferences

A Swyllgor Cyfrifon Gybgeddus a Gweihyddiaeth Gyhoeddus

Public Accounts and Public Administration Committee

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Llyr Gruffydd MS Chair - Climate Change, Environment and Infrastructure Committee

5 July 2023

Procurement of Rolling Stock by Transport for Wales

Dear Llyr,

The Public Accounts and Public Administration Committee has received correspondence about Transport for Wales (TfW) procurement/supply of what we understand to be five 'Class 230' hybrid battery/diesel trains from VivaRail, and in the wake of the appointment of administrators to the company.

The correspondence raises concerns about the impact that these developments may have on plans for bringing these trains into service, and delays to date. To assist with our initial consideration of matters raised by the correspondence, I wrote to the Chief Executive of TfW requesting further details about these arrangements. I have attached copy of the letter and the response to it for your information.

PAPAC considered the response at its meeting held on 22 June 2023 and agreed to refer these matters to the Climate Change, Environment and Infrastructure Committee. We understand the Committee will be planning its annual scrutiny of TfW in the autumn, which will be covering these matters. There are clear issues with the operation of Welsh rail services, and there are concerns about the response received from Mr Price in respect of the procurement of these vehicles by TfW.

Croesewir gohebiaeth yn Gymraeg neu Saesneg. We welcome correspondence in Welsh or English.



Although some of these matters sit within the remit of PAPAC, such as the contractual arrangements that were entered into by TfW, the total costs to the public purse to date, how these costs are broken down, and any outstanding debts in either direction, which are clear value for money issues, we believe these matters should be scrutinised alongside wider policy issues that the CCEI Committee is able to explore.

However, we will reserve the right to scrutinise TfW on matters that specifically relate to PAPAC's remit if the Committee feels there are further issues to resolve.

Regards,

Mark 0

Mark Isherwood MS Chair of the Public Accounts and Public Administration Committee



Senedd Cymru Welsh Parliament

Y Pwyllgor Cyfrifon Cyhoeddus a Gweinyddiaeth Gyhoeddus

Public Accounts and Public Administration Committee

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James Price – Chief Executive Transport for Wales

19 April 2023

Procurement of Rolling Stock by Transport for Wales

Dear James,

The Public Accounts and Public Administration Committee has received correspondence about the procurement/supply of what we understand to be five 'Class 230' hybrid battery/diesel trains from VivaRail, and in the wake of the appointment of administrators to the company. The correspondence raises concerns about the impact that these developments may have on plans for bringing these trains into service, and delays to date. To assist with our initial consideration of matters raised by the correspondence, the Committee would welcome further details about the arrangements. More specifically:

- confirmation of the number/specification of the trains ordered and whether these have been supplied in full (if not what remains outstanding).
- whether the trains have been bought outright or are being leased, the supporting rationale in either case, and when the contractual arrangements were entered into.
- when Transport for Wales originally expected the trains would come into operation and on what routes, along with any updated position in either respect (in the context of post-pandemic patterns of demand).
- reasons why the trains have not already entered operation and original plans for how they would be serviced/maintained.
- total costs to the public purse to date, how these costs are broken down, and any outstanding debts in either direction.
- TFW's assessment of the impact of VivaRail's administration or other factors on plans for the introduction of these trains into service and ongoing maintenance arrangements.

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.



We would welcome a response by 19 May 2023 if at all possible. If there is information that you consider is commercially sensitive but could be made available to the Committee on a confidential basis, then I would ask that you discuss further with the clerking team the handling of your response.

Regards,

ack 0

Mark Isherwood MS Chair of the Public Accounts and Public Administration Committee

CC:

Tracey Burke – Director General for Climate Change and Rural Affairs - Welsh Government Peter McDonald Director of Economic Infrastructure – Welsh Government



Senedd Cymru Welsh Parliament



3 Llys Cadwyn Pontypridd CF37 4TH 029 2167 3434 james.price@tfw.wales tfw.wales

Mark Isherwood MS Chair of the Public Accounts and Public Administration Committee

18 May 2023

Dear Mark

Procurement of Rolling Stock by Transport for Wales

Thank you for your letter, regarding Transport for Wales (TfW)'s procurement of its Class 230 trains to serve the Wrexham-Bidston line. I welcome this opportunity to share further details about the procurement process and the situation as it stands following Vivarail entering administration. I do hope that this letter will provide some assurance that TfW has exercised due diligence and is working hard to introduce these new trains.

Please find the further detail requested below:

1. Confirmation of the number/specification of the trains ordered and whether these have been supplied in full (if not what remains outstanding).

In 2018 as part of the original contract award, five 3-car Class 230 units were ordered from Vivarail under the commitment to improve services on the Wrexham-Bidston route. The trains were identified by KeolisAmey¹ through the Wales & Borders rail franchise bidding process whereby they were then contractualised through the award of the subsequent grant agreement.

The Class 230 is a three-carriage train. Vivarail converted these trains from a London Underground District Line train into a mainline bi-mode/hybrid train which use batteries and a diesel engine. All five 3-car Class 230 units have been supplied. Details are supplied in the answer to question 3.

¹ Keolis Amey Operations trading as Transport for Wales Rail Services (TfW Rail Services) was a Welsh train operating company owned by Keolis (60%) and Amey (40%) that operated the Wales & Borders rail franchise between October 2018 and February 2021.





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2. Whether the trains have been bought outright or are being leased, the supporting rationale in either case, and when the contractual arrangements were entered into.

The Welsh Government purchased the trains outright and are owned by TfW (TfW is wholly owned by the Welsh Government). The outright purchase by the Welsh Government was agreed at the time of ordering, as this would have been cheaper over time than Keolis Amey negotiating third party funding and a subsequent lease back, noting that Vivarail were not able to offer a lease arrangement, only outright sale of the units. There have not been any subsequent changes to this arrangement, and as you would expect from a project of this nature periodic reviews have been undertaken. Payments were made on a unit-byunit basis through 2020 and 2021 once each unit had passed TfW's quality inspection and testing regime.

3. When Transport for Wales originally expected the trains would come into operation and on what routes, along with any updated position in either respect (in the context of post-pandemic patterns of demand).

The original contract specified that the Class 230 trains would enter service in 2019. Of the fleet of five, three trains have been cleared for test and driver training, and are now available for service, and are subsequently being used in passenger operation. The fourth train will be available for passenger service in early summer 2023, with the fifth and final train expected to enter service later in the summer / early autumn of 2023.

We expect to operate an hourly service in both directions between Wrexham and Bidston using Class 230s this summer. Successful implementation of a reliable one train per hour service using the Class 230s must be achieved before we move to increase this frequency to two trains per hour.

The units were procured specifically for the Wrexham-Bidston route as a self-contained fleet with the option of operating on a couple of other routes as a stopgap whilst new fleet was being delivered. This option never materialised, and as a result, infrastructure works to allow Class 230 operation have only been carried out on the Wrexham-Bidston route.

4. Reasons why the trains have not already entered operation and original plans for how they would be serviced/maintained.

The reasons for the delayed entry of the Class 230 trains into service are as follows:

- Vivarail's committed programme timescales proved to be unrealistic. Vivarail accepted majority fault for the delays, and a substantial liquidated damages payment of £1.5 million was agreed and paid;
- delays in production at Vivarail due to the onset of the coronavirus pandemic (namely delays in obtaining materials) these were accepted as permitted delays;



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- coronavirus restrictions and social distancing requirements also served to delay driver training in light of the need to form traincrew 'bubbles';
- poor initial reliability delayed 'fault free running' and acceptance of the units by TfW. This also led to occasional cancelled driver training;
- quality issues requiring resolution before the units could be accepted by TfW such as two separate thermal incidents between July 2021 and April 2022 led to fleet stand down while the issues were understood and mitigations were put in place. This was followed up by a substantial piece of work to re-map the engine control software, battery and rectifying wiring;
- the two fleet stand-downs delayed driver training, but also led to some drivers losing competency and needing additional refresher training;
- Vivarail entering into administration at the end of 2022 caused further delays while TfW established an in-house maintenance team.

Original plans upon purchase of the trains were for Vivarail to carry out the maintenance of the fleet, although a maintenance agreement was never signed. During production and initial testing it became evident that the trains required more maintenance than originally envisaged and Vivarail could not proceed with their proposed prices. TfW was negotiating with Vivarail a revised maintenance agreement at the time Vivarail entered administration.

During this time, TfW agreed the use of Birkenhead North depot as a maintenance base for the Class 230 fleet and had contracted Vivarail technicians to support driver training on an ad-hoc basis. This was supplemented by a TfW-contracted team assisting the Vivarail technicians at Birkenhead North.

When Vivarail went into administration, TfW's maintenance team (joined by additional recruits including some ex-Vivarail technicians) were approved as the fleet maintainers, allowing driver training to recommence ahead of passenger service in April 2023. We intend to continue with this team over the next few months while a decision is taken on the best long-term maintenance option for the Class 230 fleet.

5. Total costs to the public purse to date, how these costs are broken down, and any outstanding debts in either direction.

The total expenditure to date is £30.7m, this includes £16.6m for the purchase of the units; £8.5m capital costs to bring the trains into service; and £5.7m for operational costs. The breakdown of these costs is shown below.



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The capital costs associated with purchasing the Class 230 units and getting them into service are as follows:

Capex costs	Spend to date £k	
Cost of units	16,575	
Capital Spares	2,482	
Variations	1,978	
Depot Upgrade	950	
Other Costs	3,001	
Total	24,985	

The operational costs ahead of passenger service:

Opex costs	Spend to date £ k	
Liquidated Damages paid to TfW	(1,473)	
Vivarail maintenance	2,496	
Training	186	
TfW contracted maintenance	2,595	
Materials and Heavy Maint	29	
Depot Access (Birkenhead)	1,365	
Security / cleaning / tooling	103	
Other	426	
Total	5,728	

There are no outstanding debts in either direction. The payment agreed with Vivarail's administrator, which included access to a significant volume of spares, factored in payment of the outstanding invoices due to Vivarail for maintenance technicians, as well as the remaining liquidated damages due from Vivarail for the delays to the programme.

6. TFW's assessment of the impact of VivaRail's administration or other factors on plans for the introduction of these trains into service and ongoing maintenance arrangements.

At the time Vivarail went into administration, the Class 230s were two to three months away from entering passenger service, subject to the agreement of a satisfactory maintenance agreement with Vivarail. However, due to the protracted agreement of the maintenance regime with Vivarail, TfW had already taken several steps to ensure the resilience of the Class 230 operation. These were:



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- a. generation of TfW's own maintenance instructions, as Vivarail instructions were not considered adequate;
- b. resolution of the two thermal incidents, including extensive testing and full technical audits of all Class 230 trains carried out by TfW;
- c. sourcing of major capital spares to support future maintenance, regardless of who this will be carried out by;s
- d. establishment of good working relationships with Vivarail technical personnel at a working level, which facilitated TfW quickly securing ex-Vivarail staff when the business went into administration;
- e. appointment of TfW team at Birkenhead North depot to support the Vivarail team, and set-up of off-site parts stores and a component maintenance location nearby;
- f. Investing in the depot facilities at Birkenhead North depot, including fuelling facilities and toilet tank emptying. Using this depot also means that the Class 230 trains no longer need to travel to Chester for maintenance and/or servicing which ultimately saves on costs and resource.

When Vivarail ceased trading, these steps enabled us to move quickly to appoint a complete 'in-house' maintenance team, secure spares and recommence driver training to achieve passenger entry into service on 3 April 2023, around only four months after Vivarail ceased trading.

In addition, the Class 230 trains have generally been operating reliably and the major technical issues seem to have been resolved. As a result, TfW is now in a position to continue operation of the Class 230s for the foreseeable future, providing the Wrexham-Bidston route with a better standard of service than has previously been possible. A positive relationship has been established with First Group, who purchased the remaining Vivarail assets, allowing us to further strengthen our spares-holding position.

I trust the committee will find the content of this response detailed and informative, and I welcome any further questions you may have. If I can be of any further assistance, please do not hesitate to get in touch.

Yours sincerely,

Jares Anile.

James Price Prif Weithredwr / Chief Executive



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Rebecca Evans MS, Minister for Finance and Local Government

7 July 2023

Draft Budget Timetable 2024-25

Dear Rebecca,

The Committee noted your proposed timetable for the 2024-25 budget at its meeting on 6 July 2023.

We consider this approach to be highly disappointing: As a Committee we have regularly called for sufficient time to be provided for the scrutiny of the Welsh Government's budgetary proposals, and for that to be in line with the **Budget Process Protocol** ('the Protocol'), which was agreed on a cross-party basis in 2017.

We have written to you on a number of occasions about the practical difficulties that shortened timescales pose to Committees in fulfilling their scrutiny functions, as well as the pressures it puts on stakeholders who wish to submit evidence and engage with our work, particularly when three weeks of that period falls over Christmas recess.

Most recently, I wrote to you on <u>23 June 2023</u> noting the concerns expressed by the vast majority of Committee Chairs regarding the timeliness of the budget process and the lack of time available for proper scrutiny. We are therefore extremely disheartened that these views were not reflected when this timetable was proposed. Furthermore, although we very briefly touched upon the budget timetable towards the end of our meeting on 20 June, we did not discuss specific dates, as indicated in your letter, and there was no opportunity for me to raise concerns given the lack of information shared at that point regarding your proposals.



Insufficient reasons for delay

Paragraph 11 of the Protocol states that a "budget/financial year will not be "normal" when there is significant uncertainty in respect of the Welsh Government's future financial position". It adds that:

"Although this list is not exhaustive, examples would include when there are no future budget figures provided by the UK Government; there is a UK fiscal event such as a Comprehensive Spending Review or Emergency Budget; or a significant change in the overall fiscal outlook such as an economic shock or changes affecting UK tax policy."

We have, in each of the past four years, accepted the arguments that there were significant levels of funding uncertainty to delay the laying of the draft budget. Whilst we acknowledge that the Chancellor of the Exchequer has not yet published the date of the fiscal event in the autumn, we do not consider this to be a compelling reason in itself to delay the publication of the Welsh Government's budgetary proposals and do not agree that this is the only prudent choice available to you.

As you point out, indicative budget allocations are already available to the Welsh Government, and whilst we accept that inflationary pressures remain high, they are sadly unsurprising and do not, in our view, amount to "significant uncertainty" in your funding position which necessitates a diversion from the 'normal' process outlined in the budget protocol.

We neither accept that the delay is wholly as a result of matters that are outside your control. As Minister responsible for the budget, you have significant discretion to decide when the Welsh Government's spending plans are published which, in turn, dictates how much time Senedd Committees have to conduct the scrutiny required.

As you are aware, this is the fifth year in a row that the two stage process set out in the Protocol has not been followed and the request to delay the budget process again this year, suggests that there are few circumstances that could be considered a "normal" year.

The protocol was intended to allow the Finance Committee to take an oversight role by allowing more time for policy committees to undertake scrutiny and enable them to take more evidence from stakeholders.

Your willingness to avoid following this process again calls into question your commitment to these agreed practices, given that the timing of budget scrutiny in recent years has not made this possible.



Senedd Cymru Welsh Parliament

Lack of consultation

We also note that you <u>consulted</u> the Committee on your decision to delay the publication of the Draft Budget 2023-24 last year. It is therefore regrettable that a similar approach was not adopted again.

In years when the Welsh Government considers delaying the publication of the Draft Budget and circumvents the two stage process outlined in the Protocol, the Committee expects mature discourse and meaningful consultation on such issues and not doing so casts doubt over commitments you have made previously to working constructively and in partnership to improve our budget processes.

Next steps

I welcome your willingness to revisit the publication dates of the Draft Budget if the Chancellor's announcement regarding the dates of an autumn fiscal event was sufficiently early to allow additional time for its preparation and scrutiny.

We will keep a close eye on these developments and hope that further clarity on the timing of these issues will lead to more time for scrutiny of your budget proposals as soon as possible in the autumn term.

I am copying this letter to the Trefnydd and the Chairs of Senedd Committees, given its impact on their work programmes and in light of the concerns and comments previously expressed on these issues.

Yours sincerely,

Machilli

Peredur Owen Griffiths MS, Chair of the Finance Committee

Croesewir gohebiaeth yn Gymraeg neu'n Saesneg.

We welcome correspondence in Welsh or English.



Pwyllgor Newid Hinsawdd, yr Amgylchedd a Seilwaith

Climate Change, Environment, and Infrastructure Committee



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Mark Roberts, Chief Executive Officer, Environmental Standards Scotland

5 July 2023

Dear Mark,

Climate Change, Environment and Infrastructure Committee's consideration of interim environmental protection measures in Wales

Thank you for attending the Climate Change, Environment and Infrastructure Committee's 21 June meeting to discuss the work of Environmental Standards Scotland ('ESS'). Your evidence provided valuable insight into the role of the ESS, how it operates in practice, and lessons learned to date. This will help inform our forthcoming report on Wales' interim environmental protection measures and stand us in good stead for our future work on a new Welsh environmental governance body.

The Welsh Government has set out its intention to publish a White Paper for an environmental governance Bill before the end of December 2023. The Bill will make provision for establishing a new environmental governance body, among other things. We would be interested to know whether ESS has been invited to share its experiences with the Welsh Government to inform the development of the Bill.

I anticipate the Committee will want to invite you to give evidence to inform our scrutiny of the Bill when the time comes. I hope you will be amenable to this.



Senedd Cymru Welsh Parliament Until then, we look forward to receiving a response from you.

Yours sincerely,

Llyr Gruffydd MS, Chair, Climate Change, Environment and Infrastructure Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.



Pwyllgor Newid Hinsawdd, yr Amgylchedd a Seilwaith

Climate Change, Environment, and Infrastructure Committee

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Dame Glenys Stacey, Chair, Office for Environmental Protection Natalie Prosser, Chief Executive Officer, Office for Environmental Protection

5 July 2023

Dear Dame Glenys and Natalie,

Climate Change, Environment and Infrastructure Committee's consideration of interim environmental protection measures in Wales

Thank you for attending the Climate Change, Environment and Infrastructure Committee's 21 June meeting to discuss the work of the Office for Environmental Protection ('OEP'). Your evidence provided valuable insight into the role of the OEP, how it operates in practice, and lessons learned to date. This will help inform our forthcoming report on Wales' interim environmental protection measures and stand us in good stead for our future work on a new Welsh environmental governance body.

Given time constraints, the Committee could not cover all areas of interest with you. It would be helpful, therefore, if you could provide a written response to the questions below.

- 1. The OEP has jurisdiction in Wales in relation to environmental matters reserved to the UK Government. Can you provide examples of such matters?
- 2. Can you clarify whether you have considered any cases of failure to comply with reserved environmental matters?
- 3. How have you worked with (or how do you envisage working with) relevant regulators in Wales on these cases?



The Welsh Government has set out its intention to publish a White Paper for an environmental governance Bill before the end of December 2023. The Bill will make provision for establishing a new environmental governance body, among other things.

4. Has the OEP been invited to share its experiences with the Welsh Government to inform the development of the Bill?

Finally, we were interested to hear about the OEP's ongoing work on the respective roles, responsibilities and powers of Ofwat, the Environment Agency and the UK Government in relation to water companies. It would be helpful if you could share the output from your work with us at an appropriate time.

I anticipate the Committee will want to invite you to give evidence to inform our scrutiny of the Bill when the time comes. I hope you will be amenable to this.

Until then, we look forward to receiving a response from you.

Yours sincerely,

Llyr Gruffydd MS, Chair, Climate Change, Environment and Infrastructure Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.



Mark Roberts Chief Executive Environmental Standards Scotland Ìrean Àrainneachdail na h-Alba

ENVIRONMENTAL Standards Scotland Irean Arainneachdail na h-Alba

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Llyr Gruffydd MS Chair Climate Change, Environment and Infrastructure Committee <u>SeneddClimate@senedd.wales</u>

7 July 2023

Dear Llyr,

Thank you for your letter of 5 July following the Committee's meeting on 21 June 2023.

To date, the Welsh Government has not been in contact with Environmental Standards Scotland with regard to the development of future environmental governance arrangements in Wales. We would, of course, be very happy to share our experiences.

Environmental Standards Scotland would be delighted to support the Committee in any way in its scrutiny of future legislation.

Yours sincerely,

M.S. Roberts

Mark Roberts Chief Executive Environmental Standards Scotland



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Llyr Gruffydd MS Climate Change, Environment and Infrastructure Committee Welsh Parliament Cardiff Bay Cardiff CF99 1SN

28 July 2023

By e-mail <u>SeneddClimate@senedd.wales</u>

Dear Mr Gruffydd,

Thank you for the opportunity to appear before your committee on the 21 June. We were pleased to contribute to the important considerations of the committee and the Welsh Parliament in respect of interim environmental protection measures in Wales, and any long-term successor to them. We would be happy to give evidence to the committee in future, should we be able to assist.

I am writing to provide further information in respect of four matters you highlighted in your recent letter of 5 July.

1. The OEP has jurisdiction in Wales in relation to environmental matters reserved to the UK Government. Can you provide examples of such matters?

The devolution settlements for Scotland, Wales and Northern Ireland establish which matters are reserved and which are devolved. Generally, the environment is a devolved matter, but some environmental topics are reserved. By way of example, the Government of Wales Act 2006 (as amended) reserves to the UK Parliament the right to create laws in Wales concerning water and sewage, nuclear energy and energy conservation. There is no single, exhaustive list of reserved matters. We would consider whether a particular legal provision is a reserved matter on a case-by-case basis.

2. Can you clarify whether you have considered any cases of failure to comply with reserved environmental matters?

We have not yet considered any failure to comply with reserved environmental matters. We are undertaking a range of work to scrutinise the implementation of environmental laws which protect inland waters in England. Similarly, we are investigating the roles of the Secretary of State for the Environment, Food and Rural Affairs, Environment Agency and Ofwat in the regulation of combined sewer overflows in England. We anticipate that the outcome of this work may be of relevance to the environment and environmental protection in Wales.

We are happy to provide further information on this investigation to you, as requested, as it progresses.

3. How have you worked with (or how do you envisage working with) relevant regulators in Wales on these cases?

Our investigations into potential failures to comply with environmental law remain ongoing and have not yet reached a stage that requires significant consultation. However, where we identify actions that are relevant to the Interim Environmental Protection Assessor for Wales (IEPAW), we will engage to ensure any implications or crossovers are fully understood. Where similar legislation is applied by regulators that span both England and Wales, we are mindful of the need to for a consistent approach and expect to work with those authorities and the IEPAW to ensure coherent application.

4. Has the OEP been invited to share its experiences with the Welsh Government to inform the development of the Bill?

We are in regular dialogue with Dr Llewellyn Jones in her role as Interim Environmental Protection Assessor for Wales and discuss a range of issues related to our ongoing work. Within these we have had some discussions with her, her secretariat and officials on our experience establishing and operating the OEP. We'd welcome further opportunity for our experience to benefit the development of arrangements for environmental governance in Wales.

I hope that provides the information that you have sought.

Kind regards,

Olla

Natalie Prosser Chief Executive The Office for Environmental Protection

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Llywodraeth Cymru Welsh Government

Llyr Gruffydd, MS Chair Climate Change, Environment and Infrastructure Committee Welsh Parliament Cardiff Bay CF99 1SN

6 July 2023

Dear Llyr,

Landfill Disposals Tax Independent Review - Report

I wrote to you in July 2021 to inform you of the arrangements for an independent review of the Landfill Disposals Tax (LDT). This addresses a commitment made during the passage of the Landfill Disposals Tax (Wales) Act 2017, through the then National Assembly for Wales, for an independent review to be carried out. Following an open tendering process, Eunomia Research and Consulting was appointed in June 2022 to conduct the independent review, with the review covering the period from September 2017 to March 2023.

The Committee will wish to be aware Eunomia has completed the review and its report has been published today on the gov.wales website. The scope of the review focused on the effectiveness of LDT and its implementation. In particular, the review aimed to consider the impact of LDT rates on behaviours in the waste sector and the extent to which LDT legislation has influenced behaviours.

I attach a copy of the **full report and executive summary**. The conclusions and recommendations contained in the report will inform the future development of LDT.

Yours sincerely,

ecations.

Rebecca Evans AS/MS Y Gweinidog Cyllid a Llywodraeth Leol Minister for Finance and Local Government

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We welcome receiving correspondence in Welsh. Any correspondence 154 corresponding in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Lee Waters AS/MS Y Dirprwy Weinidog Newid Hinsawdd Deputy Minister for Climate Change



Llywodraeth Cymru Welsh Government

Ein cyf/Our ref

Heledd Fychan MS Chair, Climate Change, Environment and Infrastructure Committee

SeneddTai@senedd.cymru

14 July 2023

Dear Chair

Thank you for the correspondence of 14 June from the Committee, regarding bus services in Wales.

Please find below, responses to the questions which the Committee has raised in your correspondence.

Funding arrangements to the end of the financial year

• Can you provide a detailed breakdown of the funding that will make up the £46 million you announced?

As a matter of course Welsh Government provides direct support for the bus industry through our £25m Bus Services Support Grant, £60m Mandatory Concessionary Fare (MCF) Scheme and £2m MyTravelPass scheme. An additional £28m has been allocated over and above business as usual budgets to specifically support the bus industry as they recover from the impacts of the pandemic. Due to depressed patronage we're not expecting to require the full £60m of funding for MCF, therefore we have reallocated a forecast underspend of £18m to fund the Bus Transition Fund. £4m from the £46m will be used to support and protect TrawsCymru services.

• How will the additional £46 million for the Bus Emergency Scheme and successor arrangements be distributed among different services?

Over the last few months, we've been working with the Regional Network Planning Teams, and operators, to plan and cost a network of bus services which can be delivered when the emergency funding ends.

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Indicative funding allocations have been made to each region based upon the requirement in each area for the funding required to maintain the core network of services.

• We would be grateful for further information around the timelines for this work and the discussions that are taking place with trades union representatives about the potential impact on jobs.

The current Bus Emergency Scheme is due to end on 24th of July, and the Bus Transition Fund successor scheme will commence on the 25th. The timings of this are challenging and it is our intention to have finalised details and reached formal agreement with operators and Local Authorities in the coming week.

I have met with TU representatives to keep them up to speed on developments with bus funding. I also meet TU representatives on a regular basis for a wide-ranging discussion on issues affecting their members. Transport for Wales also regularly meet with transport unions.

- What criteria will be used to determine the allocation of these funds?
- Could you please elaborate on the decision-making process for determining which bus services will continue in light of the acknowledged funding shortfall?

Local knowledge is key to determining the network which best suits any particular part of Wales. We have therefore asked local authorities to prioritise the services they wish to and need to protect.

It is however important that local authorities don't work in silo's on their plans as people don't live their lives within one local authority area, they are much more likely to need to travel around region. To this end, we established Regional Network Planning teams covering north Wales, mid Wales, south west Wales and south east Wales. These teams are made up of representatives from Transport for Wales, local authorities and bus operators to prioritise which bus routes and services should be retained using the funding provided by the Welsh Government's Bus Transition Fund.

The Regional teams have focussed on protecting key essential services that serve hospitals, work destinations, education centres as well as minimising duplication in service provision. The priority has been around maintaining geographical coverage versus frequency of services.

These Regional teams are now collaborating well and working at pace to finalise their plans by the end of July, and whilst plans for the revised networks have not yet been finalised, initial indications do point to likely changes to some local bus networks across Wales.

Within this context, bus companies are responsible for deciding on what changes they need to make to commercial bus services to ensure their continued commercial viability, and local authorities retain the responsibility for prioritising which tendered routes should be retained, withdrawn or amended based on an updated assessment of post Covid travel patterns and service / operational costs.

We have encouraged local authorities to engage with local communities especially if these communities are likely to be impacted by significant service changes.

 Could you please provide further details on your intentions for successor arrangements to the Bus Emergency Scheme in the 2024/25 financial year to provide assurance that the current financial year? • What are the initial plans for funding bus services in the 2024/25 financial year?

The Bus Transition Fund will be used as a further mechanism to support the work of the Regional teams and transition the industry away from emergency funding to locally tendered services from April 2024. As a mid-term solution my Officials are also reviewing existing grant funding mechanisms such as the Bus Services Support Grant (BSSG) and other funding streams to provide a more stable and effective funding support package going forward.

This will act as a stepping stone to our plans to franchise the bus network through our Bus Reform Bill.

• Local government representatives have suggested it might be beneficial to look at replacing some concessionary fares with a fixed price. Is this something you are exploring? Can you provide further information on any analysis that has been undertaken of this option?

We have undertaken a comprehensive assessment over the last twelve months on a range of other options to make bus travel more affordable and accessible for those residents and visitors to Wales who do not qualify for free travel under the concessionary travel scheme. Options looked at included:

the introduction of a capped flat fare similar to the current £2 cap trial in England;
deeper discounts for younger people as part of the existing 16-21 'My Travel Pass" scheme which currently entitles card holder to a third discount on the equivalent adult fare;
discounted bus and rail tickets; and,

-new discounted multi operator zonal tickets.

Our current funding priority is to secure the most number of services we possibly can, avoiding mass cancellations, and ensuring there is a bus network in place that people can rely on.

• How is this wider impact of bus service provision reflected in the Welsh Government's budget-setting process? What work has the Welsh Government undertaken to consider the positive impact of investment in public transport on other policy areas, such as health, and has the Welsh Government considered the merits of redirecting funding from other portfolios in that context?

I'm extremely proud of the record of this government in supporting bus services throughout the pandemic and the recovery period thereafter. We have made over £150m of additional funding available to the industry through this period. This has kept vital services running.

Looking to the remainder of this year we will be able to protect the vast majority of bus services in Wales with the funds that were initially allocated to bus.

We will of course review the position during the next budgetary cycle to ensure that the funding allocations reflect the priorities of this Government.

Funding from the UK Government

• Could you provide more information about discussions you have had about the lack of "Barnett" consequential funding for Wales following the UK Government's investment announcement?

• What are the Welsh Government's next steps regarding this issue?

My officials have been in contact with the UK Department for Transport and I understand there is no "new money" being used by the UK government for its investment in bus services. Welsh Government is therefore not owed a "Barnett" consequential.

Bus franchising proposals

• In light of the urgency of the current situation, can you indicate when the Senedd Bill on bus franchising will be introduced?

The First Minister confirmed in his legislative statement on 27 June that we are planning to introduce a Senedd Bill on bus reform in the third year of this Senedd.

- What is the planned process for transitioning to a bus franchising model, and how will you ensure minimal disruption to services during this transition?
- What is the planned timeline for the transition to a bus franchising model?
- What steps are being taken to prepare local authorities for this shift?

Transport for Wales are working on transition plans to both minimise disruption during the transition and to franchise bus services as effectively as we can. We intend to publish further detail about these plans alongside the Bill. They are currently working with local authorities to explore what progress can be made towards franchising in the meantime, so that for example where services are being contracted by local authorities, this is aligned with network planning work to minimise the scale of change over a transition to franchising.

• Given your intention that the Welsh Government will be the franchising authority and carry the revenue risk for all franchised bus services across Wales, can you outline how the planned arrangement will ensure this risk is managed and that the current funding challenges and uncertainty are not repeated and amplified by franchising?

We have seen throughout the COVID-19 pandemic and now beyond, that ultimately the public purse already carries the revenue risk if we want services to continue. Franchising better structurally recognises where this risk sits and gives us much greater control over how the funding we do have available to invest in buses is spent so we can manage that risk directly. That doesn't mean it resolves all funding challenges, we will still have to navigate market conditions, cost inflation, budget settlements and passenger demand to deliver the best services we can within the funding available to us. However franchising allows us to do so in the public interest, rather than leave those challenges to the industry with a public service at stake.

Rail funding

• How will this cost increase will be funded? Where in the Welsh Government budget will the funding to meet this shortfall be found and what will not be delivered as a result?

Meeting the increased costs of the CVL Transformation Programme is clearly a challenge for Welsh Government, but this is a critical programme for meeting many of our wider ambitions of decarbonisation and improving connectivity for our communities. In the first instance we will look to manage the increases through our usual financial management processes. Additionally, TfW have been successful in securing some additional EU Funding from WEFO to help meet the increased costs.

We are working closely with Transport for Wales to manage and prioritise our portfolio of rail infrastructure investments seeking efficiencies where possible and considering the timing and profiling of expenditure. We will ensure lessons have been understood from the cost increases experienced with the CVL transformation programme and apply these to other infrastructure projects being delivered for the Welsh Government.

• You will be aware from previous reports that we have ongoing concerns about the TfW budgeting process, particularly its complexity and lack of transparency. With this in mind, why was the increase in delivery costs not identified in time to be considered during the process of scrutinising the Welsh Government's draft budget?

The work to revise the Anticipated Final Cost of the CVL Transformation Programme has been ongoing for some time. The identification of increasing costs resulting from a combination of Brexit, the global pandemic and material cost inflation required substantial work to be undertaken on the options available to the Welsh Government. Alongside TfW we have applied rigorous challenge to minimise the increases including consideration of alternative delivery options, restructuring of contract packages and phasing of works. This process was on-going during the draft budget process and therefore while the costs of the delivery programme were under review the value of any variance was not confirmed at that time.

More generally, in order to ensure that TfW's budget is transparent and reflects all of its (current and future) responsibilities and functions, we will be undertaking an exercise in advance of the publication of the draft 24/25 budget to review the structure of the transport activities within the Climate Change MEG to ensure that they align with our programmes and priorities.

To ensure that these are publicly available in good time, we are progressing work to update Transport for Wales' Articles of Association and Management Framework. This will include publishing an annual timetable for working with TfW to produce and publish the Welsh Government's funding letter and TfW's business plan which better aligns with the publication of the Welsh Government's budgets and the Committee's scrutiny process.

- How have the increased costs for the Core Valleys Lines modernisation influenced the distribution of funding in relation to bus services?
- What measures are being taken to ensure that bus services do not suffer due to the increasing costs arising from rail projects?

Increased costs of CVL modernisation has not influenced the distribution of funding in relation to bus services. I have been pleased to be able to protect the budgets that support our vital bus services. This means that we have not cross subsidised rail with bus budgets, and the funding allocated to supporting bus services will be spent on just that.

20mph speed limits

 What modelling has been undertaken to assess the impact of the default 20mph speed limit policy on the bus network?

Transport for Wales engaged City Swift (one of the world leaders in data modelling for buses) on behalf of Welsh Government, to measure the effect on the bus service if urban speed limits were reduced to 20mph. It found that there were unneeded dwell times on some of the routes as they were currently running and if routes were optimised, two of the three routes analysed would require an additional vehicle to keep the existing service, another showed no change.

• Do local authorities have the flexibility, in deciding on exceptions to the default 20 mph limit, to determine that a major arterial route should be an exception under the policy, if it believes a 20mph speed limit on the route would have a significant adverse impact on the bus network, particularly on its financial viability?

Highway authorities have the flexibility to set local speed limits that are right for individual roads, reflecting local needs and considerations. Where their decision deviates from the guidance highway authorities should have a clear and reasoned case. Financial considerations are not part of the guidance, as the default national speed limit on restricted roads from 30mph to 20mph primarily aims to reduce the number and severity of collisions, which in turn will reduce casualties and those killed on Welsh roads.

School transport

• How will funding for local authority provision of school transport be affected in light of the changes to bus service funding?

The Welsh Government provides funding to local authorities for school transport mainly through the Local Government Revenue Settlement in the form of the Revenue Support Grant (RSG). The RSG is not ring-fenced; the funding allocated to each authority is available to the authority to spend as it sees fit on the range of services for which it is responsible, including school transport. This is in line with the Welsh Government's policy that local authorities are best placed to judge local needs and circumstances and to fund schools accordingly. Local authorities are accountable to their electorates for the decisions they make.

Local authorities report on the elements spent within education in their section 52 returns. Local authorities reported £137m spend on home to school transport in 2021-22. Funding will continue to be provided through the RSG.

Local authorities have been key to the partnership working to agree the terms of the Bus Transition Fund and ensuring learner access to education has remained a priority throughout the negotiations in establishing regional bus networks.

• What options are being considered to integrate school transport with wider bus support to improve the sustainability and effectiveness of both?

The proposed legislation on regulating the bus industry will not affect the duties placed on local authorities by the Learner Travel Measure but the Bus Bill provides us with an opportunity to harness the benefits of a new operating model where local authorities will be able to play a role in informing and influencing future bus networks based on their learner travel requirements.

• What measures are in place to ensure that school transport services remain adequately funded?

As outlined above the Welsh Government provides funding to local authorities for school transport through the Revenue Support Grant (RSG). Funding is allocated following

extensive consultation and partnership working with the local authorities. The 2023-24 local government core revenue funding was set at £5.5 billion; an increase of 7.9% on a like for like basis compared to the previous year. No authority received less than a 6.5% increase.

Promotion of bus use

• What strategies does the Welsh Government plan to implement to encourage more people to use bus services, particularly in the context of new housing developments?

Through planning guidance, we actively encourage local authorities to ensure new development is closely aligned and integrated with strategic transport provision and that new housing developments can be served by public transport and active travel routes.

• Have you considered the impact of the reduction in bus services on your ability to achieve the Welsh Government's modal shift targets?

I'm pleased that we have been able to protect bus services throughout the COVID pandemic and thereafter. We are set to do the same for the majority of services in this financial year. We are already working on next year's funding scheme to enable us to continue the trend.

We however must confront the reality that the current bus system is broken, and without government intervention we would see wholesale reduction of bus services. It is for that reason that we're bringing forward legislation to reform the bus system in the next term of this Senedd.

Finally, thank you for advising of the research undertaken by Professors Mitchel Langford and Gary Higgs at the University of South Wales on their development of a Welsh Access to Bus Indicator.

Yours sincerely

Lee Waters AS/MS Y Dirprwy Weinidog Newid Hinsawdd Deputy Minister for Climate Change

Pwyllgor Newid Hinsawdd, yr Amgylchedd a Seilwaith

Climate Change, Environment, and Infrastructure Committee



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Julie James MS Minister for Climate Change

24 July 2023

Dear Julie,

Ffos-y-Fran opencast mining site

I am seeking clarification on several issues related to the ongoing situation at the Ffos-y-Fran opencast coal mine in Merthyr Tydfil.

As you are aware, the mine has been a source of significant controversy and concern for the local community and environmental campaigners for many years. Despite the expiration of its planning permission in September 2022, the mine has continued to operate, extracting almost 200,000 tonnes of coal in the months following the expiry of its planning permission. The operator, Merthyr (South Wales) Ltd, recently appealed an enforcement notice to stop coal extraction, a process that could allow the mine to continue operating for another year or more.

The situation raises significant questions about the environmental impact of the mine, the effectiveness of the legal and regulatory framework, and the effect on the local community. I would appreciate your response to the following questions.

Environmental impact

- Given the potential for several more months of coal mining at the site, what measures is the Welsh Government considering to mitigate the environmental impact of the continued extraction?
- We understand that the cost of restoring the land is estimated to be between £75m and £125m. It has been reported that the mining company has put aside only £15 million for this process. Can you confirm your understanding of the position? Can you confirm what steps you can take to ensure the mining company pays the full restoration costs?



- The operator of Ffos-y-Fran has appealed the enforcement notice to stop coal extraction. Can you provide more insight into the appeal process and the factors that will be considered in making a decision?
- The appeal could take 12 months or more to resolve. Is it your understanding that coal extraction will continue during this time?
- What measures are available to the Welsh Government to expedite this appeal process and prevent further extraction?
- The BBC has reported that the Welsh Government has said it cannot comment further on the appeal as it may "jeopardise any future decision Welsh ministers may have to make on the matter". Can you clarify what this means and how it constrains the Welsh Government's ability to take action?
- Merthyr Tydfil Council and the Welsh Government have been accused of potentially acting unlawfully in failing to deal with the matter more urgently and issuing a "stop notice". What is your response to these accusations?

Community Impact

- According to BBC reports, the operator of Ffos-y-Fran has stated that it is in discussions with the local authority to ensure "a safe cessation of coaling". Can you provide more details of your involvement in these discussions and the measures being considered to ensure a safe cessation?
- The Ffos-y-Fran mine is a significant employer in the area, with about 180 staff. What plans does the Welsh Government have to support these workers and the local economy as the mine closes?

We understand these are complex issues requiring careful consideration and the balancing of various interests. However, the Welsh Government must clarify its position to maintain public trust, and must ensure its actions align with its commitments to addressing climate change and protecting the environment.

Yours sincerely,

Llyr Gruffydd MS, Chair, Climate Change, Environment and Infrastructure Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg./ We welcome correspondence in Welsh or English.





Llywodraeth Cymru Welsh Government

Ein cyf/Our ref: JJ/PO306/2023

Llŷr Gruffydd MS Chair Climate Change, Environment and Infrastructure Committee Welsh Parliament Cardiff Bay Cardiff CF99 1SN

15 September 2023

Dear Llŷr,

Thank you for your letter of 24 July seeking clarification on several issues relating to the ongoing situation at the Ffos-y-fran opencast site.

• Given the potential for several more months of coal mining at the site, what measures is the Welsh Government considering to mitigate the environmental impact of the continued extraction?

Ongoing legal action by Coal Action Network means I am limited in what I can say about the case. To inform the Welsh Ministers' consideration relating to enforcement action, I wrote to Merthyr Tydfil County Borough Council to request full details of the information taken into account by the Council in its approach to enforcement on the site. The Council's response is being considered.

• We understand that the cost of restoring the land is estimated to be between £75m and £125m. It has been reported that the mining company has put aside only £15 million for this process. Can you confirm your understanding of the position? Can you confirm what steps you can take to ensure the mining company pays the full restoration costs?

The planning permission granted to reclaim the site requires restoration of the site in accordance with a scheme agreed by the Council. The strategy for the progressive restoration and management of the land was approved by the Council on 4 November 2005. The £15 million pound deposit is intended to fund some restoration in the event the site operator fails to comply with the restoration conditions. In the meantime it is for the occupiers and landowners at the site to complete the restoration.

Canolfan Cyswllt Cyntaf / First Point of Contact Centre: 0300 0604400 <u>Gohebiaeth.Julie.James@llyw.cymru</u> <u>Correspondence.Julie.James@gov.Wales</u>

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

In the event the company ceases trading and therefore the site is abandoned, it would fall to the Council to make the site safe and in the longer term complete the restoration. Multiagency talks are underway to prepare contingency arrangements should the site be abandoned. These have brought together the Welsh Government, Council, Natural Resources Wales and the Coal Authority.

• The operator of Ffos-y-Fran has appealed the enforcement notice to stop coal extraction. Can you provide more insight into the appeal process and the factors that will be considered in making a decision?

The grounds of appeal submitted by the company are below, however I cannot comment further to avoid prejudice to the proceedings:

- That planning permission should be granted for what is alleged in the notice;
- That the breach of control alleged in the enforcement notice has not occurred as a matter of fact;
- That there has not been a breach of planning control (for example, because permission has already been granted or it is "permitted development");
- The notice was not properly served on everyone with an interest in the land;
- The steps required to comply with the requirements of the notice are excessive, and lesser steps would overcome the objections;
- That the time given to comply with the notice is too short.
- The appeal could take 12 months or more to resolve. Is it your understanding that coal extraction will continue during this time?

. The company has recently made a unilateral undertaking to the council that coal extraction will stop by the 30 November 2023. This gives the Council additional legal powers to ensure coal extraction does not progress beyond November but, in the meantime, they have decided not to pursue a stop notice because they consider some coal extraction is necessary to make the mine safe before it is closed.

The Welsh Ministers will be looking carefully at all the arguments put forward when they consider whether their planning enforcement powers should used to stop coal extraction prior to 30 November.

• What measures are available to the Welsh Government to expedite this appeal process and prevent further extraction?

Once the Council decides whether or not it is expedient to take enforcement action, and in the event they choose not to, the Welsh Ministers will consider whether or not to use their enforcement powers.

 The BBC has reported that the Welsh Government has said it cannot comment further on the appeal as it may "jeopardise any future decision Welsh ministers may have to make on the matter". Can you clarify what this means and how it constrains the Welsh Government's ability to take action?

The Welsh Ministers have two separate issues to consider, the appeal against the Council's enforcement notice and a request to use their enforcement powers.

The appellant has a legal right to a fair appeal hearing which requires the Welsh Ministers to hear all evidence about the grounds of appeal before reaching a decision. Prejudging the outcome of the appeal or appearing to do so may make any later decision unlawful. This situation constrains what ministers can say about the issues to help avoid making comments that could be construed as prejudicial to a fair hearing.

• Merthyr Tydfil Council *and* the Welsh Government have been accused of potentially acting unlawfully in failing to deal with the matter more urgently and issuing a "stop notice". What is your response to these accusations?

In view of the ongoing legal action by Coal Action Network I cannot comment further on this matter.

 According to BBC reports, the operator of Ffos-y-Fran has stated that it is in discussions with the local *authority* to ensure "a safe cessation of coaling". Can you provide more details of your involvement in these discussions and the measures being considered to ensure a safe cessation?

The Council, as the local planning authority, have been discussing with the site operator how the land should be restored so that land instability and adverse hydrological conditions are avoided. The Welsh Government is not directly involved in those discussions but has been monitoring their progress. I noted above the preparation of contingency arrangements should the site be abandoned.

• The Ffos-y-Fran mine is a significant employer in the area, with about 180 staff. What plans does the Welsh Government have to support these workers and the local economy as the mine closes?

A managed end to coal means ensuring mines are closed safely and restored. It also means employees and those communities and businesses affected by coal extraction must not disproportionately affected by mine closures. *Delivering a just transition will mean, that as we move to a cleaner, stronger, fairer Wales. We will develop a clear understanding of the impacts of change, positive and negative, and how to make sure these are fairly distributed in society. In doing so, we have committed to building a future for Wales that supports a wellbeing economy.*

The Welsh Government works closely with key partners such as Working Wales, Jobcentre Plus, local authorities and Wales TUC to ensure that people who are affected by redundancy in Wales are provided with the information, advice and guidance about the support available to them. This multi-agency approach has been employed in a number of large redundancies to ensure that all barriers to employment are identified at an early stage and that appropriate support can be provided;

Advisers from Working Wales, Communities for Work Plus and Jobcentre Plus can arrange joint presentations to the workers affected and provide tailored, one-to-one support to those who need it. In addition, the Council delivers the Welsh Government's Communities for Work Plus employability support programme in their authority area.

Welsh Government's ReAct Plus programme is available to provide a vocational training grant to help those affected by redundancy to gain the skills that employers are looking for. ReAct Plus can also provide support with expenses such as travel to training courses and help with childcare costs during training.

Delivering a just transition will mean, that as we move to a cleaner, stronger, fairer Wales. We will develop a clear understanding of the impacts of change, positive and negative, and how to make sure these are fairly distributed in society. In doing so, we have committed to building a future for Wales that supports a wellbeing economy.

Yours sincerely,

whe James

Julie James AS/MS Y Gweinidog Newid Hinsawdd Minister for Climate Change

Pwyllgor Newid Hinsawdd, yr Amgylchedd a Seilwaith

Climate Change, Environment, and Infrastructure Committee

Agenda de Maria 8

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FAO:

Federation of Small Businesses Foodservice packaging Association AVA: The Vending & Automated Retail Association British Plastics Federation Association of Convenience Stores UK Hospitality Wales

25 July 2023

Dear colleagues,

You will be aware that the Welsh Parliament's Climate Change, Environment, and Infrastructure Committee scrutinised the Environmental Protection (Single-use Plastic Products) (Wales) Bill, which has recently been enacted. During that scrutiny process, the Minister for Climate Change gave several commitments concerning steps the Welsh Government would be taking to raise awareness of the forthcoming bans and develop detailed guidance for businesses.

In response to a recent letter from the Committee, the Minister for Climate Change outlined the ongoing communications plan initiated by the Welsh Government, which includes the release of national communication materials, social media content, and an informational animation clip. We were told that the Welsh Government website has also been updated with information about the impact of the Act and the expected timetable for the proposed bans arising from the Act. We understand that guidance to support the implementation of the Act is being produced and is due to be published before the end of July. The Minister also confirmed that Regulations to introduce the first bans under the Act are being prepared and will be introduced in October.

It is vital that these measures are understood by the businesses you represent. We would appreciate it if you could share your insights on the following:

- How effective do you believe the awareness-raising campaign has been among the businesses you represent?
- Are the businesses you represent aware of the intention to introduce the first bans of certain single-use plastics in October?



Senedd Cymru Welsh Parliament Pack Page 169

• Is the information and guidance provided by the Welsh Government sufficient and clear enough to enable businesses to understand their obligations under the Act?

I would be grateful if you could respond by 6 September. Your responses will help us assess the effectiveness of the Welsh Government's efforts before the expected introduction of the subordinate legislation giving effect to the proposed bans in October.

Yours sincerely,

Llyr Gruffydd MS, Chair, Climate Change, Environment and Infrastructure Committee

Croesewir gohebiaeth yn Gymraeg neu Saesneg.

We welcome correspondence in Welsh or English.





Llywodraeth Cymru Welsh Government

Ein cyf/Our ref FM/1990/23

Elin Jones MS/AS Llywydd Senedd Cymru

llywydd@senedd.Cymru

27 July 2023

Dear Llywydd

Thank you for your letter of 12 July in relation to the Environmental Protection (Single-use Plastic Products) (Wales) Act 2023 and the commencement process.

As noted in my letter of 22 March, this was the first time that a Bill passed by the Senedd had engaged in the World Trade Organisation process (WTO). The approach we took in relation to the six-month WTO standstill period was based on our understanding of the requirements and mechanisms involved in that process. I acknowledge there is benefit in reviewing this process if it helps provide greater clarity in future and will ask my officials to arrange a meeting with the Senedd Commission to discuss further.

I am copying this letter to the Chair of Climate Change, Environment and Infrastructure Committee, the Chair of the Legislation, Justice and Constitution Committee and Chair of the Finance Committee.

Yours sincerely

MARK DRAKEFORD

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence of the spondence of the sp

Agendavi therm R4 Hon Mark Drakeford AS/MS Prif Weinidog Cymru/First Minister of Wales



Llywodraeth Cymru Welsh Government

Llyr Gruffydd MS Chair Climate Change, Environment and Infrastructure Committee

1 September 2023

Dear Llyr,

Thank you for your letter dated 5 July regarding the Climate Change, Environment and Infrastructure Committee's views on my recent Legislative Statement.

The legislative programme is an essential part of our ambitious and radical programme for government, and we will bring forward an unprecedented number of Bills before the end of this Senedd term. The result is that it is necessary to prioritise time critical legislation in the third year of our programme. This includes Bills to reform the Senedd and introduce gender quotas for candidates elected to the Welsh Parliament, as well as a Bill to reform the electoral system which, under a standing convention, should be in place a minimum of 6 months before an election. Although these Bills don't fall within the remit of this Committee, they are an important factor in determining the order of the Bills within the programme that the Government will bring forward.

We will introduce a Bus Bill to reform the delivery of bus services in Wales during the 2024 spring term. I am mindful that the Committee is currently considering two other Government bills and, to avoid overloading the Committee, we will introduce the Bus Bill after the Committee has completed its scrutiny of The Environment (Air Quality and Soundscapes) (Wales) Bill and the Infrastructure (Wales) Bill has reached Stage 3. The Disused Tips Safety Bill, which will reform laws around coal tip safety and spoil tips more generally, will be brought forward later in the legislative year after the Committee has completed its consideration of the Infrastructure (Wales) Bill. This approach will also allow us to stagger the amending stages of the Bus and Disused Tips Safety Bills and will mean that the Committee is not required to scrutinise more than two Government Bills simultaneously.

A Bill to establish an environmental governance body for Wales and to introduce a statutory duty and targets to protect and restore biodiversity is a priority for this Government and I can assure the Committee that we will bring forward legislation during this Senedd term.

Dr Nerys Llewelyn Jones, the Interim Environmental Protection Assessor for Wales, will continue to oversee the functioning of environmental law in Wales until a permanent body is established. Whilst the interim arrangements do not fully replicate what was in place before

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any conserve received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

we left the European Union, the Interim Assessor carries out an important role in reviewing the framework of environmental law. We will also strengthen the interim arrangements by recruiting a deputy to Dr Llewelyn Jones in this interim period. I look forward to engaging with stakeholders and the Senedd as we develop this important legislation.

I am copying this letter to Julie James MS, Minister for Climate Change.

Yours sincerely,

Mark Orentera

MARK DRAKEFORD

Agenda Item 4.10

Llyr Hughes Gruffydd AS Cadeirydd Pwyllgor Newid Hinsawdd, yr Amgylchedd a Seilwaith Senedd Cymru Bae Caerdydd Caerdydd CF99 1NA

Ein cyf: CEDRL

11 Medi 2023

Annwyl Mr Cadeirydd ac aelodau'r Pwyllgor

Cable Ploughing Electricity Transmission Lines

I am confident that the Committee will be giving serious consideration to the challenges Wales faces in upscaling its electricity transmission and distribution infrastructure to help achieve our net zero ambitions, increase energy security and drive the transition away from fossil fuels.

The scale of the challenge has been outlined by two far reaching reports. The 'Future Energy Grids for Wales' report by the Welsh Government last July identified the need to increase electricity capacity in Wales by 41.6% by 2035 to meet domestic requirements (from 14 terawatt hours in 2021 to 24 terawatt hours by 2035). Welsh Government policy is to meet this extra demand by increasing renewable energy production which would of course require corresponding investment in the ability to move produced electricity from its generation source to consumer.

The UK Governments Electricity Networks Commissioner, Nick Winser, in his report 'Accelerating Electricity Transmission Network Deployment' identifies the need to vastly increase strategic transmission infrastructure and streamline delivery so that increased electricity generating capacity is not left idle.

As I mentioned earlier, I am sure the Committee in its various work streams will be considering the implications of the challenges we all face.

I write as a constituency MP with a particular issue relating to plans by Green Gen Cymru to build a new 132kv double circuit overhead line along the Tywi Valley floor. The Green Gen Towy Usk project will link Bute Energy's Nant Mithil Energy Park near Builth Wells to the National Grid network near Llandyfaelog between Carmarthen and Pont Abraham. This is a distance of 60m and critically the preferred route is to travel through the Tywi Valley from Llandovery to Carmarthen.

Feeling in the local community is extremely strong on this issue, in particular the visual damage metal pylons will make to the beautiful Tywi valley. As policy makers we have to endeavour to take communities with us when grappling with the major strategic challenges we face.

As a Member of Parliament, I have previous experience relating to proposals to connect the Brechfa TAN 8 zone with the National Grid, by the then Western Power Distribution in 2018-19. Matters in those days were a responsibility for the UK Government and in particular the UK Infrastructure Commission. After a long campaign we were able to

Llais Sir Gâr yn San Steffan | Carmarthenshire's Voice in Westminster 01269 597398

jonathan.edwards.mp@parliament.uk Pack Page 174 17 Stryd y Coleg, Rhydaman, Sir Gaerfyrddin, SA18 3AB 17 College Street, Ammanford, Carmarthenshire, SA18 3AB reduce the visual impact of the development, with metal pylons replaced for wooden structures, and critically the floor of the Tywi valley section of the development undergrounded.

That undergrounding work was undertaken by a Carmarthenshire company ATP Cable Plough, based in Pencader. ATP is one of the largest companies of its kind in Europe and undertakes work all over the UK and the continent undertaking cable ploughing techniques which is far cheaper and less environmentally damaging than traditional undergrounding methods.

Decisions over electricity transmission infrastructure in Wales are now a matter for the Welsh Government and in particular its agency Planning and Environment Decisions Wales. The Committee therefore has a vital role in scrutinising Welsh policy.

I recently visited the company, and its Owner Jason Thomas has informed me he is willing to come before the committee in a formal or informal setting to explain how cable ploughing technology works.

Regrettably the Winser report didn't consider cable ploughing in its works and finds heavily in favour of overground pylon structures as opposed to undergrounding. The Welsh Governments policy is as I understand it that new transmission infrastructure should be underground, where possible. Welsh policy also states that costs should be considered when making decisions.

Considering this, and with particularly the concerns I have expressed in relation to the Tywi Valley in my constituency, I am anxious that cable ploughing has been fully considered at haste so that Welsh policy is as informed as possible. I am asking that the Committee as it undertakes its various work streams find a way to consider cable ploughing as a way forward for us in Wales.

Campaign groups have been set up across the constituency to fight the erection of pylons and one of their asks are that an evidence session be held on this issue. I would be grateful if the Committee would consider this and I look forward to hearing from you.

Yn gywir iawn,

loso

Jonathan Edwards AS/MP Dwyrain Caerfyrddin a Dinefwr / Carmarthen East & Dinefwr

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jonathan.edwards.mp@parliament.uk Pack Page 175 17 Stryd y Coleg, Rhydaman, Sir Gaerfyrddin, SA18 3AB 17 College Street, Ammanford, Carmarthenshire, SA18 3AB

A Thomas Plant Hire Ltd T/a ATP Cable Plough Pencader Carms SA39 9BX 31 August 2023

Mr Huw Irranca-Davies SM

Dear Mr Irranca-Davies,

Thank you for your email 29 August.

I am pleased you have viewed one of the ATP videos on line. The Dunstable Downs project, referred to in your email, involved the use of cable plough to lay new electricity lines, working closely with National Trust and under the direction of Natural England.

I confirm I am the sole director and owner of the company 'A Thomas Plant Hire Ltd' (ATP Cable Plough). The Company has been involved in many projects, some of which are detailed on our web site and referenced on our linked in profile. The company is based in Pencader, Carmarthenshire. We operate throughout the UK and Europe.

You correctly identify that placing cables underground using cable plough methods would result in less visual intrusion on the landscape. This is becoming a national issue. I have been contacted recently by a number of interested parties seeking information. Your email contains an enquiry as to cable ploughing and whether the costs involved could be closely comparable to the cost of pylons and overhead lines. You will understand that in responding to enquiries I have been careful not to share any commercially sensitive information derived from projects in which my company has been involved; my commercial contacts would expect nothing less than the highest standards of confidentiality, integrity and trust, which my company has always offered.

I have been asked relevant questions about cable ploughing:

- a) How does it work?
- b) Is it functional and available?
- c) Is it proven technology-with reference to recent and current projects in Wales, the UK and Europe?
- d) Can it minimise impact?
- e) What does it cost?
- f) How does the minimised environmental impact, the carbon footprint, and the costing relevant to cable plough compare to the older method of pylons with overhead lines?
- g) Is it a feasible, viable or beneficial alternative to pylons?

In responding to enquiries to date, my preference has been to discuss general information on method and technique. In this context, I would be pleased to appear before a joint session, of the Climate Change, Environment and Infrastructure Committee and the Economy, Trade and Rural Affairs Committee, or before each committee separately if preferred, as it is important both on a

local and national level to deliver an appropriate and balanced grid system while achieving minimised impact.

You will understand that I have to exercise caution in reply to questions about costings for projects in which my company has a past or current involvement, or relating to specific fees. In a climate of competitive tendering, there is a need for sensitivity. Before consenting to the release of information, I may need to speak with commercial partners or contractual parties if material could be considered commercially sensitive or confidential. It may be that assurances of confidentiality would be required, as a condition of the release of information. However, in the right circumstances I would welcome the opportunity to inform and share my knowledge on costings, and to share my knowledge and understanding, based on many years of relevant experience.

I am aware that the CCEI Committee and the ETRA Committee are both cross party. It would help if either or both committees could initiate and commission a small study group to conduct a full and careful investigation, gathering information relevant to the comparative costings and impact, of undergrounding by way of cable ploughing, and of drilling, compared to pylons with overhead lines, examining the manufacture, design, transport, delivery, installation, erection, whole life costs including projected outages, loss of energy in transmission, maintenance and repair, projected longevity and de-commissioning, together with associated costs in consequence, such as placing underground or re-routing service/utility media in proximity. I would be comfortable to contribute with costing information in a forum of this nature.

It should help if information is gathered widely from energy companies, contractors, subcontractors, financiers and funders, involved in cable plough and overhead projects, in the UK and in Europe, as to technical implications and financial costs. Viability is not just about comparative costs. It is also about how the costs of a project can be satisfied, in the context of margins and returns and the funding support available. Information of this nature may be given more freely for an official and protective enquiry.

A full and sufficient investigation would be very important. There are figures and opinions thrown out in the media and elsewhere which may be out of date or which do not reference the technology which is now available. For example, the costs and impact from the old method of open trenching are significantly greater than the method of cable plough/drilling.

As to an assessment of the costs of cable plough, in terms of your reference to being broadly similar to the costs of pylons with overhead lines, and whether the impact on environment and bio-diversity from cable ploughing could be considerably less, I would encourage that the evidence which is available is collected as outlined, to inform in a sensitive, careful and effective way. It would be so important for a cross party group appointed group, to consist of individuals, with the expertise to secure relevant information, and with sufficient objectivity to ensure an impartial and independent collection of data to provide a true analysis. It would help to have a balance of contributions. The handling of information could be agreed with sources and participants, providing a level of assurance as required.

As the model of an objective and expert study group, with cross party reference and accountability, would reflect the national importance of getting this right, and could take evidence and obtain information and input from as many relevant sources as possible, my company would be prepared to participate with information as to costings, within this type of controlled forum.

To re-iterate, if the information and clarification which I can share, in terms of an evidence session before a combined or individual committee would be of assistance, please contact me to take this

forward. Just as an indication of the evidence which I can provide to an open committee,(quite apart from information to be separately provided as to costings), I am able to discuss method and procedures, technical viability, and delivery, including how the equipment, technology and operation can minimise impact.

I would make the same offers of assistance to any relevant committee of the UK Parliament, or to any study group commissioned as to costs and viability.

As your email was by way of an initial enquiry, and neither the enquiry nor this reply is sensitive, I will provide this reply as an open letter which I can share with others as required. If shared, this reply can serve to summarise my position for others, taking into account the enquiries already received, the potential for further enquiries, the need for transparency for my commercial contacts, and as my time for individual reply is necessarily limited. I have received contact and interest from leading politicians and industry figures, with whom it will help to share this response.

Yours sincerely Jason Thomas ATP Cable Plough/A Thomas Plant Hire

16 August 2023

FAO The Rt. Hon. Grant Shapps MP,

Secretary of State for Energy Security and Net Zero,

Dear Secretary of State

Re: New electricity lines:

We refer to the letter June 2023 sent to you by Mr Nick Winser CBE, and the accompanying report of Energy Systems Catapult, both recently published. We acknowledge the good work and some positive recommendations, including the need for a properly formulated long term, holistic, spatial plan, so that each new line proposed can be evaluated in the context of an integrated system. As a community group we welcome recognition of the need for positive public engagement to accelerate the delivery of an upgraded electricity network.

May we urgently highlight three issues:

1. Mr Winser indicates that undergrounding power lines causes more environmental damage than overhead lines. May we draw your attention to the alternative technique of cable ploughing, combined with drilling where expedient, which has more recently been used, and is now being widely used, for laying new electricity lines underground. Our understanding, is that in contrast to the large scale open trench excavation of the past, cable ploughing technology can significantly minimise impact. The process involves the cutting of a furrow, the simultaneous placement of cable, followed by immediate back-filling. For 132kv cables, double circuit, two channels are opened simultaneously by the operating machine, each 1m wide and 1m apart. Therefore, immediate ground disturbance can be limited to just 3m. The line is placed at 1.2m depth. Hedgerows can be lifted whole and then immediately placed back in situ. In areas of particular interest, including Sites of Special Scientific Interest, cable ploughing can be combined with drilling. The technology is available for drilling considerable distance if required. There are various videos and websites available on line, including You Tube, which demonstrate the techniques of cable plough/drilling and the minimised impact in consequence. It helps to watch, rather than just read the descriptor.

In contrast, placing overhead lines supported by steel pylons, can be extensively disruptive and damaging, including the construction of road structures over land required for access to the site of each pylon to facilitate delivery of materials and construction, and the excavation and construction of the platforms required to support pylons. You may also be aware that the extensive and existing overhead 11KV infrastructure, which would be within a corridor of 500m from a new overhead line, should be re-routed or placed underground, in which case further impact would be caused. In contrast, the use of cable plough appears far less impactful. In addition, whilst cable ploughing does not appear to be precluded by terrain, it also offers the possibility of utilising roadside verges and land adjacent to railway lines to further reduce impact. It is feasible for 400kv as well as the more common 132kv lines. 2. Mr Winser states that undergrounding power lines cost between 5 and 10 times more than overhead lines. This assessment could reflect data which is now outdated. The major work published by Parsons Brinckerhoff, in conjunction with the Institution of Engineering and Technology, which collected costing information from various energy companies and contractors, was published in 2012, over 10 years ago and we understand that costings for cable ploughing would not have formed part of that study. The work of obtaining comparative costings based on contemporary data, and reflective of modern technology, is urgently required.

Our understanding, after considerable inquiry and investigation, is that costs for the manufacture, delivery, and construction of overhead lines with pylons, could be broadly similar to the cost of undergrounding using cable ploughing. Indicators and information available to us, which reference the modern technology of cable ploughing, underline that there could be no real or significant differential between costings for undergrounding new cables compared to overhead lines with pylons.

3. Mr Winser has raised the possibility of lump sum payments for individual households close to new lines. The proposal is fraught with difficulties and complexity. The immediate questions include; the value of payments, the differential between the payments awarded and actual devaluation of properties, what price is placed on loss of amenity, the criteria for inclusion within or exclusion from the scheme, such as the nature and extent of proximity or impact, the potential division of communities, the delay and cost of determination of disputes and the likelihood that farmers/land owners adversely affected by the proposals will not be bought off, especially by token payments, and will obstruct and prevent entry onto land resulting in wide scale civil disobedience. The focus is how to accelerate the deployment of strategic electricity infrastructure. Cash for pylons is not the way. It would amount to a strategic mistake if adopted as policy. If net zero is to be achieved in a timely fashion, community engagement and community consensus is vital. Mr Winser correctly identifies that communities will be confronted with infrastructure proposals that will bring detriment to their lives. The best and most effective way to address this, is not to try and compensate significant detriment, especially as it is likely to be under compensated, but to minimise or remove the detriment altogether, by placing new lines underground, using the modern technology which is available to minimise impact. To the credit of the Welsh Government, it has emphasised that the preferred position of Welsh Government is that all new electricity lines should be placed underground. The path to managing and mitigating community objection would involve proceeding with sensitivity and balance by placing new lines underground using cable ploughing.

One general point. Too often efforts are made to dismiss valid and considered concerns by raising the accusation of "nimbyism," rather than recognising the need to engage constructively and reliably. The delivery of appropriate infrastructure to deliver clean green energy and consideration of how best to achieve this is too important to be side-tracked or diverted in this way. Neither should this issue be a matter for party politics. This is an issue of national importance. It is imperative to recognise that issues which initiate within a particular community or region can have a national implication and importance. The wellbeing of future generations is at stake. Inappropriate

disfigurement of landscapes, countryside, towns and cities, which can be properly and costeffectively avoided, would be inexcusable, and is not acceptable in all of our back yards. We owe it to all of our citizens, and to future generations, to deliver the new infrastructure which is needed, for an effective transition to a carbon neutral society, with balance and sensitivity, and by way of careful consideration of accurate data.

May we urge you, to use the resources at your disposal, to immediately investigate and examine, the modern technology available for sensitive and less impactful energy infrastructure.

In addition, may we urge you to discover and confirm up to date comparative costs, by exploring not only the engineering and construction/set up costs, but also the costs over the lifetime of a project, including the maintenance costs and energy loss relating to overhead lines and pylons exposed to the elements, which are likely to be more when compared with encased and protected cables.

It is also important to examine the comparative carbon footprints between underground and overhead lines, which may be considerably less for undergrounding using modern technology, and the best means of avoiding adverse environmental impact.

It would be beneficial to evaluate the various projects, recent and ongoing, here in the UK, and also elsewhere, including Germany, the Netherlands, and Denmark, where substantial undergrounding by cable ploughing is the approved method and which must be financially viable. Perhaps, a cross party study group, including suitable experts and academics, could be a way of taking this forward with the speed and efficiency required, and we would urge you to facilitate this.

We would also urge that immediate action is taken, building on the work of Mr Winser, and the recent publication by Welsh Government (Future Energy Grids for Wales), both linked by the participation of Energy Catapult Systems, to ensure co-operation between all relevant parties to deliver the planned holistic network which is urgently required.

This letter is provided as an open letter, for the purpose of sharing the information and suggestions within, in the hope that this may afford a valuable contribution towards the earliest delivery of the <u>appropriate</u> infrastructure required to satisfy community and national demand.

Llanarthne and Area Community Pylon Group

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