Public Document Pack

Environment and Sustainability Committee

Meeting Venue: Committee Room 2 - Senedd	
Meeting date: 6 July 2011	
Meeting time: 09:00	

Cynulliad Cenedlaethol Cymru

National Assembly for **Wales**



For further information please contact:

Virginia Hawkins Committee Clerk 029 2089 8544 Virginia.Hawkins@Wales.gov.uk Catherine Hunt
Deputy Committee Clerk
029 2089 8026
Catherine.Hunt@wales.gov.uk

Agenda

- 1. Apologies and Introductions
- 2. Environment and Sustainability Committee Ways of Working (Pages 1 8)

Paper 1: E&S(4)-01-11

3. Environment and Sustainability Committee - Discussion of issues within the portfolio and proposals for the Forward Work Programme

(Pages 9 - 17)

Paper 2: E&S(4)-01-11

4. Date of next meeting

Agenda Item 2

Environment and Sustainability Committee

E&S(4)-01-11: Paper 1

Fourth Assembly Committees Establishment and remit of committees

- 1. This paper provides background information on the new committee structure in the Fourth Assembly and more flexible ways of working.
- 2. Standing Order 16.1 requires the Assembly to establish committees with power within their remit to:
 - (i) examine the expenditure, administration and policy of the government and associated public bodies;
 - (ii) examine legislation;
 - (iii) undertake other functions specified in Standing Orders; and
 - (iv) consider any matter affecting Wales.
- 3. In doing this the Business Committee had to ensure that every area of responsibility of the government and associated public bodies, and all matters relating to the legislative competence of the Assembly and functions of the Welsh Ministers and of the Counsel General, are subject to the scrutiny of a committee or committees.
- 4. The Assembly has decided on a committee structure which gives committees the power to both scrutinise the government and associated public bodies and to scrutinise legislation, within a subject remit. It requires them to fulfil both of these principal functions. This is different from the third Assembly when separate committees existed for these purposes.
- 5. On 22 June 2011, the Assembly established five committees to carry out the functions set out above. These committees are:
 - Children and Young People Committee
 - Communities, Equality and Local Government Committee
 - Enterprise and Business Committee
 - Environment and Sustainability Committee
 - Health and Social Care Committee
- 6. The committee remits are broad and, in the main, cut across Ministerial portfolios. However, committees have the flexibility to examine any issue of

- relevance to the broad remit defined by their titles and are not constrained in examining any issue of relevance.
- 7. Five additional committees have been established to undertake other functions specified in Standing Orders. European issues are to be mainstreamed into the work of the Constitutional Affairs Committee and the five "thematic" committees.

Principal functions of committees

Scrutiny of legislation

8. Committees have a general power to examine legislation within their remit. In addition, committees will be responsible for scrutinising Government and non-Government Bills referred to them by the Business Committee.

In addition, committees may:

- scrutinise Legislative Consent Memorandums (LCMs) referred to them by the Business Committee; and
- scrutinise UK and European Union legislative proposals (and their implications) that fall within committees' remits.

Scrutiny of Government and associated public bodies

- 9. Committees have powers to examine the expenditure, administration and policy of the government and its associated public bodies. The committee may choose to carry out these functions in a number of ways, for example through:
 - regular Ministerial scrutiny meetings and annual budget scrutiny
 - intensely scrutinising Welsh Government and associated public bodies policy, administration and expenditure within the Committee's remit, typically through committee inquiries;
 - follow up scrutiny of the implementation of recommendations made in previous reports, etc.
 - scrutinising the Welsh Government's role in influencing EU policy developments of particular relevance to Wales, within the committee's remit. In particular in terms of shaping the UK negotiating line in Brussels, and promoting Welsh views to the European Commission, European Parliament (including in particular the Welsh MEPs).and through other channels.
 - conducting post-legislative scrutiny on legislation relevant to the committees' remits.

10. A major benefit of the new approach to committees is that Members can develop specialist policy knowledge and expertise and apply this to all the scrutiny they are involved in.

Delivering Multiple Roles

- 11. Although there are a smaller number of committees, this will not alter workload or the amount of time needed to deliver all the activities of committees. This is a radical and challenging system which will require committees to self-manage a demanding and varied programme of work.
- 12. This will require committees to think about their work plans carefully. There will be a need to be both systematic and flexible in terms of prioritising work and consider ways in which they carry out their tasks to maximise their effectiveness and impact. A paper highlighting these issues is included at Annex A.
- 13. The five subject-based committees have been established with sufficiently large memberships to enable them to undertake multiple streams of work in formal sub-committees and informal or rapporteur groups as well as continued operation in full committee. This would allow policy and legislative work to take place simultaneously. As an example, smaller groups could be used to undertake more detailed, specialised inquiries making use of committee membership with a particular interest in the subject area. This flexibility allows committees to be more responsive to varying priorities or sudden changes in the political landscape. It also allows for more efficient use of time given the unpredictability of the legislative workload.
- 14. Certain of a committee's responsibilities will need to be undertaken following particular procedures. The most obvious of these is the consideration of legislation. There are a range of conventions that were adopted in the Third Assembly that will need to be built in to the system, or to be reviewed, in order that legislation is properly considered whichever committee is undertaking the activity. Guidance will need to be provided as to the undertaking of consideration of legislation in differing circumstances, for example by a full committee or by a sub-committee.

15. To accommodate the workload generated by broad portfolios and joint responsibility for scrutiny of legislation and policy, the weekly timetable will provide significant blocks of time for the use of each committee each week. Each of the five committees has been allocated one and a half days every fortnight in which it can schedule its activity. This is split into a half-day and a whole day on alternate weeks.

Annex A

Suggested strategic approach to work planning

- 1. This annex outlines a suggested strategic approach to work planning for fourth Assembly committees. The approach is based on good practice developed by some previous committees to determine their work planning. It also takes into account the broader responsibilities of committees, implications of the timing relating to scrutiny of legislation and issues of capacity, in the 4th Assembly. As with the National Assembly for Wales itself, committees may be considered to have 3 broad functions:
 - Make laws for the people of Wales
 - Hold the Welsh Government to account
 - Represent the People of Wales
- 2. This latter of these typically influences the means by which committees take forward their other two functions, in terms of directly engaging the people of Wales in their work, and ensuring the views of the people of Wales are represented in scrutiny.
- 3. Committees will have capacity to scrutinise both legislation and policy simultaneously, by making greater use of formal sub-committees, informal groups and rapporteurs etc as well as continued operation in full committee.
- 4. The main purpose of this suggested strategic approach to determining work is to assist the committee in managing a demanding and varied portfolio of responsibilities. Taking this approach would mean that, in considering a programme of work, the committee would be provided with comprehensive information about all the issues covered by its remit, in a simple format. Based on this information the Committee will be in an informed position to select the issues it wants to consider as part of its forward work plan.

Determining potential work

Implications of the timing of legislative scrutiny on committees' work programmes

5. Committees may be tasked by the Business Committee with considering specific Bills or LCMs. If a referral is made the Business Committee must

- agree a deadline within which the committee must report. Typically, during the Third Assembly, deadlines were between 6 and 12 working weeks.
- 6. The volume of legislation dealt with by any one committee will depend on the subject matter of legislation introduced to the Assembly, both Government and non-Government Bills.
- 7. The timing of the introduction of legislation and the agreement of a reporting deadline will be matters over which committees will have no direct control. As such, in drawing up their work programmes, it will be important for committees to maintain sufficient flexibility to enable them to respond to referrals in a timely way.
- 8. On 14 June 2011, the First Minister made a statement in Plenary on the Welsh Government's legislative priorities. This will be followed on 12 July 2011 by an announcement of the Government's five-year programme of legislation. While these will give an indication of the subject matter of legislation coming forward in the Fourth Assembly it is not anticipated that specific timings for the introduction of individual pieces of legislation will be included; it is usually the case that Bills are introduced by the government with little warning.

Identifying priorities for scrutiny of the Government and associated public hodies

9. In prioritising their work, a committee may wish to consider:

Covering the breadth of the committee's portfolio

Each committee has a wide ranging remit. Over the course of an Assembly the committee could reasonably be expected to cover major issues across the full breadth of this remit.

The range of responsibilities of the committee

As well as the principle functions of examining specific Bills referred to them by the Business Committee, and undertaking inquiries scrutinising the Government's policy, administration and expenditure, a committee will need to ensure it is undertaking work across the range of their responsibilities. Examples would include

- directly scrutinising Ministers in relation to their responsibilities;
- scrutinising budget proposals;

- scrutinising UK and European Union legislative proposals and their implications;
- consideration of petitions referred to them by the Petitions Committee;
- conducting post legislative scrutiny to examine the effectiveness of the legislation;
- following up on the implementation of recommendations made;
- taking a strategic approach to key policy developments at EU level of particular importance to Wales, and scrutinising the implementation of EU funding programmes/initiatives in Wales.

The focus of the inquiry's scope

Inquiries will normally focus on subjects covered by a committee's remit. However, committees' remits are broad and cross cutting, and in prioritising inquiries Members may also wish to consider whether any other committees are undertaking (or have recently undertaken) similar inquiries. They may also wish to take account of similar work being undertaken by other organisations.

There may also be occasions on which co-ordination of work across committees would be of particular value, for example some key EU policy developments cut across a number of policy areas.

The potential impact and outcomes of an inquiry

A committee may wish to consider whether there is any evidence (including anecdotal evidence) to suggest the issue is of clear concern to the people of Wales, or specific groups of people in Wales. Petitions are one way people are able to flag these issues.

Timing may be key to effectiveness for a particular piece of work. Committees may also consider what stage the Welsh Government is at in its own decision making processes, enabling them maximise their influence. This is likely to necessitate Welsh Government providing committees with information.

Resources that the Committee would need to conduct the scrutiny inquiry.

This may be a useful time for committees to give thought as to whether a specific inquiry could make use of a particularly innovative or ground-breaking method of gathering evidence (examples of things that have been tried in the past are available). Committees may also want to consider at this stage how they might best access expertise needed for the piece of work.

Environment and Sustainability Committee

E&S(4)-01-11: Paper 2

Key Issues for the Environment and Sustainability Committee

The Research Service has produced a paper outlining some key issues falling within the remit of the Environment and Sustainability Committee. It is attached as an annex to this covering paper.

Committee Service



Environment and Sustainability Committee

Key Issues For Consideration

Briefing

Date of paper: 6 July 2011

This briefing has been produced by the Research Service for use by Environment and Sustainability Committee

Research Service



Key Issues for the Environment and Sustainability Committee

Introduction

This paper outlines some key issues falling within the remit of the Environment and Sustainability Committee that Members may wish to consider. It builds upon the issues identified by the Sustainability Committee and the Rural Development Sub-committee in their Third Assembly Legacy Reports and takes account of more recent developments, but is not an exhaustive list. Many of the issues covered are set within a wider context of developments at EU level, both in terms of policy and legislation.

Waste and Recycling

The Welsh Government's *Zero Waste Strategy* 'commits Wales to being a zero waste nation by 2050 and a high recycling society (recycling 70 per cent of our waste) by 2025. In addition the *Waste (Wales) Measure 2010* set compulsory recycling, re-use and composting target for local authorities in Wales which are 52 per cent by 2012/13, 58 per cent by 2015/16, 64 per cent by 2019/20 and 70 per cent by 2024/25.² *The Single Use Carrier Bags Charge (Wales) 2010* will come into force on 1 October 2011 and will require retailers to charge a 5 pence fee for single use bags.³

Within this context Members may wish to consider:

- Waste infrastructure and markets in Wales;
- Connections to the Green Jobs agenda;
- Implementation of new regulations and European Directives in relation to waste; and
- Implementation of the Single Use Carrier Bags Charge.

Energy

The Welsh Government's *Energy Policy Statement* was published in March 2010, including new targets for renewable energy in Wales.⁴ This led subsequently to an update of *Planning Policy Wales.*⁵ The *Localism Bill 2010-11* currently before Parliament will abolish the Infrastructure Planning Commission but will not change the devolution settlement regarding who consents major energy infrastructure projects in Wales.⁶ The UK Government has recently published 'final' versions of the Energy National Policy Statements, which subject to Parliamentary approval, will be used as the basis for decisions on major energy infrastructure projects in Wales. The *Energy Bill 2010-2011* is also currently being considered at Westminster and all of its provisions will relate to Wales.⁷

Within this context Members may wish to consider:

Date: July 2011

¹ Welsh Government, <u>Towards Zero Waste</u>, June 2010

² Waste (Wales) Measure 2010 NAWM8

³ The Single Use Carrier Bags Charge (Wales) 2010 SI 2010/2880 (W.238)

⁴ Welsh Government, <u>A Low Carbon Revolution: Wales' Energy Policy Statement</u>, March 2010

Welsh Government, Planning Policy (Edition 4, February 2011), February 2011

⁶ <u>Localism Bill 2010-11</u>

⁷ Energy Bill 2010-11



- The effectiveness and delivery of the Welsh Government's renewable energy targets;
- The relationship between the UK Government's Energy National Policy Statements and Welsh planning policy; and
- The impact of the *Energy Bill* on Wales and how this will feed-in to the Welsh Government's work on fuel poverty and energy efficiency.

Sustainable Development

The Welsh Government's Sustainable Development Scheme, *One Wales: One Planet* sets out the Government's vision for a sustainable Wales and seeks to establish sustainable development as the central organising principle of Government. The Welsh Government has announced that it will bring forward a Sustainable Development Bill to establish a Sustainable Development Commission for Wales and to place further duties on the Welsh Government with regards to sustainable development. During the Third Assembly the Sustainability Committee conducted two inquiries into how sustainable development was being mainstreamed into the work of different Government Departments.

Within this context Members may wish to consider:

- The policy context for and potential impacts of a Sustainable Development Bill,
- What progress has been made to mainstream sustainable development into the work of Government Departments,
- The review of the Welsh Government's Sustainable Development Scheme in late 2011 or 2012.
- Review of Welsh Government's role in promoting sustainable development on the international stage through the Network of Regional Governments for Sustainable Development Network (nrg4SD).

Planning

The Welsh Government is in the process of implementing changes to the planning system in Wales to make it more responsive to the needs of business, as called for in the Economic Renewal Programme. During the Third Assembly the Sustainability Committee conducted an inquiry into the planning system which concentrated on the effectiveness of national and local planning policy. This included some consideration of policy on renewable energy. Some of the Committee's recommendations have already been agreed by the new Welsh Government, including a partial review of the Local Development Plan process and a Planning Act for Wales.

Within this context Members may wish to consider:

- Follow up on the recommendations of the Sustainability Committee's planning inquiry;
- Follow up on the effectiveness of the Welsh Government's actions to improve planning's role in delivering economic development;

Research Service Y Gwasanaeth Ymchwil



- The scope and content of a Planning Bill for Wales (depending on when it is likely to be brought forward by the Welsh Government);
- Community Infrastructure Levy- its implementation in Wales and the impact on the future funding of infrastructure and the use of Section 106 agreements;
- Building regulations- the implications of the regulations being devolved from 2012.

Common Agricultural Policy

The Common Agricultural Policy (CAP) is currently going through a reform process that will lead to the adoption of a new policy by 2013, which takes place in the context of wider discussions over the future multi-annual financial framework for the EU budget, proposals for which were published on 30 June. Farmers and rural communities in Wales are heavily dependent on the funding they receive through the CAP. The European Commission is due to publish a Communication on the future of the CAP in October or November 2011 which will have significant implications for Wales. Current discussion on how less favoured areas will be defined for the purposes of distributing funds through the CAP may also have significant impact on Wales

Within this context Members may wish to consider:

- The potential impact of any Commission proposals on Wales;
- To extent to which the proposals reflect Welsh priorities for the CAP and what issues the Welsh Government should make a priority for its negotiations;
- The impact of any new definitions of less favoured areas on Wales;
- What transitionary arrangements may need to be put in place as a result of the proposals; and
- How stakeholders views are being taken into account by the Welsh Government.

Glastir

In the context of the reform to the CAP a new agri-environment scheme for Wales, Glastir has been introduced. Following a low number of applications to the first round of the scheme, the previous Rural Affairs Minister set up an independent review of the All-Wales Element of Glastir which reported back in March 2011.8 A number of recommendations made in the report were accepted by the previous Rural Affairs Minister.

Within this context Members may wish to consider:

- What approach the new Minister will take to the implementation of Glastir;
- What progress has been made on implementing the changes recommended by the review group; and
- What concerns, if any remain amongst stakeholders about the scheme.

_

⁸ Welsh Government, Glastir: Independent Review, March 2011



Marine, Fisheries and Water Quality

The Marine and Costal Access Act 2009 gave Welsh Minister wide-ranging powers over the Welsh marine environment and its fisheries. The Welsh Government is now in the process of implementing this Act including giving consideration to marine planning, nature conservation, marine licensing and sustainable fisheries. Water Quality in Wales is governed by a number of European Directives including the Bathing Water Directive, the Water Framework Directive and the Nitrates Directive. The targets within these Directives are either shortly to be revised or are required to be met within the next few years.

In addition, the European Commission will shortly published proposals for reform of the Common Fisheries Policy that will have a significant impact on the way in which the Welsh fisheries industry is governed.

Within this context Members may wish to consider:

- Development of marine plans and implications for stakeholders;
- Development and establishment of highly protected marine reserves under the Marine and Coastal Access Act 2009;
- The transfer of fisheries powers to the Welsh Government and how these will be effected by the reform of the Common Fisheries Policy (proposals to be published in July 2011);
- Whether Wales can and will deliver on its water quality targets and whether present water infrastructure will be able to ensure high standards of water quality in future; and
- How will the transfer of private sewers to public ownership be managed and implemented.

Coastal Erosion and Flooding

The previous Sustainability Committee conducted and inquiry into flooding Wales but this did not predominantly focus on coastal erosion. In addition, The *Flood and Water Management Act 2010* place new obligations on the Welsh Government and local authorities in Wales with regards to flood and coastal erosion risks.⁹

Within the context of coastal erosion and flooding Members may wish to consider:

- The National Flood and Coastal Erosion Risk Strategy that the Welsh Government is required to produce under the Flood and Water Management Act 2010 but is yet to finalise;
- The effectiveness of Technical Advice Note 15 on Development and Flooding;
- The adoption of Shoreline Management Plans for Wales and the subsequent production of local flood risk strategies.

-

⁹ Flood and Water Management Act 2010 c.29



The Food Supply Chain

In a number of its reports during the Third Assembly the Rural Development Subcommittee advocated that a supermarkets ombudsman should be developed on a UK basis to ensure that Welsh producers and farmers are treated fairly. On the 24 May 2011 the UK Government published a *Draft Groceries Code Adjudicator Bill* which seeks to establish an independent adjudicator for the Groceries Code. In December 2010 the Welsh Government published a food strategy for Wales and implementation plans for the strategy are currently being developed by the Welsh Government in partnership with the Food and Drink Advisory Partnership.

At a European level consideration is being given to two packages that relate to the food industry in Wales. These are the Dairy Package and the Quality Package. Both will have implications for producers in Wales including potentially providing the opportunity for the introduction of compulsory contracts between milk suppliers and processors and the introduction of mandatory country of origin labelling.

Within this context Members may wish to consider:

- Whether the proposals contained in the *Draft Groceries Code Adjudicator Bill* 2010-2011 take sufficient account of the views of stakeholders in Wales;
- What progress has been made in developing implementation plans for the Welsh Government's food strategy;
- What impact the Dairy Package and Quality Package will have on Wales and whether
 Welsh priorities are adequately reflected within them.

Genetically Modified Organisms (GMOs)

At present GMOs are authorised at a European level and once authorised may be grown and/or sold anywhere within the European Union. Member States are only able to prevent the production of GMO crops within their territory if they can provide substantial new scientific evidence that they are a threat to human health or the environment. This has meant the some Member States have been reluctant to authorise GMOs as they are not easily able to control their use once authorised. In response to this issue the European Commission has published proposals to modify the control of GMOs within the EU so that it could be possible for Member States to ban GMOs on the grounds of wider social and environmental reasons. To date several Member States and key stakeholder have expressed concern that this could create legal uncertainty and it is not yet clear whether regional Governments will be able to ban GMOs within their region even if the Member Sate as a whole does not.

Within this context Members may wish to consider:

- The potential impact of the proposed EU legislation on Wales;
- Whether the Welsh Government will be able to make its own decision on the production of GMOs in Wales; and

-

¹⁰ Draft Groceries Code Adjudicator Bill, May 2011



The wider policy implications of the proposal.

Nature Conservation

During the Third Assembly the Sustainability Committee completed a review into the failure to meet the 2010 target to halt biodiversity loss. The Welsh Government is currently developing a new 'Natural Environment Framework' for Wales entitled 'A Living Wales'. In the context of this new framework the institutional arrangements of the three environmental delivery bodies (the Countryside Council for Wales, Environment Agency Wales and the Forestry Commission Wales) is being considered. In addition the EU Biodiversity Strategy adopted in May 2011 will influence actions by the Welsh Government in this field.

Within this context Members may wish to consider:

- Whether the new Natural Environment Framework will implement the recommendations made by the Sustainability Committee;
- The institutional arrangements of the environmental delivery bodies and the impacts of any future changes;
- Whether as suggested by the Sustainability Committee the biodiversity duty currently contained in the *Natural Environment and Rural Communities Act 2006* should be strengthened?

Climate Change and Carbon Reduction

In October 2010, the Welsh Government published a Climate Change Strategy and Delivery plans for emission reductions and adaptation.¹¹ The Strategy and accompanying Delivery plans set out how the Welsh Government intends to meet its carbon reduction commitment of 3 per cent a year from 2011 in areas of devolved competence. During the Third Assembly the Sustainability Committee completed a wide-ranging review into carbon reduction across a number of sectors in Wales. The Committee made a number of recommendations on actions the Welsh Government could take to help meet the carbon reduction targets.

Within this context Members may wish to consider:

- Progress made by the Welsh Government and Welsh public sector more generally toward the carbon reduction commitments;
- Wales' contribution to international, European and UK targets on climate change; and
- The extent to which progress has been made on the recommendations made by the Sustainability Committee in their reports on carbon reduction in Wales.

Meat Control Charges

The Food Standards Agency (FSA) has announced that it intends in future to pursue a policy of full cost recovery from producers and processors for meat hygiene and animal welfare controls. At present the cost of these controls are partly subsidised by the FSA. In

_

¹¹ Welsh Government, *Climate Change Strategy* (Website), [accessed 29 June]

Research Service Y Gwasanaeth Ymchwil



its inquiry into Meat Hygiene and Animal Welfare the Rural Development Sub-committee concluded that implementation of this policy could have a significant impact on the survival of small and medium sized abattoirs in Wales and consequently on Welsh producers.

Within this context Members may wish to consider:

- The implications of this decision for producers and processors in Wales;
- What mechanisms could be put in place to mitigate any negative effects; and
- What action the Welsh Government has taken in light of this decision.

Date: July 2011