

**Pwyllgor Newid Hinsawdd,
yr Amgylchedd a Seilwaith**

—
**Climate Change, Environment,
and Infrastructure Committee**

Julie James MS, Minister for Climate Change
Lee Waters MS, Deputy Minister for Climate Change
Lesley Griffiths MS, Minister for Rural Affairs, North
Wales and Trefnydd
Vaughan Gething MS, Minister for Economy

10 October 2022

Draft Budget scrutiny 2023-24

Dear Ministers,

The Climate Change, Environment and Infrastructure Committee has started its preparations for scrutiny of the Welsh Government's draft Budget for 2023-24.

We understand the draft budget will be published on 13 December 2022, so we anticipate holding a scrutiny session with you early in 2023. The Clerking team will be in touch with your office in due course to arrange a suitable date for the session.

To assist the Committee in its preparations, I should be grateful if you would provide information to address the matters set out in Annex 1 in advance of the scrutiny session. Of course, you should not feel limited by our request and are welcome to address any other matters you believe will assist the Committee in its work.

We would be happy to receive a single, co-ordinated response, or if you would prefer, separate responses addressing the issues within your individual areas of responsibility.

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I have asked the Clerking team to liaise with your officials about an exact deadline.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Llyr', is centered on a light yellow rectangular background.

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

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

Preventative Spend

Details of the proportion of portfolio budget allocated to preventative spending measures and how this has increased compared to last year's budget.

Details of which specific policies or programmes in the portfolio are intended to be preventative.

Evidence-based policy making

An explanation of how you have used evidence in prioritising your draft budget allocations and how you will monitor and evaluate programmes to ensure they provide value for money and inform future budget setting processes.

Details of how the development of the draft budget has been informed and influenced as a result of consultation with stakeholders.

Well-being of Future Generations Act

Examples of how the Act has informed decisions on specific budget allocations.

Details of how the impact assessment process has influenced the development of the draft budget, including examples of where a decision has been assessed against the Welsh Government's well-being objectives.

Equality, Welsh language, and children's rights assessment

Details of how you have considered the impact of the draft budget on groups with protected characteristics and the Welsh language, including details of any relevant impact assessments.

Details of how children's rights have been considered in the budget decisions for the portfolio.

Responding to the cost-of-living crisis

An explanation of whether and how the Welsh Government's response to the cost-of-living crisis has shaped your draft budget allocations.

Legislation

Budget allocations for the implementation of new legislation and planned legislation, including:

- The Environmental Protection (Single-use Plastic Products) (Wales) Bill;

- regulations to introduce a Deposit Return Scheme and Extended Producer Responsibility for plastic packaging;
- the proposed Coal Tip Safety Bill;
- the proposed Clean Air Bill;
- the proposed Welsh Infrastructure Consenting Bill.

Programme for Government

An explanation of how the budget allocations within your portfolio align to Programme for Government commitments and priorities.

Responding to the climate and nature emergencies

An explanation of how the Welsh Government's declaration of 'climate' and 'nature' emergencies has influenced this year's budget setting process.

An explanation of how you have worked with your Cabinet colleagues to ensure that the environment, biodiversity loss and climate change have been "at the heart of" the budget setting process.

Decarbonisation

An explanation of how the budget allocations support the delivery of the policies and proposals in Net Zero Wales, which are relevant to the remit of this Committee.

An explanation of work undertaken to estimate the carbon impact of spending decisions and how this has influenced the approach to allocations.

An update on work to align the fiscal and carbon budgets.

Budget structure

A breakdown of the 2023-24 draft budget, and any future indicative budgets, by Spending Programme Area (SPA), Action and Budget Expenditure Line (BEL), both revenue and capital, along with 2022-23 Budget allocations as a comparison.

A narrative description of the policy areas funded through each BEL.

A summary of any changes made in the structure and presentation of the budget compared to previous years, including details of how any new or reorganised SPAs, Actions of BELs relate to those used in 2022-23 and ensuring 2023-24 allocations can be compared to previous years.

Transport

How the draft budget supports the Welsh Government's transport priorities, particularly delivery of the new Wales Transport Strategy and the associated delivery plans and strategies, including how you have prioritised funding, the affordability of your priorities and any areas of concern.

How the draft budget provides for:

- Public transport recovery following the pandemic, including support for operators and the impact of, and recovery from, the Coronavirus pandemic, including support for transport providers.
- Delivery of the rail franchise.
- Delivery of the North East Wales, South West Wales and South East Wales Metros.
- Delivery of the Welsh Government's rail infrastructure priorities.
- The development of Transport for Wales – including a breakdown of TFW's **full** budget allocation for the year, itemising its corporate budget alongside allocations for delivery of specific programmes.
- The recommendations of the South East Wales Transport Commission.
- Investment in the trunk road and motorway network. In particular, how the outcome of the roads review has informed the allocations, and how any roads funding has been reallocated.
- Delivery of active travel policy – including a table detailing total and per capita allocations for active travel for 2023-24, compared with each of the preceding three years. Revenue and capital allocations should be clear and broken down by individual funding stream (active travel fund, local transport fund, safe routes in communities etc).
- Support for bus and community transport services, including a table detailing total and per capita allocations for 2023-24 compared with each of the preceding three years. Revenue and capital allocations should be clear and the table should be broken down by individual funding stream (BSSG, BES2, Concessionary Fares etc).
- Support for local transport priorities.

Energy and improving energy efficiency

How the draft budget provides for:

- Policies and programmes to support decarbonisation in the housing sector, including allocations for the Welsh Government's Warm Homes Programme and Optimised Retrofit Programme.
- Delivery of renewable energy and public sector energy efficiency programmes, including funding for the Welsh Energy Service.
- Implementation of recommendations and actions arising from the Welsh Government's deep dive on renewable energy.
- Development of proposals for Ynni Cymru.

Environment

How the draft budget provides for:

- Delivery of the Nature Recovery Action Plan, including management and monitoring of the National Sites Network.
- Nature Networks Programme, Local Places for Nature, the National Peatlands Action programme and Natur am Byth.
- Outcomes of the Welsh Government's deep dive into biodiversity and anticipated commitments made at COP15.
- Implementation of the 'Green Recovery' work, including the National Nature Service.
- Replacement for EU LIFE funding following the UK's departure from the EU.
- Development of the new National Park to cover the Clwydian Range and Dee Valley.
- Delivery of the Clean Air Plan.
- Implementation of the Woodlands for Wales Strategy, including the National Forest Strategy.
- Implementation of the National Strategy for Flood and Coastal Erosion Risk Management, including the take up of the Coastal Risk Management Programme.
- Development of permanent environmental governance arrangements, and the work of the Interim Environmental Protection Assessor.
- Delivery of the Marine Protected Area Network Management Plan.

Natural Resources Wales (NRW)

Details of budget allocations for NRW, including:

- how the development of the draft budget has been informed and influenced by any emerging findings of the baseline review, and
- funding for the Offshore Renewable Energy Programme.

Digital Infrastructure

Details of the total Welsh Government contribution to the Superfast Cymru successor scheme, including relevant contract targets for BT/Openreach and performance towards these targets.

Details of the budgets allocated to other Welsh Government connectivity schemes (including Access Broadband Cymru and the Local Broadband Fund) and connectivity targets these schemes have.

Details of any budget allocated to improving mobile connectivity.

Implementation of the Digital Strategy for Wales and delivery plan, and allocation for the Centre for Digital Public Services.

Overall broadband and mobile connectivity targets, and whether the combined funding from the Welsh and UK Governments is sufficient to meet these targets.

National Infrastructure Commission for Wales (NICW)

Details of budget allocations for the NICW.