

Memorandum on the Climate Change Draft Budget Proposals for 2023-24

Climate Change, Environment and Infrastructure Committee – 2023

This paper provides information on the Climate Change budget proposals as outlined in the 2023-24 Draft Budget published on 13 December 2023. It also provides an update on specific areas of interest to the Committee.

Strategic Context

The table below provides an overview of indicative plans for the Climate Change MEG published in draft Budget 2023-24

CLIMATE CHANGE - SUMMARY	2022-23 Final Budget March 2022	2023-24 Indicative Final Budget March 2022	2023-24 Changes	2023-24 Draft Budget December 2022	2024-25 Indicative Final Budget March 2022	2024-25 Changes	2024-25 Indicative Draft Budget December 2022
Resource	1,166,512	1,155,512	31,915	1,187,427	1,177,512	31,915	1,209,427
Capital	1,644,573	1,657,778	0	1,657,778	1,605,393	0	1,605,393
Total Resource & Capital	2,811,085	2,813,290	31,915	2,845,205	2,782,905	31,915	2,814,820
Total AME	100,393	124,448	-69,246	55,202	4,740	-67,808	-63,068
CLIMATE CHANGE - TOTAL BUDGET	2,911,478	2,937,738	-37,331	2,900,407	2,787,645	-35,893	2,751,752

Resource

For resource, the 2022-23 baseline for draft Budget 2023-24 reflects Final Budget. The resource changes are summarised as follows:

	2023-24 Changes	2024/25 Changes
Transfers from reserves	55,000	55,000
Transfers to reserves	-20045	-20045
MEG to MEG transfers	-3,040	-3,400
Total	31,915	31,915

The Resource budget for the Climate Change MEG has increased by £55m in 2023-24 when compared to the 2023-24 indicative final budget baseline, with further increases of £55m in 2024-25.

The total resource allocations for each financial year is summarised in the tables below:

BEL	Description of Transfer	2023-24 £000s	2024-45 £000s
1895	Transfer in from Reserves to support TfW Public Transport	40,000	40,000
1120	Transfer in from Reserves to support Homelessness	10,000	10,000
1895	Transfer in from Reserves to support ALBs cost-of-living inflationary increases – TfW	5,000	5,000
Total		55,000	55,000

The Welsh Government has undertaken a reprioritisation exercise to release funding from within portfolios for reallocation across Government. The principles underpinning this reprioritisation exercise were to deliver a balanced budget, protect frontline public services and protect the Programme for Government.

As a result of this exercise, draft budget plans reflect a return to central reserves from the Climate Change MEG of £20.025m in 2023-24, with reductions baselined into 2024-25. These changes for budget lines relevant to this committee are summarised in the following table:

BEL	Description of Transfer	2023-24 £000s	2024-45 £000s
2832	Enabling natural Resources	-1,380	-1,380
2827	Forestry	-1,100	-1,100
2190	Resource Efficiency and Circular Economy	-1,575	-1,575
2490	Landscape & Outdoor Recreation	-300	-300
2255	Building Safety	-3,545	-3,545
1181	Housing Programme Revenue Funding	-900	-900
4151	Regeneration	-915	-915
1895	Transport for Wales	-9,603	-9,603
3759	Centre for Digital Public Services	-106	-106
3770	Clean Energy	-621	-621
Total		-20,045	-20,045

There has also been one MEG to MEG transfer in these budget proposals of £3.04m representing schemes commenced within the Coastal Risk Management Programme that have now transferred to the Local Authorities via the Finance and Local Government MEG.

Preventative Spend

These budget proposals reflect my continuing commitment to protect and prioritise investment that supports preventative measures as far as possible. Value for money and clarity over how we use our resources effectively is central to delivering our priorities. Once expenditure is planned in line with priorities, we have well-established processes in place to ensure that resources are used effectively for the purposes intended.

Specific metrics are used to evaluate support programmes, as set out in the Wales Transport Strategy for example.

The assessment and value for money is referenced further down in the specific questions.

Evidence-based policy making

Evidence from a wide range of sources underpins our financial decisions such as published research, engagement with stakeholders, previous policy evaluations and statistics. This is embedded in decision making with some examples as follows:

A significant number of single use items, usually made of plastic, are provided to consumers at low, or no cost, with an accompanying purchase of food or drink. These items are very small and are of low individual value, both to the end consumer and the retailer. The cost and effort of separating, cleaning and processing them for recycling is often deemed not to be worthwhile. Consequently, a high volume of these products are discarded into general waste, either by the end consumer or the retailer, or are littered. In its Programme for Government Welsh Government commits to legislate to abolish more commonly littered single use plastic items. The intention is to influence consumers so they begin to adopt more sustainable behaviours (for example using reusable products) and to prevent the subsequent environmental impacts associated with single use items.

Underpinning the wider implementation of the Circular Economy Strategy is a range of evidence from new compositional analysis of waste streams and data on the performance and efficiency of Local Authority recycling and waste management operations, to measurement of the carbon impact of our recycling.

Transport for Wales have published on our behalf a monitoring and evaluation framework for the Wales Transport Strategy that will be used to track progress against achieving the priorities and ambitions and identify any areas where further interventions may be required to meet our targets.

Well-being of Future Generations Act

My draft budget preparations shows how I have sought to reflect the framework of the Wellbeing of Future Generations Act in setting our spending priorities. We reviewed current trends and future projections and their potential impacts in the short, medium and longer term. We did this to ensure, as far as possible, that short term responses do not have longer term detrimental impacts.

The Circular Economy Strategy, *Beyond Recycling*, has been recognised as a WFG exemplar in the way in which it was both developed using the five ways of working and how it uses the WFG goals to identify the action which maximises the benefit of the move to a circular economy, as a key part of the transition to a Zero Carbon Wales. A Goals Assessment was published alongside the strategy which sets out its contribution to all of the seven goals. This approach has continued with the delivery of the actions within the strategy, ensuring that they not only deliver crucial environmental outcomes, but also improve key economic and social outcomes for Wales. For example, taking a circular approach improve resource efficiency, create employment opportunities and increase competitiveness in a decarbonising global economy. This also includes key social benefits, particularly in a cost of living crisis, by for example redistributing food that would otherwise be wasted to vulnerable communities and putting in place repair and reuse facilities

Equality, Welsh language and children's rights assessment

As part of the Draft Budget, we have taken an integrated approach to impact assessments, as well as considering the impact of decisions and policies on social, economic, cultural and environmental well-being, as set out within the Well-being of Future Generations (Wales) Act, which continues to be an important driver guiding our Budget considerations.

Our Budget sets out the impacts of our spending decisions, including highlighting spending decisions that directly impact on our stakeholders. This is complemented by the Strategic Integrated Impact Assessment (SIIA), outlining the contextual evidence that has supported our spending decisions.

For example, the Wales Transport Strategy and National Transport Delivery Plan was fully impact assessed through the integrated impact assessment process and for the strategy representatives all of those groups who share protected characteristics were involved in the process both at drafting and consultation stage, this included children, older people and all of the commissioners, including the Welsh language commissioner. The WTS is therefore reflective of their views and involvement and the budget broadly delivers on the aims and objectives in the strategy.

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

The impact of the increased cost of living and the failure of the UK Government's promises to replace EU funding in full has created significant challenges on programmes within my portfolio. As a Welsh Government, we will continue to work to prioritise our budgets to shield the most vulnerable and maintain our commitment to create a stronger, fairer and greener Wales as we prepare our draft Budget 2023-24.

I recognise the impact cost of living pressures are having on our Arms Length Bodies which deliver significant public services on behalf of the Welsh Government. I am pleased that these budget proposals provide a further £10m in 23/24 and 24/25 (£5m/annum) to support with cost-of-living pressures in the most critical areas. However, I appreciate that this will only go some way to addressing concerns and it will still be difficult for many organisations.

Legislation

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

The Environmental Protection (Single-use Plastic Products) (Wales) Bill will ban or restrict the sale of a number of single-use plastic products found commonly littered in the environment. The legislation will deliver the Programme for Government commitment to legislate to abolish more commonly littered single use plastic items. The legislation will help accelerate the shift away from these problematic single-use plastic products and encourage a move towards reusable or less environmentally harmful alternatives. It also contributes to wider strategic aims of supporting the development of a circular economy in Wales, addressing the climate and nature emergencies. To support the Bill's implementation, spending will be required to communicate to the public and to businesses of the need to prepare for the bans and of the products covered by the legislation. The budget will also be used to support wider evidence-gathering for the potential next phase of products.

Regulations to introduce a Deposit Return Scheme and Extended Producer Responsibility for plastic packaging;

Work continues to develop the legislation to deliver the Programme for Government commitment to introduce Extended Producer Responsibility reforms, initially focused on measures to tackle packaging waste and a Deposit Return Scheme for drink containers, alongside the development of the legislation to implement business, public and third sector recycling reforms. The consultation on the underpinning Code of Practice having been launched as part of Climate Week in November.

The proposed Coal Tip Safety Bill;

The coal tip safety revenue budget settlement includes costs for the scoping and design of a national asset register, and for the recruitment of the Board for the new supervisory authority, including the initial running costs during the financial year 2024/25. The budget for 2023-24 and 2024-25 also includes funds for a Welsh Government team to establish the new public body.

A full Regulatory Impact Assessment is currently in development as required prior to the introduction of the Coal Tip Safety Bill, which will provide detailed costings for the establishment of the new public body (including staffing) and implementation of the new regime. Assumptions such as pay inflation and pay rises will be built into this work.

The proposed Clean Air Bill

The Programme for Government committed to the introduction of a Clean Air Act for Wales. The Bill we are taking forward will include proposals relating to national air quality targets (accounting for World Health Organisation guidance), promoting awareness, Local Air Quality Management (LAQM), smoke control, vehicle idling and national air quality and soundscapes strategies. These proposals will enhance both national and local government's ability to tackle poor air quality, providing direct benefits for public health, habitats and biodiversity. Specific funding will support implementation of the Bill including funding for evidence-gathering, communication, and awareness raising.

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Programme for Government

The Biodiversity Taskforce supports the Programme for Government commitment to embed biodiversity in all we do. To continue work on mainstreaming biodiversity which is also a requirement of the future Global Biodiversity Framework and Biodiversity Deep Dive recommendation, money has been allocated to this through a programme focussing on people, our systems and piloting innovative solutions both in and outside Welsh Government. Delivery of the Section 6 requirement working with public authorities to mainstream maintain and enhance biodiversity is also key part of this work.

Work is underway to develop a statutory duty and targets to protect and restore biodiversity. This work will be escalated following COP15 in December 2022 with the agreement of a set of new global targets. To deliver this budget has been allocated to provide the technical and academic support required to ensure robust, evidenced based approach to developing SMART targets.

Work is required to support research and development along with enhancing infrastructure to deliver successful interventions for saltmarsh and seagrass restoration programmes. To continue this budget has been allocated to the Nature Networks Programme.

Responding to the climate and nature emergencies, and working with Cabinet colleagues

Net Zero Wales, which was published last year ahead of COP26 is our cross Government Plan, which sets out our collective action across Ministerial Portfolios, over the next few years.

To support delivery and help drive action, we have established internal governance to develop and deliver Net Zero Wales consisting of

- Cross-Government Cabinet supported by termly discussions on climate change as well as being integrated through wider conversations
- A Portfolio Board chaired by the Climate Change SRO with lead officials for each emission sector and cross cutting area;
- Focused arrangements to monitor and drive delivery of the PfG.

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

Climate Change considerations are key for Welsh Government across all policy areas to respond to the climate emergency and adapt to the impacts of climate change. The First Minister has been clear that Climate Change is at the heart of the Government’s agenda.

On 28 October 2021, the Welsh Government launched its Net Zero Wales plan, which sets out the next stage in our pathway (2021 to 2025) to net zero by 2050. The plan contains more than 120 government policies and proposals, covering every area from peatland restoration to active travel, and from green skills to renewable energy.

The portfolio’s mission is to deliver net zero and to manage climate risk for Wales. Our statutory advisors, the Climate Change Committee (CCC), suggest that the costs to Wales of transitioning to Net Zero will be substantial (in the order of £1.4bn in 2025) and that investment in low-carbon technologies needs to increase significantly over carbon budget 2, which coincides with this Government term.

Llwybr Newydd - Wales Transport Strategy sets out a long-term vision for an accessible and sustainable transport system. It contains four high-level cross-cutting 20-year ambitions that can deliver wider benefits to people and communities, to the environment, to the economy and places, and to culture and language. These ambitions will be delivered through a set of five year priorities, targeting ways to reduce the need to travel and encourage modal shift.

It changes our approach to the way we make decisions and investments. The sustainable transport hierarchy gives priority to meeting the demand for travel by walking, cycling and public transport ahead of private motor vehicles. The investment hierarchy’s focus is on measures to manage demand, make better use of existing infrastructure (including joined up planning between transport and land use), and on widening and promoting sustainable travel choices

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

Action on the climate and nature emergency continues to be at the heart of this government, which is why the Climate Change portfolio has been created. It has brought together the big policy areas to help Wales reach its legally binding target of reaching Net Zero by 2050

This investment will continue to directly help address the Programme for Government ambition to tackle the nature and climate emergencies.

Decarbonisation

The Net Zero Wales Plan puts the transition to a Circular Economy at its heart with actions for a more resource efficient Wales found across every part of the Plan from decarbonising the refuse vehicle fleet to supporting businesses to get advice on being more resource efficient. This recognises the critical link between unsustainable consumption and the climate and nature crises.

This includes an increase in the budget to support the continued delivery of the Beyond Recycling Strategy which will work to build on the foundation of our genuinely world class recycling to support the wider transition to a circular economy which keeps resources in use. A key element of this support sees an increase in capital funding to put in place the infrastructure improvements needed to transition to a circular economy, which represents just under half of Wales' total emissions.

Higher interim emissions reduction targets for 2030 and 2040, and a net zero target for 2050 and budget allocations.

Our emission reduction targets are set at a Wales level and as such, Net Zero Wales is an All Wales plan, recognising that actions will need to be taken by everyone. This means that the costs and benefits will also be shared across society.

Although the monetary costs associated with Wales transitioning to net zero by 2050 are not fully known yet, an indicative cost estimate has been provided in the Regulatory Impact Assessment for net zero. In this Regulatory Impact Assessment, we estimate that the additional cost of meeting net zero compared to a scenario with no further climate action will lead to additional present value resource costs of between £10bn and £16bn in total over the period to 2050 (these figures are based on Welsh Government analysis of the 5 CCC net zero pathways). Additional resource costs are the monetary costs (and savings) required to provide the same goods and services in a low or zero carbon way, and they include both upfront capital investment cost and operating costs/savings. However, there may also be significant societal co-impacts associated with transitioning to net zero which have not been quantified in our analysis, such as health and natural capital benefits.

There is a great deal of uncertainty inherent in estimating future costs associated with long-term emission targets which increases over time. The uncertainty comes from questions about the cost and development of future low-carbon technologies, the future actions of government, business, wider stakeholders, and consumers.

Irrespective of this uncertainty, we are looking to continually boost our evidence base and improve our understanding of the costs and benefits associated with reaching net zero to help us facilitate the least-cost low-carbon transition. Net Zero Wales highlights some of the additional investment costs required over Carbon Budget 2 at the Welsh national level, as well as outlines many investments that the Welsh Government are making to accelerate the net zero transition. However, it should also be noted that a

significant bulk of the investment costs will be met by the private sector and the UK Government.

Work undertaken to estimate the carbon impact of spending decisions and how this has influenced the approach to allocations

We continue to look to improve and develop how we make decisions taking into account carbon through tools such as our integrated impact assessment process. Through our Budget Improvement Plan, we have set out the actions we are taking to consider how the assessment of the carbon impact of our spending programmes can be made more robust.

This work, which is informing our budget preparations, is considering the incremental impact of Welsh Government spend, as well as the wider impact that policy implementation has on carbon emissions. An update to the Budget Improvement Plan will be provided alongside the draft budget, which will provide further details on the progress we are making on assessing the carbon impacts of our expenditure. Infrastructure Investment Strategy.

One of the most important considerations we can make is the link between the infrastructure we support and the impact it has on our environment.

Our new infrastructure investment strategy is the successor to the current Wales Infrastructure Investment Plan and sets the framework for Welsh Government investment in infrastructure and is designed around the four well being themes of economic, environmental, social and cultural well-being. At its heart will be the Welsh Government's response to the climate emergency, including the commitment to net zero and tackling the decline in biodiversity, and the strategy has been designed specifically to support the delivery of a net zero carbon economy. This approach lets us recognise that, for example, alongside investments in electric vehicle infrastructure and in railway electrification, which have decarbonisation as a primary purpose, we can leverage the delivery of our wider programme of capital investment in areas such as hospitals and schools to contribute to delivery of net zero. Many of the policies captured in this plan will also appear in the suite of documents which will describe this new infrastructure investment strategy.

Aligning fiscal and carbon budgets

We continue to align our carbon and financial budget process and use our Net Zero Wales plan to help guide our spend. Our long term decarbonisation plans helps to align future spend around it .

Budget Structure

Summary of Budget Allocations and Changes

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.

Annex A provides the full BEL tables for the Climate Change portfolio as published as part of the draft budget.

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

We will continue to invest in our metro programmes in South East, South West and North Wales. in a way that is integrated with our core service delivery in bus, active travel and rail. Our investments will also support the development of our rural pathway which will support the development of public transport interventions in rural communities across Wales, and in particularly Mid Wales which does not have a Metro scheme in the region.

The investment will also support the continued development of strategically important projects across Wales to support the delivery of the Wales Transport Strategy and help us achieve the mode shift needed to meet our Net Zero Wales targets. These projects are multi-modal; supporting the development of infrastructure, service design, digital and data developments and behavioural change work in bus, rail and active travel schemes across Wales in areas that maximise potential modal shift. Our emerging priorities for investment are set out in the National Transport Delivery Plan published for consultation in July

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.

Throughout the pandemic Welsh Government's commitment to the bus industry has been unwavering with over £150m of funding made available to the industry to support them through, and recover from, the effects of the coronavirus pandemic.

Funding has been allocated to support the TfW Rail Limited farebox which continues to be impacted following the coronavirus pandemic with fewer commuter journeys being made, though this has been partially offset by increased leisure journeys

Delivery of the rail franchise.

The revenue and capital funding allocated allows for the delivery of the Rail franchise by TfW on behalf of Welsh Ministers. As part of this TfW will continue delivering on our Programme for Government commitments including investing £800m on brand new rolling stock that will provide new, faster, more comfortable trains, and allow for increased frequency of services and new routes to be established

Delivery of the North East Wales, South West Wales and South East Wales Metros.

We will continue to invest in our metro programmes in South East, South West and North Wales in a way that is integrated with our core service delivery in bus, active travel and rail, therefore budgets are not separately identified. Our investments will also support the development of our rural pathway which will support the development of public transport interventions in rural communities across Wales, and in particularly Mid Wales which does not have a Metro scheme in the region.

The investment will also support the continued development of strategically important projects across Wales to support the delivery of the Wales Transport Strategy and help us achieve the mode shift needed to meet our Net Zero Wales targets. These projects are multi-modal; supporting the development of infrastructure, service design, digital and data developments and behavioural change work in bus, rail and active travel schemes across Wales in areas that maximise potential modal shift

Delivery of the Welsh Government's rail infrastructure priorities.

The capital funding allocated to Transport for Wales will enable them to continue to deliver the Core Valley Lines Transformation Programme which is delivering the upgraded track, signalling and electrification work that will allow for increased and faster services to be provided improving access and connectivity to and from valley communities and Cardiff

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.

Given that TfW is still a relatively new and evolving organisation, we are continually looking for ways to streamline processes, and we will endeavour to offer the Committee sufficient time to scrutinise draft budgets in the future

The recommendations of the South East Wales Transport Commission.

The work of the Burns Delivery Unit will continue to support the delivery of the South East Wales Transport Commission's findings. This will include continued design development and stakeholder engagement to bring forward three measures to final

investment decision as quickly as possible, i) Cardiff to Newport Active Travel and Bus links; ii) Newport Central Infrastructure for Active Travel and Bus priority - design development and stakeholder engagement on Active Travel and Bus priority on routes connecting to Newport Central; iii) Severn Tunnel Junction bus access, and developing and implementing activities with stakeholders to drive modal shift

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.

Funding across transport has been aligned with the sustainable transport hierarchy as set out in the Wales Transport Strategy, this approach prioritises investment in active travel such as walking and cycling and public transport such as bus and rail, above investment in steps which increase private car usage. This approach is fundamental to achieve our challenging modal shift targets and climate change commitments.

On 30th November the Deputy Minister for Climate Change set out in a written statement the latest on the roads review noting that responding to the recommendations is a complex piece of work which has been further complicated by the significant reduction in our spending power. We are now reconsidering our full response to the Roads Review in light of the deteriorating fiscal and economic situation we have been placed in by the UK Government.

We will set out our response, together with those schemes which we will be taking forward, in our National Transport Delivery Plan, which will be published shortly,

There are a number of programmes being delivered across the Strategic Road Network (SRN) intended to be preventative. They include:

- Ash Dieback – Proactive measures to identify and remove diseased trees that could cause safety issues on the SRN.
- Surfacing preventative Treatments – Surface dressing treatments that extend the life of the wearing course of the carriageway, increasing maintenance intervention frequency, lowering cost and carbon.
- Community Safety Programme – proactive safety programme listening to and responding to communities’ needs to improve safety on the SRN.
- Street lighting renewal – changing lamps to LEDs to reduce costs and carbon.
- In order to future proof and prepare for the digitisation of the Strategic Road Network we are investing over £40m in delivering broadband fibre along 152km of the network.

In order to address an estimated £1bn backlog of capital maintenance across all asset types on the SRN officials will seek to develop a Major Asset Renewal (MAR) programme which could be delivered over a 5 to 10 year period with time scales adjusted to match to availability of funding. The programme would not only address the maintenance backlog but could also deliver many of the ambitions and priorities in

the new Wales Transport Strategy particularly around road space reallocation for active travel and public transport and reducing carbon by carrying out maintenance in an efficient holistic manner, using materials with long service lives sourced locally. This programme is currently unfunded

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).

In line with the mode shift targets in Llwybr Newydd and our Net Zero Carbon commitment, active travel continues to be a focus for investment, in particular through the mechanism of the Active Travel Fund. In recognition of the largely local nature of active travel infrastructure, the majority of the funding is directed at local authorities.

The Active Travel Fund is designed to enable local authorities to deliver the active travel route networks which have just been updated and which were approved by Ministers this year. The Fund is made up of a core allocation for each local authority and a competitive funding element. The Fund is complemented by smaller additional funding programmes.

The Safe Routes in Communities Grant is focused on school travel improvements and is geographically not limited to the larger towns which form the focus of the Active Travel Fund.

Funding for active travel schemes on and intersecting with the Strategic Road Network will be prioritised and taken forward in dialogue with the local authorities in which they are located. Active travel schemes that are linked to implementing Metro or South East Wales Transport Commission proposals will also be developed collaboratively in these contexts.

	Active Travel allocations - all LA capital grants					
	18/19	19/20	20/21	21/22	22/23	23/24
Active Travel Fund	£9,031,092	£29,127,943	£25,140,454	£56,003,830	£48,106,000	£57,000,000
Local Transport Fund	£11,267,202	£7,303,259	£896,000	N/A	N/A	N/A
SRIC	£5,048,314	£5,362,121	£4,141,501	6,554,231	£4,263,050	£5,000,000
Additional funding (Covid)			£16,205,917	£1,030,000		
SEWTC AT projects				£517,000		
Financial Transactions capital						2,000,000
Total	£25,346,608	£41,793,323	£46,383,872	£64,105,061	£52,369,050	£64,000,000
Population*	3138631	3152879	3169586	3107500	N/A	N/A
Total per capita	£8.08	£13.26	£14.63	£20.63	£16.85	£20.60

*mid year population estimates up to 20/21, Census data for 21/22, calculation based on latest available		

	Active Travel allocations - other capital funding					
	18/19	19/20	20/21	21/22	22/23	23/24
WG Trunk Road AT programme	£1,650,000	£1,650,000	£1,650,000	£3,650,000	£3,000,000	£3,000,000
Other AT capital grants and expenditure (incl SEWTC & Metro AT projects, NCN enhancements)				£510,000	£4,070,000	4,250,000
Total	£1,650,000	£1,650,000	£1,650,000	£4,160,000	£7,070,000	£7,250,000
Population*	3,138,631	3,152,879	3,169,586	3,107,500	N/A	N/A
Total per capita	£0.53	£0.52	£0.52	£1.34	£2.28	£2.33
*mid year population estimates up to 20/21, Census data for 21/22, calculation based on latest available						

	Active Travel allocations - revenue					
	18/19	19/20	20/21	21/22	22/23	23/24
Active Journeys Programme	£237,000	£375,000	£375,000	£375,000	£375,000	£375,000
Active Travel Fund and ATA implementation support (TfW & LAs)			£1,000,000	£1,549,000	£0	£0
Active Travel Act implementation support	£171,915	£224,446	£178,988	£135,280	£809,300	£1,000,000
Total	£408,915	£599,446	£1,553,988	£2,059,280	£1,184,300	£1,375,000
Population*	3,138,631	3,152,879	3,169,586	3,107,500	N/A	N/A
Total per capita	£0.13	£0.19	£0.49	£0.66	£0.38	£0.44
*mid year population estimates up to 20/21, Census data for 21/22, calculation based on latest available						

	Active Travel -all					
	18/19	19/20	20/21	21/22	22/23	23/24
Total	£27,405,523	£44,042,769	£49,587,860	£70,324,341	£60,623,350	£72,625,000
Population*	3,138,631	3,152,879	3,169,586	3,107,500	N/A	N/A
Total per capita	£8.73	£13.97	£15.64	£22.63	£19.51	£23.37
*mid year population estimates up to 20/21, Census data for 21/22, calculation based on latest available						

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)

We have continued to support the bus industry in 2022-23 through funding to support the industry as they transition to a new normal post COVID

Total per capita					
Bus Revenue support - 2019-20 to 2023-24					
	2019-20	2020-21	2021-22	2022-23	2023-24
Mid-year population estimate Wales*	3,152,879	3,169,586	3,107,500	N/A	N/A
Bus Users UK Cymru Grant	£243,368	£182,918	£289,457	£395,000	£395,000
School Transport	£0	£0	£10,000	£10,000	£10,000
BUS REVENUE SUPPORT	£1,325,425	£6,111,471	£1,061,818	£677,000	£677,000
Community Transport Association - Core Funding	£164,298	£138,284	£285,482	£285,482	£285,482
Bus Services Support Grant	£25,000,000	£25,000,000	£25,000,000	£25,000,000	£25,000,000

Bus Revenue Support - Traws Cymru	£3,741,342	£4,018,818	£3,159,745	£3,159,745	£3,159,745
Traveline Cymru	£998,612	£998,612	£998,616	£998,616	£998,616
Concessionary fares	£26,375,441	£33,915,450	£62,595,259	£60,482,000	£60,482,000
Youth Discounted Travel	£2,531,786	£1,906,536	£1,999,969	£2,000,000	£2,000,000
Bus Emergency Scheme COVID	£0	£70,620,830	£59,099,546	£28,000,000	£28,000,000
Total	£60,380,273	£142,892,919	£154,499,892	£121,007,843	£121,007,843
Total per capita	£19.15	£45.16	£49.72	£38.94	£38.94

Total per capita					
Bus capital support - 2019-20 to 2022-23					
	2019-20	2020-21	2021-22	2022-23	2023-24
Mid-year population estimate Wales *	3,152,879	3,169,586	3,174,970	3,184,311	3,107,500
Concessionary Fares	£35,240,000				
Bus support		£1,000,000			
Bus Cymru - invest in bus services					
Total	£35,240,000	£1,000,000	£0	£0	£0
Total per capita	£11.18	£0.32	£0.00	£0.00	£0.00

Support for local transport priorities.

We will continue to invest in local schemes that support the delivery of the Wales Transport Strategy. Funding in the next financial year will have a focus on 20MPH and bus infrastructure.

As per the Programme for Government commitment we will review how we spend the Local Transport Fund in future years aligned to the priorities set out in the Wales Transport Strategy, and in light of the move towards regional transport planning which CJs are now under a duty to produce.

ENERGY & PLANNING – FUNDING OF ACTIONS

Policies and programmes to support decarbonisation in the housing sector, including allocations for the Welsh Government’s Warm Homes Programme and Optimised Retrofit Programme.

The development of a whole housing stock approach to decarbonisation will provide for a long-term strategy for energy efficiency, fuel poverty and decarbonisation for the sector. It will help meet the expectations of our second carbon budget Net Zero Wales and integrate with broader housing objectives.

The new programme is expected to support the social, owner occupier and private rented sectors. It is expected to be accessible to all, including those in the ‘able to pay’ category, but include emphasis on funding worst homes first, including those in fuel poverty.

The approach will be developed through the learning from the Warm Homes and Optimised Retrofit (ORP) programmes and aligned to other Welsh Government approaches such as the Welsh Housing Quality Standard and Local Area Energy Planning.

A core element of the new programme will be learning from the collaboration and partnership that has been gained through our multiple housing programmes, for example working successfully with local authorities, Registered Social Landlords (RSLs), community groups and others.

Decarbonisation of privately owned homes is undoubtedly more complex than dealing with the social sector or those in fuel poverty so we will continue to apply the ORP ethos of ‘test and learn’. ORP and the Innovative Housing Programme are already encouraging small scale local community initiatives, across housing sectors as a starting point.

In the short-term we will continue to deliver the Warm Homes Programme with the capital budget increasing by £5m to £35m in 2023/24 within the draft budget.

Optimised Retrofit Programme

Ministers have prioritised investment in social housing decarbonisation through the funding made available to social landlords through the Optimised Retrofit Programme (ORP).

We are starting in social housing, before moving to other tenures as this is where we have the most levers. Channelling ORP investment through social landlords supports a ‘testing and learning’ approach to how to decarbonise homes effectively and efficiently.

For the optimised retrofit programme (ORP), targeting test and learn, the investment in social homes is targeted to be £270m over the term of government (with circa £70m invested to date).

Delivery of renewable energy and public sector energy efficiency programmes, including funding for the Welsh Energy Service.

The budget provides capital and revenue to support the operation of the Welsh Government Energy Service. This offers commercial, financial, and technical expertise to the public sector and local energy sector to develop energy efficiency and renewable energy schemes. The service also undertakes a strategic leadership role across the sectors, with a focus on increasing ambition, capacity and capability.

The commitment to Expand renewable energy generation by public bodies and community groups in Wales by over 100MW by 2026 is in addition to the target of 1 gigawatt of locally owned generation by 2030. The programme’s Benefit Realisation Strategy indicates the unit will deliver significant revenue and environmental benefits to Wales. The budget allocations will enable us to establish a small team to develop the concept of a Welsh public developer, as described in the Cooperation Agreement, and in parallel actively develop an initially small number of projects for Welsh Government, and in support of communities and public bodies where capacity is a challenge. The draft budget for 2023/24 increases the capital available to the energy service to £25m from £14.5m in 2022/23. This is further supplemented by loan repayments from previous zero interest loans and will help support upscaled delivery of low carbon heat in the public sector.

Implementation of recommendations and actions arising from the Welsh Government’s deep dive on renewable energy.

Our deep dive into renewable energy outlined opportunities, discussed barriers and proposed actions we can take to support the upscaling of renewable energy generation in Wales. We are taking forward the recommendations from the deep dive group and our budget reflects this work.

We have funded independent analysis and support to inform the development of our forthcoming consultation on refreshed renewable energy targets. We have funded the

Energy Systems Catapult to support the development of Local Area Energy Plans and a national plan and we are resourcing the locally led team to deliver those plans across Wales. We have also appointed external expertise to develop a Heat Strategy for Wales which will include how advice and support is provided to households.

We have prioritised resources to implement the recommendations to address consenting barriers. This includes funding to develop Strategic Resource Areas for Wales' marine environment, funding the end to end review of marine licensing and for National Resources Wales to respond to the growing number of renewable energy projects requiring advice and consenting both onshore and offshore.

Following the deep dive we have increased the funding for the Welsh Government Energy Service (WGES) to support community groups access grants to support their projects. The funding enables the groups to employ staff and explore opportunities for investing in shared ownership projects. We have also awarded Community Energy Wales (CEW) with a four-fold increase of funding to deliver their three-year business plan.

Development of proposals for Ynni Cymru

We continue to work with Plaid Cymru on this important Cooperation Agreement commitment to work towards establishing Ynni Cymru to expand community owned renewable energy in Wales. The work in the short term will focus on the scope of Ynni Cymru working with key partners including Community Energy Wales and the Welsh Government energy Service. We will also focus on how we establish the new entity to support implementation and how Ynni Cymru can work alongside the new large-scale public-sector developer.

Environment

Delivery of the Nature Recovery Action Plan, including management and monitoring of the National Sites Network.

This investment will continue to directly contribute to the delivery of key priorities and actions identified in our Nature Recovery Action Plan (NRAP - <https://gov.wales/nature-recovery-action-plan-2015>) relating to the protection of our habitats and species of principal importance and the creation of resilient ecological networks. This plan is due to be refreshed in 23/24 to reflect the post COP15 Global Biodiversity Framework

The National Sites Network will benefit from funding through the continued delivery of our Nature Networks Programme (NNP) in 23/24 helping to deliver our 30 by 30 target. It is key to improving the condition and connectivity of our terrestrial and marine protected sites, creating resilient ecological networks which will allow our most endangered habitats and species to thrive. It will also help to deliver nature to wherever people live through engagement with local communities benefitting not only our environment but also our health and well-being. Robust monitoring and evaluation will be an integral part of the Nature Networks Programme.

Nature Networks Programme, Local Places for Nature, the National Peatlands Action programme and Natur am Byth.

Nature Networks Programme

Nature Networks Programme (NNP) – This allocation will allow continued delivery of the NNP building on the delivery of Land Management Agreements by NRW and the Nature Networks Fund by Heritage Lottery incorporating the recommendations of the biodiversity deep dive.

Local Places for Nature

The Local Places for Nature Programme is currently in its third year of delivery, with the minimum indicative funding of £23.4M capital and £7.1M revenue allocated for a further two years.

The programme has been very successful in its first two years, with achievements summarised by:

Table 1 – Highlight Outputs for LPfN Programme 2020-2022.

Highlight Output	Totals 2020/21 & 2021/22
Green Spaces Created or significantly enhanced	1460
Wildlife meadows and verges with new mowing practices	455
Community orchards created	290
Community growing projects	345
Volunteers Involved	7000
Trees planted (urban, small dense woodland, verges, parkland)	150 hectares (estimated)

All Programme for Government targeted measures for ‘the creation of Green Spaces’ are deliverable by Local Places for Nature, with many being exceeded. Of particular Biodiversity significance, the programme has funded all Wales changes to the mowing practices of public green spaces and verges. This behaviour change now has momentum which is important to continue.

Welsh Government is currently acting to secure scheme managers competitively to deliver for the next two years.

A minimum funding envelope of £7M Revenue and £23M Capital is required over the next 2 years to ensure programme continuity in line with existing delivery. However, the programme is designed to be flexible to respond to opportunities or take advantage of additional funding.

The flexible nature of the LPfN programme, allows us the rapidly adapt to changing circumstances. As demonstrated by the speed at which my announcement for the

additional £3.3M of funding for Biodiversity actions has been amalgamated into the LPfN Local Nature Partnership Scheme.

This programme is highly adaptable to cross departmental working. As demonstrated by the current pilot scheme for increasing Marine and Coastal Capacity, a *Marine and Coastal Partnership Scheme* enabled through Local Places for Nature Programme.

National Peatlands Action programme

Analysis of evidence relating to net zero targets is the basis for the increase in the National Peatland Action Programme which is critical to delivering the needs of the population of Wales and has informed these spending proposals.

Natur am Byth

Natur am Byth – This allocation will provide the match funding required to deliver this four year NRW led project. The project aims to tackle the decline of the most threatened species in Wales working with a range of partners helping to address the nature emergency.

Outcomes of the Welsh Government's deep dive into biodiversity and anticipated commitments made at COP15.

The Minister for Climate Change is attending COP15 this year. We have committed to develop and set in law nature targets in Wales to drive our future action – funding will be required to support the technical development of these targets (as outlined above). Our key strategies such as the Natural Resources Policy and Nature Recovery Action Plan will also need to be refreshed to reflect the urgent action required to deliver our commitments against the global targets to reverse nature decline.

The Biodiversity Deep Dive resulted in a range of recommendations aimed to drive forward collective actions we can take immediately to support meaningful delivery of the CBD '30 by 30' goal, as well as tackling the nature crisis. Funding will be allocated to support the delivery of the recommendations and actions. Taking effective action to tackle the nature emergency by 2030 will require adequate funding – budget has been allocated to support the development of an innovative future finance model. Funding has been allocated to ramping up delivery of the Peatland Programme and to further work of the Local Nature Partnerships

Development of the new National Park to cover the Clwydian Range and Dee Valley.

Designation of a new National Park to cover the Clwydian Range and Dee Valley is the responsibility of the Minister for Rural Affairs, North Wales & Trefnydd.

A specific budget allocation in 2023-24 will continue the delivery of the Programme for Government commitment to designate a new National Park to cover the Clwydian Range and Dee Valley.

Designating a National Park is a significant undertaking and the majority of this funding enables Natural Resources Wales, our statutory advisors in this area, to undertake the necessary preparatory formal programme. NRW has completed work on the preparation of an updated and streamlined process for assessing the case for new landscape designations in Wales within the context of Welsh legislation. Alongside this, NRW is developing the evidence base required to inform the assessment of the case for the new National Park. NRW will also develop an engagement and consultation process to ensure all stakeholders have a voice. This funding ensures NRW takes the Designation work on as effectively and robustly as possible, with the necessary expertise and capacity. 6 new posts have been recruited into a new Programme team.

The funding also provides additional revenue to the Clwydian Range and Dee Valley AONB to build capacity and resilience while the designation work is taken forward and prior to a new National Park being created in the area.

Delivery of the Clean Air Plan.

The aim of the Clean Air Plan for Wales: Healthy Air, Healthy Wales, is to improve air quality and reduce the impacts of air pollution on human health, biodiversity and our economy. The Plan sets out a pathway to achieving cleaner air, structured around four core themes:-

- People – protecting the health and well-being of current and future generations
- Environment – Taking action to support our natural environment, ecosystems and biodiversity
- Prosperity – Working with industry to reduce emissions, supporting a cleaner and more prosperous Wales
- Place – Creating sustainable places through better planning, infrastructure and transport

We are undertaking a wide range of work with Government departments, different sectors of the economy and the public to drive forward the ambitious actions in the Plan. Funding will support the delivery of its commitments, including action to deliver urgent compliance with statutory NO₂ limits, expansion of our incident response capability, and Local Air Quality Management work (ensuring the regime is health focused and is taking a preventative approach). Measures in the Plan will also help to achieve the UK's emission reduction commitments for pollutants by 2030, and will support our decarbonisation aims

Implementation of the Woodlands for Wales Strategy, including the National Forest Strategy.

The draft budget allocates [£8.1m] revenue and [£23m] capital for forestry. While there is a reduction of £1.1m revenue against previous plans, the forestry revenue budget will still be almost £3m higher in 23/24 compared to 22/23.

This will support funding to develop the National Forest, including through creating new woodlands and enhancing existing ones through further rounds of The Woodland

Investment Grant, seven National Forest liaison officers to work with landowners across Wales, and funding the creation of Tiny Forests.

Forestry funding will also support the Programme for Government commitment to create a Timber Industrial Strategy and cross-border forestry functions such as tree health and the Woodland Carbon Code.

£32m over three years was committed to the new woodland creation schemes launched in August 2022.

Implementation of the National Strategy for Flood and Coastal Erosion Risk Management, including the take up of the Coastal Risk Management Programme.

The National Strategy for Flood and Coastal Erosion Risk Management sets out how we will manage risk from flooding and coastal erosion over the next decade with the objectives to prioritise investment, improve our understanding of risk, build resilience, prevent more people becoming exposed to risk and respond to events.

The additional funding will help meet the objectives of this Strategy as well as contribute towards our Programme for Government and Co-operation Agreement commitments to increase flood capital investment and national resilience. This is demonstrated through our largest ever investment in flood protection committing in the 2022-23 budget more than £214M over 3 years (Capital and Revenue). This investment will enable our Risk Management Authorities to deliver new and improved defences, maintenance and minor works to existing assets, investigation of flood events, awareness raising activities, forecasting, and warning and mapping and modelling of flood risk. The funding will also help improve forward planning.

The increase of funding in the Flood budget will also help deliver the schemes in the Coastal Risk Management Programme which when complete will reduce the risk from flooding and/or coastal erosion to over 15,200 homes and businesses. This will help deliver almost 35% of our Programme for Government commitment to fund additional flood protection for more than 45,000 homes.

The additional revenue will allow for additional flood protection for more than 45,000 homes, deliver nature-based solutions in all major catchments in Wales and establish a targeted scheme to support restoration of seagrass and saltmarsh habitats along our coastline.

Development of permanent environmental governance arrangements, and the work of the Interim Environmental Protection Assessor.

The Welsh Government remains committed to working towards the establishment of an environmental governance body for Wales during this Senedd term. There is a budget of £480,000 available for this work.

Costs incurred for the Interim Environmental Protection Assessor come out of a budget of £45,000 that is set aside for the IEPAW's functions. This budget previously sat in the EU Exit BEL but will be transferred to the Climate Change MEG from the 2nd supplementary budget for 2022-23 and as part of the Budget process for future years. These interim measures provide a route for people to raise concerns about the functioning of environmental law until the permanent measures are in place.

Delivery of the Marine Protected Area Network Management Plan. Natural Resources Wales (NRW) Details of budget allocations for NRW, including:

Budget will be allocated for funding of successful projects that are awarded during the 2023-24 call for actions, delivering on the priorities and objectives laid out in the MPA network management framework for Wales. Allocations are expected to match awards from previous years and sourced from the Marine Ecosystems and Biodiversity budgets when finalised

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

In my letter to the committee in May 2022, I confirmed that my officials were working with NRW to examine the allocation of its resources against its statutory functions and Programme for Government commitments in what was known as the baseline review. I asked NRW, working alongside my officials, to provide further information for consideration by the end of July 2022. This information was provided as requested and work continues with NRW to provide further Grant in Aid funding to give certainty in their budgets from the 2023/24 financial year onward. This includes £800k to ensure their Offshore Renewable Energy Programme is funded. In addition, we will work with NRW to consider a Renewable Energy Service Level Agreement which will consider funding for the OREP alongside arrangements for delivery of recommendations arising from the end to end review of Marine Licensing.

We will continue to work closely with NRW to ensure the resources they have available is both commensurate to need and aligned with their statutory responsibilities and Programme for Government commitments. Over the next years, we will focus on ensuring that NRW have the greatest flexibility possible when allocating their resources and, where possible and appropriate, remove barriers which prevent them from doing so.

National Infrastructure Commission for Wales (NICW) Details of budget allocations for the NICW

In the summer of 2022, the Deputy Minister appointed a Deputy Chair, Dr Jennifer Baxter, and 6 new Commissioners to work alongside the Chair, Dr David Clubb.

In November, NICW published its annual report, setting out its work programme for the next 3 years.

Research on renewable energy is underway. This involves three pieces of work looking at the tensions arising from renewable energy developments; how we can best

capture the value of renewable energy for Wales; and how we could be engaging with communities on renewable energy developments in the future. Commissioners Aleen Khan and Nick Tune are leading on this work.

The Co-operation Agreement between Labour and Plaid Cymru commits NICW to assessing how the nationwide likelihood of flooding of homes, businesses and infrastructure can be minimised by 2050.

Work is currently underway to scope out projects which will assist NICW in undertaking this assessment. A Project Advisory Group of technical experts is also being formed to help guide this work. Commissioners Eurgain Powell and Eluned Parrott are leading on this work.

CLIMATE CHANGE																	
RESOURCE BUDGET			£'000													COMMENTS	
Action	BEL No.	BEL Description	2022-23 Final Budget March 2022	2023-24 Indicative Final Budget March 2022	2023-24 Budget Reprioritisation	MEG to MEG Transfers	Transfers Within MEG	Allocations to / from Reserves	2023-24 Draft Budget December 2022	2024-25 Indicative Final Budget March 2022	2024-25 Budget Reprioritisation	MEG to MEG Transfers	Transfers Within MEG	Allocations to / from Reserves	2024-25 Draft Budget December 2022		
Develop and deliver overarching policy and programmes on sustainable development and natural resource management	2812	Environment Legislation, Governance and Communications	181	181					181	181					181		
Total Develop and deliver overarching policy and programmes on sustainable development and natural resource management			181	181	0	0	0	0	181	181	0	0	0	0	181		
Fuel Poverty Programme	1270	Fuel Poverty Programme	4,370	4,370					4,370	4,370					4,370		
Total Fuel Poverty Programme			4,370	4,370	0	0	0	0	4,370	4,370	0	0	0	0	4,370		
Develop and implement climate change policy, energy efficiency, Green Growth and environmental protection	2809	Welsh Government Energy Service	3,970	3,970					3,970	3,970					3,970		
2817	Environment Protection	5,450	6,200					6,200	6,650					6,650			
3770	Clean Energy	8,457	10,457					9,836	11,457					10,836			
3771	Climate Change Action	3,486	4,486					4,486	5,486					5,486			
Total Develop and implement climate change policy, energy efficiency, Green Growth and environmental protection			21,363	25,113	-621	0	0	0	24,492	27,563	-621	0	0	0	26,942		
Develop and implement flood and coastal risk, water and sewage policy and legislation	2230	Flood Risk Management & Water Policy Delivery	38,130	46,880					43,840	55,430					52,390		
2232	Coal Tip Safety Delivery	3,000	4,000					4,000	4,500					4,500			
Total Develop and implement flood and coastal risk, water and sewage policy and legislation			41,130	50,880	0	-3,040	0	0	47,840	59,930	0	-3,040	0	0	56,890		
Deliver nature conservation and forestry policies and local environment improvement	2195	Landfill Disposals Tax Communities Scheme	1,500	1,500					1,500	1,500					1,500		
2832	Enabling Natural Resources	4,388	4,388					3,008	4,388					3,008			
2825	Biodiversity, Evidence and Plant Health	11,125	11,225					11,225	10,925					10,925			
2827	Forestry	5,221	9,221					8,121	13,221					12,121			
2827	New entry Forestry - Non cash	83	83					83	83					83			
2820	Local Places for Nature	2,500	3,400					3,400	3,700					3,700			
2837	Environment Act Implementation	791	791					791	791					791			
Total Deliver nature conservation and forestry policies and local environment improvement			25,608	30,608	-2,480	0	0	0	28,128	34,608	-2,480	0	0	0	32,128		
Sponsor and manage delivery bodies	2451	Natural Resources Wales	60,164	60,164					60,164	60,164				2,000	62,164		
2451	New entry Natural Resources Wales - Non cash	10,000	10,000					10,000	10,000					10,000			
Total Sponsor and manage delivery bodies			70,164	70,164	0	0	0	0	70,164	70,164	0	0	0	2,000	72,164		
Developing an appropriate evidence base to support the work of the Department	2814	Environment Management (Pwllperian) - Non cash	38	38					38	38					38		

	Total Developing an appropriate evidence base to support the work of the Department		38	38	0	0	0	0	38	38	0	0	0	0	38
Increase Resource Efficiency and Support Transition to a Circular Economy	2190	Resource Efficiency and Circular Economy	36,816	36,816	-1,575				35,241	36,816	-1,575				35,241
	Total Increase Resource Efficiency and Support Transition to a Circular Economy		36,816	36,816	-1,575	0	0	0	35,241	36,816	-1,575	0	0	0	35,241
Promote and support protected landscapes, wider access to green space	2490	Landscape & Outdoor Recreation	12,416	12,416	-300				12,116	12,416	-300			500	12,616
	Total Promote and support protected landscapes, wider access to green space		12,416	12,416	-300	0	0	0	12,116	12,416	-300	0	0	500	12,616
Restore, Maintain and Improve Marine Environment	2875	Marine Policy, Evidence and Funding	1,911	1,911					1,911	1,911					1,911
	Total Restore, Maintain and Improve Marine Environment		1,911	1,911	0	0	0	0	1,911	1,911	0	0	0	0	1,911
Homelessness Prevention	1120	Homelessness	31,147	36,147			10,000		46,147	41,147			10,000		51,147
	Total Homelessness Prevention		31,147	36,147	0	0	0	10,000	46,147	41,147	0	0	0	10,000	51,147
Independent Living	1100	Housing Policy	6,471	6,471					6,471	6,471					6,471
	1083	Housing Support Grant	166,763	166,763					166,763	166,763					166,763
Total Independent Living		173,234	173,234	0	0	0	0	173,234	173,234	0	0	0	0	173,234	
Achieve Quality Housing	1065	Residential Decarbonisation & Quality	773	2,173					2,173	2,673					2,673
	Total Achieve Quality Housing		773	2,173	0	0	0	0	2,173	2,673	0	0	0	0	2,673
Building Safety	2255	Building Safety	8,545	9,545	-3,545				6,000	10,045	-3,545				6,500
	Total Building Safety		8,545	9,545	-3,545	0	0	0	6,000	10,045	-3,545	0	0	0	6,500
Increase the Supply and Choice of Affordable Housing	0984	Housing Finance Grant	13,100	13,100					13,100	13,100					13,100
	Total Increase the Supply and Choice of Affordable Housing		13,100	13,100	0	0	0	0	13,100	13,100	0	0	0	0	13,100
Housing Revenue Funding	1181	Housing Programme Revenue Funding	1,073	1,073	-900				173	1,073	-900				173
	Total Housing Revenue Funding		1,073	1,073	-900	0	0	0	173	1,073	-900	0	0	0	173
Land Division	6410	Land Release Fund	2,120	2,150					2,150	2,250					2,250
	Total Land Division		2,120	2,150	0	0	0	0	2,150	2,250	0	0	0	0	2,250
Regeneration	4151	Regeneration	2,116	2,186	-915				1,271	2,586	-915				1,671
	4162	Cardiff Harbour Authority	5,400	5,400					5,400	5,400					5,400
Total Regeneration		7,516	7,586	-915	0	0	0	6,671	7,986	-915	0	0	0	7,071	
Planning and Regulation	2256	Planning and Environment Decisions Wales	2,997	2,997					2,997	2,997					2,997
	2250	Planning & Regulation Expenditure	2,099	2,099					2,099	2,099					2,099
Total Planning and Regulation		5,096	5,096	0	0	0	0	5,096	5,096	0	0	0	0	5,096	
Delivering the Digital Strategy	3759	Centre for Digital Public Services	4,900	4,900	-106				4,794	4,900	-106				4,794
	Total Delivering the Digital Strategy		4,900	4,900	-106	0	0	0	4,794	4,900	-106	0	0	0	4,794
Strategic Infrastructure	3822	Public Sector Broadband Aggregation	11,500	11,500					11,500	11,500					11,500
	3830	Strategic Infrastructure Development	950	950					950	950					950

	3860	ICT Infrastructure Operations	1,527	1,527					1,527	1,527					1,527	
	3860	ICT Infrastructure Operations - Non Cash	2,309	2,309					2,309	2,309					2,309	
Total Strategic Infrastructure			16,286	16,286	0	0	0	0	16,286	16,286	0	0	0	0	16,286	
Motorway & Trunk Road Operations	1884	Network Asset Management	4,481	4,481					4,481	4,481					4,481	
	1885	Network Operations	66,023	66,023					66,023	66,023					66,023	
Total Motorway & Trunk Road Operations			70,504	70,504	0	0	0	0	70,504	70,504	0	0	0	0	70,504	
Improve and Maintain Trunk Road Network (Domestic Routes) - Non Cash	1886	Network Operations Non Cash	188,691	188,691					188,691	188,691					188,691	
Total Improve and Maintain Trunk Road Network (Domestic Routes) - Non Cash			188,691	188,691	0	0	0	0	188,691	188,691	0	0	0	0	188,691	
Road, Rail, Air and Sea Services and Investment	1883	Aviation	5,732	4,402					4,402	2,422					2,422	
	1890	Rail Ancillary	850	850					850	850					850	
	1895	Transport for Wales	254,531	218,861	-9,603			25,000	254,258	220,841	-9,603			25,000	253,738	Net position of a £10m reduction from Public Transport then offset by a £42.5m additional allocation from reserves. Original reduction was set against BEL 1880 which has been re-instated for draft budget.
	1895	Transport for Wales - Non cash	38,000	38,000				5,000	38,000	38,000				2,500	38,000	
Total Road, Rail, Air and Sea Services and Investment			299,113	262,113	-9,603	0	0	45,000	297,510	262,113	-9,603	0	0	42,500	295,010	
Sustainable Travel	1880	Bus Support	61,005	61,005					61,005	61,005					61,005	
	2000	Concessionary Fares	60,482	60,482					60,482	60,482					60,482	
	2001	Youth Discounted Travel Scheme	2,000	2,000					2,000	2,000					2,000	
	2030	Sustainable and Active Travel	1,930	1,930					1,930	1,930					1,930	
Total Sustainable Travel			125,417	125,417	0	0	0	0	125,417	125,417	0	0	0	0	125,417	
Improve Road Safety	1892	Road Safety	5,000	5,000					5,000	5,000					5,000	
Total Improve Road Safety			5,000	5,000	0	0	0	0	5,000	5,000	0	0	0	0	5,000	
CLIMATE CHANGE - TOTAL RESOURCE BUDGET			1,166,512	1,155,512	-20,045	-3,040	0	55,000	1,187,427	1,177,512	-20,045	-3,040	0	55,000	1,209,427	

CAPITAL BUDGET			£'000													COMMENTS	INVESTMENT AREA(S)
Action	BEL No.	BEL Description	2022-23 Final Budget March 2022	2023-24 Indicative Final Budget March 2022	2023-24 Budget Reprioritisation	MEG to MEG Transfers	Transfers Within MEG	Allocations to / from Reserves	2023-24 Draft Budget December 2022	2024-25 Indicative Final Budget March 2022	2024-25 Budget Reprioritisation	MEG to MEG Transfers	Transfers Within MEG	Allocations to / from Reserves	2024-25 Indicative Draft Budget December 2022		
Fuel Poverty Programme	1270	Fuel Poverty Programme	30,000	35,000					35,000	35,000					35,000	Fuel Poverty Warm Homes	
Total Fuel Poverty Programme			30,000	35,000	0	0	0	0	35,000	35,000	0	0	0	0	35,000		
Develop and implement climate change policy, energy efficiency, Green Growth and environmental protection	2809	Welsh Government Energy Service	14,553	25,000					25,000	25,000					25,000	Invest to save Welsh Government Energy Service and Smart Living	
	2817	Environment Protection	5,000	2,150					2,150	300					300	Air quality 2022-23 allocation £5m, 2023-24 allocation 2.1m and 2024-25 allocation £0.3m	

	Total Develop and implement climate change policy, energy efficiency, Green Growth and environmental protection		19,553	27,150	0	0	0	0	27,150	25,300	0	0	0	0	25,300	
Develop and implement flood and coastal risk, water and sewage policy and legislation	2230	Flood Risk Management & Water Policy Delivery	44,000	49,000					49,000	49,000					49,000	Coal tip response - 2022-23 allocation 23.1m, 2023-24 allocation 11m, 2024-2025 allocation 10.3m
																Flood and coastal risk management allocation 34m across all years
	2232	Coal Tip Safety Delivery	23,100	11,000					11,000	10,300					10,300	Water quality 2022-23 allocation 10m, 2023-24 allocation 15m and 2024-25 allocation 15m
	Total Develop and implement flood and coastal risk, water and sewage policy and legislation		67,100	60,000	0	0	0	0	60,000	59,300	0	0	0	0	59,300	
Deliver nature conservation and forestry policies and local environment improvement	2832	Enabling Natural Resources	2,000	2,000					2,000	500					500	Environmental Grants
	2825	Biodiversity, Evidence and Plant Health	10,800	13,400					13,400	13,200					13,200	Biodiversity 2022-23 allocation 20m, 2023-24 allocation 25m and 2024-25 allocation 25m
	2827	Forestry	9,000	23,000					23,000	25,000					25,000	National Forest 2022-23 allocation 9m, 2023-24 allocation 23m and 2024-25 allocation 25m
	2820	Local Places for Nature	9,200	11,600					11,600	11,800					11,800	
	Total Deliver nature conservation and forestry policies and local environment improvement		31,000	50,000	0	0	0	0	50,000	50,500	0	0	0	0	50,500	
Sponsor and manage delivery bodies	2451	Natural Resources Wales	2,358	2,358					2,358	2,356					2,356	NRW GIA - 2022-23 allocation 2.4m 2023-24 allocation 2.4m and 2024-25 allocation 2.4m
	Total Sponsor and manage delivery bodies		2,358	2,358	0	0	0	0	2,358	2,356	0	0	0	0	2,356	
Increase Resource Efficiency and Support Transition to a Circular Economy	2190	Resource Efficiency and Circular Economy	40,000	60,000					60,000	60,000					60,000	Circular Economy
	Total Increase Resource Efficiency and Support Transition to a Circular Economy		40,000	60,000	0	0	0	0	60,000	60,000	0	0	0	0	60,000	
Promote and support protected landscapes, wider access to green space	2490	Landscape & Outdoor Recreation	5,000	5,000					5,000	5,000					5,000	Landscape & Outdoor Recreation
	Total Promote and support protected landscapes, wider access to green space		5,000	5,000	0	0	0	0	5,000	5,000	0	0	0	0	5,000	
Independent Living	1285	Rapid Response Adaption Programme	19,500	19,500					19,500	19,500					19,500	Integrated Care Fund & Adaptations
	1182	Private Rented Sector	500	1,500					1,500	1,500					1,500	Private Rented Sector Supply
	Total Independent Living		20,000	21,000	0	0	0	0	21,000	21,000	0	0	0	0	21,000	
Homelessness Prevention	1120	Homelessness Prevention	10,000	0					0	0					0	
	Total Homelessness Prevention		10,000	0	0	0	0	0	0	0	0	0	0	0	0	
Integrated Care Fund	0986	Integrated Care Fund	60,500	60,500					60,500	60,500					60,500	Integrated Care Fund & Adaptations
	Total Integrated Care Fund		60,500	60,500	0	0	0	0	60,500	60,500	0	0	0	0	60,500	
Achieve Quality Housing	1061	Major Repairs Allowance and Dowry Gap Funding	108,000	108,000					108,000	108,000					108,000	Decarbonisation of Welsh Homes
	1065	Residential Decarbonisation & Quality	107,000	92,000					92,000	92,000					92,000	Decarbonisation of Welsh Homes
	Total Achieve Quality Housing		215,000	200,000	0	0	0	0	200,000	200,000	0	0	0	0	200,000	
Increase the Supply and Choice of Affordable Housing	0982	Social Housing Grants (SHG)	310,000	330,000					330,000	325,000					325,000	Social Housing
	0989	Land for Housing	8,000	0					0	0					0	Social Housing
	0989	Land for Housing - Repayment	0	-1,930					-1,930	-3,000					-3,000	Social Housing
	Total Increase the Supply and Choice of Affordable Housing		318,000	328,070	0	0	0	0	328,070	322,000	0	0	0	0	322,000	
Building Safety	2255	Building Safety	75,000	135,000					135,000	165,000					165,000	Building Safety

		Total Building Safety	75,000	135,000	0	0	0	0	135,000	165,000	0	0	0	0	165,000	
Increase the Supply and Choice of Market Housing	0987	Market Housing and Other Schemes	10,000	25,000					25,000	25,000					25,000	Market Housing
	0987	Market Housing and Other Schemes - Repayment	-2,090	-2,440					-2,440	-2,830					-2,830	
	0980	Homebuy	2,000	2,500					2,500	4,000					4,000	Homebuy
		Total Increase the Supply and Choice of Market Housing	9,910	25,060	0	0	0	0	25,060	26,170	0	0	0	0	26,170	
Land Division	6410	Land Release Fund	20,000	20,000					20,000	25,000					25,000	Social Housing
	6410	Land Release Fund - Repayment	0	0					0	-9,361					-9,361	Social Housing
		Total Land Division	20,000	20,000	0	0	0	0	20,000	15,639	0	0	0	0	15,639	
Regeneration	4151	Regeneration	25,000	50,000					50,000	50,000					50,000	Building Safety
		Total Regeneration	25,000	50,000	0	0	0	0	50,000	50,000	0	0	0	0	50,000	
Strategic Infrastructure	3830	Strategic Infrastructure Development	7,500	14,500					14,500	5,000					5,000	Strategic Infrastructure A
	3860	ICT Infrastructure Operations	15,000	-26,500					-26,500	20,000					20,000	Digital Infrastructure
		Total Strategic Infrastructure	22,500	-12,000	0	0	0	0	-12,000	25,000	0	0	0	0	25,000	
Motorway & Trunk Road Operations	1885	Network Operations	125,000	190,000			-5,000		185,000	185,000					185,000	Reduction for CVL Mitigation as per MA JJ XXXXXX Roads & Road Safety Grants - Roads
		Total Motorway & Trunk Road Operations	125,000	190,000	0	0	-5,000	0	185,000	185,000	0	0	0	0	185,000	
Road, Rail, Air and Sea Services and Investment	1883	Aviation	7,212	13,328					13,328	1,783					1,783	Aviation
	1895	Transport for Wales	400,000	150,000			46,672		196,672	35,000			40,217		75,217	Increase for CVL Mitigation as per MA JJ XXXXXX Rail
	1893	Marine Energy	4,000	10,000			-3,000		7,000	10,000					10,000	Reduction for CVL Mitigation as per MA JJ XXXXXX Strategic Infrastructure B (Marine Energy)
		Total Road, Rail, Air and Sea Services and Investment	411,212	173,328	0	0	43,672	0	217,000	46,783	0	0	40,217	0	87,000	
Sustainable Travel	1880	Bus Support	25,000	80,000			-22,000		58,000	80,000			-12,000		68,000	Reduction for CVL Mitigation as per MA JJ XXXXXX Bus
	1882	Local Transport Priorities	17,500	40,000			-6,672		33,328	50,000			-10,000		40,000	Reduction for CVL Mitigation as per MA JJ XXXXXX Local Transport Fund
	2030	Sustainable and Active Travel	78,788	103,672			-10,000		93,672	117,217			-18,217		99,000	Reduction for CVL Mitigation as per MA JJ XXXXXX Active Travel
	2030	Sustainable and Active Travel - Repayment	-348	-360					-360	-372					-372	Active Travel
		Total Sustainable Travel	120,940	223,312	0	0	-38,672	0	184,640	246,845	0	0	-40,217	0	206,628	
Improve Road Safety	1892	Road Safety	16,500	4,000					4,000	4,000					4,000	Roads & Road Safety Grants - Road Safety Grants
		Total Improve Road Safety	16,500	4,000	0	0	0	0	4,000	4,000	0	0	0	0	4,000	
CLIMATE CHANGE - TOTAL CAPITAL BUDGET			1,644,573	1,657,778	0	0	0	0	1,657,778	1,605,393	0	0	0	0	1,605,393	

RESOURCE BUDGET - Annually Managed Expenditure			£'000							COMMENTS
#REF!	#REF!	#REF!	2022-23 Final Budget March 2022	2023-24 Indicative Final Budget March 2022	2023-24 Changes	2023-24 Draft Budget December 2022	2024-25 Indicative Final Budget March 2022	2024-25 Changes	2024-25 Indicative Draft Budget December 2022	

Increase the Supply and Choice of Market Housing	0981	Market Housing - AME	3,756	2,812	-8,122	-5,310	2,740	-8,040	-5,300	To reflect latest figures submitted to OBR - August 2022
Total Increase the Supply and Choice of Market Housing			3,756	2,812	-8,122	-5,310	2,740	-8,040	-5,300	
Motorway & Trunk Road Operations - Non Cash	1940	Roads Impairment - AME	94,637	119,636	28,876	148,512	0	30,232	30,232	To reflect latest figures submitted to OBR - August 2022
Total Motorway & Trunk Road Operations - Non Cash			94,637	119,636	28,876	148,512	0	30,232	30,232	
Road, Rail, Air and Sea Services and Investment	1896	Transport for Wales - AME	2,000	2,000	0	2,000	2,000	0	2,000	
Total Road, Rail, Air and Sea Services and Investment			2,000	2,000	0	2,000	2,000	0	2,000	
New entry Sponsor and Manage Delivery Bodies	2452	New entry NRW Provision for Pensions - AME	0	0	10,000	10,000	0	10,000	10,000	To reflect latest figures submitted to OBR - August 2022
	2453	New BEL NRW Impairment of Forestry & Biological Assets - AME	0	0	-100,000	-100,000	0	-100,000	-100,000	To reflect latest figures submitted to OBR - August 2022
Total Sponsor and Manage Delivery Bodies			0	0	-90,000	-90,000	0	-90,000	-90,000	
CLIMATE CHANGE- TOTAL RESOURCE AME BUDGET			100,393	124,448	-69,246	55,202	4,740	-67,808	-63,068	

CLIMATE CHANGE - SUMMARY	2022-23 Final Budget March 2022	2023-24 Indicative Final Budget March 2022	2023-24 Changes	2023-24 Draft Budget December 2022	2024-25 Indicative Final Budget March 2022	2024-25 Changes	2024-25 Indicative Draft Budget December 2022
Resource	1,166,512	1,155,512	31,915	1,187,427	1,177,512	31,915	1,209,427
Capital	1,644,573	1,657,778	0	1,657,778	1,605,393	0	1,605,393
Total Resource & Capital	2,811,085	2,813,290	31,915	2,845,205	2,782,905	31,915	2,814,820
Total AME	100,393	124,448	-69,246	55,202	4,740	-67,808	-63,068
CLIMATE CHANGE - TOTAL BUDGET	2,911,478	2,937,738	-37,331	2,900,407	2,787,645	-35,893	2,751,752