

Jayne Bryant MS

Cabinet Secretary for Housing and Local Government

16 December 2024

Draft Budget scrutiny 2025-26

Dear Jayne,

Thank you for your response to our latest letter regarding decarbonisation of housing. We appreciate your engagement with the Committee on this topic.

The Climate Change, Environment and Infrastructure Committee has started its preparations for scrutiny of the Welsh Government's draft Budget for 2025-26.

Following publication of the draft budget on 10 December 2024, and to assist the Committee in its preparations, I would be grateful if you would provide information to address the matters set out in Annex 1. 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.

I should be grateful for a response as soon as possible, and by **23 January** at the latest.

I am copying this letter to John Griffiths MS, Chair of the Local Government and Housing Committee.

Yours sincerely,



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

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



Warm Homes Programme

The new Warm Homes Programme commenced in April 2024. Eligible households will receive a 'Whole House Assessment', captured in a 'passport' showing the work required and the order in which it will be done. The new programme will also prioritise low carbon technologies 'where it makes sense to do so'.

Both the resource and capital budgets for the programme have increased – capital from £35m to £37.5m, and resource from £2.48m to £3.73m.

- Will these allocations enable the prioritisation of low carbon technologies in a greater number of households accessing support through the programme?
- What is your estimate of the number of households you will support through the programme in 2025-26, and how does this compare to previous years?
- How have the changes to the programme's eligibility criteria and the increased budget cap per household impacted the number of households eligible for support?
- Why does responsibility for the Warm Homes Programme (the Welsh Government's 'primary mechanism to tackle fuel poverty') sit in your portfolio, when responsibility for fuel poverty sits with the Cabinet Secretary for Social Justice?
- How are you working for the Cabinet Secretary for Social Justice to balance the need to decarbonise homes through deeper retrofit with the urgent need to tackle fuel poverty?
- Can you provide an update on work to develop an area-based scheme as part of the programme, and clarify whether any of the budget allocation under this BEL is earmarked for such a scheme?

Residential decarbonisation and quality

Capital funding for residential decarbonisation and quality has decreased from £96m to £95m, and resource funding has remained static at £1.673m.

- Can you outline which projects and programmes fall under this BEL?
- How much funding has been allocated to the Optimised Retrofit Programme (ORP), and what are the priorities for its next phase (ORP4)?
- How will allocations under this budget line support owner occupiers to decarbonise their homes?

Launched in October 2024, Green Homes Wales is a Welsh Government initiative, managed by the Development Bank of Wales. It is designed to support eligible homeowners in making energy efficient improvements to their homes. The Scheme offers both interest free financing and fully funded expert support, aiming to help householders save money on energy bills and reduce carbon emissions.

- How much funding has been allocated to Green Home Wales for 2025-26, and how many households do you estimate the scheme will support during that period?